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About the Conference

The 6th ICHSS 2016 is organized in London by MCSER-Mediterranean Center of Social and Educational Research in cooperation with the CIT University, Italian Academy of Science and Education, Sapienza University of Rome and Richtmann Publishing. The conference addressed all studies across the social and human sciences. In the spirit of interdisciplinary interchange, the Conference has involved scholars, teachers and researchers working in a broad range of areas including: Education, Anthropology, Applied Sciences, Behavioral Sciences, Cognitive Science, Literature, Language, Communications, History, Economics, Environmental Sciences, Health Sciences, Humanities, Interdisciplinary Studies, Law, Management, Media, Politics, Public Policy, Psychology, Qualitative Methods, Quantitative Methods, Social Welfare, Sociology, Technology, Geography and many other areas related to the social and human sciences. The conference provides an opportunity for academicians and professionals from various social and human fields all over the world to come together and learn from each other. An additional goal of the conference is to provide a place for academicians and professionals with cross-disciplinary interests to meet and interact with members inside and outside their own particular disciplines. The sixth edition of the ICHSS is held in London on December 10, 2016.

Vision of the conference

The 6th ICHSS is a global annual event with the mission of furthering the advancement and innovation in human and social sciences. The Conference serves as a means to connect and engage professors, researchers, consultants, innovators, managers, students, policy makers and others to offers an opportunity to meet and share ideas. It also inspire a new generation of global scientists and leaders in countries around the world.

Co-Partners

The Conference is organized by Mediterranean Center of Social and Educational Research in collaboration with CIT University, Italian Academy of Science and Education, Sapienza University and Richtmann Publishing.

Publications

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The Macroeconomic Landscape of Post-Apartheid South Africa: 
A Critical Review of the Effect of the Broad-Based Black Economic Empowerment (BBBEE) 
Program on the Success of Female SMEs Operators 

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Abstract 

Previous business research has highlighted the impact of government policy in the processes of formulating business strategies and in the decision-making process of organizations. In the South African context, a review of this impact on organizational strategy is for the most part important especially after the fall of apartheid as businesses have been saddled with widespread institutional change the purpose of which is to redress historic inequalities that characterized the apartheid regime. Specifically, the introduction of a far-reaching B-BBEE policy aimed at increasing participation of PIDs in economic activities. Previous researchers have been focused on the impact of B-BBEE policy on mergers and acquisitions, strategic decisions and value chain structures, as well as ROEs. The current report from STATS-SA indicates that the failure rate for women-owned businesses remains at a high rate despite the implementation of the B-BBEE policy. Therefore, research on the impact of B-BBEE on business strategy and success of female SMMEs operators may provide an accurate and deep understanding that will be beneficial to policymakers because of the social pressures to emphasis more on a 'broad-based' BEE (B-BBEE) policy aimed at increasing the participation of the black population (and in particular women) in economic activities as well as increasing the number of black ownership in businesses or creating employment for the black population. This study used appropriate data tools and techniques to analyze the data drawn from a sample of female entrepreneurs in South Africa. The study applies culturally instantiated facets of the debate on gender entrepreneurship as part of a detailed and empirically sophisticated consideration of the status of female entrepreneurship within South Africa. This paper involves an in-depth survey using the ten dimensions of business performance as a basis to study small South African women-owned businesses given that the approach is useful in the development of a theory in fields where not much research has been undertaken. The businesses studied for this research are based on a setting where B-BBEE program is a principal factor in the strategic framework of the South African female business owner. This paper contributes to existing literature on the implications of the B-BBEE program on SMEs by studying the relationship between business strategies, outcomes, and the B-BBEE program. 

Keywords: Women’s entrepreneurship, B-BBEE, Businesses success, Macro-economic landscape. 

1. Introduction 

In 1994 the newly elected first democratic government in South Africa inherited an economic system that was characterized by low growth, high government debt, mass unemployment, poverty, and inequality with little worker protection, especially of African (Black) workers. Therefore, there was a need to address these socio-economic problems by combining a development path of job creation through macroeconomic stability, fiscal discipline, and export-oriented growth as well as a radical restructuring of the labour market with a focus on worker rights. Hence, during the 1990s South Africa was admitted back into the global market by the removal of sanctions and deliberate trade liberalizations; several reformist labour policies were also formulated to create a more inclusive labour market. The rationale of these regulations was to create an environment that would improve the quality of employment for South Africans, especially those most disadvantaged group under apartheid. Together these two broad policy changes presented a tension which firms had to cope with which was how to respond to a new set of labour regulations whilst at the same time facing increased global competition (Edwards et al. 2014). 

1.1 Economic Restructuring of Post-Apartheid South Africa 

As a result of the collapse of Apartheid in 1990 and the subsequent election of the first democratic ANC-led government
in 1994, the South African government was faced with the task of rectifying past injustices with a sclerotic economy. The government has been burdened with high debt levels and other structural challenges arising from Apartheid. To tackle these challenges, it introduced a major policy plan: The Reconstruction and Development Plan (RDP). The aim of which was to try and redress the imbalances of the past administration, socially, economically, and spatially by combining growth, development, reconstruction, redistribution, and reconciliation into a single unified strategy. The RDP contended that growth and development were not mutually exclusive ideologies and specifically, that development without growth would not be financially possible, while growth without development would simply reinforce existing problems and consequently not be socially and politically sustainable for South Africa (Reitzes 2009).

The RDP had a seven-fold agenda and the most notable one was the upgrading of infrastructure with a focus on resource-based industries, change in labour and worker rights, and a focus on industry, trade, and commerce. In parallel to the RDP the ANC adopted a conservative financial approach which entailed constrained government spending, appropriate tax reforms and a review of existing exchange controls – the abolition of the Financial Rand was the initial step in normalizing the currency controls (Corder 1997). This conservative macroeconomic approach was a consequence of the largely inherited debt burden and the new democratic government, therefore, lacked fiscal space. It was also an attempt to make South Africa a more competitive country in terms of global production and exporting behavior, whilst not neglecting smaller firms that have the potential to absorb excess labour. The RDP promised to attempt to alleviate the main constraints faced by SMMEs, specifically: the inaccessibility of resources such as start-up finance, markets, human resources, and utilitarian institutional provisions.

1.2 The macroeconomic framework in post-Apartheid South Africa

While the pre-democratic apartheid government spent considerably on economic infrastructure particularly on energy, the post-apartheid government inherited social infrastructure which reflected the racial inequalities that characterised the Apartheid system. The democratic governments, therefore, allocated expenditure on two different types of infrastructure: social and economic. Consequently, in line with the Reconstruction and Development Program (RDP), infrastructure spending of the 1990s and early 2000s concentrated on health, education and community services including connecting informal settlements to electricity and water networks (Presidency 2014).

However, it has become apparent over the years that the investment in the economic infrastructure is severely lacking as continuous economic growth and overall social improvements have placed a substantial burden on the old infrastructure. Therefore, in 2006, in line with the ‘Accelerated Shared Growth Initiative South Africa’ (ASGISA), the South African government pledged to refocus its infrastructure spending on economic infrastructure (Presidency 2014). Small businesses contribute approximately 57% to the South African GDP, and are responsible for approximately 61% of South African employment, showing that SMMEs have only grown in importance over the years (Abor and Quartey 2010). Women-owned businesses have been on the rise also, thereby stimulating a surge of scholarly interests in women entrepreneurship in South Africa (Botha 2006; Irene 2016).

1.3 The Broad-Based Black Economic Empowerment (B-BBEE) Agenda

The growth strategy of the DTI for the country “includes a focus on broadening participation, equity and access to redress for all economic citizens, particularly those ‘previously disadvantaged individuals’ (PIDs) or marginalised” (DTI 2007). This strategy informed the creation of a special so-called ‘B-BBEE unit’ within the department to “work towards ensuring, through equity and empowerment policies and strategic interventions, that the South African economy is restructured, to enable the meaningful participation of black people, women and rural or under-developed communities in the mainstream economy, in a manner that has a positive impact on employment, income redistribution, structural re-adjustment and economic growth” (DTI 2007). The DTI describes the B-BBEE (broad-based black economic empowerment) as “a specific government policy to advance economic transformation and enhances the economic participation of black people in the South African economy” (DTI 2007).

The B-BBEE strategy which heralded the declaration of the B-BEE Act clearly explains its rationale (specifically for transformation), its purpose (i.e. dismantling the economic legacy of apartheid) and its strategy as well providing clear

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1 Micro, small and medium enterprises (SMMEs) formed an integral part of the RDP, with increased emphasis on individuals creating survivalist enterprises.

2 The South African Department of Trade and Industry
definitions, policy objectives and instrument, main principles, funding provisions and various adjuncts, which contain, for example, the “balanced scorecard”, definitions and draft regulations (DTI 2011a). A “balanced scorecard” is to measure B-BBEE by using scores for empowering the black people directly and indirectly, as well as the development of human resource. The B-BBEE Act, essentially encompasses measures for “the economic empowerment of all black people including women, workers, [the] youth, people with disabilities and people living in rural areas through diverse but integrated socio-economic strategies”. The term ‘Black people’ generically refers to Africans, coloureds and Indians. The main aims of article 2 of the B-BBEE Act are to facilitate:

- The promotion of economic transformation and enabling the participation of PIDs in the economy;
- The achievement of a significant change in the racial configuration of business management and ownership structures in SMEs (existing and new);
- Enhancing a surge in the number of businesses created by community members, employees, joint venture, and joint ownerships (for new and existing enterprises) as well as improving the access of PIDs to economic activities, infrastructure, and skills training;
- Increasing the rate of black men and women-own businesses and increasing the number of the black population in the management structure of existing and new initiatives as well as increased access to financial and human resources;
- Promoting investment programs with the aim of achieving broad-based and impactful participation of the black population in the South African economy the purpose of which is ensuring sustainable development and wealth creation for the populace;
- Empowering rural and local communities by empowering access to economic activities, land, infrastructure, business ownership and skills development; and
- Promoting financial access for the economic empowerment the black population.

The black economic empowerment (BEE) program and even the modified B-BBEE is not short of critics. For instance, Moeletsi Mbeki3, contends that “it [BEE] strikes the fatal blow against the emergence of black entrepreneurship by creating a small class of unproductive but wealthy black crony capitalists made up of ANC politicians, some retired and others not, who have become strong allies of the economic oligarchy” (Mbeki 2009). He further argues that “BEE and its subsidiaries – affirmative action and affirmative procurement – have metamorphosed ... they have become both the core black ideology of the black political elite and, simultaneously, the driving material and enrichment agenda which is to be achieved by maximising the process of reparations that accrue to the political elite” (Mbeki 2009).

1.4 Women Entrepreneurs and the B-BBEE policy

The report from Stats SA (Labour Force Survey, 2008) reveals that the data for 2001 to 2006 indicates that the number of women in small business ownership is in the 40 percent region with about 47 percent reported in 2005 and slightly less in 2006. The Study by the Global Entrepreneurship Monitor shows that a higher percentage of women entrepreneurs (as compared to men) operate in the informal sector (80 percent of female-owned businesses are informal, compared to 65 percent of male-owned businesses). Of this number, Black women have a much higher share in business ownership (just above 50 percent) compared to other race groups, whose share is below 30 percent (Maas and Herrington 2006). The division in the small business sector is evident as established formal SMMEs have mainly white and some Indian ownership and are predominantly located in the urban settings while the emerging SMME economy has mainly black and Coloured ownership and are situated in the townships, informal settlements, and rural areas. The Small Enterprise Development Agency (SEDA, 2006), reports that the share of women in small-business ownership is approximately 40 per cent. However, there are different trends underlying this(DTI 2011b):

- A higher percentage of women entrepreneurs (about 80 percent) are involved in the informal sector, while about 65 percent of the male-owned businesses are in the informal sector.
- Only 20% of women-owned businesses are in the formal businesses (though SEDA notes an upward trend during the period 2001 to 2006).
- African women have a much higher share in business ownership (just above 50%) compared to the other groups, whose share is below 30 percent.
- The entrepreneurial motivation of most black women is influenced by the B-BBEE policy of financial assistance.

3 Brother of the former South African president, Thabo Mbeki and premiership from 1999 to 2008, was probably most instrumental in enacting legislation to ‘formalize’ BEE.
2. Methodology

2.1 Research design and sample demographics

This research utilized the survey research design and considered the perceptions of individual beneficiaries of the B-BBEE program. The sample of 500 female-owned businesses was drawn using the following selection criteria (based on DTI Codes of Compliance and Good Practice) and, where possible, businesses from all nine provinces in South Africa:

- SMEs with turnover of less than R5 million (also referred to as EMEs – exempted micro-enterprises in the B-BBEE code of compliance)
- SMEs with turnover of between R5 million and R35 million (also known as QSEs – qualifying small enterprises).
- Large multinational companies earning more than R35 million

The businesses were selected by simple random selection from a database of the top 500 enterprises in South Africa. The researcher contacted participants via telephone to enlighten them of the scope and purpose of the survey with a view to secure the informed consent of participants to partake in research project. Upon their acceptance, a link was emailed to each participant for the online survey.

The research instrument comprised of a ten-part questionnaire which utilized 5 point Likert scale, ranging from ‘strongly agree’, to ‘agree’, ‘neutral’, ‘disagree’, ‘strongly disagree’ and an additional option of ‘don’t know’. The study used existing measures that have been used in similar studies which included both male and female business owners. The final research questionnaire was compiled after a pilot study that involved 15 participants, and the survey instrument modified based on the data from the pilot study.

3. Findings and discussions

In addition to basic demographic information, the participants were asked to indicate unambiguously whether the B-BBEE had been beneficial to their businesses in any way. The results are shown in Table 1.

Table 1: B-BBEE recipients and the perceived benefit of the program

<table>
<thead>
<tr>
<th>No. of responses</th>
<th>%</th>
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<tr>
<td>Those who considered the B-BBEE to be beneficial</td>
<td>350</td>
</tr>
<tr>
<td>Those who did not consider the B-BBEE to be beneficial</td>
<td>110</td>
</tr>
<tr>
<td>Those who could not say whether B-BBEE was beneficial or not</td>
<td>40</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
</tr>
<tr>
<td>Mean</td>
<td>1.38</td>
</tr>
</tbody>
</table>

Giving that the qualifying criteria for the B-BBEE is that the beneficiary falls under the category regarded as ‘Previously Disadvantaged Individual’ (PIDs), participants were asked if they consider themselves to be PIDs. The essence of this question was to gauge the effectiveness of the program in redressing the imbalance that was identified in the policy document released by the DTI and evaluate the perception of the recipients on the issue of redress. The results are shown in Table 2

Table 2: Previously Dis-advantaged Individuals (PIDs) – B-BBEE qualification matrix

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<th>No. of responses</th>
<th>%</th>
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<tr>
<td>Those who considered themselves PIDs and therefore candidate for the B-BBEE program</td>
<td>360</td>
</tr>
<tr>
<td>Those who do not considered themselves PIDs and therefore unqualified to be B-BBEE beneficiaries</td>
<td>100</td>
</tr>
<tr>
<td>Those who are unsure of their qualifying status</td>
<td>40</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
</tr>
<tr>
<td>Mean</td>
<td>1.38</td>
</tr>
</tbody>
</table>

The above measures were used to determine the percentage of the sample population who were beneficiaries of the B-BBEE program at one point or another in their entrepreneurial career, as well as determine the qualification criteria giving that the program was aimed at redressing the ills of the Apartheid government and empowering PIDs economically. As
the main aim of this research was to evaluate the influence of the policy on the business success of the beneficiaries, a high percentage in both instances was arguably deemed to be beneficial in improving the validity of the findings vis-à-vis the probable impact that B-BBEE policy on the strategic decisions, strategic positioning and consequently the business performance of female SMEs operators.

This study used the ten dimensions of business diagnostics prescribed by Du Toit et al. (2010), to determine the influence of the B-BEE on the business success of female South African SMEs operators. These dimensions covered areas of great importance and other areas considered as traditional functional areas such as general operations and business strategy, market positioning, management of financial and human resources. Nonetheless, certain overarching shared constructs such as competitive advantage, productivity, ethics/good business practices, entrepreneurial mindset, and innovation, were also incorporated. Tables 3 is a summary of the results and the measures used a 6-point Likert scale for the ten dimensions of business performance ranging from ‘strongly agree’ to “don’t know”.

**Table 3: The 10 dimensions of business performance measured in this study**

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percentage</th>
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<tr>
<td>Strongly agree</td>
<td>6</td>
</tr>
<tr>
<td>Agree</td>
<td>13</td>
</tr>
<tr>
<td>Neither agree nor disagree</td>
<td>84</td>
</tr>
<tr>
<td>Disagree</td>
<td>225</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>53</td>
</tr>
<tr>
<td>Don’t know</td>
<td>1</td>
</tr>
<tr>
<td>Mean</td>
<td>3.388</td>
</tr>
<tr>
<td>Standard deviation</td>
<td>1.052</td>
</tr>
<tr>
<td>Variance</td>
<td>11.08</td>
</tr>
<tr>
<td>Minimum</td>
<td>1</td>
</tr>
<tr>
<td>Maximum</td>
<td>9</td>
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The results show that while all participants in this study are beneficiaries of the B-BBEE program, 45% do not believe the program has been beneficial to their businesses and 16.8% could neither agree nor disagree that the program has been beneficial. Only 27.4% could categorically confirm that the program has been beneficial. This then raises the question of the effectiveness of the program and confirms the argument of critics such as Mbeki (2009) who argue that:

“The B-BBEE strikes a fatal blow against the emergence of black entrepreneurship by creating a small class of unproductive but wealthy black crony capitalists made up of ANC politicians, some retired and others not, who have become strong allies of the economic oligarchy” (Mbeki 2009).

It could also explain why many women-owned businesses still fail at an annual rate of 20% and confirm the suggestions that over-dependent on the B-BBEE program and other grant/initiatives effectively take away the ability of the female entrepreneurs to be creative and innovative.

4. Conclusions and Recommendations

Based on the findings from this study, it is evident that while all of the participants can be regarded as beneficiaries of the B-BBEE program at one point or another in their entrepreneurial career, their general perceptions of the impact of the programme on business success using the ten dimensions of business performance measures were largely adversarial. While most of the 500 participants in this study operated predominantly in MMSEs and SMMEs sector, SMEs and larger multinational companies, similarly differed with the notion that the adoption of B-BBEE policy has a positive impact on their businesses performance in relation to the ten dimensions of business performance utilized in this study. It should be noted that most the respondents in this study were black female (PIDs), individuals for whom the B-BBEE was specifically intended to redress the economic marginalization created by the Apartheid government and improve their lot by empowering them economically. However, more than 20 years after the fall of the Apartheid regime, and the election of a democratic government, the success of the policy in balancing the economic scales remain largely to be seen.

It is, therefore, imperative that the government needs to reconsider its transformation agenda and precisely the adoption of the B-BBEE program, which appear to have little impact on the success of women-owned businesses in South Africa. It is therefore recommended that policy makers consider the personal development and capacity building of women entrepreneurs as part of the intervention process rather than focusing solely on economic/financial incentives.
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Involvement of Algebraic-Geometrical Duality in Shaping Fraction's Meaning and Calculation Strategies with Fractions

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Abstract

Many mathematical concepts and processes, besides the algebraic form of their presentation, can be modeled as well geographically through diagrams and graphics. Both these aspects of concepts demonstration (algebraic and geometrical aspect) are present on mathematical textbooks of pre-university education. In this paper we consider algebraic and geometrical aspect on 6th grade math textbooks and in particular algebraic-geometrical duality, aiming that the fraction concept and the fraction calculation strategy to be assimilated better by the students. A study was made with 78 students to understand their abilities to express using algebraic symbols and to introduce mathematical situations with geometrical models for “Fractions” chapter. After the analysis of calculative strategies applied by students, in the article it is suggested that algebraic-geometrical duality must be included in teaching based on a complete framework. This will enable students to fully realize the deep understanding of concepts and the calculative strategies they are using.

Keywords: teaching, mathematic, dual treatment, duality, secondary education

1. Introduction

Piaget describes three forms of abstraction which are; the empirical abstraction where the focus is on the objects properties and “knowledge on the object derives from his own properties” (Beth & Piaget, 1966, p. 188-189); the pseudo-empirical abstraction where the focus is on actions which “leaves out the properties that the action of the subjects have introduced into objects” (Piaget, 1985, p. 18-19) and reflective abstraction where further constructions can then be accomplished by it using existing structures to construct new structures (Piaget, 1972). The focus of Gray et al., (1999) on perception, action and reflection is consistent with Piaget’s three notions of abstraction, with the additional observation that reflective abstraction has a form which focuses on objects and their properties, as well as one which focuses on actions and their encapsulation as objects. Dubinsky et al., (2005) treat APOS (Action, Process, Object, Schema) theory, in which actions are physical or mental transformations on objects. Actions, processes and objects are identified in a schema. Learning of mathematics is a complicated interplay of operational and structural aspects of mathematical concepts. Cognitive activities in math can be different from one student to another, including students such as those ones orientated by images and intuition (conceptual understanding) and those orientated logically, manipulating with symbols without access to their meaning (procedural understanding). Students usually learn routine procedures in a repetitive way. This leads to a misunderstanding of mathematical symbols (Byrnes & Wasik, 1991). Conceptual and procedural knowledge may not develop in independent ways.

Fractions are an important aspect of the elementary curriculum (Hansen et al., 2016) and meanwhile they are well-known to be the most difficult area of mathematics covered in elementary school (Smith, 2002). Those constitute a stumbling block for students of elementary education (Charalambous & Pitta-Pantazi, 2007). Fractions have been used for centuries and are manipulated in a great variety of everyday life situations and in mathematics. Thus why is it so hard for pupils to learn and represent fractions (Gabriel et al., 2013)? Various models have been proposed in order to explain those difficulties (Behr et al. 1983; Mamede et al., 2005; Grégorie, 2008). In this article, we will try to shed light on one situation that leads at difficulties students when they learn fractions. Students’ difficulties with fractions often stem from a lack of conceptual understanding. A student might have the procedural knowledge to solve problems with fraction, but
might lack conceptual knowledge regarding why this procedure is mathematically justified. Conceptual understanding is difficult to acquire, but it is vital for ensuring a deep and enduring understanding of fractions (Fazio & Siegler, 2011).

Considering the work of the aforementioned authors and oriented by the experience in the implementation of dual treatment in teaching (Gjoci & Kërënxhi, 2013, 2014; Kërënxhi & Gjoci, 2013, 2014, 2015a, b), we studied students’ difficulties in learning fractions. Two main components were considered: geometrical treatment (a conceptual component) and algebraic treatment (a procedural component) in shaping fractions meaning and mixed numbers. Our study took place in two different phases: (a) analysis of the textbook “Mathematic 6” (Tato et al., 2012) and (b) test with pupils. In addition to the information on study results, it is suggested the necessity of geometrical modeling of algebraic processes for the development of deep understandings of concepts and fractions calculative strategies as well as with mixed numbers.

2. Textbooks review

Math’s program of 6th grade at elementary education starts with “Fractions” chapter. This chapter includes 20 class hours taking over the 17% of math’s program. Analyzing the textbook “Mathematic 6” (Tato et al., 2012), in the “Fractions” chapter we were focused on the algebraic-geometrical presentation of concepts and calculative strategies. The concepts: ratio, fraction and mixed numbers in the textbook “Mathematic 6” (Tato et al., 2012) is shaped starting from geometrical objects through models which are later passed to respective symbols. On the same way it is proceed even with the process of calculation. Therefore, the addition and subtraction of two fractions and mixed numbers, multiplication and division of a fraction with a number are shown with geometrical objects (figures) and later the attention is shifted from the object to the physical world oriented to the manipulation with fraction symbols and mixed numbers’ symbols. Let’s give some examples of the textbook “Mathematic 6” (Tato et al., 2012).

Fig. 1 is taken from the topic: “The meaning of fractions. Equivalent fractions” (Tato et al., 2012, p. 16). The meaning of fractions in this topic is fulfilled by taking examples which include figures and geometrical models. Exercises include questions such as a part of a circle or triangle should be shown with the equal fraction. We notice that there is no exercise which asks students to draw a figure (model) where the shaded parts to be the same as the given fraction.

Fig. 1 The algebraic-geometrical presentation of the fraction’s meaning

Fig. 2 The algebraic-geometrical presentation of the mixed numbers
Fig. 2 is taken from the topic “Mixed numbers” (Tato et al., 2012, p. 20). Students should express the shaded parts of given model with an improper fraction and after that they should express each improper fraction as a mixed number. In order to fulfill the inverse process, so expressing a mixed number as an improper fraction, the textbook also suggests that students should draw a model. Example: “Express \( \frac{1}{2} \) as an improper fraction. Draw a model to illustrate:

![Fig. 3](image1)

The model indicates that \( \frac{1}{2} \). The model (Fig. 3) illustrates that \( \frac{1}{2} \) is composed of 9 quarts or \( \frac{9}{4} \).

In order to transmit knowledge over addition and subtraction of fractions with the same denominator, lesson teaching starts with the general rule how these calculations should be made. The given rule should be explained by an example where actions are made with fractions (algebraic shape) and model (geometrical shape). This situation is shown in Fig. 4 (Tato et al., 2012, p. 24). Calculative situations of two fractions multiplication and fraction division by whole numbers starts with geometrical model and after that it goes on with calculation processes with the given fractions. Fig. 5 (Tato et al., 2012, p. 38) and Fig. 6 (Tato et al., 2012, p. 40) show these examples.
These facts and other analogical ones show that the "Mathematic 6" textbook creates the concept over fraction, mixed numbers and teaches students to make calculations with the numbers following two parallel ways, algebraic and geometrical model. We notice that in the textbook the examples which orientate students to start from the geometrical model and finish with algebraic representation take a huge volume than those of the examples which orientate students to start from the algebraic representation and to finish with the geometrical model. We are interested to know how able are 6th grade students to pass from one situation to another one, so the research questions are:

- Which is the rapport between algebraic and geometrical treatment?
- In what degree are dual treatments applied by the students?
- Is there a connection between algebraic treatment and geometrical treatment?

3. Method

In this article, in the above section we briefly presented some pieces of dual algebraic-geometrical treatment of concepts and some calculative strategies and now we will go on the second phase of the study, test structure and data elaboration of students’ tests.

3.1 Participants

In the study were included 78 students of the 6th grade in elementary education. Students’ distribution according to school and gender is shown at the Table 1.

**Table 1:** Students’ distribution according to school and gender

<table>
<thead>
<tr>
<th></th>
<th>1st school</th>
<th>2nd school</th>
<th>3rd school</th>
<th>4th school</th>
<th>5th school</th>
<th>6th school</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>6</td>
<td>8</td>
<td>6</td>
<td>8</td>
<td>10</td>
<td>5</td>
<td>43</td>
</tr>
<tr>
<td>Male</td>
<td>5</td>
<td>6</td>
<td>4</td>
<td>10</td>
<td>5</td>
<td>5</td>
<td>35</td>
</tr>
<tr>
<td>Total</td>
<td>11</td>
<td>14</td>
<td>10</td>
<td>18</td>
<td>15</td>
<td>10</td>
<td>78</td>
</tr>
</tbody>
</table>

3.2 The questionnaire

For the participants in the study was applied a test with questions from “Fractions” chapter. The test included 20 items according to ten categories:

1. Fraction meaning (FM);
2. Comparison of fractions with the same denominator (CFSD);
3. Comparison of fractions with different denominator (CFDD);
4. Addition of fractions with like denominators (AFLD);
5. Addition of fraction with unlike denominators (AFUD);
6. Subtraction of fraction with like denominators (SFLD);
7. Subtraction of fraction with unlike denominators (SFUD);
8. Connection between mixed number and improper fraction (CMNIF);
9. Problem solving in order to express the part of the whole (PSEPW);
10. Problem solving evaluating the whole when it is given a part (PSEWP).

For each category questions were divided in two versions, algebraic treatment (A) and geometrical treatment (G).

By algebraic treatment we understand processes expressed with algebraic symbols, as with geometrical treatment we understand processes expressed with geometrical models.

Cronbach’s alpha credibility coefficient for the 20 items was .87. As Cronbach’s alpha for each item varied from .85 to .87, all items were evaluated as acceptable. Activities which were fulfilled by students for all 20 items are shown in Table 2. In the table issues are grouped according to dual treatment: dual interpretation, dual analyses, dual solution (Gjoci & Kërënxhi, 2013, 2014; Kërënxhi & Gjoci, 2013, 2015a, b) and 10 categories.
Table 2: Evaluation of results over successful thinking

<table>
<thead>
<tr>
<th>Dual treatment</th>
<th>Categories</th>
<th>Description of students' activity:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dual interpretation</td>
<td>(1) FM (8) CMNIF</td>
<td>Illustrate the fraction with a diagram; use fraction meaning to express quantity for the shown geometrical model; mixed numbers are transformed into an improper fraction; interpretation of shown geometrical model with a mixed number.</td>
</tr>
<tr>
<td>Dual analyses</td>
<td>(2) CFSD (3) CFDD</td>
<td>Compare of fractions with the same denominator; compare shaded parts with two geometrical models when they are the same and express the situation through a numerical inequality; compare of fractions with different denominator; compare shaded parts with geometrical models when the number of its separation is different and express the situation with numerical inequality.</td>
</tr>
<tr>
<td>Dual solution</td>
<td>(4/6) AFLD/SFLD (5/7) AFUD/SFUD (9) PSEPW (10) PSEWP</td>
<td>Add/Subtract fractions with like (unlike) denominators; it is given a geometrical model to show the given addition/subtraction of two fractions with like (unlike) denominators. Solve the problem using the algebraic and geometrical strategy; give original strategies through geometrical models.</td>
</tr>
</tbody>
</table>

In order to understand the connection between algebraic treatment and geometrical treatment, were evaluated the frequencies, percentage, averages and standard deviation for each issue. The data are shown on Table 3.

Table 3: Frequencies, averages and standard deviations for each correct answer

<table>
<thead>
<tr>
<th>Categories</th>
<th>Varieties</th>
<th>Correct answer</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) FM</td>
<td>Algebraic</td>
<td>46 (59%)</td>
<td>.59</td>
<td>.495</td>
</tr>
<tr>
<td></td>
<td>Geometrical</td>
<td>33 (42%)</td>
<td>.42</td>
<td>.497</td>
</tr>
<tr>
<td>(2) CFSD</td>
<td>Algebraic</td>
<td>62 (79%)</td>
<td>.79</td>
<td>.406</td>
</tr>
<tr>
<td></td>
<td>Geometrical</td>
<td>37 (47%)</td>
<td>.47</td>
<td>.503</td>
</tr>
<tr>
<td>(3) CFDD</td>
<td>Algebraic</td>
<td>44 (56%)</td>
<td>.56</td>
<td>.499</td>
</tr>
<tr>
<td></td>
<td>Geometrical</td>
<td>29 (37%)</td>
<td>.37</td>
<td>.486</td>
</tr>
<tr>
<td>(4) AFLD</td>
<td>Algebraic</td>
<td>64 (82%)</td>
<td>.82</td>
<td>.386</td>
</tr>
<tr>
<td></td>
<td>Geometrical</td>
<td>23 (29%)</td>
<td>.29</td>
<td>.459</td>
</tr>
<tr>
<td>(5) AFUD</td>
<td>Algebraic</td>
<td>56 (72%)</td>
<td>.72</td>
<td>.453</td>
</tr>
<tr>
<td></td>
<td>Geometrical</td>
<td>13 (17%)</td>
<td>.17</td>
<td>.375</td>
</tr>
<tr>
<td>(6) SFLD</td>
<td>Algebraic</td>
<td>67 (86%)</td>
<td>.86</td>
<td>.350</td>
</tr>
<tr>
<td></td>
<td>Geometrical</td>
<td>26 (33%)</td>
<td>.33</td>
<td>.474</td>
</tr>
<tr>
<td>(7) SFUD</td>
<td>Algebraic</td>
<td>42 (54%)</td>
<td>.54</td>
<td>.502</td>
</tr>
<tr>
<td></td>
<td>Geometrical</td>
<td>15 (19%)</td>
<td>.19</td>
<td>.397</td>
</tr>
<tr>
<td>(8) CMNIF</td>
<td>Algebraic</td>
<td>34 (44%)</td>
<td>.44</td>
<td>.499</td>
</tr>
<tr>
<td></td>
<td>Geometrical</td>
<td>27 (35%)</td>
<td>.35</td>
<td>.479</td>
</tr>
<tr>
<td>(9) PSEPW</td>
<td>Algebraic</td>
<td>31 (40%)</td>
<td>.40</td>
<td>.493</td>
</tr>
<tr>
<td></td>
<td>Geometrical</td>
<td>15 (19%)</td>
<td>.19</td>
<td>.397</td>
</tr>
<tr>
<td>(10) PSEWP</td>
<td>Algebraic</td>
<td>18 (23%)</td>
<td>.23</td>
<td>.424</td>
</tr>
<tr>
<td></td>
<td>Geometrical</td>
<td>10 (13%)</td>
<td>.13</td>
<td>.336</td>
</tr>
</tbody>
</table>

In order to understand how many students are able to implement dual algebraic-geometrical treatment, this data is shown in the Tables 4, 5, 6.

Table 4: Algebraic, geometrical, and dual algebraic-geometrical interpretations of students

<table>
<thead>
<tr>
<th>Categories</th>
<th>Students who interpret only through algebraic shape</th>
<th>Students who interpret only through geometrical shape</th>
<th>Students who interpret through algebraic-geometrical duality</th>
<th>No answer</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) FM</td>
<td>18 (23%)</td>
<td>5 (6%)</td>
<td>28 (36%)</td>
<td>27 (35%)</td>
<td>78 (100%)</td>
</tr>
<tr>
<td>(8) CMNIF</td>
<td>15 (19%)</td>
<td>8 (10%)</td>
<td>19 (25%)</td>
<td>36 (46%)</td>
<td>78 (100%)</td>
</tr>
</tbody>
</table>

Table 5: Algebraic, geometrical, and dual algebraic-geometrical analyses of students

<table>
<thead>
<tr>
<th>Categories</th>
<th>Students who analyze only through algebraic shape</th>
<th>Students who analyze only through geometrical shape</th>
<th>Students who analyze through algebraic-geometrical duality</th>
<th>No answer</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>(2) CFSD</td>
<td>30 (39%)</td>
<td>5 (6%)</td>
<td>32 (41%)</td>
<td>11 (14%)</td>
<td>78 (100%)</td>
</tr>
<tr>
<td>(3) CFDD</td>
<td>23 (30%)</td>
<td>8 (10%)</td>
<td>21 (27%)</td>
<td>26 (33%)</td>
<td>78 (100%)</td>
</tr>
</tbody>
</table>
Table 6: Algebraic, geometrical, and dual algebraic-geometrical solutions of students

<table>
<thead>
<tr>
<th>Categories</th>
<th>Students who solve only through algebraic shape</th>
<th>Students who solve only through geometrical shape</th>
<th>Students who solve through algebraic-geometrical duality</th>
<th>No answer</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>(4) AFLD</td>
<td>43 (55%)</td>
<td>2 (3%)</td>
<td>21 (27%)</td>
<td>12 (15%)</td>
<td>78 (100%)</td>
</tr>
<tr>
<td>(5) AFUD</td>
<td>44 (56%)</td>
<td>1 (1%)</td>
<td>12 (16%)</td>
<td>21 (27%)</td>
<td>78 (100%)</td>
</tr>
<tr>
<td>(6) SFLD</td>
<td>42 (54%)</td>
<td>1 (1%)</td>
<td>25 (32%)</td>
<td>10 (13%)</td>
<td>78 (100%)</td>
</tr>
<tr>
<td>(7) SFUD</td>
<td>27 (35%)</td>
<td>0 (0%)</td>
<td>15 (19%)</td>
<td>36 (46%)</td>
<td>78 (100%)</td>
</tr>
<tr>
<td>(9) PSEPW</td>
<td>18 (23%)</td>
<td>1 (1%)</td>
<td>13 (17%)</td>
<td>46 (59%)</td>
<td>78 (100%)</td>
</tr>
<tr>
<td>(10) PSEP</td>
<td>11 (14%)</td>
<td>3 (4%)</td>
<td>7 (9%)</td>
<td>57 (73%)</td>
<td>78 (100%)</td>
</tr>
</tbody>
</table>

An inter-correlation between issues was investigated using Pearson Product-Moment Correlation in order to understand if there exists any relationship between algebraic and geometrical treatment. Data are shown in the Table 7.

Table 7: Inter-correlation coefficients between items

4. Discussions and Conclusions

Analyzing the results of Table 3, we notice that the algebraic treatment and geometrical treatment rapport of 10 studied issues are on algebraic treatment part. Such a result more or less was expected for the “Fractions” chapters in the textbook “Mathematic 6” (Tato et al., 2012). This happens because for concept shaping and on calculative processes, the textbook starts from geometrical models using geometrical models to continue with symbols and algebraic operations. After this, geometrical models are not asked anymore and in the textbook materials’ exercises we have no cases of students to whom are asked to use geometrical models in their answers. Referring to Tables 4-6 we can say that approximately one in three students interprets through algebraic-geometrical duality (Table 4), one in three analyses through algebraic-geometrical duality (Table 5), one in four students solves the exercises through algebraic-geometrical duality (Table 6) and one in seven students solves problems through algebraic-geometrical duality (Table 6). These results are good ones by comparing the fact that neither the text nor the teachers pay attention to dual algebraic-geometrical treatment. By studying Table 7 it is noticed that in fraction meaning forming exists a relationship strongly considerable between algebraic and geometrical interpretation of fractions meaning. 20% of students have a correct concept over fractions. They can show by symbols a part of the given model, they can reveal the position of a point on a number line which is expressed by fraction and are able to express through a geometrical model one part of the same figure related to the given fraction. In Table 7 we can see that there exists the strong relationship between algebraic and geometrical interpretation of mixed numbers mining. The strong relationship exists also between algebraic and
geometrical solutions of exercises with addition (subtraction) of fractions where the fractions have unlike denominators and between algebraic and geometrical solutions of problems.

We came to the conclusion that besides the fact that teaching begins with geometrical models in order to make clear the concept of refraction and arithmetical operations, than we have to deal with concepts and arithmetical operations the ones that dominate on students through which they operate “mechanically” by “forgetting” geometrical models. We think that algebraic-geometrical duality should be included in the teaching process into a complete framework. This will enable students to reach deep understanding of concepts and calculative strategies to the ones they are using. Through an analogical way, just as it was done in the algebraic treatment and geometrical models and refraction operations, can be done algebraic treatment and geometrical models and decimal numbers, percentages and equations and their systems.

References


The Study of Risk in the Light of Social Changes: Beck and Giddens

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Abstract

U. Beck and Giddens play a leading role in the development of new academic research field called 'theory of the risk society' that studies the risk in the light of social, economic and political contexts in which it manifests itself. The German sociologist Ulrich Beck starts from the assumption that globalization and technological progress are changing not only the way of understanding and addressing the risk but also its very nature. In postmodern society, rapid technological progress, coupled with an increasingly dense network of global connections, goes hand in hand with the production of new risks, such as those generated by atomic, genetic and chemical. Anthony Giddens, like Ulrick Beck, believes that modernity has led to a deep uncertainty that previous eras had never known. The prospect of Giddens differs from that of Beck in relation to the concept of trust that the British sociologist reserves particularly important, according to him, the global expert knowledge must regain the lost confidence, considering the fact that the risk can also be understood as opportunities, such as stakes in order to achieve certain results. Confidence is a psychological condition necessary to cope with risks, which otherwise would stop the action, making anxiety attack.

Keywords: risk, globalization, society

"The risk society is also the possibility of a self-criticism company"
Beck 2000

The process of globalization has turned the world into a unique production space, the growing interdependence conditions made each mutually influenced by economic, technological and social change taking place even thousands of kilometers away, the new risks differ significantly from those of past eras for global consequences that threaten ripple effects in an unlimited succession.

With the extension of the global village, in fact, every event obeys the law of the domino effect influencing and involving actually geographically and culturally distant.

In the post-modern society the reality is always presented less programmed and predictable, it is in this society that everyone lives in a state of constant fear from the production of new risks such as those generated by atomic, genetic and chemical.

And 'since the eighties that develops a new paradigm of risk analysis in which they find space attention to the socio-cultural context in which the subject is moving, the individual considered not as isolated, a vision of rationality as influenced by factors internal disturbances (existential lived) and external (social and cultural elements).

It was probably Beck first to face this concept in sociology with Anthony Giddens.

Ulrich Beck and Anthony Giddens play an important role in the development of a macro-sociological approach called risk society, an academic research that studies the risk in the light of the cultural, economic and political.

Sociologists of the risk society analyze the concept of risk of late modern societies. Among these processes they fall within that of reflexive modernization and the individualization.

The thought of Ulrich Beck has entered fully into the contemporary sociological debate after publication of his work "risk society" published in 1986 after the explosion of the nuclear reactor at Chernobyl, this work represents an attempt to describe the different points crisis of industrial society, marked the beginning of a profound reflection on the risk society.

In this opera Beck did follow other studies including the essays collected in the book "reflexive modernization" written in collaboration with Giddens and Lash.

The German sociologist notes that the current one is a transition period that marks the transition from the industrial society to the so-called global risk society.

When he speaks of the risk society it refers to the formation in the transition to a new phase of modernity, of a new social configuration whose all traditional terms of social practices are questioned.

In this sense, the risks would be identified as the product of the modernization process, Beck points out that
industrial society is turning into the risk society. In this transition phase, it goes hand in hand with the production of wealth production risks have increased as a result of the modernization process.

Unlike the pre-modern societies where individuals could see the action of supernatural entities the late modern societies recognize that the dangers and risks are generated by human beings, the idea of human responsibility marks another important difference between the old dangers type and contemporary risks.

The risk society regards the crisis of all institutional reality that served as regulators of modern social life: work, family, politics.

Emerging risks from the risk society threaten the power that often proves unable to face them causing the collapse of a science that is not able to respond effectively to the dangers emerging from the most advanced technological developments, the post-modern society becomes reflexive because it puts a critical review their certainties, doubts and questions looking forward to propose alternative solutions.

The risks to which it relates are those produced by modernity bring into serious question the survival of the planet and therefore involve across the whole population and those who are differently distributed on different portions of society by founding a new social stratification logic only partly it overlaps with that based on the distribution of wealth typical of industrial society.

The risk society can be argued according to Beck through five main introductory thesis:

1. The risks produced by late modernity fee often irreversible consequences, often they remain undeciphered causing a competition between expert knowledge and between them and the new common social knowledge. The result is a multiplicity of risk interpretation;
2. With the spread of risks form new social situations of exposure to risk and therefore new vulnerable social groups which in part reinforce the traditional logic of wealth distribution but partly instead subvert. In addition they acquire global dimensions ignoring the limits of the nation state (world risk society);
3. The risks are functional to capitalist development are according to Beck of big business. Until it develops a political potential able to hinder this process will draw the economic system, just from the creation of the risks, a new potential for expansion of aggregate demand;
4. Within the risk society the knowledge acquires a new significance that needs to be developed and used to create a new critical awareness of the risks;
5. it is born a new political potential disaster. The need to counter the new risks for Beck is the best stimulus for a possible reorganization of powers and social skills.

These five arguments that the author introduces into the work of the risk society are not sufficient to provide a clear and consistent configuration of the new social configuration provided by Beck to fully understand the potential of this model analysis is also necessary to analyze the terms of the process that accompanies the formation of the new risk society that the ‘author defines as a process of individualization.1

The risk society the individualization theory is the true center of the whole systematic processing of Beck.2

The link between individualization and risk society can be so explained. The risk society is such only as perceived by social actors as a bearer of risk. Only when social actors acquire a feeling that the side effects of industrialism to consider them as a permanent problem of political life, we get really into the risk society.

By virtue of the slackening of the current company social cohesion, become weaker family ties, the identity of a local nature and the individual on the one hand “liberated” by a series of more or less binding rules on how they should live the other is left to himself in his new freedom.

The risk society is not the one with more risks than the others but one in which individuals are quite individualized can subjectively grasp the gravity of the situation in which they find themselves.

Individualization is the subjective aspect of the risk society. The dangers related to air quality, water and land, which run according to the places in which we live, the things we eat, the objects that surround us take on the role of risk only in society of individuals, ie in complex social settings which involve a strong degree of individualization.

According to Beck in today’s society to change is an internal world of social roles, family memberships, and gender identity in crisis and leaves only the face of society in the individual. The institutions with hinge function between the individual and society (trade union, party) tend to lose the integrative function and deliver the individual to society without any intermediate filter.

In this framework it is exacerbated in the individual awareness of having to watch alone from the risks that threaten

1 F. Chicchi “Derive sociali precarizzazione del lavoro, crisi del legame sociale ed egemonia cultrale del rischio” Franco Angeli, Milano, 2002;
2 W. Privitera “tecnica, individuo e società”, Rubbettino, 2004, p. 51;
its well-being and that of those around you, and there is increased pressure to build new networks of knowledge about the risks and new forms of solidarity with other individuals in unstable systems but highly flexible born, die, and are reconstituted around the problems and risks that from time to time are commonplace.

The new social structure shows a continuity that simultaneously is also censorship in the production of wealth and production of dangers: in industrial society the production of wealth was stronger dominating the dangers, now the relationship was reversed.

The risks of production is increasingly developing as a matter parallel to the production of wealth, risks losing local specificity increasingly taking the general appearance or supranational and especially not related to social class, everyone will suffer the consequences democratically.

Risk production is democratic and this would suggest that all social classes suffer in the same way the real effects of these risks. In reality it is not so: those who have a high degree of schooling also has means to inquire about the possible risks such as feeding and can find ways to mitigate the effects related to these specific risks: those who for example does not have great economic problems it may invest a good part of the resources for feeding and choose more controlled products.

No social class can, however, choose what it is the air you breathe, so by the time the risk society will not melt on class division but will tend increasingly to globalization and therefore the democratization of risk and its effects.\(^3\)

Modern risks are different from the past, are produced by industrial progress and become increasingly exacerbated by the progression of its development, are manufacturers of irreversible damage and invisible in most cases, are not easily measurable so subject to interpretation and therefore determine the influences social depending on their interpretation of them is disseminated through the media.

The risk status as a peculiar condition of today is also supported by Giddens points out that in advanced modernity imposes a "particular set of risks and threats that is typical of modern social life".\(^4\)

The positions of the two authors converge in tracing an evolution of modernity that simple has become reflexive and that translates into a radicalization of some aspects that characterized the first, Giddens treated as Ulrick Beck, it believes that modernity has led to a deep uncertainty that previous eras had never known.\(^5\)

Giddens sees globalization as the intensification of worldwide social relations which link distant localities causing local happenings are shaped by events occurring thousands of kilometers away.\(^6\)

This phase of modernity is characterized by the social effects of the risks caused by man. In his work "In The Consequences of modernity" introduces the concept of globalization in its social theory.\(^7\)

The vision of globalization according to Giddens is not peaceful. Modernity involves various forms of risk. On each dimension of globalization we encounter possibility of risk, 1) on the economic dimension, the collapse of economic growth mechanisms 2) on the political dimension of the growth of the totalitarian system 3) on the military dimension of the nuclear conflict on a large scale 4) on the industrial dimension degradation and ecological disaster. The risks that arise are different from the risks of the past being determined by human activities.\(^8\)

As Beck also Giddens emphasizes the aspect of risk globality stating that "there are risk scenarios that globally affect a large number of individuals or even all the inhabitants of the earth, as in the case of an ecological disaster or nuclear war ".

Yet Giddens points out that the risk is increasingly institutionalized in special environments such as the Stock Exchange within which they assume the central character in its business.\(^9\)

Giddens sees the risk as one of the typical characteristics of modern society, it is engaged in the definition of "risk profile" typical of our society, stating the characteristics and objective (nature of the risks) and subjective (perception). In the first place the scope and global distribution of risk factors while in the second a greater spread of risk awareness and less confidence in the corrective capacity of science .

Aware of being responsible for the risks that haunts them, the individual lives of late modernity, in what has been dubbed by Giddens "risk culture" in view of the destructive effects of the unprecedented scale of new risks.

The Back thesis and Giddens largely coincide. They link the emergence of risks to the profound transformation of

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\(^3\) F. Masi, M. Vicinanza “Emergenza, rischio e decisione”, Guida, Napoli 2004; pag 61;
\(^4\) A. Giddens, “le conseguenze della modernità”, il Mulino, Bologna, 1994 pag 111;
\(^5\) Sociologi e Ambiente Atti del IV Convegno nazionale dei sociologi dell’ambiente Torino, 19-20 settembre 2003;
\(^6\) V. Cesareo “le dimensioni della globalizzazione”, Franco Angeli, Milano 2007;
\(^7\) J. Tomlison “sentirsi a casa nel mondo”, Feltrinelli, 1999;
\(^8\) G. Scidà “ragionare di globalizzazione”, Franco Angeli, Milano, 2007;
\(^9\) S. Poloni, “preadolescenti a rischio”, Franco Angeli, Milano, 2006;
society, so the Giddens' perspective differs from that of Beck in relation to the concept of trust that the British reserves particularly important sociologist, according to him, the global expert knowledge must regain confidence lost, in consideration of the fact that the risk can also be understood as an opportunity, such as stakes to achieve certain results.

Confidence is a psychological condition necessary to cope with risks, which otherwise would stop the action, making anxiety attack.

Confidence in global expert systems is accompanied by a deep uncertainty to which individuals react by demanding more from the expert knowledge and returning to visually reports that basing trust on people known personally this leads to the restoration of a re-aggregation system.

Confidence according Giddens could be the means to psychologically cope with the risks on the one hand paralyze the action and on the other develop feelings of anguish, fear and anxiety.10

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10 L. Napoli “la società dopo moderna: dal rischio all’emergenza” Morlacchi, Perugia, 2007, pag. 79-80;
Problems Encountered in High School Pupils, Who Have Divorced Parents

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Abstract

Adolescence and the problems teenagers face during this phase have a great impact in the teaching process. Divorce is one of the problems I have chosen to treat. This is due to the fact that divorce impacts the social-psychological-educational process of teenagers. The ways they experience the divorce of their parents are various. This depends on the area they live, their parents’ educational level, the relationship between parents after the divorce, the kind of relationship they had before, economic level, etc. Teenagers can display aggressive behaviour, disengage from learning, use various substances, etc. as a reaction to their parents. This is the object of my study. This research will use the qualitative method. The qualitative methods will consist in direct interviews with teenagers of the age-group of 14-18 years old, with teachers, psychologists and parents. Also consider those problems I might face during my study, on which the teenagers, or even their parents, might not express their opinion. As a conclusion we can say that based on the interviews it results that divorce has a great impact on the social-educational behaviour of teenagers.

Keywords: aggressive behaviour, divorce impact, learning, psycho-social development, teenager.

1. Introduction

Albania is a small country and since ancient times it greatly valued the family and in particular marriage. Divorce, as part of marriage, was conditioned by customary law and Albania’s ancient canons precisely defined the reasons why the divorce could happen. Some of these reasons were lack of virginity, violation of conjugal fidelity, not having children, etc. (Canon of Lekë Dukagjini 1989:39). By the end of the Second World War, in the Albanian society prevailed the opinion and prejudice that considered divorce as something unaccepted (Dervishi Zyhid 2000: 141).

The Communist regime established after 1945 created a different environment and for the first time equality between men and women was established. Marriage and divorce were regulated by the Code of Family. It is worth mentioning that during that period the number of divorces was very low. This relates to the psychology of Albanians who always believed in the holiness of marriage and family, but also to the state policy to present moral degradation and crises of the Albanian families (Beqaj, Sokolaj: 45). The reasons of divorces during that period were mainly based on political causes. The deep economic-political-social changes after 1990 were greatly reflected in the Albanian families as well. In ’91-’92 in particular there was an increased number of families with divorced parents. Long time consumed marriages, not divorced because of the consequences they would have in the individuals. (Beqaj, Sokolaj: 46). The causes of divorce are various: arranged marriages, the economic situation, emigration of husbands who never came back in their country, etc. Given that divorce was “a novelty” in the Albanian society, it had serious consequences in the development of both families and children.

Some of the studies conducted come to the conclusion that the divorce of parents is accompanied with some negative behaviors of adolescents. (Journal of marriage and family 2010; 7: 650-666). This behavior is accompanied with fear, anxiety, stress, lack of concentration, low self-esteem and low results at school. Makinde (2007b) describes adolescence as a life period between childhood and adulthood. The consequences of parents’ divorce appear also in subsequent adulthood periods, such as early relations with a partner, lack of incomes, early marriages, divorce, etc. All these cause psycho-social and educative consequences for the adolescents.

The study is focused on teenagers aged 14-18 years old, as this is their most delicate age. During this age period the adolescents undergo fundamental changes, both in the physical and psycho-social-emotional aspects. The American Academy of Child and Adolescent Psychiatry describes adolescence as the most dynamic period of the individual’s growth and development, accompanied by various serious changes. (Ibegwa M Amiem: 2013). This age period needs care, attention, love and patience. The family and parents have a great impact in the formation of the adolescent. Parents should monitor their children and provide them with a good nurture and discipline. The stressful nature of a divorce experience increases the adolescent’s chances of experiencing a wide variety of mental health problems, including
aggression, elevated anxiety, high rates of substance abuse and low self-esteem. In other words, the negative outcome of divorce may increase pre-existing differences in the family unit prior to the divorce itself. I considered very relevant the study of this age group, from the studies conducted on divorce it results that adolescents can understand the reasons of their parents’ divorce, but they are faced with the fear for their own future. How much safe is their future? Which will be the emotional support of their parents? What about economic support? (which is considered very important for this age group). This makes that adolescents react in various ways to face the fear or panic they experience during this period. This is very much reflected in the education process as well. Normally, adolescentss very often loose concentration, but when facing such problems they leave the class and find “shelter” in “inappropriate” behavior. This kind of adolescents’ behavior is considered as a form of revenge for what is happening to them, not to the others. This makes them feel different from the others.

2. Operational Definitions

Adolescent- In this study adolescent is referring to an individual between fourteen and eighteen years of age.
Impact- Any change on the adolescent relationship during or after the divorce.
Divorce-Dissolution of marriage

3. Divorce and its impact in the psycho-social relations of the adolescent.

It is worth highlighting that the Albanian mentality has not accepted yet divorce as a last alternative remained to the couple. This brings about a great consequence, such as the conflictual separation of the ex partners. Because of this the adolescent is educated in the spirit that the parent who has left is guilty and the other parent blames him. Thus, the adolescent is grown up with the wrong perception on the “disloyal” parent and behaves inappropriately, such as isolation, lack of communication, anger, anxiety, parents’ disinterest. This situation is as a result of several factors, such as:

1. We lack the culture to benefit from the psychological service
2. We lack the culture to attend family therapies in order to solve the problem.

This is because in Albania we have the alienation process, which means that most adolescents hide their problems and doing this they don’t try to find the solutions to their problems.

Whereas from the psychological point of view the adolescent has a very low self-esteem and a low esteem for his own family. This is reflected in finding the ways for solution, such as the company of inappropriate persons, the use of harmful substances, such as alcohol, smoking and drugs and violent behavior as well (D’Onorfo Brian: 2011).

What are the relations between adolescents and their parents after divorce?
Most of them say that they don’t have good relations. Only 35% of them say that they have good relations. This is also related to the age of the adolescent when his parents divorced.

4. Methodology

The methodology used is based on the qualitative method. Focus groups and interviews are the methods used. Interviews were made with pupils of public and not public high schools in Tirana, age group of 14-18 years old. Tirana has 26 not public high schools and 15 public high schools. 50 pupils were interviewed in total (boys and girls).

Participation in these focus groups was voluntary and confidential. They were previously informed on the purpose of the interviews and that they would be kept anonymous.

The aim of the article: This study aims to identify the impact of divorce in the development of teenagers, both in the social and educational aspects. (Age-group of 14-18 years old).

4.1 Objectives of the study

1. Analyze the relation between divorce and psycho-social problems of adolescents.
2. Identify the relation between psycho-social problems and the learning process of adolescents.

4.2 This study is based on two main questions:

1. What is the impact of the divorce process in the psycho-social relations of the adolescent?
2. How does this impact influence the adolescents’ learning process?
5. Conclusions

Considering the two research questions on which this study is based, it is concluded that the impact of the divorce process in the psycho-social relations of the adolescent is visible. This is mostly noticed in those adolescents who don’t have good relations with their parents, or even when parents don’t have good relations with each-other.

This impact affects the learning process, the adolescent has lower results at school and shows lack of concentration.

During the interviews I noticed that those adolescents whose parents were divorced when they were still very young children, have good relations with their parents and have no feelings of hatred or malice. Whereas, in the case the divorce happened when the child was grown up, the adolescents have tense relations with their parents. This is because they blame their parents for the situation in which they are. Most of them state that they have no communication with the divorced parent. They consider very far from them the presence of the father. “The hatred” they have created for him, is manifested in the way they communicate. They don’t mention the word father, but name him or say “he”. This makes you understand that the adolescent emotionally suffers from this fact.

5.1 How much important is it for an adolescent to have good relations with both parents?

Most of the persons interviewed say that it is very important. The involvement of both parents in his life makes him feel more secure for his own future. Despite the fact that the partners are divorced, for the adolescent they are both his parents. A good relationship between the parents after the divorce makes the adolescent feel better and more complete.

5.2 What about the relation between the two ex partners?

Being in the dilemma of on whose side to be the adolescents don’t know how to react. This makes them behave in an inappropriate way and they themselves don’t know how to react. Therefore, it is very important that the ex partners have good relations with each other, in order to stand close to the adolescent. 20% of those interviewed say that the parent with whom they live (mainly the mother) expresses a good opinion for the ex partner and this made it possible for the adolescent to have a positive opinion on him and his parental role. This makes him feel safe and evaluated by his parents. In those cases when parents don’t have good relations, the adolescent tries to take the role of the mediator in order to improve things. Once he isn’t successful in this he might become aggressive as well. We have the case of a 17 years old girl who tried to reconcile her parents. She was very often involved in conflict situations in the school environment, so the teacher would convene her parents. According to her, once the parents would come to the school, standing in front of each other they could reconcile. This thought was a great concern for her and made her feel powerless.

5.3 What makes an adolescent react aggressively?

Considering the interviews, I come to the conclusion that most of them react as a form of revenge to the parent. One of them says that this is the behavior they deserve. They didn’t care about me, just for themselves. This is my solution. They say that the others can’t understand me. These behaviors are affected by a certain number of factors, such as: the conflict situation in the family, economic difficulties (mainly when there are many children), the fear for the future, the opinion of their friends, how the others will react, etc. This makes them find a way to forget their problems. There are also cases where the adolescent doesn’t accept his parents’ divorce and during the interviews he thinks that this is just a period of contradictions between them, which very soon will be over.

5.4 The impact this behavior has in the learning process.

A large number of the adolescents have lower results at school. The reasons they state are various: lack of concentration because of the family unstable situation(ongoing conflicts), economic difficulties and the need to work in order to earn their own living, they don’t see any green light for their own future, some of them consider this the end of the world, they think their future will be dark because they will be prejudiced by the others, etc. The absence of one of the parents at home makes them feel an internal emptiness that can’t be filled by the other parent.

Another reason is their age. The adolescents of the age group of 14-15 years old are those who are impacted in their learning process. This is also the transition period from the 9 years school to the high school, when the adolescent
experiences great emotional and physical changes, in particular the boys. Their isolation, lack of communication with family members, with friends, the psychologist, etc. makes them unstable in their concentration.

Given the above mentioned circumstances we understand that if the divorce was in an early age, if the parents have good relations with each other, the adolescent has good relations with his parents, given the age of the adolescent (18 years old), he didn't have a drastic deterioration in the learning process. During the interviews it is noticed that most of the teenage girls have positive results at school. This is due to various reasons. One of the reasons is their future. They were grown up among economic difficulties, their mothers had to work a lot in order to earn their living, the adolescents consider school as the only alternative out of poverty. One of the girls interviewed says that now she is a grown up, she is the one “to make things function” and help her mother. If she has good results then she could have a good education which would in the future help her have very good incomes. It is worth mentioning that most of their parents have a high education. This made them face difficulties in the labor market. In order to not be just like them, the alternative is school, education. In our mentality boys are considered as a major economic support for the family. Overcoming the difficulties and accepting the reality, are two factors that affect their behavior. I came to the conclusion that not only boys overtake the role of the head of the family, but girls also are considered responsible for their own future and that of the family members.

Who are the persons who mostly support them during the learning process? Most of the adolescents answer that teachers are those who mostly support them during the learning process. The teacher, as an important person in their education process, play an important role by supporting them. Information on the situation, psychology and their problems make them stand very close to them and support them towards their future.

The school psychologist also plays an important role. During this phase adolescents need to speak with someone, and the best person would be the school psychologist. 65% of the persons interviewed say that they have contacted the school psychologist who greatly helped them overcome their difficulties. Communicating with the school psychologist made them feel better and understand how important school is. They rank as important they parent, the teacher and a special importance has the school psychologist. This is a way to speak out and to find a support. It is very impressive the opinion of an 18 years old girl, who considers the absence of her father not only an emotional absence, but also a financial absence. This indicates that the Albanian mentality still remains patriarchal and the father is considered as the main incomes resource.

The parents divorce process is associated with many problems. Both partners and their children have problems. It is worth mentioning that children of various age groups experience the divorce process in various ways. The age group of 14-18 years old understand the reasons of the divorce, but they are afraid of their own future, with only one of the two parents. In such a situation they have various behaviors, such as aggressiveness, depression, lack of communication, lack of concentration, lower results at school, etc. Good relations between the two parents after the divorce, social support, teachers and school psychologists play an important role in overcoming the adolescents’ difficulties. This is mainly for the age group of 14-16 years old, who manifest the greatest problems. In the age of 17-18 adolescents start to better understand and take their own responsibilities.

References


The Relationship between Emotional Intelligence and Perceived Social Support

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Abstract

The study aims at examining and understanding the relation between Emotional Intelligence and Perceived social support in a sample of 525 students of the University of Prishtina. Great number of studies in the field of Emotional Intelligence, have shown that that this new construct of Intelligence, (EI), operates within the social context, therefore the examination of socially relevant variables is crucial for personal and social context. It has been hypothesised that Emotional Intelligence and it’s dimensions correlate positively with the Perceived Social Support and the relation between these two variables is a great predictor of positive interactions, interpersonal relationships and is very relevant for the educational context as well. The study is based on the ability and competency based model of the Emotional Intelligence construct. Emotional Intelligence Scale (Schutte, N. S., Malouff, J. M., Hall, L. E., Haggerty, D. J., Cooper, J. T., Golden, C. J., & Dornheim, L. (1998) and the Multidimensional Scale of Perceived Social Support (Zimet, Dahlem, Zimet & Farely, 1998) were administered to gather data in order to test the hypothesis. The preliminary findings support theoretical and empirical perspective, and appear to be promising by emphasizing the Emotional Intelligence construct as an added value for the educational context, in specific for youth interactions and their wellbeing.

Keywords: Emotional Intelligence, Social Interaction, Perceived Social Support, Emotional wellbeing.

1. Introduction

Emotions are inseparable and present aspect of our life and everyday human interactions. They are very much related to our state of mind and ultimately affect critical thinking, our behavior and attitudes. Emotions have impact in how we create relationships with others, and how we manage social dynamics of our daily life.

For more than a century, psychologists and researchers in the field of intelligence have tried to address and measure intelligence. In this way, different tests which are generally intended to measure intelligence quotient were focusing on measuring the different dimensions that were considered relevant to the field of intelligence, such as: verbal comprehension and reasoning, arithmetic and solution problems, etc. However, In this regard, there were researchers who understood and announced that they had considered other non cognitive relevant aspects of particular importance when they’ve studies in depth intelligence matters. (Cherniss, C. Emotional Intelligence: Graduate School of Applied and Professional Psychology. Consortium for Research on Emotional Intelligence in Organizations .What it is and why it matters. Rutgers University). Psychologists have begun to open debate whether results earned in this type of comprehensive measurement of intelligence were crucial in predicting positive results and if these results guarantee the achievement and success in various spheres of life. With the advancement of empirical research in this area, other relevant factors begin to emerge, which were considered important in the design and structure of intelligence. In this context, there was perceived an extraordinary interest, especially in the kind of Intelligence which functions within the framework of social, personal, practical, and emotional data. New theories and findings in the field of Emotional Intelligence highlighted a concept that looks new and modern, but the origin of which is the earliest and focuses on the emotional learning approach. In fact, researchers in practice had long realized the importance of Emotional Intelligence, and the impact of this construct in many spheres of life (as p.sh education, academic success, interpersonal relationships, interpersonal communication, leadership, development and education of the child, mental health and well-being in general, etc.). There is an understanding of the overall direction of the opinion that psychological processes were considered to be purely cognitive or intellectual, in fact practices in this regard is evidence that it depends on a synergy between cognition and emotions, supported by different forms of cognition.

Eminent researchers in this field, Peter Salovey and Jack Mayer (1990), proposed a formal definition of Emotional Intelligence, defining it as “the ability to monitor, to distinguish, use the emotional information, and to guide our thinking
and actions.” Later, this definition was reformulated and was proposed under four similar skills that are related to one another, perception, use, understanding and managing emotions. (Salovey, P., Grewal, D. The Science of Emotional Intelligence. Yale University). This concept, according to which Emotional Intelligence shall operate within these capabilities, defines emotional intelligence as the ability to perceive correctly emotions, to understand, evaluate and move forward, use emotions in order to facilitate thinking and manage emotions effectively, to promote intellectual and emotional growth. (Mayer & Salovey, 1997). While, as a closer definition we encounter often in the literature, is that which defines emotional intelligence as “the ability to identify, assess and manage our emotions and those of others and using appropriately these emotions”.

These aforementioned skills to understand and manage themselves and others, as well as the management and development of relations in the world, had previously been addressed in the context of social intelligence. Emotional Intelligence is considered as a construct which is supported of social intelligence, which involves the ability and competence to recognize, understand, access, use emotions to help our performance and manage emotions, in the individual context and those of others as well (Salovey & Mayer, 1990).

Emotional competencies are thought to be an important factor for social interactions, taking into account that emotions serve the social functions and communication, and have shown to be crucial for the adequate functioning of social interactions (interpersonal relationships), by transmitting information on the opinions and attitudes of individuals and coordinating social interactions. (Keltner & Haidt, 2001).

Hence, emotions have an effect on our important decisions, behaviors, ways of thinking and attitudes. Mayer and Salovey, developed the concept of emotional intelligence to explain the importance of this construct in our daily interactions. Studies indicate that that Emotional Intelligence starts to develop at birth, and then the first emotional attachment of the child appears to be provided by mothers of caregivers to fulfill their adequate needs. This is an interesting argument to consider other relevant factors within our lives that can have an impact to strengthen or weaken our capacity for emotional intelligence dimensions (e. i: parents, siblings, friends, teachers, etc). (Houtmeyers, 2004; Shapiro, 2000; Sullivan, 1999). Understanding this approach, it is very crucial that the educational system should be oriented toward the integral approach of the development of human being, by always balancing cognitive and emotional dimensions. Even if there seems to be a deficiency in certain aspects related to emotional education, this appears to be a task that all relevant actors should act and cope together with the aim at developing Childs’ and adults’ in a variety of emotional skills which certainly have great impact in their social interactions and success in different spheres of life.

1.1 Aim of the study

From the general point of view, the study aims to understand the relationship between Emotional Intelligence construct and Perceived social support. Furthermore, in specific, the study aims to deepen the understanding of how the dimensions of Emotional Intelligence Construct relate to the dimensions of Perceived Social Support (as a modality of social interaction). The Emotional Intelligence dimensions include: appraisal and expression of emotions; regulation of emotions; utilization of emotions in solving problems, which are examined for the relations with Perceived social support within the Family, Friends and Significant others dimensions / categories).

More concretely, the Obective of this research include:

Objective 1. To examine the relationship between Emotional Intelligence Construct (including its dimensions) and Perceived Social Support.

Research question 1.1: What kind of relationship exists between the dimension of expressing and acknowledging emotions (EI) and perceived social support?

Research question 1.2: What kind of relationship exists between the dimension of regulating emotions (EI) and perceived social support?

Research question 1.3: What kind of relationship exists between the dimension of using emotions for problem solving situations (EI) and perceived social support?

Research question 1.3: Which is the relation between dimensions of Perceived Social Support (family, friends and other significant) and the dimensions of Emotional Intelligence Construct?

2. Methodology

Design: The design of the study corresponds with the non – experimental, correlation study design, aiming at revealing the relationships between Emotional Intelligence and Perceived Social Support variables, mentioned on the Objective section of the study.
Sample: The sample of this study, consisted of 525 students of the University of Prishtina, department of Psychology and Department of Education (Pre –school), from the cohort age: 18 – 26+. The selection has been assigned with randomly assigned groups and it reflected on rural and urban areas. Unfortunately, as a result of the dominance of female students in education and psychology department, a priori sample survey does not reflect significant gender differences, but there are few exceptions within the results.

Measurements: The study is based on the ability and competency based model of the Emotional Intelligence construct. Emotional Intelligence Scale (Schutte, N. S., Malouff, J. M., Hall, L. E., Haggerty, D. J., Cooper, J. T., Golden, C. J., & Dornheim, L. (1998) and the Multidimensional Scale of Perceived Social Support (Zimet, Dahlem, Zimet & Farely, 1998) were administered to gather data in order to test the hypothesis.

Procedure: Initially, a pilot study has been undertaken to assess the reliability and validity issues. After the Cronbach’s alpha test, the results supported the reliability and suitable aspects for the usage of instruments in the Kosovo’s context for academic purposes. Before the administration of the instruments, the aims of the study have been declared and the consent from the Universities actors and students were advised appropriately to continue further with the administration of the instruments.

3. Results

3.1 Correlation Analysis: Emotional Intelligence and Perceived Social Support:

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<th>Correlations</th>
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<tr>
<td>Total et</td>
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<td>522</td>
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<tr>
<td>MSPSS</td>
<td>0.314**</td>
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<tr>
<td>N</td>
<td>487</td>
<td>523</td>
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** Correlation is significant at the 0.01 level (2-tailed).

3.2 Correlation Analysis (between dimensions of the Emotional Intelligence construct: Appraisal and expression of emotions; Regulation of Emotions; Utilization of Emotions in solving problems and dimensions of Multidimensional Scale of Perceived Social Support (Perceived Social support among: Family, Friends and Significant others):
4. Discussion

Results of the study indicate that individuals, who possess Emotional Intelligence skills at higher levels, have more tendencies to report greater social support, whether from family, friends or other persons of particular importance in their life. Generally, the results seem to be supportive from the perspective of predictive validity of emotional intelligence on the variable of Perceived Social Support. In this context, recognition, appraisal, evaluation, regulation / management of emotions and use emotions, are considered as basic skills and competencies to ensure the quality of interpersonal relationships, successful communication, coping with social dynamics, etc.

Analysis of findings indicates that there is a strong positive correlation between Emotional Intelligence construct and Perceived Social Support. This approach supports the predictive validity from the empirical studies that the emotional intelligence competencies and skills, may predict the quality of interpersonal relationships, more concretely the level of participants’ social support in different contexts. The more developed these skills are at the individual level, the greater seem to be chances that people perceive their interpersonal relations supportive in different contexts (family, friends and significant others).

Whilst, in terms of analyzing the correlations between the dimensions of emotional intelligence and dimensions of perceived social support, it is indicated also that in principle, all the dimensions of Emotional Intelligence construct correlate positively (sometimes with strong positive correlations) with the dimensions of Perceived Social Support. In this context, it is noticed that the higher the capacity of the individual to appreciate, express, manage and use their emotions and others as well, the higher are participants’ tendencies to perceive their relationships as more supportive within the family context, friends and significant others contexts. From this perspective, the dimension of the participants perceived support from family, appears to be the most highly correlated dimension with the appreciation and expression of emotions dimension from the Emotional Intelligence construct, without excluding the relations of other relevant variables that seem to correlate pretty well (positively) with each others.

In this regard, it is worth mentioning the impact of the Emotional Intelligence construct and its predictive validity in the perceived social support variable (Salovey, Mayer, & Caruso, 2002). In the context of these results, it is thought that there is a convergence between the findings of other studies that also emphasize that emotional competencies are associated with social adjustment. A large number of studies with children suggest that the capacity to decode, understand and regulate emotions is associated with social and emotional adjustment. (Eisenberg, Fabes, Guthrie, & Reiser, 2000; Halberstadt, Denham, & Dunsmore, 2001). In this regard, the assessment of school-based interventions, which emphasize the development of emotional competencies, suggests that learning about emotions contributes to social and academic adjustment as well. (Greenberg, Kusch, Cook, & Quamme, 1995). On the same way, the evaluation of interventions within wider communities should be taken into account in order to emphasize the importance of social and emotional competencies in the quality of interpersonal relationships and perceived social support, in different settings, such as: schools, families, society, working environment, etc.

5. Conclusions

Emotions have impact in how we create relationships with others, and how we manage social dynamics of daily life. Emotional competencies are thought to be an important factor for social interactions, considering the fact that emotions serve the social functions and communication, and have shown to be crucial for the adequate functioning of social interaction (interpersonal relationships), by transmitting information on the opinions and attitudes of individuals and coordinating social interactions. (Keltner & Haidt, 2001).

Analysis of findings indicates that there is a strong positive correlation between Emotional Intelligence construct and Perceived Social Support. This approach supports the predictive validity from the empirical studies that the emotional intelligence competencies and skills, may predict the quality of interpersonal relationships, more concretely the level of participants’ social support in different contexts and relationships dimensions. Despite the fact that majority of the dimensions from the variables of the study indicate positive correlations, the dimension of the participants perceived support from family, appears to be the most highly correlated dimension (positively) with the appreciation and expression of emotions dimension from the Emotional Intelligence context.

These results indicate that family is an important variable in this context, and can be considered as an asset and added value for emotional learning and support, and strengthening the belief that emotions and their impact on interpersonal relations is an indicator of our mental health and emotional wellbeing. The data from the literature review and the findings from the study indicate that the scope of the study has important implications for social and educational context, especially as a driver to improve emotional functioning in everyday life and to promote the positive aspects of
behavior.

Hence, in conclusion, the skills / emotional intelligence competencies have proven to be extremely important for
the development aspects of interpersonal relationships. Such competencies, to recognize, assess, manage and use
emotions in a positive and constructive way, enable people to be happy, to perceive their interpersonal relationships from
a positive point of view, to have more self-confidence as a result of perceived social support, and ultimately to show
greater success in the dynamics of everyday life.

This approach, ensures that perceived social support is an important segment, which is influenced by the
Emotional Intelligence construct, and many often, the field of Emotional Intelligence, forms the foundation for the potential
of perceived social support.

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Factors which Influence Students Entrepreneurship Intentions: The Role of Education Programs, Subjective Norms and Perceived Behavioral Control

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Abstract
The entrepreneur aim is a very important factor, which is considered as a key element in youth employment and the development of the country's welfare. Literature suggests that same of factors which influence entrepreneurship intention are educatin programs, subjective norms and perceived behavioral control. This study was conducted based on an intentional sample, which consisted of master's student, respectively the first year Business Administration and Public Administration, in Economic Faculty of Tirana University. The sample is composed with 63 people. The empirical analysis is based in the main two elements: first, the use of a standardized instrument and secondly, statistical analysis, factor analysis, correlation and linear regression. The study shows that education programs and subjective norms don't relate positively with the entrepreneur aim. On the other hand, it emerges that perceived behavioral control has a positive impact on the development of entrepreneurial goal.

Keywords: subjective norms, perceived behavioral control, entrepreneurship intention, educational programs.

1. Introduction
Entrepreneurial intention has grown into a relevant scientific topic attracting the attention of many managerial researchers. Recognizing the factors influencing entrepreneurial intention is increasingly being addressed and analyzed as an important factor in the fields of entrepreneurship and business. Nowadays, entrepreneurial intention is seen as a major factor promoting economic activity (Wettestad, 2005). Countries displaying a higher level of entrepreneurial venture feature a lower unemployment level (Audretsch, 2002). Nevertheless, entrepreneurial activity levels are generally low, as evidenced in a 2001 study of the adult population in OECD-member states, where less than 10% were involved in engaging in some form of new enterprise (Nolan, 2003).

Investing in promoting entrepreneurial intention is therefore seen as a valid reason, and a major measure in stimulating economic growth and raising employment rates (Liñán, 2011). In such a context, the role of entrepreneurial education, as a valuable instrument positively influencing people’s entrepreneurial intention, could be viewed as crucial (Miranda et al., 2009). As such, entrepreneurial educational initiatives and courses are being taken into serious consideration by many people, for their promising outcomes in triggering “entrepreneurial awareness” and interest in undertaking entrepreneurial activities and career development.

However, education is not the only variable influencing the increase of entrepreneurial intention. Several researchers argue that personality traits are another majorly influencing factor in the aforementioned function (Krueger and Carsrud, 1993). Other studies reveal the importance of social groups; such as family members, friends, peers and other acquaintances; in exerting their pressure on entrepreneurial orientation (Liñán, 2011). And the factors already listed aren’t exhaustive in “modifying” entrepreneurial intention either, as many other influencing elements have been brought to attention; such as the economic, legal and political environment (Giacomin, 2011).

Based on original research, our study’s purpose is to further contribute in researching several of the factors shaping entrepreneurial intention and their influence on it. This has been realized by conducting an empirical analysis. First, through a questionnaire model serving as an instrument designed to incorporate several of the variables viewed as explanatory of entrepreneurial intention expression by other researchers. Then; by using statistical methods such as
factorial analysis, correlation and regression; we measure the observed results.

2. Theoretical Approach and Hypothesis Development

2.1 Entrepreneurship intention

Entrepreneurial intention refers to “the behavior exhibited with the intention of starting a business”, individually or as part of a group (Krueger and Carsrud, 1993). Generally, intentions behind a specific behavior are critical for understanding that same behavior (Ajzen and Fishbein, 1980). Several researchers describe entrepreneurial intention as a mentally-induced aspiration towards the creation of a new firm or expanding the existing business. Different authors have analyzed entrepreneurial intention by considering several factors as variables: some by scrutinizing individual-level elements (such as personal motivation, attitudes, civil status, social relationships...etc.), whereas others have looked into factors such as educational programs, subjective norms or perceived behavioral control. Part of the research literature on entrepreneurial intention stresses the importance of entrepreneurial education as an influencing factor (De Jorge-Moreno et al., 2012, Lee et al., 2005). They argue that college-educated people are more likely to act on their entrepreneurial intentions (Arenius and Minniti, 2005). Liñán et al. (2011) found that the most relevant variables conditioning entrepreneurial intention were personal attitudes and perceived behavioral control (PBC). They also found that subjective norms positively relate to entrepreneurial intention, thus concluding that family and “important others” affect a person’s intention to manifest entrepreneurial behavior.

2.2 Educational programs

The importance of finding a positive causal relation between entrepreneurial education and intention is supported by the growth of students’s interests in such programs, which was consequently followed by an increase in the offering of entrepreneurship-based courses and programs (Mars et al., 2008). Preliminary evidence suggests entrepreneurial attributes can be positively influenced by entrepreneurial educational programs and that such programs and courses are able to portray entrepreneurship as a viable career option and encourage a favorable attitude towards it (Gorman et al., 1997). However, a major and continuous point concerning interested parties, involves the varied typology of entrepreneurship-based educational programs and their efficiency. Even though results attained by implementing educational programs aimed at the entrepreneurial intention model are encouraging, some authors suggest they be treated with reservations (Bae, 2014). Considering all of the above, our hypothesis is formulated as follows:

Hypothesis 1: An entrepreneurial educational program positively relates to students’ entrepreneurial intention.

2.3 Subjective norms

This concept is based on the “Planned Behavior Theory”, proposed by Ajzen in 1988. According to the theory, people’s normative beliefs on what others expect from them, result in the creation of a perceived social pressure, otherwise known as “subjective norms” (Ajzen, 1991). According to Shapero and Sokol (1982), the model of what they refer to as “entrepreneurial occurrence” includes, among other components of subjective norms, the “perception of desirability”. Desirability perception has a considerable impact on entrepreneurial intention because of people’s internal values’ systems and, most importantly, it depends upon social system, family, mentors, colleagues and education (Liñán et al., 2011). A study on the development of students’s entrepreneurial intention concluded that students having higher confidence in their skills, because of previous exposure to entrepreneurial experience, are less likely to be influenced by perceived social norms (Klyver, 2007). Subjective norms are relevant also when compared to other variables, based on a study which found that entrepreneurial educational programs contributed by increasing students’s subjective norms and entrepreneurial intent, and inspired them to pursue an entrepreneurial career (Souitaris, 2007). Consequently, we suggest the subsequent hypothesis:

Hypothesis 2: Subjective norms positively relate to students’ entrepreneurial intention.

2.4 Perceived behaviour control

Perceived behaviour control plus subjective norms are one of the most important components of the Theory of Planned Behavior of Ajzen’s. The theory assumes that with the increase of resources and opportunities that individuals think they have, so the controlled perceived behaviour (PCB) will be even greater will be greater (Ajzen, 1991). The theory
continues with the provision that the perceived behaviour control has a motivating function due to the purpose actions. This means that if people believe they have less or no control over the necessary resources to lead you to a certain behavior, then even if the behavior is perceived as positive or desirable ones, their willingness to execute that certain behavior will be minimal. At this point, two are the elements of the enterprise will serious implications for the perceived behaviour control, which are environmental supporting and impact (Bullough, 2014). The first element is associated with the former government as a supporting element, by funding schemes and fiscal policies, local context through physical infrastructure, the financial and services supporting, even the universities thanks to their resources and logistics ones as a supporting entrepreneurial behavior.

**Hypothesis 3:** The perceived behavioral control is positively related to the students entrepreneur goals.

### 3. Methodology

#### 3.1 Sample

As the main purpose of this study is to observe whether there is a positive relation between entrepreneurial purpose and the three independent variables hypothesized as influential, accordingly: educational programs, subjective norms and the perceived behavior control; the sample of this research was conceived to be composed by students already exposed to entrepreneurial educational programs. 63 last year students, who were doing their Scientific Master Degree in Public Administration and Business Administration, at the Faculty of Economy at University of Tirana took part in this research. Nothing but an intentional sampling technique on no probability was chosen, so that the individuals who have taken part in entrepreneurial educational programs could be selected. The main reasons to this selection are: first, because last year students are closer to choosing their professional career than others and second, because these students belong to a certain age group disposed to entrepreneurial intention. This type of sampling has been used in other similar studies and has resulted in a descent way of gathering data (Reynolds et al., 2000).

#### 3.2 Instrument

The type of Entrepreneurial intention is considered as essentially important in order to analyze the aim of being an entrepreneur. Thus, it was essential to use an instrument which would measure the intentions and the other variables of this model. For this purpose, a questionnaire has been built. This last is based on the theoretical and empiric current literature of the factors which affect the entrepreneurial intention. Thus, our instrument has been checked and built on the basis of the instruments used by other researchers, such as Chen et al. (1998) and Krueger and Carsrud (1993). Our instrument is built in 10 sections. The questions are measured by Likert scale from 1 to 5 and they are continuous. Nunnally and Kotsch (1983) suggest that the models which use questions with many scales are more reliable than those with one or two option scales to give the required answer. The first part is the section which gives information about the human capital stock and demographic information which doesn’t directly affect the purpose of this research, but it is indeed a part used to describe the sample that is being studied.

The other sections indicate information on factors such as: professional affection, educational programs, subjective norms, attitude towards risk, the perceived behavior control, protective barriers, personal skills and optional behavior as well as entrepreneurial trend and attitudes as important factors, which affect the entrepreneurial intention. The purpose of this instrument is to analyze the concept of the students’ entrepreneurial intention and the importance they give it, for both, the business development and the economic growth.

### 4. Data Analyses

#### 4.1 Conbrach – Alpha and the factorial analysis

This type of analysis enables us with the use of the right questions which perfectly measure the questions’ reliability and consistency. This leads to a reliability towards our models and the results which will come out after the analysis of the data.

In the analysis of our model we have used Conbrach-Alpha and factorial analysis as tools which indicate reliability/consistence in the answers. In our case, the variables with the .0 .8.coefficient have been taken into consideration. For the dependent variable, which in our case is the entrepreneurial intention, we have a Conbrach-Alpha 0.858 instead. From the factorial analysis we have taken into consideration all the questions of section C2, which we
have later taken into further scrutiny for correlation and regression. The three dependent variables we have used in our model are:

- Educational Programs
- Subjective Norms
- The Perceived Behavior Control

In the educational programs the D5 section of questions has been selected with a Conbrach-Alpha 0.926, showing a high stability in the given answers. The subjective norm is the variable which contains code F1. After the factorial analysis the Conbrach-Alpha is 0.836.

Questions F1_1 and F1_2 have been removed, in order to only take those questions with a high consistence on their answers. This led to a growth in Alpha and also enabled us with the creation of a one and only factorial component. The perceived control of behavior is the other independent variable used in our model. Its code is E1 and it is a section that contains 7 questions in all. During the factorial analysis a question has been removed, respectively E1_7, which brought to one component only with a Conbrach-Alpha 0.873.

Table 1:

<table>
<thead>
<tr>
<th>Component</th>
<th>Questions</th>
<th>Conbrach-Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurial Intention (E1)</td>
<td>21</td>
<td>0.858</td>
</tr>
<tr>
<td>Educational Program</td>
<td>23</td>
<td>0.926</td>
</tr>
<tr>
<td>Subjective Norms</td>
<td>F1 excep. (F1_1 &amp; F1_2)</td>
<td>0.836</td>
</tr>
<tr>
<td>Perceived Behavioral Control (PBC)</td>
<td>E1 excep. (E1_7)</td>
<td>0.873</td>
</tr>
</tbody>
</table>

4.2 The coefficient of correlation

Based on the coefficient of correlation analysis we reach the conclusions below (we focus only at the column “entrepreneurial intention”):

Firstly, educational programs have a positive relation of average strength (0.313) with entrepreneurial intention, which means that, when the educational programs increase, we expect the entrepreneurial intention to increase as well, or vice versa.

(Explanation: This coefficient does not result as important because the safety level is quite low [sig.=0.145]. Furthermore, statistical discipline advises us to increase the number of cases in order to improve our security related to this coefficient.

Secondly, the perceived behavior control results in a positive relation of low strength (0.227) with the entrepreneurial intention factor.

Lastly, the subjective norms result in a positive relation of low strength (0.054) with the entrepreneurial intention.

Table 2: Correlations

<table>
<thead>
<tr>
<th></th>
<th>Entrepreneurship intention</th>
<th>Educational programs</th>
<th>Perceived behavioral control</th>
<th>Subjective norms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurship intention</td>
<td>Pearson Correlation</td>
<td>1</td>
<td>.313</td>
<td>.227</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>46</td>
<td>23</td>
<td>46</td>
</tr>
<tr>
<td>Educational programs</td>
<td>Pearson Correlation</td>
<td>.313</td>
<td>1</td>
<td>.387*</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.145</td>
<td></td>
<td>.029</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>23</td>
<td>32</td>
<td>32</td>
</tr>
<tr>
<td>Perceived behavioral control</td>
<td>Pearson Correlation</td>
<td>.227</td>
<td>.387*</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.129</td>
<td></td>
<td>.029</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>46</td>
<td>32</td>
<td>63</td>
</tr>
<tr>
<td>Subjective norms</td>
<td>Pearson Correlation</td>
<td>.054</td>
<td>-.182</td>
<td>.243</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>1.722</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>46</td>
<td>32</td>
<td>63</td>
</tr>
</tbody>
</table>

* Correlation is significant at the 0.05 level (2-tailed).

4.3 Regression

The coefficient of estimating the model (R square) results in level 0.26, which means that 26% of the variable
The movements of entrepreneur intention is estimated by the factors in interest gathered together.

**Table 3: Model Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.510a</td>
<td>.260</td>
<td>.144</td>
<td>.92463172</td>
</tr>
</tbody>
</table>

*a. Predictors: (Constant), Educational programs, Perceived behavioral control, Subjective norms*

ANOVA analysis reports that the model is not important because the importance of criteria F (fisher) is 0.118. That means that Fisher’s value has decreased in the area in which the basic hypothesis is kept (F=2.23).

Let’s emphasize that a model may be called important in cases when the importance (sig) is reported to be higher than 0.05. This means that if we do the same study in the same population but with different choices, then we would expect the results of this model to be the same for at least 95% of the cases.

**Table 4: ANOVA**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>5.720</td>
<td>3</td>
<td>1.907</td>
<td>2.230</td>
<td>.118b</td>
</tr>
<tr>
<td>Residual</td>
<td>16.244</td>
<td>19</td>
<td>.855</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>21.964</td>
<td>22</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*a. Dependent Variable: Entrepreneurship intention*

*b. Predictors: (Constant), Educational programs, Perceived behavioral control, Subjective norms*

4.4 The coefficients

Constant- is an unchangeable coefficient which is not interpreted (but for special cases). As such it is not good to be involved in this model. It doesn’t result as important for our model (sig=0.209).

Educational programs, as a factor itself, is unimportant for estimating the entrepreneur intention, as its importance results higher than 0.05 (sig=0.36). This suggests that educational programs do not affect the student’s entrepreneur intention.

The perceived behavior control is reported as an important factor in estimating the entrepreneur intention, as it results that its importance is higher than 0.1 (sig=0.061). We should remember that, the importance level 0.05 is preferable, but researchers are also often happy with level 0.1. The standardized coefficient of this factor is calculated to be 0.41.

This means that, in the case when our choice has been standardized (deviding its every element to the certain standard deviation), with the increase of the perceive control of behavior with 1 unit, we expect the student’s entrepreneur intention to increase with 0.41 units.

Subjective norm is the last factor being analyzed. As its importance reaches level 0.398, whereas we require it to be at least lower than 0.1, it results unimportant for the explanation of entrepreneur intention. This factor, as well as the educational programs, does not affect the student’s entrepreneur intention.

**Table 5: Coefficients**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>-.277</td>
<td>.213</td>
<td>-.1302</td>
<td>.209</td>
</tr>
<tr>
<td>Educational programs</td>
<td>.219</td>
<td>.233</td>
<td>.196</td>
<td>.938</td>
</tr>
<tr>
<td>Perceived behavioral control</td>
<td>.472</td>
<td>.237</td>
<td>.410</td>
<td>1.993</td>
</tr>
<tr>
<td>Subjective norms</td>
<td>-.185</td>
<td>.214</td>
<td>-.179</td>
<td>-.864</td>
</tr>
</tbody>
</table>

*a. Dependent Variable: Entrepreneurship Intention*
5. Discussions

This study aims to indicate the factors which promote students’ entrepreneur intention and orientation. Liñán et al. (2011) has shown that educational programs, subjective norms and the perceived control of behavior are some of the factors which explain the relation with entrepreneur intention. Our model, too, has been mainly based on Liñán et al. (2011) and Liñán (2009). This model intends to show whether students’ entrepreneur intention is affected by educational programs and/or various courses related to entrepreneurial and entrepreneurial intention they follow. We also want to see what influence subjective norms and the perceived control of behavior have in entrepreneurial intention.

To our opinion, the most important thing to learn from this empirical analysis is that the decision to set up a business is dependent not only on feasibility and desire, but on individual orientation as well. From the educational perception, this means that the training and entrepreneurial education should be taken into consideration, because they highly promote the individuals to undertake entrepreneurial actions and do business. Authors such as Liñán et al. (2011) say that education is important and furthermore, it affects the entrepreneurial intention. They show positive relations between these variables and they do believe that if individuals follow entrepreneurial education courses and programs, their desire to undertake entrepreneurial actions will increase. However, our study results show that there is a lack of relation between educational programs and entrepreneurial intention. As factors, educational programs are unimportant in estimating the purpose of the enterprise as a result of its importance being higher than 0.05. (sig=0.36).

Despite the increase of entrepreneurial educational curriculum, there are some paradoxically considerations regarding these programs’ role in students’ entrepreneurial intentions. Despite previous significantly exposure to entrepreneurial field, either our research or some others show a lack of influence in entrepreneurial intention (Fayolle, 2015).

In the research it is indeed shown a positive relation between subjective norms and entrepreneurial intention. However, this doesn’t result true in our model. Maybe it is a result of our limitations. Furthermore, in our model the perceived control of behavior has been included as a factor thought to positively affect the entrepreneurial intention (Liñán, 2011). Our research has shown a positive relation between these two variables, too. The last is shown in the relevant analysis. Its importance is higher than 0.1. (sig=0.061).

6. Analysis Limitations

The submitted analysis has encountered some restrictions. Among them we could mention the existence of correlation between independent variables, as it is the case of the perceived control of behavior and educational program, for which the correlation coefficient is reported to be 0.387. However, for as long as strength level doesn’t appear highly strong, it doesn’t concern our analysis.

The sample, which is a technique mainly used in qualitative research, could be included in restrictions. Another would be the limited (small) measure of our sample. In such researches, where factorial, correlation and regress analysis are integrated, it is advisable to use choices with a high number of valid cases.

7. Conclusions

Our study tries to explain the relationship between independent variables and entrepreneur goal. 63 people have participated in this study of which 17% are male and 83% female. Our results support just one of the three hypothesis. Data analysis we get from this study has conclude to us that educational programs are not an important factor to the study, as it importance turns out greater than 0.05 ( safety/reliability= 0.36). Likewise, subjective norms are not relevant to the study (safety/reliability = 0061), and the controlled perceived behaviour is important and is positively related to the dependent variable. The importance of perceived behavioral controls shown by the fact that safety/reliability = 0061. Also, the analysis shows that our studing model is not important because safety/reliability = 0.209.

These results come from empirical analysis like: factor analysis, correlation and linear regression, associated with a number of limits. Multicolinearity and the small number of samples are the main limitations of our model.

References


Reward and Performance as a Key Element of Motivation

PhD. (C) Muhamet Kelmendi

Abstract

The crisis and the dramatic unemployment have had an inevitable impact in salary policy and development of organizations. Therefore, considering that every organization is interested for their employees to be more motivated to work, thus, this was for this reason and relying on literature, papers and research to know to what extend the reward influences motivation of the employees. Initially, we shall also understand the notion salary and performance and how important are they in carrying out the work in one organization, and how they have evaluated by the management of the same organization. Afterwards, we shall show the way and the best methods on how to pay employees, how the manager must decide on the level of salaries of the employees, and must decide that salaries are not the same for each employee based on their performance, etc. The time has shown that the performance evaluation provides information that serves the basis for all other important activities of human resources management planning, selection, reward and motivation, continuously leading to the formation of employees. It is worth mentioning the fact that companies in general still has much work to do in connection with programs for compensation of employees, and this relying on the fact that many companies, particularly in the Balkan states where they continue to give salary different bonuses in envelopes, while reducing the transparency of payment and reward in these companies-organizations.

Keywords: reward, performances, motivation, salaries, employees and organizations.

1. Introduction

Economic category of reward is quite ancient which has evolved in various stages. Historically, the reward has its origins from the army. It connects to a small amount of money (sold), which was paid soldiers to buy salt. During different social-economic systems the reward developed and adjusted to the changes that occurred in the conditions and labour relations, to reach nowadays when it is defined as the monetary expression of the price of labour expended by the employees. Nowadays at is quite normal and natural that employee before applying for a job, the applicant, first takes into account and assesses the salaries and rewards of the organization that gives to the employees.

2. Meaning of Reward as Motivation Element

The salary is a very important component of human resource management, because eventually this is the reason why people have to work. This is a sensitive and questionable topic which was debated both at a practical and the theoretical level. In the USA the term compensation stands to show everything that individual employee has taken in return for work. Employees may understand compensation in return for a well done job. Reward or compensation that an employee receives for their contribution in the organization includes monetary and non-monetary component. The reward does not only reward employees for their efforts, it also has an impact on recruitment and retention of talented people within a defined organization where they are employed.¹

The challenging nature of management is the result of increasingly more complex nature of "bonus package", the bonuses do not relate only to the payment according to Thomson (2002), (Banfield & Kay. 2011:436).

Nowadays employers can choose between a large numbers of reward elements while creating reward packages for their employees in individual ways for everyone. The notion management of rewards shows that benefits of the employees for their contribution can be managed and are not simply problems that can be attributed to the calculations of personnel dealing with wages or salary or operating system consequences per item, or negotiated consequences with the workers' unions. A successful system of rewards in its organizing includes the following elements:

*Non-monetary reward*, which itself includes intangible profit values. Intangible values in this case may be: career and social services, such as, insurance of place of work, rewards, decorations and strong friendship, etc.

¹ Michael Armstrong; “Employee Reward”, Year 2002
Direct reward is a basic reward for an employee; this reward may be in the form of one annual salary, payment per working hours, or any other payment or monetary reward based on performance an employee has shown.

Alternatives of such rewards are:

- **Basic salary:** Is cash salary for the employee.2
- **Simulative salary:** Is given in cases when the determined objectives from performance of the employee are fulfilled, this form of reward is an excellent motivation to meet the objectives in the business of organization.
- **Bonuses:** Are rewards given here and then for special cases.

**Indirect rewards** is a completely different process from the two above named rewards, as it includes everything, starting from legal public programs, necessary for social and health insurance and, care for aged persons, programs for retirement, costs of movement, health insurance, super for shelter, event tickets, clothing, the use of accessories, offered food, the use of fix telephone, and cell phone up to the children’s care, etc. (Tracy. 2013. 43,44).

Thus, in the work market, indirect reward is becoming more and more important.

### 3. Reward and Motivation

Each company should pay attention to the way reward is given, as in this way it is determined if the company employees are evaluated. Rewarding the employees to their annual employments, it shows that the employer appreciates and admires the employees who have decided to remain with the company.

During the time when the employees are in charge of work, the employer should show his appreciation for their overtime accomplished work and it is not important what forms of reward elements are used for them, as they have received an estimating message from the employer. This message is important, as here we can find the types of reward that are linked with structure of business, enlisting of working force, preserving, motivation, performance, reactions and employees' pleasure. The reward is usually amongst the first things that the employees take into consideration when commencing with new work.

So the salary is an important element of motivation of employees at work. Studies made in the field of human resources, show that employees are likely to overestimate the importance of salaries, but it should also be noted that the salary is not equally important in all situations and for all people. So most likely people underestimate the importance of salary as a motivation factor and pay greater attention to factors that consider work as contributing factor to the entire society.3 Below are given the data from studies conducted on the importance of compensation as a motivating factor.

Research studies are interesting for the fact that if employees are being surveyed to make a ranking of the factors that motivate them to work, they decide for the salary as the main factors in the ranking, but if conducts studies are using meta-analysis, then the produced results are different. For many people the salary remains in the core of function reward. To resolve the case of reward on payment, hours and conditions are the most important contribution toward the partnership, (Banfield & Kay. 2011.451). So, the salary is a motivational element, but does not rank among the first where such a thing is emphasized in various literature of the authors, such as:

- **Herzberg, Mausner, Peterson, and Capéell (1957)** emphasize that the salary is ranked the sixth in conducted classification in terms of importance, the other listed elements after the payment are: safety at work, evaluation the company where they work. Then Jurgensen (1978) - in a study conducted over a 30 year period noted that the salary ranks the fifth in a list as a motivating factor for men and the seventh for women as a motivating factor. For men, the most important salary as a motivating factor as security, prosperity, type of work, and the company where he works, while women more important than salary as a motivating factor are: the type of work, the company where they work, safety at work, the manager and the relationship with him, career advancement and cooperation.

- The Towers Perrin (2003) - observed around 35,000 employees in the US and noted the importance of salary as a motivating factor depends on the objectives. Competitive base salary ranks the second in terms of how it affects the motivation of employees, whereas the salary increase by individual performance is ranked as the eighth in classifications.

### 4. The Importance of Salary and its Impact on the Development of the Organization

Locke, Fere, McCaleb, Shae and Denny (1980)-made studies through the use of Meta - Analysis productivity in the workplace, stress that the establishment of reward incentives leads to increased productivity by an average of 30%. In contrast with this, enrichment of work leads to increased productivity by about 9 -17%, whereas the growth of the

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2 Michael Armstrong; “Employee Reward”, Year 2002
3 Michael Armstrong; “Performance Management: key strategies and practical guidelines”, Year 2000
participation of workers in decision-making leads to increased productivity by about 1% on average.

Guzzo, Jette and Katzell (1985)-the research made by Meta-Analysis of monetary incentives and other programs that affect the incentives output, they have stated that financial incentives so far have had the greatest impact on productivity.

For example, the salary has a higher impact on productivity growth than other interventions of a designed type with more interesting work.

Yankees, Mitra, Gupta and Shae (1989)- the research made to see the connection between financial incentives and performance requirements for manufacturing quality and quantity, it doesn’t show any correlative link between incentives to reward and production quantity, and there is no connection between reward incentives and quality of production. As seen from the above figures, the employees respond in most cases that the financial incentives make them more motivated to work than other policies pursued by the human resources department. Payments based on performance-are gaining popularity across the organization (Robins & De Cenzo. 2012:430).

An interesting fact that was observed during the study was the fact that for individuals applying for job, the reward was the main motivating factor, and for individuals who already have been employed, the reward was a motivating factor, but not the most important.4

This finding came from a study made in 1978 by Jurgensen, who estimated ten features of work that motivated the employees; among such features the reward was also included.

The second way used to see the link rewards as motivation element is called "Attraction Policy", which examines how the employee evaluates the attractiveness of the job characteristics. For example, various characteristics of work were selected, such as; salaries, location, type of work, the benefits received from work, the average time of promotion of employees, etc., to see the contribution in motivating of the employees for each of the said characteristics. Such studies have shown that the reward was one of the most important motivating factors of work.5

Thus, as a summary, we can say that there is strong evidence that the salary is a possible motivating factor. I say "potential" because in order to motivate, salaries should be strongly related to performance. However interesting facts come from a study conducted in 2002 by Rynes, who suggests that managers do not believe the reward to be so important for the behaviour of employees, despite the fact that employees dedicate to much importance to the link of salary with their behaviour. In this way top managers deem as very important for employees, welfare (labour conditions), challenging work, independence in decision making and focus on the customer.

However it still remains the fact that the reward is linked directly with motivation. This can be explained through "Hierarchy of needs by Maslow," who explains the motivation of the human being as a result of the need to meet the needs of a higher level, but always without missing needs of those in the lowest order (Mustafa. 1997:353). In this way, to pass from the lowest order needs "physiological needs" money is necessary to open the way to social status (i.e. to pass on higher hierarchical levels). So the salary is a very important element which can help in achieving the levels of Maslow motivational hierarchy, including self-actualization.

Many managers believe that the importance of the salary as a motivation element depends not only on the situation, but also by the individual personality or level performance they want to reach.

5. Performance Evaluation and Salary as a Motivational Element

The employees are very sensitive to salary down-sizing. Reactions of the employees to changes in salaries depend on a large extent by how the reasons for changing the salary policy are communicated to employees.

The salary plays a modest role in motivation and performance, in systems where people receive the same reward, despite lying on individual or group performance where they belong. In order to stimulate workers for certain jobs, PVR differences in salaries and services are created of rewards for employees of organizations (Ramosaj. 2007:166).

Evaluation of performance is a systematic process to determine the relative value of a job within the organization in order to:

i. Provide accurate information to establish and maintain a fair salary structure.

ii. Provide as much as possible a basis for assessing the work and managing of work related within a structure (classification).

iii. It enables a stable decision regarding the classification of jobs.

iv. It ensures that the company is meeting the legal and ethical requirements "on equal salary for work of equal

4 Angela Wright "Reward Management in Context", Year 2004
value”.

v. Evaluation of employee performance is indispensable for the organization and it needs the said evaluation a system for the above mentioned rewards.

Without a system of evaluation, a company management and employees operate in complete darkness where the efforts aren’t co-ordinated – it is the same as to walk without knowing where you are going!!!

It is important to remember that fellow employees have the most significant effect on the performance of employees. Therefore, considerations of the management should include peer opinion of his/her job and how the assessment of particular employee is seen from his/her colleagues. Deviation from what is considered fair and honest will immediately put new colleagues and shall undermine from within the overall system of employees’ performance.6

6 Donald L. Cauth; Gail D. Handlogten; “Managing compensation (and understanding it too)”, Year 2001

6. Importance of Systems for Evaluation of Employees

A performance evaluation system is important for executives as well as for the employees due to bellow mentioned reasoning:

a. Is a method which has been agreed by both parties to use for assessing of performance and accordingly shall further assess achievements of the employees.

b. He makes it clear to the employees that the decisions of leaders are fair and not based on personal preferences or discrimination.

c. It assists in the professional development of employees.

d. It gives employees a more objective point of view to understand whether the company has no advance or make any progress.

e. It adds the motivation introducing new challenges and assessing achievements.

And when a manager has to decide on the level of salaries for the employees, he must decide that the salaries mustn’t be the same for every employee. So, salaries should be individual. They cannot be rewarded equally, someone who works harder or better than anyone else, for the same work. Below I shall try to explain how to set individual salary in as fair as possible.

7. Seniority or Performance

One of the factors that affect setting of the salaries is seniority, or life expectancy at work At first glance this seems right. More years of work, more experience. Experience improves the quality and individual contribution toward the achievement of organizational objectives, but this is not always the case. Many businesses in the development process need to apply new technology. Thus, the experience of several years with the old technology, no longer goes to work. While new technologies can be used better from new employees. On the other hand, the method of payment by seniority, would lead to a lack of motivation of young employees, who can actually work better than the "old".

Another factor is setting of salary performance at work. It is easy to understand the essence of it. If employees do their job better, they get paid more. This brings motivation among them and the accomplishment of this method creates benefits as businesses, as well as to employees. But how is the performance evaluated? It can be compared with grades in college and there are several methods:

The method of objective assessment, where employee performance is based on something concrete, for example, as sales were accomplished within a certain period of time.

Subjective evaluation method, different from that objective, includes evaluation and also the opinion, perhaps unilateral, of the supervisor on the employee. For this reason, there are laws that protect employees from estimates based on race, religion, gender, etc.

Evaluation of 360 degrees, is a process through which all employees appreciate each others for performance. Traditionally evaluation is done from top-to the bottom, but more and more it has begun to be implemented in mass, where ordinary employees evaluate their bosses.
8. Conclusion

Based on consulted literature and findings in this scientific work, we may emphasize that the reward has an impact on special motivation of employees which then turns to company productivity and profits, something which leads the organization toward the growth and further development. It is understandable that a motivated employee gives the maximum of his/her own, in the same time he/she is devoted to the performance of his/her own and achieves the results and highest productivity in the organization where he works.

It should also be kept in mind that the costs of salary and bonus occupy a significant part in the organization's expenses, but it should be known is how to manage them, without creating gaps and financial deficit organization. Therefore, drafted reward packages must be well-studied and which will not have any negative impact on the financial situation of the organization.

In this paper, emphasis was placed to reward based on performance as a form of reward that takes into account the individual employee contribution to the achievement of predetermined objectives of the organization. And another important issue is that organizations have greater transparency in such a way that persons who are affected by decisions have the opportunity to examine the ways in which these decisions are taken and on what basis they were taken.

But what is important to note is the fact to develop a successful reward strategy based on the performance, all the factors that have an impact on the achievement of performance, composition of the works and the contribution given by the employee in accomplishment of organizational objectives must be taken into account.

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The Impact of Games in Understanding Mathematical Concepts to Preschool Children

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Abstract

The purpose of this action research is to examine the impact of Mathematics games on the understanding of concepts of numbers and numbering with preschool children. The research involved a total of 58 children from four groupings of “Naim Frashëri” school and their parents. Firstly, it was conducted pretest, with the aim of identifying the children who have difficulties and problems with adopting Mathematics concepts, followed by an action plan in class. The research was implemented during the first semester of 2014. During this period, three action plans on learning the number and numbering concepts were realized: in the first action plan – through Games with manipulativ tools; in the second action plan through Games in nature; whilst the third action plan involved Mathematics and Logic Games. The study involved data collection through observation lists, focus group, questionnaires with parents, working sheets, preparing the test before, during and after the action plan. Afterwards, we observed the data and analyzed it through statistical methods, thematic methods, coding the information extracted from questionnaires with parents and the observation list. The results of this research show that the uses of the mathematic games with preschool children’s have an impact in the development on understanding’s the number and numbering concepts. The use of Mathematics games, also have a direct impact on effectiveness and quality during Mathematics classes.

Keywords: Games, preschool children, mathematical concepts, creativity.

1. Introduction

Game is one of the main factors associated with children during their childhood. From birth they begin to know the world around them, to realize it through concrete actions, through various games, interaction, where they challenge and are challenged and also where they face and solve a problem.

Well-known pedagogues, psychologists and sociologists such as: Montessori, Piaget, Susan, Isaac and Dearden have contributed a lot in the development of knowledge for preschool children. They have researched and have made various studies concluding that preschool children learn best through play, indirectly - without realizing that they are learning. Even, they compare children’s play with the adult work. Using games develops creativity in children, integrates learning across different curriculum areas, which enable the teaching of mathematical concepts. By providing material manipulator, they gain knowledge and become agile in the game. By enabling children to play simple games with numbers, addition and subtraction, by always using something new and creative, and in this way they unconsciously, are in direct contact with mathematics, which, rather than considering "a difficult subject" they learn while having fun.

The reason for choosing this subject is because in modern society mathematics is characterized as a difficult subject to be learnt essentially. We must find methods and strategies to make children love mathematics. To learn this subject by playing, exploring and making things on their own.

The importance of this research lies in effectiveness that games have in early childhood development.

The purpose of this research is the identification of suitable methods of teaching and learning that include the integration of different games to help children understand easier and entertain with the mathematical concepts.

2. The Formulation of the Problem

The development of mathematical concepts has a great importance, because children gain the main knowledge base from an early age and continue to enrich it with new knowledge, which start to become more difficult day by day. Main concepts that preschool children face in mathematics are: the development of understanding numbers and counting; the understanding of space, basic geometrical figures and measuring the sizes, classification, clustering and comparison (Standards for Early Childhood Development, 2011, p. 55).
Mathematics should be taught through mathematical games, in order to become a simple subject. Debord 1999 argues that the inclusion of children in the daily use of numbers helps them gain knowledge of mathematics since the beginning of life.

While playing with numbers and counting, besides entertainment, children also achieve physical, social and intellectual development, as well as welfare and health. In the book Psychology of Education, Bardhyl Musai states that "The concept of learning through play includes recognition of the role of imagination and emotions in intellectual development" (Musai, 1999, p. 73).

Through mathematical games children understand and learn different ways of learning. By having fun they reach independence. Above all, they become more social, more agile and face the challenges easier. "Game enables children independence, success and fun" (Save the Children, 2007, p. 36).

Well known scholars and researchers have proved that through mathematical games can be learned and developed sustainable concepts to children, in particular the development of mathematical concepts.

Through the whole time games have been part of people's lives. Anthropologists have studied the unique games played by ancient people, their time, place and environment (Barta & Schaelling, 1998). Comber & Zeiderman & Kevin (1994, p. 35) in their research write that "it is important to detect early childhood interests. On the basis of their interests, the adaptation of the activity will be easier. Each child will find itself somewhere ". The methodology Step by Step (SBS), we find that "The process of learning in young children is inextricably intertwined with games, the usage of concrete buildings and verbal expression of opinions" (HPH 1999, p. 173).

The main question of the research:
What impact do the games have on the development of number and numbering concepts to preschool children?
Auxiliary questions:

- How do the games and manipulative materials effect on the development of number and numbering concepts?
- What impact and creativity in learning concepts do the outdoor games have?
- Do logical games help the increasing of confidence in children in order to clarify number and numbering concepts?

This study will contribute in finding the most suitable games for the development of important mathematical concepts for preschool children; assessing the impact of games in learning number and numbering concepts; the importance of their implementation through creativity, as well as improving the performance of educators in schools.

3. Literature Review

The integration field in our curriculums has a great place in child’s everyday life through mathematical activities “Mathematical activities provide fun and are successfully realized when combined and integrated with the child's environment and context living” (Curriculum of preschool education in Kosovo 3-6 years, 2006, p. 86).

“The game is considered as one of the main instruments for promoting child’s development. Game for a child is life itself, growth and gladness of his/her, and as such, play should be encouraged, directed, stimulated and supported because just as such game has its meaning and importance” (Standards for Early Childhood Development, 2011).

Education Specialist Debord (1990) writes that early age children should be provided with manipulator material, in order to gain knowledge and become agile in the game.

To the Math Teacher’ Handbook manual, Portman, J. & Richardson find thoughts Eklavya (2007), stating that the games help children to: understand mathematical concepts, develop mathematical skills, to know the mathematical facts and learn the language and vocabulary of mathematics.

If the game is based on the ideas of children, they spend a wonderful time, compete, and each of them wishes to win. Sungmi K. (2003) to Estimation Games and Proportional Reasoning argues that mathematical games influence to encourage a sense of curiosity and exploration to children.

Games in yards gardens give children the experience to compare numbers, to count, for addition and subtraction, and also offering informal experience with the ideas of statistics and probability wrote to division of Marilyn Bums Education Associates (2007).

On learning of mathematical concepts and their meaning, is increasing significantly the importance of preparing children to be successful in the future and to prepare for life. Duncan et al. (2007) found that early knowledge of mathematics would be the best forecasters for subsequent achievements in mathematics. The new state standards for math joint (CCSSM, 2012) enable number of classification, measurement, and construction of spatial relations as necessary constructions to be addressed in preschool.
Alan J. Bishop (1997, p. 3) during his research has concluded for the “fear” to teach mathematics to children at home.

4. Research Methodology

For this study, is used research methodology in action, mixed methods that are deemed as a combination of quantitative and qualitative methods in the way that best suits specific project.

4.1 Sample

The methodology of research is conducted with children of four groups, ages 5-6 years old, in “Naim Frasheri” school in Prishtina, during the first half semester of school year 2014/2015. The participants were fifty-eight children, thirty of them were females and twenty-eight of them were males and students’, two educators and parents of my class too.

4.2 Purpose and research questions

The purpose of this research in action is the identification of suitable methods of education and learning that include the integration of different games to help children to understand easier and while having fun the mathematical concepts - number and numbering.

4.3 Research instruments

For the realization of the research are used these research instruments:

- Interviewing protocol with educators as a focus group
- Interviewing protocol with parents as a focus group
- Observation lists
- Working sheets

4.4 Action plans

- The first action plan - learning number and numbering concepts through games with manipulative materials.
- The second action plan - learning number and numbering concepts through outdoor games.
- The third plan of action - learning the number and numbering concepts through logical games.

5. The Methodology of Research

The methodology of research is realized with children of four groups, ages 5-6 years old, in “Naim Frasheri” school in Prishtina, during the first half semester of school year 2014/2015. The participants were fifty-eight children, thirty of them were females and twenty-eight of them were males and students’ parents of my class too.

5.1 The aim and questions of research

The aim of this action research is the evidence of suitable methods of teaching and education that include integration of different games to help children understand Mathematical concepts especially the concepts of number and counting in a simply and having fun.

5.2 Action plan

- The first action plan – the learning of notion number and counting using games with manipulative tools. The purpose of this plan was the development of notion number and counting, accordance one with one and creation of different figures via manipulative tools. The purpose was to solve problems, to communicate, to justify the relationships and to evaluate.

- The second action plan - learning of notion number and counting through plays in nature. The aim of this plan was the children to learn notion of number and counting by having a good time, playing creative games outside, a good
education, and sociability of children and the learning of how to respect rules.

The third action plan- learning these two notions via logic games, keeping in mind the number and counting, solving Mathematical problems through different examples of games. The purpose of this plan was the progress of logic thinking for children, imagination, challenging of challenges and to evaluate on their own.

5.3 The detailed plan of data collection and their analysis

A survey of a pre-test was firstly done with fifty-eight children, via tests collecting dots to form numbers, to differ the known numbers from unknown ones and to match with objects that define the number.

The result was enjoyable, where 45 or 77.59% of children were correct, whereas 13 or 22.41% of them were incorrect (in this result are also included two children with special needs).

5.4 The analysis of questionnaire with parents

The questionnaire for parents includes four questions of closed-type and one open-type question. Data collections are coded. The answers of 29 parents will be shown in the tables below. The questions are:

1. Do your children like counting spoons, forks and plates while setting the table?
   On the above question 22 or 75.86% of parents answered that their children like to count spoons, forks and plates while setting the table; whereas 7 or 24.13% of children do not like to count these things.

2. Do you ever play any game with numbers and counting that define measurement less or more?
   The answer from the second question was in similar percentage as first one, where it is shown that 22 or 75.86% of parents answered that they play these kind of games; whereas 7 or 24.13% do not play these games. From this answer we came to the conclusion that children have the same interest about counting and there is no difference about things they count.

3. Does your child count the ingredients of a cooking recipe, for example: how many spoons of flour, how many glasses of milk?
   On this question we got answer by which we understood that more than 50% of parents let their children to be involved in cooking, exactly 17 or 58.62% of children counted during the cooking, and 12 or 41.38% did not count, because they do not cook together with their parents.

4. Does the child counts the stairs going up and down?
   Parents 24 out 29 or 82.76% answered positively on this question, whereas negatively answered 5 or 17.24% parents that makes us to understand that children like to count stairs and their steps up and down.

   While to the last question, which was an open-type question, if you have any of your children’ favorite game that has to do with counting, there was a diversity of answers. A mother (1) writes that her child counts animals and classifies from other toys- extra-mundane, dolls, even dramatization toys. A father writes he plays hide-and-seek with his daughter and his daughter counts from 1 to 10 and again from backward and looks for me till she finds me. Another mother(2) says that her boy plays with columns, droops and counts how many of them has droop, how many are let, if there are more left or less.

6. Data Analysis According to the Focus Group

Focus group was realized with parents of group 3 and 4 of preschool classes at “Naim Frasheri” school. Participants were ten parents who had different profession and they were answered in seven questions (we will choose some of these questions and answers). The aim of the focus group creation was to get parents’ opinions about the influence of Mathematical games in understanding the notions number and counting to their children.

The chosen parents in this focus group were interviewed for one hour. Selection of parents was done purposely, with those who also had difficulties when they were young. In the first question: “How important do they see the progress of Mathematics’ notions via play?”- all the parents said they see the progress of Mathematical notions via game as a really important thing because this game is easy to be learnt and understood. Parent no. 1 says: “Learning Math through plays it’s a really good way to develop Math concepts, particularly for preschool age”.

If games have a really important place in families where is mentioned the notion number and counting, it can be understood through parents’ replies of second question, where majority of them stated that life itself is Math and that everything can be counted. Majority of parents responded they play Mathematical games with their children every day.
Parent no. 3 says: “In my family games take place everywhere, we count scones of bread when we cook in kitchen; we count shoes in the hall, we count clothes that we take off from washer machine in the bathroom and when we put them to be dried, we classify clothes, my daughter counts them and tells who do they belong to; we count toys in bedroom; counting traffic lights in boulevard; cars according to the brands they belong to and so on”. If children have fun and their intelligence grows via games in outside environment, based on the replies of question number four, we find out “What kinds of environment does your child prefer to play with pleasure in which you think he or she develops in a very good way the notion number and counting?. All parents responded that their children prefer to play in outside area, nature, parks or yards. The influence of Math games played in nature is considered to be really enjoyable. Parent number 10 says: “My child prefers to play in our yard. The games are created based on seasons. Example: now that is winter time, my child makes snowballs and counts them. She plays together with her brother and counts how many times she has hit at him with snowballs”.

To the last question: Do you want to add anything else about games?- all the answers were almost the same. All the parents said they are really happy their children are learning during games. “This is a new way of Math’s notions development and it is given a chance to us to practice this method of learning with our children everywhere, in home or even in nature”. This tells us that parents really appreciate the developing of Math notions via plays.

6.1 The first action plan

6.1.1 Learning of notions of number and counting via manipulative material games

In the first action plan it is used “the magic box” with numbers, geometrical figures, paper cut in heart shape, written with numbers and we did evaluation as feedback.

Checking and evaluation of children’s work make us known children's achieving and educator's success. Feedback helps us to find shortcoming to each pair. Next, we will present some children's work and their results:

![Figure 1: Magic numbers](image)

Figure 2: Counting and matching

Via figures 1 and 2 are presented a lot of Mathematical concepts. The duty of children was to do the matching; dots-color-figure (with numbers that are learnt till then). Instructions were each child to take a number from “magic box” and then to do the matching according to instructions. While doing this activity children had to choose figures they want, toys (soft and strong), figures, blocks, pencils, balls, or anything else they thought it matched. Children worked in an individual way. The result was surprising, 52 or 89. 66% of them were correct, whereas 6 or 10.34% were incorrect.

6.2 The second action plan

6.2.1 Concept of number and counting through games in nature

In the second action plan there were played different games in school’s backyard. Each time and more, we were convinced about the influence and creativity of games in nature and their impact to learn the Math notions, notably the concept of number and counting. The most successful were those that were played in pairs and small groups.

Through below pictures we can see some of the games that were played to know number and counting.
Figure 3: Game – Jumping according to number

Figure no.7 presents a game played in pairs. A child throws a cube, and the other child jumps as far as the dots in cube show. While he/she jumps, counts loudly and when he/she stops, opens the sheet and says the number that it was hidden. This was the most children's prefer game and that is why a high result has been achieved. The results taken from this game were: 56 or 96.55% of children were correct and 2 or 3.45 of them were incorrect.

The next picture tells a game of bottles crash

Figure 4: Game- Bottles’ crash

In picture no. 4 there are shown numbers from 0 to 10. Each bottle has blowpipes within according to the number written on the bottle. Blowpipes are put inside while counting by children. They threw in bottles a balloon filled with water and crash them. Children were divided into two groups from each class. The purpose of this game was children to count how many bottles there were crashed, and how many of them were left. This sort of game was also their favorite one and it had a good result too. All children were correct; they knew how many bottles and which numbers they crashed, and how many of them are left.

6.3 The third action plan

6.3.1 Learning of concepts of number and counting via logic Mathematical games

In the third action plan we were focused at multiplication and subtraction of numbers; in matching; keeping in mind of number and counting, solving mathematical problems through varied examples of games. The reason of the third action plan creation based in these concepts, had to do with monitoring of lessons review and identification of children with difficulties to match numbers and to do multiplication and subtraction of numbers. Children worked in groups and individually, based on the activities that were used.

Fig. 6: Correct matching of stars with numbers

Fig. 7: Incorrect matching of stars with numbers
In this activity, picture 6 and 7, the children had to match stars with the correct number. Firstly, they colored the stars as they wanted and then continued with matching. It was an individual work and we got these results: 52 or 89, 66% of this test was correct, whereas 6 or 10, 34% was incorrect.

From all these three action plans we found out the answers of the main and helping questions of this research.

6.4 The common plan for each of three steps of action plan

![Figure 8: Results of common tests through three action plans](image)

By this picture, the results of the three action plans in our classrooms can be seen better. In the first action plan via taken average from games with manipulative materials, it is seen that 8 children were wrong while we monitored closely while 50 of them were right. The most successful plan was the second one- games in nature. During these games just 1 of 58 children did not have the right result. Whilst, based on the third plan, we took these average results: 53 children were correct, 5 of them incorrect.

It is clearly seen that the most successful games to learn concepts of number and counting were games in nature. These results are basically the same with the focus group of parents.

7. Conclusion

This research’s purpose was to tell the importance of Mathematical games for development of concepts of number and counting to preschool children.

All the action plans have influenced the achieving of this research purpose. After conclusion of each action plan, children’s results were exactly those which showed the importance of Mathematical games during Math classes, starting from children’s confidence, bringing joy during the class of Math concepts.

It was a satisfactory cooperation with parents and children and by taken results we were able to know a lot of things together. This study suggests to all parents to be part of this continued process of teaching. It also suggests educators to play even one of these games in a Math class, because of integration of these concepts in everyday life of children, to be learnt easily and clearly, and in these manners children will feel they are involved in game and in indirect way they will be in contact with concepts that are learnt.

We hope our results and conclusions will be a good starting point to review usage of Mathematical games in knowing of the concepts of this subject, because they directly influence cooperation in classrooms and increase possibilities to children. At the same time, they have fun and learn without knowing they are doing this, they develop their curiosity, imagination, esthetic education, spontaneity which make them critical thinkers and influence the effectiveness of Math classes too. We can get favorite results about our children only by analyzing achieved conclusions by national and international researchers and also adjusting with our working conditions to prepare them to be capable and competitive of tomorrow.

8. Recommendations

In the end of this research we have some recommendations which would be really helpful for educators during their Math classes:

- To apply more games during teaching of Mathematical concepts in which all children’s are involved
- It is recommended educators to do researches in coherent manner about Mathematical games for development of Mathematical concepts or at least to use these games that we did during this study;
- To cooperate with professionals, colleagues, familiars and so forth. Furthermore, they can recommend or give any ideas about the activities that could be relevant, or to exchange with each other their positive experiences;
Inside the classroom democratic values to be promoted, encouraging the children to give their opinions to gain self-confidence;

Games should be adjusted with the explanation of concept and should be referred to their age;

A positive environment related with Math subject should be created in classrooms;

Children should be motivated to use imagination during Math classes and through games to solve Mathematical problems;

Children should be challenged with individual, pair or group work by their educators;

Children should be learnt to see and describe their Mathematical world;

They should be encouraged to make as many question as they can about the concepts of number and counting;

Children must be challenged about their critical and creative thinking, cooperation in Math classes too;

Children should be able to cooperate with their classmates.

This research suggests the educators to use diversity of Mathematical games while teaching Mathematical concepts. Application of Math games such as: Games with manipulative material, Games in nature and Logic games- are good ways to encourage children understand easier these concepts, to explain these new concepts in order to keep in mind for a longer time, to increase self-confidence and to know information for a longer period.

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Intellectual Property Law, Protection of the Rights, Its Importance in Our Country

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Abstract

Protecting intellectual property is very important in several fields of everyday life, because it has a direct effect on many rights that individuals enjoy in a society. It encourages the development of sciences, arts, computer and cultural inventions, etc. Protecting intellectual property rights means greater productivity, improvement in quality of goods and services, thus making the actors more competitive in the global market. Intellectual property today has become a new discipline with research value, because issues and problems covered by this discipline are increasingly getting a greater theoretical and practical importance. Though there is a serious attempt to treat intellectual property related issues, I find that we are dealing with a great effort to analyze and judge the scientific concepts and notions of intellectual property, its role and importance achieved in today’s stadium of socio-economic development. The point here is to emphasize the overwhelming achievements in the field of intellectual creativity, expressed through great scientific inventions and industrial products. On the other hand, the ever increasing grounds for informality and manipulation, leading to numerous complications and hardships in its legal protection, even possible legislative duplications and vulnerabilities in processing different cases and finding solutions when being faced with real contests.

Keywords: Intellectual Property, Copyright, IP Rights, Protection

1. Introduction

Various analyses and treatments, explaining the laws of intellectual property, rights and obligations derived from them, are based on different subjects. Many analyses’ values rely on the market economy. They help to make the community more sensitive towards the protection of intellectual property. Protecting, guarding it against piracy and placing the intellectual property in the role of a scientific discipline, is of outmost importance at the phase when it is treated by many researchers and professors of this discipline. Today, it touches issues such as the law, human rights, trade, public administration, etc.

Protecting IP rights is not an issue concerning just the one named country, it is an issue stretching beyond this and becoming an integral part of regional and international developments.¹ These are rights of an international and worldwide nature, especially today. The international trade thus, has reached a great development, and the role of intellectual property is essential. In a market where intellectual property is unprotected, or where there is insufficient protection, this market is jeopardized by piracy and even greater harm.

2. The Importance of This Scientific Article

The focus lies on the overall status of the intellectual property law, the legal aspect for its development and protection, especially the industrial property and copyright. Positive elements found within respective parts of the legislation, documents and specialized institutions are emphasized, selecting the best model which promotes, advances and protects these types of works and their ownership.

The real improvements come from highlighting and comparing our models of the rules with the relevant equivalents of particular legislations, institutions and respective international organizations. Of particular importance is the model (considering here greater effort and seriousness to put in place better mechanisms and law enforcement, where lacking it and necessary) which stimulates invention, creates favorable conditions to transfer authority and over all, sustainability

through a provision of proper legal protection.

2.1 Research Hypotheses

1. Does the notion of intellectual property law find its expression as “the law of intellectual property in the objective sense” and “the law of intellectual property in the subjective sense” in our country?
2. Are the relationships between intellectual property law, copyright and other rights related to industrial property law aspects of a law applicable in our country?
3. Why are there organizational and legal shortcomings?

3. Literature Review and Hypotheses

Intellectual property deals with legal rights stemming from human creative activity in the industrial, scientific, literary and artistic fields. Intellectual property is traditionally divided into two parts: Copyright and Industrial property. Intellectual property itself is a broad category including some other subcategories, varying from one country to another. Subcategories of industrial property are: inventions and the models of use, trademarks, industrial designs and indications of origin.

Intellectual property is an asset that can be bought, sold or exchanged, like any other type of property. What makes it different from other types of property, like the real or personal ones, is that intellectual property is intangible.

Even though much effort is given to protect and preserve the intellectual property in our country, there is still much to be done. Possible improvements to be made to the IP system need to be taken into consideration, in order to encourage and support innovation by promoting research work, especially through Albanian companies (in this case), local universities and individuals. It is all about the generation of incentives to lead to creations in the world of free competition. But, free competition (in US, for example) could mean that IP rights are granted only to “authors and inventors who meet certain minimum requirements” and when necessary to encourage invention.

In general, if we take a glance at our world of business which is progressing rapidly, we see products, goods and services which have occupied the markets everywhere; we see lots of authentic and counterfeit goods surrounding us, services, domestic and foreign products, authentic and counterfeit clothing, etc. Greater awareness has to be raised about intellectual property rights and obligations through the ‘system of registration and the management’ of intellectual property protection.

4. Methodology and Research Goal

This topic uses the theoretical method to a considerable degree, applying the analytical thinking and professional literature interpretation. The literature and other methods used are also closely related to the validity of this work as a means which corroborates the origin of the source material. We’ll try to not only explain the descriptive aspect of the subjects concerned, but also the inner validity of this study by comparing the variables and establishing their relation with one another. By comparing the results with other similar subjects or from a different place and time, it is possible that we just get generalized results and a validity known as external.

Besides the use of the historical-descriptive method and the historical-judicial one, which analyze research materials and compile theoretical conclusions, there is a considerable use of the basic respective legislation and additional regulations on intellectual property law, against the models from other countries and international organizations, to establish analogies and differences and their positive application.

The stimulation of innovations and worthy creations is of good intentions and common good. This is how creators and scientists are encouraged to share and exchange their exclusive rights over inventions and open them for the overall good of the society. There is a judicial protection in place and always necessary to keep things orderly and at the same time encourage concerned parties to come up with inventions and on the other hand, create the terms and conditions acceptable to all and of practical and general use of the values of those inventions.

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5. Protection of Intellectual Property and Its Benefits

The better fulfilled notion of intellectual property is closely related to not only making and having the rules, laws and intergovernmental agreements, but rather the “tools” to respect and put them into application. Or, by creating more favorable and stimulating conditions for IP work, strong implementation mechanisms, the responsibilities and obligations associated with the protection of intellectual property will meet the necessary requirements. (John R. Graham) Intellectual property as an immaterial asset can easily be disregarded. So, protecting a company’s IP is very essential for the development and work progress, even though authors in general enjoy a copyright protection, only for the mere fact that they created that work.

Some of today IP protection forms can be:
- "Brand Recognition;"
- Competitive Advantage: (Know-how, confidential information and trade secrets fall into a category of intellectual property called trade secrets);
- Creative Works;
- Internet Presence: Establishing and protecting a distinctive Internet presence can be extremely valuable;
- Social Media.” (Darin Klemchuk)

Another form of IP protection, referred to quite a lot is the trade secret. But, this approach might not be very smart; hence not very useful, having in mind that without any publicity, there could be a limited or no outcome and results. Making the achievements public, in most of the cases would be the right thing to do, even profitable, but this should in no way lead to stealing the intellectual assets. (Dega, Fatos 2012) In any case, the owner’s rights should be taken into consideration and guaranteed, by using the legal channels of protection in case of violations and contests.

The institution in charge of IP protection is the State Department for Industrial Ownership of the Republic of Macedonia (Article 9), where it is stated that the person whose right acquired by this Law has been violated, has the right to protection before a given court.4

5.1 How is Intellectual Property Protected?

Intellectual property consists of items created by someone, which are different from others. But, how should these items be protected from being illegally used or misused? In order to ask for and use a provided legal protection for an intellectual property work, it is necessary for this work to have followed the right paths of its existence and distribution, by acquiring the necessary licensing or patent. (Chris Hinson) Also, in order to make use and profits out of an ownership over some intellectual asset, it needs to be made public, besides gaining the mandatory legal rights. “For a large number of intellectual property rights, (patents) are issued or, (designs, trademarks, geographical indications, copyrights, etc.) registered, based on the laws of intellectual property of a country. (Dega, Fatos, pg24)” These could also be counted for exclusive rights which give one the right to use, possess, and get compensated and the right to stop third parties from using it illegally. (IP Law MK, Article 8) Of course, in order for an invention to be able to ask for and get the protection, it needs to be a new one, be of inventive contribution and find application in some industry. Fields of IP protection can cover the patents, copyright and related rights, trademarks, industrial designs and integrated circuits, geographical indications, protection against unfair competition. (WIPO)

The Albanian legislation covering the IP issues consists mainly of: Law No. 35/2016 “On Copyright and Other Rights Related to It” with the Albanian Copyright Office and, Law No. 9947/2008 “On Industrial Property” with the Directorate General of Patents and Trademarks.

6. Data and Research Methodology in This Research Paper

Round tables generally adhere to a more effective application and possible improvements of the system of intellectual property regarding the protection of traditional knowledge. Following the investigation on present needs and expectations of indigenous people and other safeguards of traditional knowledge, WIPO amongst other things, looks to provide trainings on intellectual property and keepers of traditional knowledge and to conduct case studies and pilot projects about the relation between intellectual property and traditional knowledge. In 2000, at WIPO’s 26th General Assembly meeting, WIPO member states decided to establish a special body to discuss the issue of intellectual property about

genetic sources, traditional knowledge and folklore. The body was appointed by sources of intergovernmental committees about intellectual property of genetic sources and traditional knowledge and folklore which met four times until the end of 2002.

Source: Higgins, J. M. 1983 Organizational and Strategy “Management Strategy” 2nd Dryden New York,

6.1 Analyzing Data

The implementation of the strategy involves all the working groups in planning, designing, conducting product or service, development, evaluation and marketing in the accomplishment of its mission. If during the process of implementing the strategy, the strategy chosen is not able to overcome the difficulties arising from the external or internal shortcomings in the company, then the company can change the strategy, choosing one of the alternative scenarios defined in a strategic SWOT analysis carried out above to overcome difficulties and facilitate the work of all groups to achieve their goals in fulfilling the mission. Glueck, W.F. Jauch, L.R. 1984

Developing the governance capacity

Community interaction: policy making

The government services

The impact of HRM

The impact of FDI and PAD projects

Figure 3: Bradler & Sediss, Individualism and organizational behavior, USA Company: Kingston, Ontario, 1989.5


7. Finding and Results of This Research Paper

It appears that the goal of our constitutional provisions is to guarantee everyone the freedom of artistic creation, that each and everyone has the freedom to make an artistic creation, make use of it and make a profit out of it. (Koci, Elina) So, the individual who made the invention is given the exclusive right to stop others from using it illegally, the legal protection. Meaning, if one person’s right acquired by law was violated, they have the right to seek protection before the respective court handling industrial property issues, to include unauthorized use, possession, imitation, etc. (IP Law MK)

The respective American constitutional provision has the development of arts at the center of protection. So, here we see a completely different approach of protection provided for the copyright. While, in the US it is required to protect the arts and the economy, in general, through the copyright, here, like in many other European countries, it is set to protect the author, their individuality expressed through their works of creation, (Koci, Elina) even though there are constant efforts to make positive changes, firstly through legislative changes that encourage inventions which can be applied and increase economic growth. And also, with the differentiation offered between products, the IP can hold the key to a fast market growth.

The TRIPS Agreement, Article 27 states that: “The protection and enforcement of intellectual property rights should contribute to the promotion of technological innovation and to the transfer and dissemination of technology, to the mutual advantage of procedures and users of technological knowledge and in a manner conducive to social and economic welfare, and to a balance of rights and obligations.”

8. Conclusions and Recommendations

It is universally accepted that the primary owner of the copyright of a given original work is its author, who can be one or more persons. It can be a creation as a whole or maybe, combined independent pieces to create one single piece (coauthors). Who is the copyright owner of an audiovisual piece, such as a creation of cinematography? The creator of the audiovisual work, according to the Copyright Law, is the natural or legal person that created it (the production house). (Copyright Law, Article 3) Based on this Article and also the Automatic protection of copyright rights, it results that the ownership of rights on audiovisual works is that of the author who created the audiovisual work.

Rights of other participants in such a work, being those of writers, players, etc. are most likely to be transferred to the producer and be duly compensated for their work and contribution. There might be copyrights reserved and kept by the individual contributors, for their own individual creative work and related rights for others.

Another generally accepted principle is that the author of a given work is the one, whose name appears on that work, or at least that is presumed to be the author. If, the work was published under an alias or it is anonymous, then the owner of that work’s copyright would be the publishing company. (Copyright Law, Article 16) If, someone were to prove that they were the author of such a work, surely they would be transferred the copyright to. Concerning audiovisual works, the producer, as the holder of the copyright, is the one, whose name normally appears on the audiovisual work.

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The TRIPS Agreement.
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Negotiation of Agreements with Government Agencies as an Approach for More Space and Opportunities for the Private Sector: The Features of the Albanian Reality

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Abstract

The negotiation as a conversation process between two or more parties to settle a dispute or to reach an agreement is an efficient method and it requires attention not only from the private sector, but also from the public one. Negotiation is evaluated in two aspects, from the success achieved and the relationship created. The result that the negotiated agreement reaches is more convenient compared to that achieved through unilateral administrative acts. Establishing relationships with local and national government is a necessity for the private sector. This means that the negotiating agreements with various state authorities should be part of their daily tasks. This paper explores some features of the negotiation process, in which public administration is a party and also gives some recommendations on the real possibilities that government agencies can provide to private companies as a way for surviving and being successful in these dynamic and complex market. We mainly focused on agreements between representatives of the tax authorities and the debtor taxpayers, and at the Albanian legislation on public procurement, which provides the possibility of negotiation between the contracting authority and the bidder. From the analysis of the negotiated cases of the customs administration we notice a level of scepticism in the government agencies while negotiating with debtor entities, which is evidenced by the small number of signed agreements. However the effect of these agreements is evident because the paid value is about 50% of the total negotiation value. Arrangements based on installments, remission of penalties or interest, the possibility to compromise and defer the duties payment are some of the recommended programs that may be part of the tax administration’ offer to debtor entities.

Keywords: government agencies, negotiation, agreement, tax administration

1. Introduction

We do like to think that we live in a world dominated by private enterprises, where the government is increasingly falling from its economic role against individuals and private companies both inside and outside the country. But in reality it (the government) remains a very strong player with which all businesses and organizations must learn to interact. Governments regulate, subsidize and put taxes to business activity, buy and sell products and services to private companies or invest as partners in many agreements. In order to do business one must necessarily interact with the government. Individuals and organizations undertake to engage with governments, among others, for two essential reasons, first to reach an agreement on a transaction and second for the regulations that favour their interests.

At a certain point we all have to cooperate with government institutions. Some of us do it rarely but some others do it almost every day. We cooperate with the government using our individual capacities, but also with our capabilities as representatives of companies or organizations where we work. The existence of business relationships with local or central government, or with other institutions, makes reaching agreements with different state authorities such as the Competition Authority, the Authority of Environment Protection, the General Directorate of Taxation, or government contracting authorities part of the companies’ daily tasks. A private company which want to be awarded a project, a tender, or a concessions, etc., should normally negotiate with several governmental institutions. Many people who do have relationships with the government do not look at their activities as negotiations and in these conditions they do not consider themselves as negotiators as well (Shell, 2006). Moreover, individuals and organizations that have relations with
governments see themselves in an almost inferior role. While government officials involved in the deal with private parties see themselves simply as executor of laws and regulations which they are forced to implement. Their behaviour and actions mainly depend on transactions that law allows and not by the negotiation (Patterson K., Grenny J., McMillan R., Switzler A., 2002). Can we say that seeking permission, license, concession or a subsidy from an agency or a government office resembles a negotiation? Similarly, when we ask a government official not to fine us or a tax agent to forgiveness or delay tax payment, does it mean that we are negotiating?

Similarly, when we ask a government official not to fine us or a tax agent to forgiveness or delay tax payment, does it mean that we are negotiating? Similarly, when we ask a government official not to fine us or a tax agent to forgiveness or delay tax payment, does it mean that we are negotiating?

2. Businesses and Individuals Facing Government Agencies in Negotiation

Negotiations do not require a well polished table, a team of lawyers and a large amount of detailed documents (Fisher R., Ury W., Patton B., 1991). The negotiation is a communication process by which two or more parties seek to achieve their interests, or the persons they represent, through an agreement to resolve the conflict that exists or for a desired action in the future (Robert H. Mnookin, Scott R. Peppet and Andrew S. Tulumello, 2000). The parties are involved in the negotiation for the reason that at least one party has decided that it can improve the situation in which it is found and both parties agree on several acts which require the participation of both parties. Why do businesses and individuals feel differently when they are not negotiating among themselves, but with government agencies?

If the government as a negotiating party feels differently from private organizations, this is due to two factors, its special powers and specific restrictions, restrictions which operate directly into it. Besides their natural attributes, which are generated by their assets and resources, all governments are empowered by their monopoly, privileges and immunities, their role as protector of the public interest and welfare, as well as the protocol and the characteristic formalities (Gruenfeld D., & Berger G., 2002). It works lined with powers under special political restrictions. These are such restrictions under which no private company, no matter how big or how small it is, can work with. As typical restrictions we can mention the legal framework that must be respected in all activities of the public administration bodies, control and accountability to superior bodies, the pressure of interest groups who are represented by the government, incentives and bureaucratic interests of their organizations and operating norms (Salacuse, 2008). But what is meant by each of them? Let's start the discussion about the powers to further continue with the restrictions.

- The negotiation failure between individuals and private sector companies does not necessarily close all the alternatives or ways for the respective parties, each party has the possibility to choose other alternatives. The nature and the extent of other opportunities affect the strength of the parties in the negotiations. Negotiation with the government almost always means negotiating with an entity that has a monopoly on what is required. This fact makes the other party feel "weak". The government legal monopoly makes its institutions almost immune from market forces and gives stability that little private sector companies may have. This factor tends to colour all the interaction between the government and the private parties throughout the negotiation period.
- In the negotiation process the government feels different compared to the private sector negotiators and other individuals this because it enjoys many privileges and immunities arising from the law itself. It does not only have the power to regulate how the way businesses operate, but it also has the ability to seize property, to break the contract, threaten by force and if necessary uses this force against the other party to reach its goals. The national legal system in order to allow the government to perform its basic tasks, gives it a group of privileges and immunities. It is precisely these factors that give the government specific authority at the negotiating table. Multinational corporations, although they have endless capital and technology available to them, do not own this power.
- Public Interest. The government covers its actions, legal or not, with the excuse that it operates more in the public interest rather than the private profit. It normally justifies its behaviours as actions made for the "national security", "public welfare" or "for the benefit of mankind". Unselfishly government officials seek to achieve public goods by negotiation, while private companies simply seek to profit. Outside the negotiating table the role of representing the interests of the public gives the government the ability to mobilize the support of society for its negotiation and not only that, but to gain advantages that private companies do not and can never have. Moreover it can also use political influence.
- Protocol and formalities. The government and its representatives are usually sensitive to issues related to the status, prestige and dignity, as long as these elements are essential to perform their primary purpose, governance. Governments consider these formalities’ failure as a sign of disregard, or worse still as a challenge to their authority. As a result its representatives bring to the negotiating table manners and inflexible
approaches. In fact any suggestion that both sides are equal can be regarded as an insult.

As it was earlier emphasized the characteristic powers now give the government power in negotiations with private parties. However, in practice few governments are free to use this power according to their desire. Their behaviour and actions in one way or another are subject to various limitations. If private parties fail to recognize and understand these restrictions, all this can allow business companies or individuals to use them in their favour. In this way private party fails actions in one way or another are subject to various limitations. If private parties fail to recognize and understand these parties. However, in practice few governments are free to use this power according to their desire. Their behaviour and negotiations.

Let us stop a bit wider and longer at the government restrictions on to mitigate the difference of power between the parties, this difference which separates them from government negotiators on the other side of the table. Let us stop a bit wider and longer at the government restrictions on negotiations.

- Rules (laws) arrange all the actions of government agencies including negotiations with people or private companies. As a result the negotiation with the government is more like a process led by the rules and not by the free interaction which appears during negotiations between parties in the private sector. Laws and regulations do not only affect the types of decisions taken by governments, but they also affect the decision-making process. Rules do not only bring contracts’ freedom restriction to various government agencies, but they also restrict the interaction between them. Tough rules and regulations may limit the type of transactions and the way they are reached.

- Voters. The fact that an institution or a government agency has the monopoly on what the other side wants to negotiate does not mean that he is omnipotent. Inevitably their very necessary resources and assistance depend on a number of interest groups. Depending on the state, county or municipality, government agencies and their officials depend on different groups of voters and supporters such as political parties, trade unions, military, media and civil society organizations, groups these from which they derive power and authority. So we have to understand and recognize specific voters, interest groups and the means by which they influence the actions of government agencies.

- Policies. Government agencies or better the civil officials and policy-makers perceive and act towards problems and issues being negotiated in a very different way from the private side, due to special interests. The reasons for this perception or these behaviours partly come from the fact that unlike the benefits that reaches a private company when negotiating (such as the profit, the increased property value, the fat rewards etc.) civil officials, locally or centrally, answer to certain policies. These policies may for example be necessities to maintain the budget of the institution, to enhance the prestige of the unit and to avoid competition of other entities or institutions, to protect the authority and the "pieces of the cake". All government negotiators are agents, and this means that they negotiate on behalf of the government or of its institutions and not on their own behalf. One of the consequences of the policies’ necessity and the need to please voters, especially in cases when the unit does not receive anything from negotiating with an individual or a private company is the negotiating delay. This delay lasts more than it could have ever been predicted (and possibly up to an indefinite time), especially in those cases when faced with a problem of controversial issues, which on its side has a negative influence on political interests. Instead of taking a decision, which would offend one group or another, the strategy chosen by the majority of the government agents is the delaying of negotiations until this delay becomes very costly for the private party.

- Operational norms. Government agencies operate according to certain norms which are rarely found in private businesses. In particular, these norms are related to incomes, resources and objectives of these institutions. They do not only affect the way how these agencies operate, but also how they negotiate. The reasons why the government is not influenced by trade promoters at the same level with the private sector is that government agencies typically do not keep the financial or commercial gain realized in negotiations for themselves. Many governments and government agencies are not free to allocate their production factors such as capital, labour and technology in the way that their leaders and their negotiators consider or judge as the best one. The decision-making process of private companies, for example whom to borrow capital or from whom to take, or what equipment to buy and what not, is affected by the level of the potential profit of each investment project, while government agencies take these decisions according to rules set by policy. As long as government agencies are subsidized by the government treasury and controlled by government officers their main goal would not be the maximizing of the profit, but the continuation of political and social benefits. However the biggest limitation is considered the fact that government agencies and institutions should follow the objectives that legislators have decided and built for them. They cannot pursue objectives that they themselves describe as the most important and moreover they cannot easily change served objectives.
3. Tax Procedures, Legal Restrictions of Negotiations and the Favourable Positions of the State Administration

In the case of tax procedures, the public administration body (the tax authority) may allow the subject to enter into an agreement for the payment in installments of tax liability. This agreement is a natural product of negotiation that takes place between representatives of the tax authority, acting as an agent of the state interests and that of the debtor taxpayer entity. However this negotiation is legally well-structured as regards the right to initiate negotiations, the methodology of expressing the will of the parties to sign the agreement, the authority responsible to complete the deal, as well as its final deadline.

Thus, the legal framework provides that only when financial circumstances prevent the taxpayer to pay in full and within the tax obligations, he may request and be allowed to enter into an installment payment agreement. This case should be made present by the subject in a written way, through a written request to enter into an installment payment agreement, which must be addressed to the Director of the Regional Branch and must set out the reasons that prevent the taxpayer to pay taxes. As above, three important moments of the negotiation process are exposed:

- firstly, negotiations cannot take place for any reason, or every time the parties need to meet or to ensure their best interests, but only when there is a deficiency case, or in case of financial difficulties of the entity or taxpayer. This legal limit, in terms of grounds of negotiations, constitutes an essential difference between the negotiation in the public sector with the private sector where negotiations can take place for whatever reason the interested parties have and not only when they are in a difficult financial situation.

- secondly, the Albanian legal framework does not allow the tax administration to be the initiator of a negotiation with the debtor subject, although they may be fully aware of his financial situation. Only the debtor entity may initiate a negotiating procedure through a written request and not the other party. This is a very important limitation for the state party.

- thirdly, the difficult financial circumstance, so the cause of the negotiation, is subject to assessment by the tax administration, which can also reject the request for an installment payment agreement. Tax administration may even require a bank guarantee to secure its position before entering into such an agreement with the subject taxpayer. This legal provision puts the state organization (the tax authority) in a very favourable position in the negotiation process, against the private party.

The legal framework provides restrictions even for the form of the negotiation agreement and the deadlines within which it can be negotiated. Thus the agreement on payment by installments shall be in a written way and signed by the regional director and the taxpayer. This arrangement cannot last longer than the end of the following calendar year.

In order to ensure the favourable position of the state party in the negotiation, the legal framework provides the conditions when the installment payment agreement can be resolved unilaterally by the tax administration. Thus, Article 78 of the Code of Tax Procedures provides that: "the installment payment agreement is solved by the tax administration when: a) the taxpayer does not make payments in accordance with the agreement; b) the taxpayer does not pay other tax liabilities arising during the period covered by the agreement. If the payment instalment agreement is broken, all the unpaid tax obligations, which are covered by this agreement, shall be paid within 30 calendar days from the date of the decision for the agreement termination".

In order to view the efficiency of the negotiated agreements between debtors’ entities and tax institutions we have observed cases of negotiated agreements in the Elbasan Customs. It appears that there are currently 251 debtor entities with a total debt of 251,827,980 ALL, of which only 8 subjects have negotiated with the customs’ administration and signed for a total value of 15,119,772 ALL (Elbasan, 2016). From the moment of the conclusion of these agreements it has been received 7,445,408 ALL. The agreement acts do not exceed the period of 1 year and the repayment of the obligation is divided into periodic installments. The conclusion of these negotiated agreements does not provide the forgiveness of debts or penalties. The main condition upon which these agreements are negotiated is the immediate payment of customs duties.

From the above case analysis we conclude that the number of negotiated agreements is very small compared to the total number of subject debtors and the real spaces for negotiation. Meanwhile the effect of these agreements is evident because the total value of the repaid obligation is about 50 percent of the value of negotiation.

1 Law No. 9920, dated 19.5.2008 “On tax procedures in the Republic of Albania”, as amended, Articles 77, 78
2 Law no.9920/2008, Article 77, paragraph 5
4. Public Procurements and the Negotiation with the Contracting Authority

The Albanian legislation on public procurements provides the possibility of negotiation between the contracting authority and the economic operator bidders, mostly in two procurement procedures: “The negotiated procedure with prior publication of the contract notice” and “the negotiated procedure without publication of the contract notice”, which mainly develops in the unexpected and emergency cases. However, the process of negotiation, in the case of public procurement procedures is subject to certain legal restrictions, which:

a) Ensure the application of the basic principles of public procurement, as well as equal treatment of operators, transparency of procedures, procurement effectiveness, prevention of interests’ conflict, prohibition of corrupt practices, etc.

b) Ensure advantageous position of the public administration body (the contracting authority).

Let’s first look at some important moments of public procurement procedures in negotiation:

- On the negotiated procurement procedure, the standard documents are included in the invitation to negotiate. In addition, the standard documents must be available in electronic form.

- On the negotiated procedure with prior publication of the contract notice, the contracting authority issues a notice which invites economic operators to express their interest to participate, thus ensuring transparency of procedures. The way and the place where the contract notice is published, as well as minimum limits for receiving requests for participation are provided by law.

- In accordance with the general principle, the contracting authority shall determine the deadline for the receiving of requests to participate, taking into account the time required to prepare and submit a bid, in particular, the complexity of the contract and the time required for preparation of the bid, in accordance with the principle of proportionality. Candidates who have presented their requests within time are required to sign a statement that they have no conflict of interest.

- Law provides the legal obligation to inform the candidates about the qualifying results, leaving them time to appeal in case of disqualification. Thus, the deadline for sending invitations to qualified candidates cannot be shorter than 5 days from the communication of the results of prequalification.

- Under Article 40(4) of the PPL, limiting the number of candidates who will be invited to submit a bid is not allowed, in other words, no “short list of candidates” is allowed. All economic operators that meet the minimum requirements set by the contracting authority should be invited to the next stage of procedure.

- In the negotiated procedures, the contracting authority shall not invite less than three economic operators. In cases where the number of candidates who have expressed interest is lower than the minimum specified, the contracting authority may continue the procurement procedure, provided that there are at least 2 candidates. Otherwise, the procedure must be cancelled.

- As regarding the moment of negotiation with the qualified bidders, the legislation does not explain much, leaving discretion to the contracting authority to negotiate in order to meet its interests. Thus, under Article 32(3) of the PPL, the contracting authority negotiates individually with the bidders, in order to adapt the offers made to the requirements specified in the contract notice, the technical specifications and in the additional documents. The goal is to select the best offer in accordance with Article 55 of the PPL. Likewise, in the case of the negotiated procedure without prior notification, and depending on the complexity of the contract, the public authority can conduct negotiations at different stages with each of the selected candidates.

The foregoing emerge some characteristics of the negotiation process, in public procurement procedures:

Firstly – the preparatory procedures (pre-negotiation) to go in the negotiation are well-structured by the law and no laxity is allowed, due to the necessity of securing the primary purpose of the administrative procedures of procurement: “Protecting public interest”. That is why one should prepare some standard documents, make several announcements, respect certain limits, and provide the opportunity to appeal to the non-successful operators. Non-compliance with these strict pre-negotiation procedures entails the invalidity of the procurement procedures.

Secondly – we cannot negotiate with any operator which offer appears attractive to the contracting authority, because the basic principles governing public procurement procedures must be respected in these negotiations. Thus

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4 Law no.9643 dated 20.11.2006, Article 33, paragraph 2, letter “c”; CMD No.914, dated 29.12.2014, Article 36, paragraph 2(c).
5 Article 41 of Law No.9643 dated 20.11.2006 (PPL).
6 Article 43 of the PPL.
equal treatment of operators prevents the contracting authority to disqualify from the negotiation an operator, while theoretically negotiation is a process of talks where a party chooses freely the other negotiating party. In the case of negotiations due to the public procurement procedures, the free will of the parties is a principle which should "leave the field" to the principle of discrimination prohibition and the protection of public interest.

Thirdly – the target of the negotiation (the best offer) is not the discretion of the free will of public administration participating in negotiations. The purpose why it is being negotiated is precisely defined by law: to select the best offer in accordance with Article 55 of the PPL. Referring to this article: "The winning bid must be: a) the offer, that based on the requirements and criteria set out in the tender documents, meets the requirements of the procurement object with the lowest price; or b) the most economically advantageous offer, based on various criteria linked to the procured subject, such as the quality, the price, the technical qualities, the aesthetic, functional, and environmental characteristics, the operating costs, the economic efficiency, the after-sales service and technical assistance, the delivery date and the period or periods of execution, provided that these criteria are objective and non-discriminatory". The contracting authority evaluates and compares the available offers, to determine the winning bid, in accordance with the procedures and criteria specified in the tender documents. Thus, in determining the winning bid should not be used any criteria, that is not included in the tender documents.

So "the best offer" is the targeting of the negotiation process in public procurement. Naturally this is the intention of the parties involved in the negotiation process even in general terms. But, unlike the negotiations in general, in the negotiation of public procurement, the best offer represents a target that must necessarily and strictly be subject to the law and cannot be left to the subjective judgment of the state party (the contracting authority) to determine what is "the best offer" or "the very good offer". The law cares to provide the obligation of public authority, which is involved in procurements, to respect the principle of the prohibition of abusive practices and corruption in public administration.

Fourthly – the most favourable position of the public authority in negotiation is guaranteed at every stage of the negotiation process. Thus, the economic operator should only bid in respond to the strict terms of the announced tender by the contracting authority and cannot change these conditions. Furthermore, the contracting authority may suspend the procedure of negotiation at any time and does not have to face any responsibilities towards the economic operator. This last one, if called upon to negotiate, own only the right to say "yes" or "no" to the variant or the bid submitted by the contracting authority.

5. Conclusions and Recommendations

The fact that in most cases when negotiating with government agencies we are negotiating with a monopoly operator makes the success in negotiations decisive and the failure extremely costly. The reasons why negotiating with a public entity differ from negotiating between two private entities, are: the monopoly position of government in the area where the negotiation is realized, the public interest that it upholds, the legal framework favours its position against private and the fact that the existence in the market and the continuity of the functioning of the state entity is not usually affected by its success or failure in the negotiations.

So for example in the area of fiscal policy, when private companies negotiate about taxes they are faced with strict rules and regulations imposed by the legal framework in force. These deals are more complex compared to the agreements between individuals. Tax institutions are less flexible and pragmatic. Negotiation of tax liabilities and especially the negotiation space adds and reduces the uncertainty with which tax inspectors see the mistake made by the taxpayer. Various investors are often sceptical about various repayment tax schemes or their remission. It seems as if all this creates a precedent by which the actions of a particular group are contrary to the actions of others. It is for the tax authorities to distinguish taxpayers’ unintentional errors from intentional ones.

If it is not negotiated on tax penalties the interests and the obligations grow steadily. Government agencies can take actions, with or without prior notice, which hinder everyday business operations. These actions, legal or not, among other things can also lead businesses towards bankruptcy. At any moment or stage we should create negotiation spaces and real opportunities for businesses.

The analysis of the negotiated cases by the customs administration revealed scepticism from the state towards negotiations with debtor entities, which is evidenced by the small number of agreements related to debtor entities. However the effectiveness of the negotiated agreements is reflected in the trend of debtors to pay their obligations on time under the terms specified in the agreement. This trend has led to the collection of about 50% of the obligations negotiated by the agreements.

Increasingly there is a need of flexible tax repayment programs. Based on the experience of other countries and the necessity imposed by the market and its conditions, below we list some programs or recommendations that can be
implemented in our country:

**Agreements based on installments.** These agreements are mainly built for individuals who at a certain time do not have a real opportunity for total repayment of unpaid tax debt. This program or this agreement allows taxpayers to pay affordable monthly installments until the entire obligation is paid. The monthly installments are determined based on the taxpayer's financial capabilities, and based on them is determined even the payment period. Actually, as we mentioned above, the tax authority offers agreements with one year payment period. We think that this rule laid down by legal entities should be reviewed, and tax administration should be the authority which will define the negotiating deadline.

**The cancelation of interests and penalties.** The cancelation of penalties or interest can be offered to the taxpayers who do have financial difficulties or are in special conditions. However it is the duty of the government agencies to define the criteria and conditions that taxpayer should have in order to benefit from these programs or not. These two programs can eliminate only the interests and the penalties without decreasing the principal itself.

**Pay a certain amount in exchange for the total liability.** The compromise possibility can be seen as another bid by the government agencies. In these cases, the parties negotiate to reach an agreement under which taxpayers pay a smaller amount of money compared to their total obligation.

**The deferment of obligations' payment.** In cases when companies are in financial difficulties, or when expenses are higher than incomes or even when they have problems with liquidity they can take advantage of other offers that relate to the deferment of tax liability. In these cases, the liability or the payment may be extended for a period of one year or more depending on the conditions of the taxpayer.

Certainly that in all these cases the parties must negotiate face to face. Taxpayers on their hand can choose to be alone or have representatives, specialist in the field. Tax institutions, and beyond, should provide advice on the negotiation space and the adjustment or compatibility of interests and needs of the interested party with the solutions offered by the government and its institutions programs.

Naturally, implementing these programs is not easy. The guarantees and the collateral systems need fundamental changes; these changes should even affect the tools and techniques of collecting the debt. All these steps will be considered as positive for all those who face time and reflect their responsibility towards the tax system. In the taxpayer point of view we can say that the creation of more incentive debt payment programs would be very positive and stimulus. For this reason we think it is time that fiscal legislation, namely the Tax Procedure Code, must change, creating so more space for negotiation possibilities by public administration bodies.

**References**


Law No.9643, dated 20.11.2006 "On Public Procurement", as amended (PPL).


Guidelines of the Public Procurement Agency.
Microfinance, the role and impact on macroeconomic indicators of the country.
Case study: Albania

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Abstract

Microcredit or microfinance are one of the most important novelties on development policy in the last 25 years. Most of the recent studies are based on the impact that microfinance has on poverty reduction or on the income on macroeconomic level. Due to lack of data on microfinance on a macro level, studies of their impact on poverty are limited. However, they have recently analysed the link between microeconomics and microfinance activity, which has shown significant connectivity between the operations of Micro Financial Institutions and Macroeconomic indicators. Microfinance in Albania has developed and this is demonstrated by the presence of Micro Financial Institutions which have contributed to poverty reduction and to economic development in general, and to agricultural development in particular. The purpose of the study is to analyse the importance and the relationship between microfinance and macroeconomic indicators, the impact that microfinance has on macroeconomic indicators. Based on previous literature researchers and empirical studies, this study aims to analyse empirically the relationship between the gross portfolio of MFIs and macroeconomic factors. Specifically, to analyse whether a country with high level of credit portfolio provided by Micro Financial Institutions has low poverty and macroeconomic factors taken into analysis, considering the endogeneity of the gross portfolio of Micro Financial Institutions. The empirical evaluation and analysis is carried out through econometric evaluation using the EViews program.

Keywords: microfinance, microfinance activity, credit portfolio, macroeconomic factors, econometric evaluations, regression analysis

1. Introduction

Microfinance has grown fast since the 1970s, in order to attenuate the poverty and to stimulate the economic growth. However, in recent decades, microfinance has undergone many transformations and nowadays it represents an important industry in the industry of self-financing institutions, which have reported to have more than 3,000 institutions of microfinance, with 154 million customers worldwide (Microcredit Summit Campaign, 2009). Micro financial Institutions (MFIs) are concentrated mainly in developed countries, which present an effective way to regulate or balance the level of poverty in order to improve the standard of living, through investments in businesses or their education (Snerc and Svobodová, 2009). Most owners of these "businesses" are poor farmers who need and want to improve or expand their business, which lack liquidity. Meanwhile, in recent years, microfinance has grown steadily in Albania. Micro financial institutions have credited more than 350,000 small entrepreneurs and families throughout Albania, injecting over 1 billion dollars into the national economy. It's also noted a growth of the gross loan portfolio with 5.6% and the growth of the customers served. One of the priorities of MFIs are the rural areas and the provision of service for credit or deposit in a segment of the population that lives in remote areas of the country and that cannot be accessed from other financial institutions, also the empowerment of women in entrepreneurship.

2. Microfinance and the Impact of Macroeconomic Factors According to Previous Studies

The study of microfinance, specifically the analysis of the impact of microfinance in macroeconomic indicators is a "trend" on the rise in today's literature. Recently, they have analyzed the link between macroeconomics and micro financial activities or the micro financial performance such as Ahlin et al. (2010), Ahlin and Lin (2006) Kai and Hamori(2009) ect.

¹Note: This study is part of the dissertation’s topic of Msc. Esmeralda Doçi (PHD Candidate)
²Supervisor of General Budget and Investment in Reserve Found - Social Insurance Institute, Albania.
The analysis of macroeconomic factors that determine an unequal distribution of MFIs and the impact of aggregates of a country such as GDP, inflation, poverty and corruption (Marconi & Mosley, 2005; Honohan, 2004 2008; Vanroose, 2007, 2008; Vanroose & D’Espallier, 2009). The impact of microfinance in the economy growth is perceived through direct and indirect channels:

- The direct impact of microfinance is based on poverty reduction, increased welfare and the impact on the value added to gross production through entrepreneurial activities of the poor. Therefore, microfinance is seen as a direct contribution to the economic growth (Maksudova, 2010).
- The indirect impact, is seen on the contribution that microfinance has on the development of the banking system. The rival interaction of microfinance in the banking sector has contributed to the growth and the maturity of the financial sector (Cull et al, 2009, Hermes et al, 2009).

The chart below shows the dynamics of microfinance, based on the impact of MFIs in the macroeconomic and financial indicators.

![Microfinance's dynamics](chart.png)

**Chart 1. Microfinance’s dynamics**

Overall, the macroeconomic environment is important to the future performance of MFIs (Ahlin and Lin 2006). A growing GDP contributes to the development of the country, at the same time, it leads to high profitability of MFIs themselves. This interaction is inverse, because these institutions affect the growth of GDP, loans given for financial support help the overall economic growth (Maksudova, 2010). Janda and Zetek(2014) have found that macroeconomic factors have a significant impact in influencing interest rates of the microfinance institutions. These factors have a significant impact on the overall profitability of the MFIs. An increase in the number of borrowers, usually affects the proportional growth of the size of the loan portfolio. Real interest rates, the rates that the banks charge for the financial services they offer, affect the interest rates of MFIs, and also the loan portfolio of MFIs. The choice of these variables at the macroeconomic level is based on previous findings discussed at macroeconomic level, and connected to our questions about macroeconomic factors and their ability to influence the performance of microfinance.

### 3. The Performance of Micro Financial Institutions in Albania

A growing micro financial activity and the increasing presence of MFIs are noted during the last years. The sustainable development of these institutions, given the important role that microfinance has on creating the opportunities to access the sources of funding for many people, for small and medium enterprises, has been repeatedly the focus of the policy of the Bank of Albania. The development of MFIs has fuelled interest in knowing and better understanding the macroeconomic environmental elements and factors that have contributed to this growth. However, microfinance in Albania has developed and this is demonstrated by the presence of Micro Financial Institutions which have contributed to poverty reduction and to economic development in general, and to agricultural development in particular.

Microfinance has developed in Albania; this is noted by the presence of microfinance institutions that have contributed to poverty reduction and economic development in general and agricultural development in particular. Lending to the agricultural sector in the portfolio of bank loans represents the least credit sector compared to other sectors, benefiting around 2% of the total loan portfolio, extended to the Albanian economy. Given the need of the agricultural sector for financing or credit, today there are financial institutions that provide financial services to the agricultural sector, such as microfinance institutions that offer credit, but nowadays many banks of the second level are

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3According to MIX Market, the term "micro financial institutions" is referred to micro financial institutions specialized on the crediting field such as non-bank subjects, credit unions and savings, licensed institutions of microcredit. There are 36 functioning savings and loans companies, 3 non-bank financial institutions and 4 credit foundations in Albania.
promoting and competing with each other in terms of new service of microfinance/credit of the agricultural sector.

The chart below shows some statistical data on the gross loan portfolio of MFIs, comparing GLP, the number of MFIs and the number of the active borrowers in our country to the regional countries. The study of these data is carried out at regional level too.

Compared to the countries of the region that our country is compared to, we see that the presence of microfinance institutions, the micro financial activities and the number of the barrowers is low. The level of these indicators remains low.

**Chart 2.** Gross Credit Portfolio by Eastern Europe and Central Asia

*Source: Cross-Market Analysis, MIX Market, author's calculation*

The Gross portfolio of loans provided by MFIs in the country amounts to 53,475,625 USD. Compared to other regional countries, our country has the lowest amount of the loan portfolio.

**Chart 3.** Number of microfinance institutions by Eastern Europe and Central Asia

*Source: Cross-Market Analysis, MIX Market, author’s calculation*

The number of MFI in our country reaches 7 institutions, compared to the Balkan countries, we have a positive indicator, and however the highest number of MFIs is in Azerbaijan and Russia.

**Chart 4.** The number of borrowers by Eastern Europe and Central Asia

*Source: Cross-Market Analysis, MIX Market, author’s calculation*

The number of active barrowers in the Microfinance institutions is high, as mentioned before in Azerbaijan, in our country it doesn’t exceed 50,000 barrowers. Compared to Kosovo and Bosnia and Herzegovina we have a higher number of barrowers.
4. **Methodology**

Measuring the degree of the rate sensitivity of the banking system against unforeseen losses that may be caused by the process of loan repayment, is quite difficult. However, continuous efforts have been made to build empirical models, which measure the extent of the impact of different macroeconomic variables on such indicators that show important evidence of the non-banking system's performance, such as the loan portfolio of microfinance institutions etc. The purpose of the study is to analyse the importance and the relationship between microfinance and macroeconomic indicators, the impact that microfinance has on macroeconomic indicators.

**Basic assumption of the problem:** The macroeconomic factors have an important impact on the quality of the credit portfolio.

The problem analysis is focused on the study of the link between the macroeconomic factors of our country and the loan portfolio of MFIs in econometric level. The study has followed the next steps: Initially, we focused on building the adequate econometric model and the econometric analysis of the impact of macroeconomic factors in the loan portfolio of MFIs in Albania from 1999 to 2014. Through these analysis we have succeeded in formulating the best model which defines the form and economic link between variables, consistent with the economic theory. During the econometric analysis, we were based on the analysis of the economic problem, following the steps of the econometric analysis since the introduction of the problem, the evaluation and the testing of the statistical hypothesis. Also, after the evaluation and the testing of the assumed model is done, the study continues with the analysis of the ARIMA model of the loan portfolio.

4.1 **Source of data**

Time series for this paper are taken from the World Bank database, Bank of Albania and MIX. The bases of the used data are annual. The access of the time series data on gross loan portfolio for the developed countries is very difficult. The data segment on the loan portfolio of microfinance institutions operating in Albania is narrow. The data used in the model starts from 1999 until 2014.

There are used two indicators regarding the microfinance activity: the loan portfolio yield - as a dependent variable, and the number of the active customers of the micro financial institutions (MFIs). The number of the active borrowers is used as a weighting factor or as one of the expository variables. Other variables included in the model are Gross

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4*Microfinance Information Exchange (MIX Market)
Domestic Product, (GDP), Inflation and the Real Interest Rate of the lender. Empirical analysis of the problem is based in the usage of econometric statistical methods, namely Eviews program. In the annex section you will find the econometric models realized with Eviews.

4.2 Model rate

The form of assumed model in our study is the link between yield on gross portfolio (real) and macroeconomic indicators. The model is presented as below:

\[ Y_R = \beta_0 + \beta_1 \cdot GDP + \beta_2 \cdot \text{Inflation} + \beta_3 \cdot \text{NoAB} + \beta_4 \cdot \text{Interest\_Real} + u \]

Where:
- \( Y_R \) - Yield on gross portfolio (real) –Yield on Gross Portfolio (nominal) – Inflation Rate)/(1 + Inflation Rate)
- \( \text{GDP} \) - Annual percentage growth rate of Gross Domestic Product
- \( \text{NoAB} \) - Number of active borrowers
- \( \text{Inflation\_Real} \) – Real lending interest rate

Moreover, in the study we have evaluated the series of yield gross portfolio. To do this evaluation we have used the ARIMA model. With this model series is explained by itself and does not take into account any other factor to the variation of this series explained too. ARIMA model is a combination of three mechanisms:

AR- Autoregressive – is an model that express the variable in relation with himself but with different dynamic delay;

\[ (Y_{Rt} - \delta) = \alpha_1 (Y_{Rt-1} - \delta) + \epsilon_t \]

\( \delta \) –is the average of \( Y_{Rt} \) (e) is the error term not correlated that has average zero and constant variance, otherwise known as white Buzzer.

I – Integrated- means that the series has to be stationary, if it is’ stationary it must return such by "filtrations" passing from the original series in the series of differences chain.

\[ \Delta Y_{Rt} = \delta Y_{\Delta Rt-1} + \epsilon_t \]

\( \delta = p \cdot 1 \) p- is the coefficient correlations ranked first, which takes values from [-1, 1]. If \( Y_{Rt} \) turn stationery we can say that the series is integrated.

MA- Moving Average- sliding averages model; \( Y_{Rt} = \mu + \beta_0 \epsilon_t + \beta_1 \epsilon_t - 1 \)

\( Y \) in t time is equal to a constant with sliding average of current term error and of a previous period. Specifically our model ARIMA related to \( Y_{Rt} \) will be:

\[ \left\{ \begin{array}{l}
\text{AR}(p) - (Y_{Rt} - \delta) = \alpha_1 (Y_{Rt-1} - \delta) + \epsilon_t \\
\text{I}(d) - \Delta Y_{Rt} = \delta Y_{\Delta Rt-1} + \epsilon_t \\
\text{MA}(q) - Y_{Rt} = \mu + \beta_0 \epsilon_t + \beta_1 \epsilon_t - 1
\end{array} \right. \]

The databases used in this section are in percentages, particularly from 1999 - 2014.

5. Problem Analysis

Since we are dealing with dynamic time series to estimate reliability and evaluation of assumed model, it is important to determine if we are dealing with stationary series or not. Using regression methods used in the time series provided that the series is stationary, or else the results of the evaluation model assumed by Fischer or “student” tests might be discussed and we will have unreliable results. To discover if the series are stationary or not there are several methods, but in our study is used Philip Peron method, which is as Dickey Fuller simple method, but as the dependent variable is \( D(\text{yield on gross portfolio}) \) and independent variable is yield on gross portfolio with dynamic delay, but has a constant in problem treatment.

Through Eviews we have estimated the model and calculate relevant indicators as follow:

\[ \Delta(Y_{Rt}) = 0.0164 - 0.8727Y_{Rt-1} + \epsilon_t \]

Where:
- \( Y_{Rt-1} \) – yield on gross loan portfolio(real) with first order of dynamic delay
- \( \Delta(Y_R) \) – Chain difference of yield on gross loan portfolio(real)

<table>
<thead>
<tr>
<th>Phillips-Perron test statistic</th>
<th>Adj. t-Stat</th>
<th>Prob.*</th>
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<tr>
<td>Test critical values:</td>
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<td></td>
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<tr>
<td>1% level</td>
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<tr>
<td>5% level</td>
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</tr>
<tr>
<td>10% level</td>
<td>-2.690439</td>
<td>0.0141</td>
</tr>
</tbody>
</table>
ADF statistic > 5% ---- (-2.6099) >(-3.0988), absolute factice value is bigger than critic value and in this case we proved that series is stationary, base hypothesis that series is not stationary it is not true. Since the above test series we proved the stationary, we are already able to perform regression analysis and assuming auto regression model.

5.1 Regression analysis of the model


Below are all analysed all stages by Eviews analysis, using CMSS (Common Method of small squares). The form of assumed model is:

\[ Y_{R} = \beta_0 + \beta_1 \times GDP + \beta_2 \times Inflation + \beta_3 \times NoAB + \beta_4 \times Interest\_Real + u \]

Precisely through the formulated model we want to prove the hypothesis:

- **Ho**: The effect of macroeconomic factors is not important in gross loan portfolio of MFIs
- **H1**: The effect of macroeconomic factors it is important in gross loan portfolio of MFIs

Through Eviews, are realized several types of models, and we have achieved the best model as is shown below:

\[ Y_{R} = 0.1789 + 0.0150 \times GDP - 0.0023 \times Inflation + 0.0122 \times NoAB - 0.0323 \times Interest\_Real + u \]

Interpretation of parameters:

- **0.1789** shows that even when all independent variables are one, yield on gross portfolio will increase by 0.1789.
- **0.0150** shows that if the GDP increases by 1% in the stage-t, while the other variables don’t change, the probability of yield on gross portfolio is expected to increase by 0.0150%.
- **(-0.0023)** shows that if the inflation for the stage-t increases by 1% while the other variables don’t change, the probability of yield on gross portfolio is expected to decrease by (-0.0023)%.
- **0.0122** shows that if the number of active barrowers of microfinance for the stage-t increases by 1% while the other variables don’t change, the probability of yield on gross portfolio is expected to increase by 0.0122%.
- **(-0.0323)** shows that if the real lending interest rate for the stage-t increases by 1% while the other variables don’t change, the probability of yield on gross portfolio is expected to decrease by (-0.0323)%.

The regression coefficient sign complies with the economic logic which means that the link between the variable is constant.

The coefficient of determination is 0.7839 shows that 78.39 % of the total variation (% of the probability of yield on gross portfolio) is determined by the variation caused by four factors that we have identified in the model. R-Correlation coefficient is \( R = \sqrt{0.7839} = 0.8853 \), an indicator that is close to 1, which indicates a strong positive linear relation between yield on gross portfolio and independent variables. Some comparison criteria are used in achieving the above model: 1. The coefficient of determination \( R^2 \), 2. The adjusted coefficient of determination \( R^2_{adj} \), 3. Akaike Criteria, 4. Shwarc Criteria.

All the criteria mentioned above, estimated in the model for the 5% significance level, resulted better, which means \( R^2 \) and \( R^2_{adj} \) adjust have higher values and Akaike and Schwarz criteria have smaller values. Also in the evaluation of the model are taken into consideration the evaluation of regression coefficients and model in general.

The whole model results important ProbFstatist = 0.0011< 0.05

The whole coefficients result important, their prob< 0.05.

That model to be available should satisfy a condition that arises from the use of CMSS (Common Method of small squares).

In determining if the error term is normally distributed or not is using JarqueBera test, which clearly show that JB= 0.64 \( \chi^2_{0.05, 5} = 11.07 \), we tested that the actual value of JB is 0.64 and the probability to earn the value is 0.72. So, the actual value is less than the critical hi-meters (0.64< 11.07), which means that the basic assumptions remain, the error term is normally distributed, and therefore a linear selected model acceptable.

In evaluating the Heteroskedasticity used the White test, where by Eviews we got these results:

<table>
<thead>
<tr>
<th>Heteroskedasticity Test: White</th>
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<tbody>
<tr>
<td>F-statistic</td>
<td>0.780126</td>
</tr>
<tr>
<td>Obs*R-squared</td>
<td>14.65792</td>
</tr>
<tr>
<td>Scaled explained SS</td>
<td>5.974032</td>
</tr>
</tbody>
</table>
From the assessment of Heteroskedasticity we see that the probability is 0.72 and is greater than (0.05), therefore Ho is accepted. That does not have Heteroskedasticity.

It is also proved that the error term has no serial correlation, and for this is used the Breusch-Godfrey serial correlation LM Test, from where we have that \( F = N \times R^2 = 3.30 \), \( CrVL = \chi^2_{0.05,5} = 11.07 \) , \( V \in \text{Crv} \), Ho stands, the term error through LM test shows that there is no autocorrelations.

### Heteroskedasticity Test: Breusch-Pagan-Godfrey

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<th>F-statistic</th>
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<th>Scaled explained SS</th>
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<td>1.348978</td>
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Since we have proven that the chosen model is a good model and the impact of macroeconomic factors is important, then we are able to estimate ARIMA model for yield gross portfolio.

Before we begin with the analysis of the ARIMA model, the yield of the loan portfolio of MFIs correlogram chart is created using Eviews.

### Autocorrelation Partial Correlation AC PAC Q-Stat Prob

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From the above table it seems that the autocorrelation gradually diminishes and the partial autocorrelation decreases after the first step, therefore, it is likely the AR(1) model. Whereas, if we were to refer to a MA process, then it could be MA(2) model, because the autocorrelation becomes zero after the second step, while the partial autocorrelation decreases quite fast.

By Eviews we have assessed ARIMA model, which is an ARIMA (1, 1, 2):

\[
Y_R = 0.132 + [AR(1) = 0.633, MA(1) = -0.888]
\]

**Interpretation:**

1. The Series became integrable in the difference of the first order chain; exactly this consists with Philip Peron method, in which since in the first difference the series was stationary.
2. AR (1) have autocorrelation of the first order, coefficient near its results important, showing that prior period explain the variation of the yield gross portfolio for the current year.
3. MA (1) and in the case of sliding average coefficient beside her turns important.

As was highlight above evaluation criteria for the best model such as Akaike and Schwarz coefficients resulting in a lower level compared with other models. R2 and R2 adjusts have higher levels, it allows us to say that the build model is the best one, and suitable for short-term forecasts and also have confirmed that the probability of the model as a whole is significant at the 5% significance. However determination coefficient is R2 = 56.05%, show a low level and we cannot successfully use the previous values of the series in order to make predictions with a high degree of accuracy.

### 6. Conclusion

Nowadays, microfinance is not presumed as a “magical bullet” that helps poverty reduction, but microfinance focuses it is “poverty graduation” of poor families by offering a range of services and financial products. Microfinance it is not an isolated system of informal financing assets but a specific element of the financial system and an engine of economic growth.

Microfinance in Albania in the recent years has been growing steadily. Microfinance institutions have increased the gross loan portfolio by 5.6% and the number of clients served. Given the importance of MFIs have on a country’s economic development and its direct and indirect impact on economic and financial development, we have analysed the impact of macroeconomic factors on gross portfolio of MFIs in Albania.

In this study we have presented a different approach, presenting in detail the statistical and econometric analyse of variables evaluation. Through statistical and econometric analyses we have evaluated the reliability and validity of the model, where the data obtained have shown that the supposed model is an important model and macroeconomic factors
have an impact on gross loan portfolio's performance. The study and data obtained will be useful for the development partners, because they will offer an overview of the effects of the macroeconomic factors on MFI's performance, also encouraging further studies about the impact of microfinance in developing country.

References


ANEX

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<tr>
<th>Dependent Variable: Y</th>
<th>R²</th>
<th>Mean dependent var</th>
<th>Mean dependent var</th>
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Execution of Sentence of Life Imprisonment in Albania, in Violation of Fundamental Human Rights

Esmeralda Thomai

Lawyer near Tirana Bar
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Email: esmeraldathomai@yahoo.com

Abstract

The goal of this article and of the analysis itself on which it is based, is to identify weaknesses in penitentiary legislation in force in the Republic of Albania, in order that the penal policy of the Albanian state, should respect the principles on which will be based to be effective. At the end of 2015 the number of persons who have been sentenced to life imprisonment in Albanian prisons has been 159 people, convicted in 2895 of the total prison who were serving a sentence in Albanian prisons. The number of those sentenced to capital punishment has increased, compared with the statistics of 3-4 years ago. Albanian law on the punishment of life imprisonment presents serious problems in the modalities of execution of the punishment, violating the right and fundamental freedom of man, that lives in liberty, and break up the Article 3 of the ECHR, which prohibits placing under cruel punishments, inhuman and degrading. The Republic of Albania will need as soon as possible to change its legislation concerning the category of persons sentenced to life imprisonment. Condemned to life imprisonment, according to each individual case and referred to progress in the sentence, in view of the disappearance of the potential for recidivism and in view of correction, after the expiry of a time limit prescribed by law,they should have the right and opportunity in court jurisdiction to address the real execution of criminal sentences for the benefit of supervised freedom or conditional one. In this way, the hope of life again in freedom, will make the convicts to life imprisonment interested to educate themselves, by all the values that will be in accordance with social rules.

Keywords: Conditioned freedom, Instruments of International Law, Execution.

1. Introduction

As in most European countries, in the Republic of Albania, the sentence of life imprisonment is prescribed by criminal legislation as the most severe punishment. In principle, the pronunciation of life imprisonment as a sanction for serious offenses, brings the individual isolation from society “for life” forever deprivation of civil rights and often in the literature is designated as the “civil death”. Republic of Albania in the number of prisoners, according to statistics of March 2016 from the General Directorate of Prisons, is in total 2596 persons. From these convicted, 158 people suffer the maximum sentence under the Criminal Code, that life imprisonment. ¹

2. Sentence to life imprisonment in Albania, in terms of gaining conditioned freedom

The number of those sentenced to capital punishment has increased, compared with the statistics of 3-4 years ago. In December 2012 the number of persons sentenced to life imprisonment in Bangladesh, who have been serving in Albanian prisons this sentence has been 141 persons from 2792 sentenced to imprisonment that were in these places, and in December of 2015, this number went from 2895 to 159 persons sentenced to imprisonment.

The following table presents the annual statistic:

<table>
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<tr>
<th>Month, year</th>
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<th>Sentenced to life imprisonment serving a sentence in an institution</th>
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<td>141</td>
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<tr>
<td>December 2014</td>
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<td>149</td>
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<tr>
<td>December 2015</td>
<td>2895</td>
<td>159</td>
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</table>

¹Statistics of the General Directorate of Prisons, Tirana 2016
The average age of this category of prisoners is about 40 years.\textsuperscript{2}

Albanian legislation does not allow release on parole for convicts to life imprisonment. The current penal code forbids this in his article 65 of which states: "not allowed to release on parole for the convicted to life imprisonment" Under paragraph. "2" of this article, "only in exceptional cases" of convicted to life imprisonment can be released on parole when he suffered no less than 25 years and during imprisonment has had excellent behavior, referring whose, estimated that the purpose of punishment is to achieve its education\textsuperscript{3}

3. Literature Review and Hypotheses

Albanian criminal legislation does not specify which are exceptional cases, to legitimize a convicted to life imprisonment, after 25 years in prison, to seek release. It was left to discretion of the court, which determines whether there are judicial proceedings "exceptional cases" to enable the provision of freedom for this category. Practically no cases were referred to court to see what is related to exceptional circumstance court in a quest for freedom provided by life imprisonment.

Competent authority to set earlier "on parole" to persons sentenced to imprisonment in the Republic of Albania is the country's Court of execution of sentence\textsuperscript{4}. Albanian judicial practice since 1998 when the death penalty was abolished by the Criminal Code, it is not so far recorded any case, that a lifer, have gained conditional freedom.

Because of the existence of Article 65 of the Code, which prohibits in principle "on parole" sentence of convicted persons ever, it can be said that it is very unlikely that a person sentenced to life imprisonment by a final judgment in the Republic of Albania could then leave the prison.

This is in contrast with new educational purpose of punishment in modern criminal law.

In his work on "crime and punishment" published in 1764, Cesare Beccaria wrote, "knowing that you could never be a free man, only when you die, is even more cruel is a" slavery penalty"\textsuperscript{5}.

To see whether, the prohibition under Article 65 of the Albanian Penal Code is in harmony with the instruments of international and European and whether or not in accordance with the standards of the European Convention on Human Rights, will have to stop in these instruments and jurisprudence of the European Court of Human Rights, but firstly receiving information about the possibility of releasing from life imprisonment in some European countries

3.1 European instruments regarding the sentence to life imprisonment

Starting since 1976 the Committee of Ministers of the Council of Europe has adopted a number of resolutions and recommendations concerning prisoners with life sentences and those sentenced to prison for a long time.

3.2 Resolution no. (76) 2 of 17 February 1976 "On the treatment of prisoners for a long time" obliges member of states by defining: "States should:

1. Pursue a criminal policy under which long prison sentences should be applied only when is estimated necessary for the protection of society;
2. To adopt appropriate legislative and administrative nature to favor a suitable treatment during the execution of these penalties;
3. To ensure that the cases of all prisoners to be reviewed and to be seen if any prisoner can be accorded conditional release;
4. To grant prisoners "on parole"after the expiry of a time limit, and take into account that only general social deterrence as purpose of punishment can not justify a refusal to be given conditional freedom to prisoners.
5. To adopt for the category of persons with sentenced to life imprisonment by the same rules that apply for convicts with long prison.
6. To provide for convicts of life imprisonment and those who sentenced long prison periodically every 8 or 14 years, an examination of the case, in order to see if prisoners can be accorded conditional release.

\textsuperscript{2}Statistics of the General Directorate of Prisons, Tirana 2016
\textsuperscript{3}Law no. 7895, dated 27.01.1995 "The Criminal Code of the Republic of Albania" Changed
\textsuperscript{4}Article 477 of the Criminal Procedure Code
3.3 Recommendation no. 22 Council of Europe, dated 24 September 2003 for member states concerning conditional release.

This recommendation has to do with conditional release from imprisonment. In this recommendation adhere a set of rules which relate to the preparation for release “on parole”, the conditions under which prisoners should be placed, the procedural guarantees should be respected.

According to paragraph 3 of this Recommendation, ".... “on parole”release will need to help offenders overcome transition from prison life to life in the community through the establishment of the terms and implementation of the measures after release, contributing to public safety and reduction of delinquency within the society. Paragraph 4.a “foreseen:” .... to reduce the harmful effects of imprisonment, the legislation should provide the opportunity for all prisoners, including those with life imprisonment benefit from “on parole”release."

4. **Methodology and Research Goal**

Recommendation No. 23 of the Committee of Ministers of the Council of Europe dated 09.10.2003 to member states on the management by the penitentiary administration of persons sentenced to imprisonment  life and those sentenced to imprisonment in the long run.

This recommendation defines the that ".... The execution of sentences that deprive prisoners of their liberty, means finding a balance between respect for order and discipline in the penitentiary institutions on the one hand and the need to offer prisoners a dignified life conditions and an active regime, a constructive preparation for their release”.7

Among the basic principles and rules which relate to the treatment of this category of prisoners, Recommendation 23, we find the principle of individualization, which consists in taking into account the individual characteristics of the personality of the prisoners to keep them in mind for the adaptation individual plans of the sentence and the principle of progression, which dictates the need for individualized treatment plan of the sentence of life imprisonment or imprisonment for a long time a prisoner, be such as to provide an evolution about through the progressive penitentiary system (see para. 3 and 8 of the Recommendation).

Paragraph 10 provides that individual plans of carrying out the sentence of life imprisonment or imprisonment for long must serve a systematic approach to progressive evolution of prisoners through the penitentiary system conditions progressively less restrictive to a final stage in the which ideally should be transferred within the company, so that prison conditions and rules allow a life respecting the laws and adaptation in the community after conditional release.

Paragraph 16 states that criminal dangerousness and needs are not intrinsically stable characteristics and that there is room to proceed periodically with an assessment of the risks representing or not the convict. Finally, paragraphs 33 and 34 are devoted to preparing for the return of prisoners into society. Under paragraph 33, to help convicts to life imprisonment or imprisonment for a long time to face the problem of transition from an imprisonment of long life in observance of laws in the midst of society, their release should be sufficiently prepared before taking into account: -the need to implement specific plans dealing with pre release and post release, taking into account relevant risks and needs- the possibility of prosecution after the release of prisoners or treatment programs in which prisoners were involved in serving a sentence of imprisonment. -the need for cooperation of the penitentiary administration, supervisory authorities and the condition during social or medical services.8

4.1 **Instruments of International Law**

4.1.1 **Statute of the International Criminal Court in The Hague**

Statute of the International Criminal Court concluded in Rome on July 17, 1998 and approved by the General Assembly of the Organization of the United Nations on June 22, 2001, allows the reduction of the sentence to life imprisonment if the risk of crime and personal situations of prisoners They justify this reduction. Article 3 of the Statute 110 & determine when sentenced to life imprisonment committed 25 years the Court shall review the sentence to determine whether there

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6Council of Europe, , Rec (2003)22 of the Committee of Ministers to member states on conditional release
7Council of Europe, , Rec (2003)23 of the Committee of Ministers to member states on the management by prison administrations of life sentence and other long-term prisoners
8IBIDEM
is room to reduce it.9

Review criteria and procedures set out in the Rules of Procedure. Under paragraph 4 of Article 110 of this regulation criteria should take into consideration the judicial bodies of the Chamber of Appeal, which has jurisdiction for examining the case for sentence reduction during the execution of his dealing with: - the behavior of prisoners, which should show real detachment from his crime
- the possibilities of rehabilitation and reintegration of prisoners
- the prospect of release prisoners ahead of time not risk falling because of social instability
- taking into account the consequences that may have prematurely release of prisoners connected with the victims and their family member - Personal situation of the convicted person, especially aggravated his state of physical or mental health or his advanced age.

Article 224 of the Rules of Procedure stipulates that in order to apply paragraph 5 of Article 110 of the Statute, the three judges of the Appeals Chamber review the question of reduction of the sentence every three years, unless an interval of less time is determined in a decision taken in application of Article 110 paragraph 3 of the Statute. This article (224) also defines that, if the circumstances have changed significantly, judges can authorize a convicted person to seek a re-examination / review during the three-year period or a shorter interval of time where they will affix. 10 As shown, the legal instruments of international criminal law and that European consider life imprisonment not given "forever". This sentence will have to be re examined during the execution phase and prisoners with such sanction could be given an opportunity to be released on conditional freedom.

5. The jurisprudence of the European Court of Human Rights concerning life imprisonment

European Court of Human Rights has been asked on several occasions to consider and pronounce a decision to the Grand Chamber of compliance sentence of life imprisonment without possibility of release on parole, with the European Convention on Rights human, which in Article 3 provides: "no one can be placed under torture or penalties or inhuman and degrading treatment".

Some of the most prominent of this jurisprudence, are:
- The issue "Kafkaris against Cyprus" (Grand Chamber decision of February 12, 2008)
- "Vinter and Others against UK" (Grand Chamber decision of July 9, 2013)
- "Öcalan against Turkey "(Decision ofGrand Chamber on 18 march 2014)
- "Trabelsi againstBelgium" (Decision ofGrand Chamber on 4 september 2014)
- "Murrai againstNetherlands" (Decision ofGrand Chamber on 26 prill 2016)

In its jurisprudence, around 1970 the Strasbourg Court has stated the compatibility of the sentence to life imprisonment with the norms of the Convention, based on the "theory multifunctional sentence" in one aspect, and the other aspect, this Court has recognized freedom parole with the condition of gate,which constitutes the effective reintroduction inmates to life in civil society. Denying that the only function of punishment is rehabilitation, the ECtHR has at this time advocating prevention and social protection through the State's punitive power.11

After 2008, when the Strasbourg Court has been asked again in a series of court expressed about the fact, whether life imprisonment without the possibility of parole is an inhuman and degrading treatment, violating Article 3 of the European Convention on Human Rights Human, the Court has had a gradual approach the problem. So:

In the case of "Kafkaris" ECHR approached this problem by referring to the sovereignty of the state in the implementation of penal policy, with its conclusion that it is the prerogative of the criminal policy of the state to determine, terms of a revaluation of the sentence to life imprisonment with a view reducing or terminating it.

In the case of "Vinter" this Court marked a qualitative leap concluding that, for a country it is necessary to provide a mechanism that consists in evaluating the continuity or not the sentence to life imprisonment, a mechanism which will order the release of the convicts, if existing at the moment excuses communication sanction reduced over time and lack motives which will legitimize the detention of prisoners.

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9Statut de Rome, de la Cour Pénale Internationale
10Règlement de Procédure et de preuve de la Cour Pénale Internationale
11Ranalli Daniela, "L` Ergastolo nella Giurisprudenza della Corte Europea dei Diritti dell` Uomo", Italia, 2015 fq.1
6. Data and Research Methodology in This Research Paper

Further, in the case of Öcalan, with its finding that the gravity of the offense cannot justify cruelty and degrading treatment of prisoners, the Court approached the problem of life imprisonment without the possibility of parole closer, in response to policy offense to those states that still apparently do not find the balance between the general principle of social protection on the one hand and the principle of socialization of the perpetrator from the other side, if indeed there is a possibility for him to be re-socialized.

Finally, the issue “Murray” in 2016 the Court was approached to the problem by reaffirming the position it has held for prisoners in general, according to which, it is the obligation of states to ensure prisoners, even those eternally condemned to prison regimes penitentiary, which are appropriate to the objective of forgiveness, which allow those convicted of making progress in this regard during the sentence. State by the Court, will have to find ways and mechanisms to meet this obligation.

Referring to the jurisprudence of this court can conclude that, according to the Strasbourg Court, the sentence of imprisonment should not remain "forever given", it should not end when a person's life ends. This sentence should be reassessed during the executive proceedings by judicial or administrative authorities of the state.

7. Critical assessment on the legal aspects of imprisonment executive life in Albania

Referring, European and instruments of international law and conventional standards, which the Strasbourg Court has identified in the above decisions, we can say that Albanian law on the punishment of life imprisonment, violates basic human right not to be placed under a punishment inhuman and degrading and the right to life in freedom. Depriving priory, eternally condemned to life imprisonment by the right to freedom, the legal provisions in force treat convicted with a life sentence like "eliminating" from society. He should just wait for death to win "freedom".

In legal terms, the Albanian legislation on the execution of the sentence of life imprisonment is not in accordance with European and international standards.

8. Analyzing Data

This legislation needs to be changed and reformed. By it should be lifted prohibitive rates, Article 65 of the Criminal Code does not allow release on parole for convicts to life imprisonment, as a provision which is inconsistent with the Constitution Articles 15 and 17 thereof, and incompatible with the European Convention on Human Right. Legal framework in the execution of sentences to life imprisonment in Albania needs to be changed. Condemned to life imprisonment, according to each individual case and referred to progress while serving a sentence in view of the disappearance of the potential for recidivism and in view of correction, after the expiration of a time limit prescribed by law shall have the right and the real jurisdiction possibility, in order to address judicial execution of criminal, to obtain freedom of supervised or conditional.

“On Parole” for the convicts to life imprisonment should not be won only in exceptional cases, but even these Albanian legislation in paragraph 2 of Article 65 which mentions, are not defined. This provision bans contained in Penal Code since 1995, does not meet the exigencies of the purpose of punishment in criminal law and contemporary addition that contrary to the Convention and the Constitution, is contrary to the principles on which is based criminal policy in a democratic state, such as humanism, individualization of treatment of prisoners, the right to judicial access ... etc.

It is expected that in a large part of the population, in the eventuality of discussion and political efforts to favor freedom of conditional convicts to life imprisonment would be against, based on the reasoning that dangerous criminals will be kept isolated forever, as far as they do not adopt to social rules.

But Republic of Albania in Constitutional provisions is determined that: Article 17 "New restrictions of rights and freedoms set forth in this constitution may be established only by law for a public interest or for the protection of the rights of others. The restriction must be proportionate to the situation that has dictated it. These limitations may not infringe the essence of freedoms and rights and in no case may exceed the limits set forth in the European Convention on Human Rights".

Article 15"Rights and fundamental freedoms are indivisible, inalienable and inviolable and stand at the basis of the entire juridical order. The organs of public state, in fulfillment of their duties, must respect the rights and fundamental freedoms, as well as contribute to their realization".

Although the Constitution of the Republic of Albania is not foreseen a specific provision which determine the purpose of execution of criminal penalties as was done in Italy, Spain ... etc with the formulations: “Penalties depriving
liberty and security measures will be directed at social rehabilitation and re-socialization. Punishment can not consist in treatment contrary to the sense of humanity and must aim at rehabilitating the condemned. the abovementioned constitutional provisions, Articles 15 and 17 of the Constitution in the Republic of Albania; fully justify the conclusion according to which Article 65 of the Albanian Penal Code prohibiting the possibility for the release of prisoners to life imprisonment is in contrary to the Constitution.

Also, although it is not made in the evaluation constitutional existence of Article 65 of the Criminal Code, Albanian politicians should have the courage to take the legislative initiative to repeal this article and the creation of a legal framework for the respect of fundamental rights and freedoms of category the persons sentenced to life imprisonment.

Every man, even if sentenced to an extreme measure, should be returned to the personal dignity of life and in hope of freedom. The existence of this provision in the Criminal Code (Article 65), install a regime penitentiary only punitive and vindictive on the modalities of its application. This rate is in itself the break of the state of law, suspend treatment penitentiary or interrupts the performance progressive rehabilitation and social reintegration that should guide any prison sentence.

Albania remains behind developments in the field of criminal law. Today in Europe a debate, whether or not there should be criminal to life imprisonment legislation. This debate is intensifying these days in European countries with developed democracy and includes views on considerations on punishment and its purpose, but because of the intensification of the debate are the findings of the jurisprudence of the European Court in Strasbourg, which has a indisputably merit to be a promoter of political movements that change lives and to prioritize human and personal dignity.

9. Conclusions

Sentence to life imprisonment in the Republic of Albania is applied by the Special Section of the Criminal Code for serious offenses, with major social risk that comes from the abolition of the death penalty from the Criminal Code in 1998.

At the end of 2015 the number of persons who have been keeping this kind of punishment in Albanian prisons was 159 people. Ranked among the European countries that apply capital punishment, Albania has in force in its Criminal Code a provision that prohibits conditional freedom of this category of prisoners during the executive phase of the criminal proceedings.

The question whether it is fair and human that such persons are considered delinquent by final judgment of the court, to stay until the end of life in penitentiary institution, focuses attention on the necessity of carrying out an objective analysis, whether it is constitutional and in accordance with European standards of human rights and fundamental freedoms, the fact of standing behind prison bars forever, until the end of life of these people, part of our society.

The purpose of this paper and of the analysis itself on which it was based, at identifying weaknesses penitentiary legislation in force in the Republic of Albania, in order that penal policy should respect the principles on which will be based to be effective.

Referring to the European instruments and those of international law, and conventional standards, which the Strasbourg Court has identified in its decisions after 2011, we can say that national legislation concerning the sentence of life imprisonment presents serious problems in the modalities of execution of the punishment, violating the right and basic human freedom, that of life in freedom and at the same time violating Article 3 of the ECHR, which prohibits placing under inhuman punishments, inhuman and degrading. Not taking the initiative for the abolishment of the capital punishment as some European countries (Norway, Portugal, Serbia, etc.) has done, at least, Albania will need to quickly change its legislation concerning the category of prisoners with life imprisonment.

Prisoners condemned to life imprisonment, according to each individual case and referred to progress in the sentence, in view of the disappearance of the potential for recidivism and in view of correction, after the expiration of a time limit prescribed by law shall have the right and opportunity in court jurisdiction to address the real execution of criminal sentences for the benefit of supervised freedom or conditional one. In this way, the hope of life again in freedom, will make the convicts to life imprisonment interested to educate themselves, with the values that will be in accordance to social rules.

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13Article 27 (2) of the Constitution of the Republic of Italy, in force since 01.01.1948
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Albanian Economy: Proportional or Progressive Taxation?

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Abstract

Choosing the best system of taxation lies in the balance between equality and fairness or efficiency. It is an expression that should guide any fiscal policy. Given that one of the hottest economic topics that pits the political parties can not stay away from the attention of citizens and scholars of the economy. On the one hand we have a tax that provides the same percentage for all categories of income, on the other hand you have a tax increase progressively in line with revenues. therefore, taxes less progressive taxation individuals with lower incomes, but if the tax burden shifted progressively to individuals with higher incomes, it remains to be discussed. Like most developing countries, Albania differs in many respects from developed countries, among which capacity institutional, state, rule of law, the structure of the economy and other economic characteristics. Such differences justify a different tax policy. Progressive taxation has been applied in Albania since 2015. Is this a tax that provides equality for all? Stated every moment and in every public appearance of our politicians, "equality before the law" as a principle that should be applied objectively and accurately reports, but this system offers true equality before the law? What has brought the Albanian economy this system? What happened to investments or unemployment? Through this work I intend to present a clear analysis of income tax applied in Albanian economic system and how this tax has affected the economy as a whole. Also this work is also a reflection on the advantages and disadvantages of this tax system.

Keywords: proportional tax, progressive tax, economic system, informality, advantages

1. Introduction

This essay will treat some pros and cons aspects of flat and progressive taxation, concluding that the flat taxation is the fairest one. We will treat the concepts of the two types of taxation, different opinions which circulate from the professionals of the field , hypothetical practical cases and at end the authors of this essay achieve an unified opinion. The essay aims to exit the theory frameworks where this debate lays todays and to argue on the current consequences that these types of taxes have on the societies of different countries.

2. Flat Taxation

What do you understand by the term “flat tax”?

"Flat tax" is translated as the tax on personal incomes, differently known as proportional tax. We have a mistake in practice between the term tax and fees on this case and this is due to the word in English “tax” which in this case is not translated as tax but fee. In other words, the flat fee consists in the payment of a continuous contribute in the state budged, concretely at the extent of 10 %. This mass is the same for every level of wage of state budged. In Albania, the flat fee originates in 2007 creating a growth of the state budged for the continuous years.

The question widely asked nowadays is: Is this fee fair for every type of population based on the economic incomes?

According to a group of analysts, this fee is favorable for the rich people and is heavy for the pockets of the poor people. Being that the percentage of the contribute is the same for everyone, This 10% is translated in proportional quantities which is heavier on a poor person who has less incomes than a rich person.

The flat taxation is considered as more favorable for the middle layer of population, but Albania maintains a large misbalance regarding the economic layers. The debate continues further on the choice between them.

The debate raised earlier in time and was an object of debated between different philosophers , such as Jean Baptiste, who raises some question:

"Isn’t a contribution based on a same proportion heavier for the poor people? The man who produces bread only to
maintain his family and himself alive, should contribute exactly at the same proportion as the one who thanks to his talent and inheritance not only pleases himself and his family for needs and pleasures, but also increases his wealth?"

3. Progressive Taxation

The Progressive tax structure is the one according to which upon the increase of tax base (incomes, expenses or wealth) is also increased the tax scale. Through it, it is aimed to decrease the effect of taxes for the people with low paying ability, displacing it in an non proportional manner to the people with higher paying ability. The main purpose of the progressive structure is triple:

1. To tax all as everyone benefit from the public goods produced by the state.
2. Those who gain the most must be taxed the most
3. Accumulates more financial resources in the hands of the state.

This taxation is seen, differently from the flat tax, as a blessing for the middle layer and the needy one. More than 300,000 employees are freed from the fiscal charge and more priority is given to the different fields such as: agriculture, education, health, social protection, pensions scheme etc. At the first view more incomes are accumulated. It is worth asking: Is the progressive tax system fair for the rich people? Several theories, admit that the purpose of the progressive system is not the penalization of the ones who manage, but the defense of the ones who cannot manage and the rich people pay more as they benefit more from the national incomes. In reality this taxation punished unfairly the people due to their success in the society. Not necessarily there is a fair proportion between the paying ability and benefit of public services. As it may happen that a rich person benefits less public services than a poor person, therefor it is considered as a form of double taxation of this layer of society. A disadvantage related to the application of the progressive taxation is the one which brings a greater and more severe fiscal burden for the business and corporations and as a consequence the latter are predisposed to hide their obligations, differently from the small business which blooms.

4. Practical Case: Progressive Taxation and the History of the Three Brothers

“Prager University”, in order to clearly illustrate the disadvantages deriving from the layer with a better economic condition from the progressive taxation, brings into attention of the audience an animated video where it shows a hypothetical history on the application of this taxation.

In this animated video there appear three brothers. The three were raised upon the same possibilities, they had the same intellectual level, the three had the same profession: carpenter and were paid at the same wage, 25 $/ working hour.

Nevertheless these similarities, they had different priorities in life.

The first brother choose to work 20 hours/ week and married a woman who did not work.
The second brother worked 40/ week and married a woman who worked part- time as real estate agent, and was paid 25,000 $/ year.
The third brother worked 60 hours. week and married a woman who worked full time and earned 50,000 $/ year.

The two first brothers and their wives did not save during the working period thinking that they contributed for social security and it would be enough for their senility.
The third brother and his wife, having other priorities, saved each month and they periodically invested in shares of different commercial companies.

In this way, at the end of the year, the incomes of the three brother and their wives were as the following:
The incomes of the first brother were 25,000 $/ year.
The second brother 75,000 $/year
The third brother 150,000 $/ year

At a certain time the three brothers bought house at the same vicinity. After spending some time living there, they ascertained that the environment around needed some investments, such as the road should be asphalted, the view should be regulated, and a big gate should be placed in order to protect the area from criminality. All these investments had a cost of 30,000 $. In this moment it raised the problem of how this invoice should be divided.

The third brother suggested that the invoice should be divided in equal parts. As a consequence each of the bothers had to pay $10,000 each. The two other brothers objected arguing that the third brother was richer and therefore he must pay more. The latter objected saying that he was in a better financial conditions because he worked more, not as the other two brothers, but they ignored it.

The second brother proposed another formula for the division of the invoice. He ascertained that the mutual
incomes of the three brothers, were 250,000$ and the invoice of 30,000 $ was 12% of this amount. Therefore, according to the second brother, each of the brothers should pay 12% of his annual incomes, and the invoice should have been divided in this manner.

Third brother: 18,000 $
Second brother: 9,000 $
First brother: 3,000 $

The first brother said that he had a better idea and fairer according to him. He proposed that the third brother paid 23,000 $, the second brother 7,000 $ and he did not pay at all.

The second brother though this opinion was completely arbitrary but he followed his interest. Pursuant this formula he would pay 2,000 $ less than with his formula.

The other brother, which was the richest, objected saying that he did not understand why he should pay almost 80% of the fee when all of them benefited equally from the investments.

The proposer explained that this was the federal tax system of USA (their country) and they shouldn’t act differently.

As a consequence voting 2 against 1 it was decided that the formula to be followed was the third one. The two dominating brothers, liked this formula so much that they decided to apply in other investments as well.

5. Points for Reflections and Conclusions

The above case indicates that the saying “the progressive tax punishes the rich people” has a side of the medallion which is not treated mainly from the ones who defend it as taxation philosophy. It is often forgotten that these rich people may be people with ordinary jobs who choose to work harder than others, to risk more (such as the case of the third brother who worked harder, saved and risked by investing in capital companies).

The metaphor of investments in vicinity we treated, represents in fact the public benefits from taxation. As in the case of the three brothers, and the real life, the benefits that different individuals obtain is the same, nevertheless how much they have invested. this fact makes the rich part of the population fairly even more parsimonious.

it is known the expression “the progressive taxation does not punish the rich but help the poor.” We think that this justification is nothing more but a game of words. Further than justification philosophies, we should bring into attention the negative impacts of this taxation.

Firstly, it makes the rich layers of the population to hide the incomes, known as fiscal evasion. Despite the fact that the rich population is directed to the perpetration of an offence, this brings economic block. The rich people would not declare their incomes and would not invest them, and as a consequence the currency would not circulate in the country in order to obtain an economic growth.

Secondly, the rich people, would be directed to moral hazard, dishonest behavior. In this form the rich would put their wealth in the name other people so they were not taxed as they would be normally taxed. These actions are regular in the first view but they constitute actions in fraud of the law.

thirdly, the investments would be decreased significantly, and this is not a disadvantage only for rich people, but also for the middle layer and the poor layer of the population. Fewer investments mean fewer job positions.

<table>
<thead>
<tr>
<th>Flat Tax</th>
<th>Progressive tax</th>
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<tbody>
<tr>
<td>Identifies the businesses and puts them before the predisposal to pay the obligation</td>
<td>- Brings more incomes in the state budged</td>
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<tr>
<td>The businesses have more incomes to manage</td>
<td>- Helps the blooming of the small business</td>
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<tr>
<td>Brings less incomes for the state budged</td>
<td>- It is a harder fiscal burden for the businesses and corporations</td>
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<tr>
<td>Penalizes the investments due to the reduced funds</td>
<td>- The businesses are predisposed to hide their obligations</td>
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Another speculation we think it is made, it the saying that the poor and rich cannot pay at the same manner. The flat taxation is based on the certain percentage on every individual which has incomes, but this percentage is not reflected in the same amount on each income. The concrete case is the one we treated above, the idea where each of the brothers should pay 12% of his incomes, but that this percentage was reflected differently in concrete amounts of money. In this framework, we can say that the flat taxation has progressive character, as it may appear that the same percentage is paid, but in reality the rich pay more.
Also, this taxation is not negative in its wholeness. We argue against it, imagining mainly the consequences which come in countries such as Albania or other countries in development. This taxation was successful in many developed countries, such as Scandinavian countries. The population in these countries admits that the taxes are very high, but justify what they pay, due to the fact that they see pleasant results in public services. Therefore the keys of functioning without problems of this taxation manner are:

Firstly, they will be used in solid economies and secondly the taxes will be used maximally. At the contrary there will appear consequences as above. We remind that USA as one of the most powerful economies in the work uses this kind of taxation, and the population is not pleased by it. We also bring into attention that this taxation is initiated by Marxist ideologies which are widely accepted to be utopic and not applicable.

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The Justice System in Albania – Analysis of Progress Report 2016

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Abstract

Albania is one of the new democracies in the South-Eastern Europe which hopes to be granted the status of membership to the European Union. Since June 2014, Albania is a candidate for accession to European Union, after it fulfilled the requirements based on Stabilization and Association Agreement the negotiations of whom started in 2003 and was signed in 2006. Even though the formal application of Albania is dated in 2009, the country has undergone through a difficult process in order to fulfill the pre-requirements especially in the justice system in Albania. The level of corruption is considered the main problem which was highlighted also in the other Progress Reports of Albania and it is still considered to be an important impediment to Albanian accession to EU. Differently from the other progress reports, in the progress report 2016 (Albania 2016 Report), there are noted some improvements consisting mainly in the adoption of a set of constitutional amendments which was the starting point to thorough justice reform. Even though initially such process was faced with the severe diversion of opinions of Albanian main parties, they finally reached an agreement with the recommendations provided by the Venice Commission at the Council of Europe. The report considers as a positive step the newly adopted law on the re-evaluation of judges, prosecutors and legal advisors. Another positive aspect of the law is the re-evaluation (vetting) based on 3 criteria: integrity through assets assessment, background assessment (inappropriate links with organized crime) and professional competence. Such improvements weren’t sufficient enough to permit to Albania to start negotiations with EU as there are still many obstacles to overcome.

Keywords: Albania, Justice System, EU membership, progress, assessment.

Even though Albania is situated in the south-eastern Europe in the eyes of the rest of Europe seems as isolated in one hidden side of Europe which looks as invisible to them. Many Europeans don’t even know that Albania is in Europe. This is because it has always been considered as just a poor country in Europe but no doubt everyone knows very well our neighbors Greece, Italy, Former Republic of Macedonia and Montenegro and even Kosovo which was cut off from Albania after the First World War. A lot of foreigners, who have been working in Albania, are aware of its beautiful beaches even though not very much invested are far more beautiful than Greek’s or any other country which are popular and visited by many tourists. But the beauty of Albania is not just the coast but also known for the natural beauty of our lakes as well as the antiquity of different cities in Albania which are very old. Albania looks as a destination still to be discovered. Nobody knows our history, our traditions and sacrifices that Albanians have done during the centuries to survive in front of potent countries eager to have a slice of its territory. Why big investors aren’t coming to Albania? It is just because of the judicial system that is corrupted and they don’t want to risk their investment.

Still, people, who have no information about Albania, used the little information they had about Albania as an excuse that if UK stays in EU, it will allow all Albanian criminals to enter the UK territory. Even though corruption is a widespread concern for Albanians, such information cannot be taken for granted for two reasons: firstly, not all Albanians are criminals and secondly, just the visa cannot limit criminals enter the UK border. For sure the part of population who didn’t enter the UK border is the intellectual part, the ones who decided to work for their own country, the ones who are decided to fight for Albania in order to have the same standards like other European countries.

Being a new democracy which is dated in 1991 with the communism fall, Albanians are still fighting for such democracy in the full sense of it. Same as all communists countries in the Balkans, the establishing of democracy in the country played an important transforming impact in the whole life comprising politics, many political parties were created for the first time, economic, for the first time Albanians were faced with trade market as a result of which people were not equal any more. Some of them were poor and some very rich which is actually the same in Albania. But Albania was different from other countries; our communism system was very rigid and very harsh. The restoration of democracy provided not just more money circulating to people but also the corruption. A new notion which entered in the countries life, corruption entered in all the most important aspects of life such as health sector, justice system etc. which caused considerable damage to population.
With the fall of communism, Albania started to restore good relations with all the other countries with which were interrupted for a long time and putting an end to the isolation of the country. As step by step, the economy was improving, the laws were written from the very beginning following the model of European countries and the legal system was based on common law system.

With the restoration of the good relationship with western European countries, Albania started the long and difficult process of striving to be part of the EU. After the communism fall, Albania for the first time was collaborating with other European countries. In 1991, many Albanians who left their country immigrated and found refuge in Italy and Greece, the two EU countries close to it which was the first real contact of Albanians with European countries.

The close collaboration between Albania and EU is dated in 1992 with the Trade and cooperation Agreement which allowed Albania to be eligible for funding under EU Phare programme. An important aspect of this relationship is the Stabilization and Association Process (SAP) which the EU proposed in 1999 for five countries of South Eastern Europe, including Albania. The negotiations for SAA after the recommendation of the Commission in 2001 were launched on 31 January 2003 and signed on 12 June 2006. The visa facilitation signed on 13 April 2007 and entering into force on 1 January 2008 was an important phase of the collaboration between Albania and EU. In November 2010, Albania as well as other countries in the region was granted the visa liberalization. For the first time Albanians could travel to Schengen countries without waiting in long queues and feeling the long and difficult path we have in front of us in every aspect of life.

The Albanian application for EU Membership was submitted in 2009 and the response it received from EU is 12 recommendations which Albania had to fulfill in order to start negotiations, provided by the European Commission on 9 November 2010. The twelve recommendations were the following:

- Ensure the proper functioning of Parliament on the basis of a constructive and sustained political dialogue among all political parties.
- Adopt pending laws requiring a reinforced majority in Parliament.
- Appoint the Ombudsman, and ensure an orderly hearing and voting process in Parliament for constitutional and high court appointments.
- Modify the legislative framework for elections in line with OSCE-ODIHR recommendations.
- Ensure elections are conducted in line with European and international standards.
- Complete essential steps in public administration reform including amendments to the civil service law and strengthening of the Department of Public Administration, with a view to enhancing professionalism and depoliticization of public administration and to strengthening a transparent, merit-based approach to appointments and promotions.
- Strengthen rule of law through adoption and implementation of a reform strategy for the judiciary, ensuring the independence, efficiency and accountability of judicial institutions.
- Effectively implement the government’s anti-corruption strategy and action plan, remove obstacles to investigations, in particular of judges, ministers and Member of Parliaments; develop a solid track record of proactive investigations, prosecutions and convictions in corruption cases at all levels.
- Strengthen the fight against organized crime, based on threat assessment and proactive investigation, increased cooperation with regional and EU partners and better coordination of law enforcement agencies. Develop a solid track record in this area.
- Prepare, adopt and implement a national strategy and action plan on property rights following broad stakeholder consultation and taking ECtHR case law into account; this should cover restitution, compensation and legalization processes.
- Take concrete steps to reinforce the protection of human rights, notably for women, children and Roma, and to effectively implement anti-discrimination policies. – Take additional measures to improve treatment of detainees in police stations, pre-trial detention and prisons. Strengthen the judicial follow-up of cases of ill-treatment and improve the application of recommendations of the Ombudsman in this field.

In the progress report on Albania of 2012, the EC recommended that Albania be granted a conditioned candidate status and it was only in 27 June 2014 that Albania was granted the status of EU Candidate. This was due to efforts made by the Albanian government to fulfill the requirements set by the EC.

Out of the above-mentioned 12 requirements just five of them remain to be fulfilled by Albania in order to start the negotiations. Even through the remaining requirements set by the EC are equal in importance, the judicial system is the most problematic. The most important requirement that Albania had to fulfill is the judicial reform which was finally approved in Albanian Parliament in 2016 after many long discussions between the two main parties as well as the interference of USA Ambassador in Albania and EU Ambassador in Albania. The main reason by the EC, as well as other
diplomatic representations in Albania was to put an end to corruption in Albania which is more problematic in the justice system. It is not only one of the main conditions to be fulfilled by Albania but it is also considered a great obstacle to be granted the status of an EU Member State.

Corruption in Albania was analyzed by many other diplomatic representatives who insisted in providing valuable advice to Albanian government with regards to judicial reform. One of them is Mr. Stephen Hickling, charge d’affaires a.i. of the British Embassy.

Concerning the corruption in the public consultation of “Analysis of the Justice System in Albania-2015” document, Mr. Stephen Hickling, highlighted that the judicial reform is very important for several reasons mainly because of the Albania’s EU membership as well as the foreign investments. He mentioned as well that corruption in the judicial system is causing the cancellation of many projects by the foreign investments and other investors don’t want to risk. Mr. Hickling didn’t blame just the judges for corruption and bribery; he blamed also the lawyers and others in the legal services as complicit benefiting from the system. He also stated that since judicial reform is a major issue facing Albania, all parties have a responsibility to play their role.

As the Secretary of the Venice Commission to Council of Europe, Thomas Markert stated in 2016, the judicial reform is in the interest of Albanian citizens and it shouldn’t be seen as an EU obligation in the European integration process of the country. He also states that the main thing is the independency of judiciary, to increase accountability and efficiency of the fight against corruption.¹

For the first time, Progress Report 2016 mentions that some progress was achieved in the Judiciary and fundamental rights. Based on this report, such achievements are related to the justice reform process. But even though such reform was approved in parliament, the report says that corruption remains prevalent in many areas.

Regarding the independence and impartiality, the Report highlights the fact that the judicial system remains seriously affected by politicization, corruption and weak inter-institutional cooperation. Even though the justice reform aims to increase the independence, impartiality and transparency of judicial bodies, it still remains an important step the implementation of such reform. The opinion provided by the Venice Commission in March played a crucial role in the drafting of judicial reform. It was in fact the only version on which the two main political parties in Albania agreed and as a result, approving it with the majority of votes in Parliament. The Report mentions as pending work 40 legislative texts, including amendments to codes which are being prepared.

Regarding the accountability, the report mentions that the frequent hearings held in judges’ offices enable potential undue influence and corruption. Another problem mentioned in the report is disciplinary proceedings against six judges which ended up with one dismissal from office and a transfer to another court and another one appealed his dismissal to the High Court. Two main concerns which are highlighted in such case are the facts that there is lack of transparency in handling disciplinary proceedings and the website set up last year by High Court of Justice to file and monitor complaints against judges is not operational.

Regarding the General Prosecutor’s Office, the Report mentions highlights the lack of transparency in handling the appointments requests for disciplinary proceedings and decisions on dismissals as well as lack of overall accountability.

Concerning the quality of justice the Report estimated as positive that the School of Magistrate increased its in-service training of EU acquis but it still considers the need for improvement with regards to budget planning capacity and adequate budgetary resources for the justice system as well as need for improvement lacks human resources and adequate infrastructure.

A positive thing is considered also the installation of audio recording system in almost all first instances and appeal courts but remains a problem the short-comings which affect ICMIS electronic court case management system which should ensure random, transparent and balanced allocation of cases to judges in all courts.

The report estimates as positive the fact that the case management system for prosecution service has been implemented in 20 prosecution offices but at the same time it considers as negative the fact that it is not fully operational in some offices and problematic are considered working and security conditions which are not ensured.

In addition, the report highlights the problem of online access to jurisprudence which has to be ensured and improvement should be made in appropriate grounds of court ruling as well as meeting publication deadlines.

The report mentions as a positive and important step the issuance of new mediator licenses which reached the total number of licensed mediators to 467 against 367 in 2015. Even though it is considered as positive, the report notes the fact that just 63 mediators are actively working limiting in this way the mediation provided.

Regarding the corruption, the report marks some improvements regarding the increase of number of convictions

¹ http://shtetiweb.org/2016/01/24/komisioni-i-venecias-reforma-ne-drejtesi-ne-rrugen-e-duhur/?print=pdf
for junior and middle ranking officials from 103 in 2014 to 286 in 2015. A positive fact is considered as well the conviction of one lawyer and one judge in 2015. Another important positive fact is also considered the conviction of a former minister and one prosecutor.

The report mentions as well a positive fact that in 2015 out of 75 criminal referrals submitted to prosecutors, 26 cases involved high state officials. It also stresses as positive the cases of three persons in 2015, who were convicted for issues related to assets declaration. Another positive fact is considered the 20 cases submitted to prosecution service in the first half of 2016, eleven of which involved Heads of Communes, seven of whom were found guilty. In addition, another positive fact is mentioned is the 51 cases that High State Audit referred to prosecution concerning 156 officials about the misuse of the state budget.

Although the report noted a positive improvements in the corruption of the judicial system, it also recommends that HIDAACI should further strengthen its administrative, technical and financial capacity and as well as to strengthen the role of HAS in the overall anti-corruption framework. The report points out as positive the increase of the use of audit and inspections in the tax and customs services but it as well highlights that addressing the corruption in the tax and customs administration is still problematic.

**Conclusion**

Even though the report highlights that Albania has made further improvement with regards to the requirements set by the EC in order to be an EU Member State, it still needs to make fundamental improvements such as the implementation of the Judicial Reform which would finally allow politicians and judges be punished in case of corruption and/or different offences.

In the Progress Report 2016 Albania, EC considered as a very important step the approval of such an important reform in Albania by the main political parties in the country. After the approval of the reform, it was submitted to Constitutional Court in Albania by Democratic Party remaining pending until the final recommendations of such court.

An important aspect of such pending case is the non-collaboration between the two main parties in Albania. On one hand they are avoiding the implementation of such reform by not allowing the corruption be punished and causing indirectly the non-integration of Albania into the European Union.

The report mentions that many improvements need to be made in the judicial system but vetting the evaluation of judges and prosecutors to be adopted within the framework of Judicial Reform is another crucial aspect of such reform. The EU Ambassador in Albania recently stated that the vetting is not to be negotiated.

In order to have further improvements which would allow Albania to start the negotiations with EU, the main political parties should collaborate closely so that corruption level is diminished and the judicial system can punish not only the senior state officials but also corrupted judges as well as politicians.

If we fulfill such a requirement set to Albania, will we be considered to be an EU Member State? Even if we do, I think it will require a lot of time to be implemented. Will the reform destroy all the corruption chain in Albania? I still think that it would be difficult to cut such chain but if it is done, I agree that it should start from the very top of the hierarchy.

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The Global Crisis and Its Legal Impact on the Growth of Albanian Economy

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Abstract

We started as a crisis of high commodity prices, she quickly clarified the extent of the banking crisis and rapidly accelerated the financial crisis which culminated with the economic crisis, social and global, perhaps it was the heaviest one after the Second World War. The consequences of this crisis was widely reflected in the deterioration of macroeconomic indicators of the budget, it appeared a significant decline in economic growth, a drop in revenues, an increase in unemployment and the fast increase of budget expenditures. The budget deficit and public debt grew at high rates, the cost and sources of financing of the economy became the most difficult and the most expensive. To stop the deterioration, the governments of many countries, regardless of their political spectrum supported the growth of aggregate demand, this process in many countries aggravated budget deficits. The primary task to overcome the crisis was a strategy that would ensure the sustainability of public finances in the countries affected by the crisis. The main difficulty faced was the global coordination such a global challenge. Researches can improve the profits of a company because of the potential capabilities of diversification with innovation performance or some have argued that the returns are increasing but this diversification has a very big risk. International expansion is very difficult to manage because there are a risk. Chief among them are economic and political risks because due to these risks by diversification of large firms are accustomed to the conditions of a market in competitive situations. The risk policy has to do with a government concentration creating much problem. The economic risk concerns exchange rates and market expansion line.

Keywords: Legal analyzes, Banking crisis, macroeconomic indicators, and budget expenditures.

1. Introduction

International Financial Institutions, general expertise in analyzing carefully the factors and consequences of the crisis, strongly recommended the necessity of maintaining macroeconomic stability. According to them, after stopping the deterioration of the economy, the countries affected by the crisis, should pay attention to strict control over the budget deficit, public debt, and the budget in general as necessary to restore macroeconomic stability.

In many countries of the European Union and beyond, the public debt rose sharply as a result of fiscal policy and increased of public spending beyond generating capacity of an economy. The increase in spending, not in the same dimension of economic growth and financial resources, forced governments to use debt instrument beyond "permissible limits".

"The recovery in Europe is underway, but still is lower than in many other regions of the world. Terms of the loan are still very strict, unemployment is high and still rising even more and the most important thing is that in many places, people are concerned about fiscal sustainability, which means declining confidence about stability "- Marek Belka, Director of the IMF’s European Department1. Government spending rose sharply (IMF today, the EC identified problems and are urging all countries except structural measures and strict control over costs) directly aggravating budget deficit. Even in our country, the deficit and debt growth came not only because of the impact of the global crisis, but also due to the lack of structural reforms and governmental populism with public finances. European countries, the control of the deficit combined with vigorous

1 Regional Economic Outlook, June 10, 2010.
measures to control public spending (reduction of salaries and pensions in case of Spain, Ireland, Greece, Romania, but also Italy) and the increase of revenue by introducing tax increases. (Quinn, R.E. Spreitzer, G.M & Hart 1991)

1.1 The Importance of Scientific Article

International Monetary Fund and the European institutions by analyzing the economic and financial situations in many countries, have recommended interventions and adjustments in fiscal policy, which should focus on reasonable deficit reduction and public debt. Rising deficits and the public debt has now reached worrying levels. Nearly all countries are required to take the responsibility of controlling spending, including raising or lowering levels and real wages and pensions. These policies should consist in two directions: Firstly: control and reduction of budget expenditures, but not public investment. Secondly: revenue growth if this is considered necessary. (Vroom, V.H & Yetton 1973)

2. Literature Review and Hypotheses

2.1 Model Based on the average return

This model implies that each organization has unique about resources which strengthens the basis for any strategy and is key to any source. A firm is included about opportunities that are managed dynamically by return on average. (Quinn, R.E. Spreitzer, G.M & Hart 1991) According to this model, differences in firm performance in the time originally are directed on their resources than the features in the industry. A firm has different sources, but they operate without any particular industry. One other implication of this model is that as firms can not have a large area in the introduction to the industry. Resources are firm product inputs such as capital based on individual employee skills, finance, and talented managers. Resources of a firm can be classified into three main features: physical, human and organizational capital. Resources are accessible and tangible nature. (Source: Ministry of Finance, the Bank of Albania, INSTAT, (Statistical Bulletin 2014 year report.)

- H1-What function performs the organization?
- H2- How the organization will perform these functions?
- H3- Different organizations that will perform functions?
- H4-Why is the organization for?

The goal shows what the firm wants to achieve. The best way for a company that wants to maximize shareholders' return is pursuing the strategy that maximize and the investment incomes. (Source: The UNDP report, Albania and the millennium development goals July 2010)

3. Methodology and Research Goal

Despite the focus on the collection of resources required by the strategic conditions and external environmental objections, this model suggests that the company's unique resources and capabilities provided are based on a strategy. Not all companies have the resources and skills they need to have the basics of a competitive advantage. This potential is realized when the resources and skills are valuable, rare, less costly, unsustainable. Resources are available to explode opportunities or neutralize the external environment. (Vroom, V.H & Yetton 1973) They are rare when possessed by few if any of the potential competitors did not. They are less costly when their firms do not have the advantage of time.

Their combination must take into account the concrete economic realities of each country, depending on the fiscal space that the country has available to increase spending. International Monetary Fund identified 7 ways budgetary interventions during the global crisis, which can be found today in the intervention packages of different countries in the world. R. Anely, 1995

1. The growth of government consumption expenditure.
2. Increased government investment.
3. Increase in budgetary transfers for employment promotion policies, etc.
4. Increasing support for most affected social groups.
5. Reduction in work-taxation of social security contributions.
6. Indirect tax cuts VAT, Excise
7. Capital-reduction of taxation of corporate profits, the dividend.

Fiscal packages in different countries tended to be approximately 2% of GDP. Various debates were also an integral structure and size of the packages that changed no less from one place to another. The analysis of other
experiences during the crisis concluded that about 2/3 of the measures include cutting costs and focusing only 1/3 of the taxes.

3.1 A survey into global financial and economic crisis

As well as other countries of Southeast Europe and Albania was influenced by the global financial and economic crisis. This crisis proved macroeconomic balance, macroeconomic stability and sustainability of the system of private financial system in 2009, the last year so there is a progressive slowdown in economic growth. The decline of economic growth is attributable to lower investment and export activity. The current account deficit at 15.3% of GDP one of the weaknesses of the Albanian economy and the budget deficit rose to 7% of GDP.2

Albanian economy since 1998 has proven stability and a favorable macro-economic development. Budget revenues, especially tax revenues have increased from year to year, thus creating the premises for a satisfactory increase in total revenues, as evidenced by the attached chart for the years 2002-2004 (Tremmoli XH, 2010)

Tab 1:

<table>
<thead>
<tr>
<th>Country</th>
<th>Period</th>
<th>The revenues from taxes</th>
<th>Public expense</th>
<th>fiscal balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Britain</td>
<td>1931-34</td>
<td>-0.1</td>
<td>-3.7</td>
<td>3.6</td>
</tr>
<tr>
<td>Britain</td>
<td>1975-79</td>
<td>-2.2</td>
<td>-5.1</td>
<td>2.9</td>
</tr>
<tr>
<td>Britain</td>
<td>1982-88</td>
<td>-4.9</td>
<td>-9.2</td>
<td>4.3</td>
</tr>
<tr>
<td>Canada</td>
<td>1992-99</td>
<td>3.7</td>
<td>-5.8</td>
<td>9.5</td>
</tr>
<tr>
<td>Finland</td>
<td>1994-2000</td>
<td>5.3</td>
<td>-6.7</td>
<td>12.0</td>
</tr>
<tr>
<td>Germany</td>
<td>1996-2000</td>
<td>0.7</td>
<td>-3.9</td>
<td>4.6</td>
</tr>
<tr>
<td>Ireland</td>
<td>1985-96</td>
<td>-3.7</td>
<td>-14.3</td>
<td>10.6</td>
</tr>
<tr>
<td>Netherlands</td>
<td>1993-97</td>
<td>-2.5</td>
<td>-3.9</td>
<td>1.4</td>
</tr>
<tr>
<td>Sweden</td>
<td>1993-2000</td>
<td>7.0</td>
<td>-7.8</td>
<td>14.8</td>
</tr>
</tbody>
</table>

Source: Policy exchange. year 2000

4. Albanian Economy Related to the Global Crisis; Restoration of Economic Stability Premise for the Success of a Successful Economic Model

Today more than ever on political grounds, experts of the economy, civil society, and the business is discussed extensively about the effects of the global crisis on our economy. These graph indicators facilitate discussion about the effects of the crisis, helping us to focus on the analysis of concrete factors and the anti-crisis strategies.

In long public debates and overworked, it is easily distinguished the denying position of the government and pro-governors and a more realistic view, more responsive from non-party experts and the opposition of the country. In some cases expertise is threatened by opposition political emotions. Government discusses the performance of Albania’s as excellent toward global crisis and a model for all other countries.

In an environment with overloaded politics, this approach leaves little or no room for an analysis of the most professional, which would reduce the effect of psychological risks over banking system of the country, would reduce the fear to invest or consume and help stop deteriorating economic growth, unemployment and poverty. The opposition, independent experts but even international financial institutions also drew attention to the worsening budget deficit, rising public debt and current account deficit. Business itself requires changes to fiscal policies which must alleviate the difficulties faced. (Luthans, F & Lockwood 1984)

So low level of integration, especially in the financial sector, a high degree of informality and resources inherited remittances, not only are the factors that make proud, but in any case of other crisis, because the structural reforms NEED and deepening of integration will lose weight as a buffer. That's why today and not later, we need to clarify and undertake economic policies, reforms and long-term celerity, that reduce the risk of recurrence and the risk of crises with larger size and heavier in the future. Hungary, Romania, Latvia or Estonia though EU member states are concrete cases

2 Giulio Tremonti, Italian Minister of Finance and Economy at the meeting of the International Monetary Fund and World Bank, held in Washington April 24, 2010.
warning of future risks.

4.1 Findings of this paper research

In any national or international economic factors relating to the nature and economic direction in which firms develop their activities. They should regulate the overall effectiveness of the credit and income levels and trends available to individuals to spend. Inflation rate, those of interest and productivity growth are factors that the firm takes into account when making a meaningful strategic planning.

Social factors, Social factors are those factors which include: the values, beliefs, attitudes, opinions and ways of life of individuals who are positioned in the outer areas of the firm. Recent changes show that there is a very large effect on the external environment by such factors as the role of women is growing more in the labor market. Large companies are also heavily influenced by the role of women in the organization that started many years ago with the production of equipment which help many women as production of finished and semi-finished and microwave ovens.

Political factors, These factors determine the legal parameters and rules within which the firm will operate. These factors are: antitrust law, tax programs, minimum wage legislation, programs of environmental protection from pollution. In general these factors reduce the possibility of increasing profit organizations.

Technological factors, Technological editors in chief are factors which help the company to avoid the old machinery and offering programs for the use of new machinery but also for the old ones. This technology promotes innovation and provides the company more opportunities to manufacture new products.

Ecological factors. Planning a good strategic plan, we can say that these factors are relevant to the local government and civil. It seems that the main contribution to environmental pollution must also take responsibility and to clean them from contamination. Factors that allow a good corporate development are cleaning the environment from pollution and the environment by not standing near intoxication corporate waste or firms.( Luthans, F & Lockwood 1984)

Industrial environment and New entrants. New entrants are a threat to existing companies in the market but they also have to meet certain conditions before entering the market. Entry of new threats are: barriers to entry, the scales of economy, product differentiation, the initial entry control, costs to be ahead, entries in the distribution channels, cost analysis regardless of scale economy.

Albanian SME each year gained experience, as far as businesses are being consolidated. The growth of SME in Albania has contributed to the economic development of the country. Based on data from INSTAT we have that 95.2% of SME are comprised by micro enterprises; 3.9% smaller ones; 0.7% 0.2% medium and large enterprises.

Graph 2: Divisions of SME by enterprises, Source: INSTAT (2012)

Based on the type of activity where these SME operate is noted that the Trade (wholesale and retail trade) is the sector where businesses operate more with 43.8%. This can be explained by the fact that this kind of activity represents less barrier and requires less capital to initiate a venture, followed by the sector of hotels, cafes, restaurants by 16.1%, other services 14.1%, transport and telecommunication 10.2%, industry by 9.8% and operating activities that fewer businesses are construction, agriculture and fishing respectively 4.3% and 1.8%.

4.2 Growth of SME in Albania and regional countries

Private enterprises have begun to be established after 1990, while significant increase in their establishment is recorded in 2005-2009. After this period, we have significant decrease and then increase again. Doing a comparison according to "Doing Business" in Albania in comparing the progress of Albania with other countries in the region, Macedonia is in the first place and then comes Albania, leaving behind other countries in the region, such as Montenegro, Serbia, Kosovo and Bosnia and Herzegovina.

However the growth of SME is often damaged by a series of direct or indirect barriers, raised by central or local government. Initially high rates of taxes and other barriers has led to a small number of Albanian SME to work informally
and this does not mean that the number of informal businesses is setting to zero, but it is certainly limited. Albanian economy is characterized by a low level of credit caused by: the decline in demand for loans; a tightening of lending; low economic growth; low consumption of products; lack of economic capacity utilization of manufacturing.

The basic rate of interest (ALL- Lek), for the period March 2014 is in historically low levels of 2.7%. The problem of corruption, arbitrary behavior of tax refunds endless delay, the problem of building permits, especially as regards to the coast, are matters to be considered for an assessment of the business climate in Albania.

The rate in meeting the demands of domestic and foreign business investment will be crucial for the economic development of the country.

The most urgent problems related to the implementation of laws, infrastructure development, power supply, the improvement of the sector of water and sanitation, removal and treatment of waste and investment in vocational education, getting credit, protecting investors, paying taxes, enforcing contracts and resolving insolvency.

Improving the professional education sector provides jobs for people who have low qualifications. Factors that have lowered the assessment for our country as investment destination are the factor of corruption and criminality, as well as the unpredictability of fiscal policy. Local government and other stakeholders should contribute more to the promotion of SME in districts, the region and beyond, in order to enhance their image. It is created a favorable business climate where entrepreneurs can grow, but business representatives are seeking support from local and central government in their businesses.

4.2.1 SMEs comparison with those of other countries

The globalization of the economy, with changes brought progress and increased competition. SME have an important role in economic development. From the data we have that SME account about 99.8% of enterprises in the EU, estimated at 20.7 million businesses. From these the majority, about 92.2% are micro-enterprises 6.5% are classified as small and 1.1% are medium sized enterprises. Large enterprises accounted about 0.2%

<table>
<thead>
<tr>
<th>Enterprise Type</th>
<th>Number of Enterprises</th>
</tr>
</thead>
<tbody>
<tr>
<td>Micro</td>
<td>19143521</td>
</tr>
<tr>
<td>Të me hënë</td>
<td>357533</td>
</tr>
<tr>
<td>SME</td>
<td>226573</td>
</tr>
<tr>
<td>Të mëdha</td>
<td>20727627</td>
</tr>
<tr>
<td>Total</td>
<td>43654</td>
</tr>
<tr>
<td>%</td>
<td>92.2%</td>
</tr>
</tbody>
</table>

According to the World Bank report "Doing Business" in Albania. If we see the graph is a comparison of Albania with the regional countries in terms of ease of doing business procedures in Albania.

Albania globally is ranked 82 out of 183 economies on the ease of doing business.

For comparative ranking of economies and order at regional level are taken into account and other information for assessing how ease is for an entrepreneur in Albania to open a new business.

Graph 1: The ease of doing business in Albania
Source: Doing Business (2012)
According to data collected by “Doing Business” to start a business in Albania requires at least 5 procedures, 5 days requires that at least pays 29% of income per capita and pay the minimum capital per capita income. Company Registration is made by the Business Registration Centre (NRC) through a one-stop app shop. It includes the registration fee at the municipal level and national level, enrollment in the Labor Inspectorate, the National Statistics Institute, social and health insurance.

1. A new electronic system contributes as a fast method and easy to record companies and other legal entities.
2. Above all business registration procedures take place for a day and in the same place.

Graph 2: How easy is it to negotiate for construction permissions?
Source: Doing Business (2012)

Albania is ranked as 183rd to negotiate for construction permission businesses compared with other countries, thus obtaining the permission procedures are a bit difficult.

Graph 3: The ease of registering property
Source: Doing Business (2012)

Very difficult also is seen the process of registration of properties in Albania. It is ranked the 118th
5. Conclusions and Recommendations

Our country's counted as the 152-nd for paying of taxes.

1. Government and public support for foreigners and investors by telling them how important it is to increase investment in the country.
2. The way of advertising, stable relations and corruption will allow foreigners to decide whether Albania will have a priority for investment. This means the level of employment growth that will improve living standards.

3. Despite the same desires and the same goals for investors and government the proper way is to create an appropriate strategy which includes an action plan to address future challenges. This will lead to higher investor confidence in the Albanian market.

The external environment of a firm consists of three main elements: remote environment, industrial environment and operating environment. Most firms in the external environment have increased problems. They grow in a very difficult and complex depending on an extension. The external environment or far consists of factors that directly affect their own space. These factors are: economic factors, social factors, political factors, technological factors, ecological factors. These factors are recognized with a term set by the great scholars of all ages known as PESTEL analysis.

Each company before the draft mission should recognize the economic goals of a business. Stockholders’ of the organization ‘are those individuals that help or affect the organization by the activity including investors, customers, suppliers, governments, competitors, trade unions, local government, public, shareholders, employees, Board of Directors and Chief Executive Officer.

Since 1960-1980 competitive environment was thought to be the main factor for the firms strategy was successful model I / O explains the pervasive influence of the external environment on firms with significant strategic actions. This model shows that the industries choose to try in every way a high influence on firm performance and that managers need to make their choice within the organization. The performance of the firm believe that being the first in the industry including economy of scale, barriers to entry, diversification of products and the degree of concentration. Based on the economy discipline external environment undertake to impose pressure and objections strategies will result in average returns. (Source: Ministry of Finance, the Bank of Albania, INSTAT, (Statistical Bulletin report.)

If the company does not support them and fulfill their interests and the latter, will not support their operations. Organizations have a relationship of interdependence with their stockholder. We have clarified that the amortized factors of the global crisis, so why Albania was not affected as much as other countries, without denying government involvement in increasing investment in public places, the quality and effectiveness of which were vulnerable, stand to some weakness in our economy.

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The Role of EU Funds in Improving Albania’s PFM Reforms (2014-2020)

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Abstract

Strengthening Albanian public financial management is indeed a crucial basis for consolidating public finances and managing these in line with EU standards. Beyond the short term-measures on the existing EU support to PFM such as controls, audits and others, EU is seeking that Albania needs an overall, long-term public financial management policy in line with the EU standards. The purpose of this article is underlining the importance of EU funds in improving Albania in the way to reform its Public Finance Management for 2014-2020.

Keywords: EU funds, Country Albania, Public Finance Management, PFM reforms

1. Introduction

The Balkan countries have been significantly exposed towards the world crisis because as many of the Balkan countries have been highly indebted abroad, poses in-sufficient reserves related to their currencies and have faced high deficits in balance of payments. In this fragile environment, Albania granted the Candidate status to the EU in 24 June 2014. The economic growth had been slow during 2012 with a growth shrink to 0.6, in 2013 about 1.3 %, in 2014 growth was projected at around 2.1% (according to WB projections), in 2015 around 3%, 2016 is projected to be 3.2%, 3.5% in 2017, and 3.8% in 2018.

The new Albanian Government in place since June 2013 committed its efforts in designing and implementing strong fiscal policies and structural reforms especially in the areas of public finance management (PFM). Recent development shows that the Government has reviewed its national development strategy and displaying commitment to address weaknesses in macro-economic and public finance management. This commitment is expressed in measured already agreed with IMF and WB and a clear intent has been expressed by the EU in order to support the Government for addressing the necessary public administration changes in terms of economic and public management governance, necessary for enabling PFM reforms. However, the EU financial aid through budget support to support the Albanian PFM reform will not be an easy exercise as the country has to meet four eligibility criteria: (1) Stable macro-economic framework, (2) sound public financial management, (3) transparency and oversight of the budget and (4) relevant and credible national/sector policy and reforms. For the reasons of weaknesses on current PFM and the absence of a credible PFM reform program which impact at the same time on the macro-fiscal situation, on the ability to assess progress towards improvement of the PFM system in spite of reform activities already implemented and on transparency and oversight of the budget, the Budget support as EU financial aid, will exclusively focus on the PFM reform programme so as to pave the way for future sector support. Through budget support to PFM reforms will help the Government of Albania improve: a) macroeconomic Stability, Improve Resource Mobilisation and allocation, b) Financial Discipline and Control, Strengthened Payroll and Pension Management, Improved Asset Management, Efficient and Transparent Financial Reporting and Procurement system, c) Institutional Strengthening of Oversight Function, Collaborative and Complimentary Approach to Oversight, Strengthened Follow up Mechanism of recommendations and, d) Enhanced Legal and Regulatory Framework, Enhanced IT infrastructure and controlled recurrent costs

2. Albania in the EU Accession

After collapse of the Communist regime (in 1991), Albania established the 1st relations with EU, the diplomatic relations, followed then in 1992 by entering the Trade and Co-operation Agreement as eligible criteria for EU’s funding under Phare programme. In the year 1997 under the Regional Approach the EC established the conditionality’s for sustainable political and economic criteria to open the path for developing bilateral relations. In 1999 the European Union proposed the Stabilization and Association Process (SAP) for 5 South-Eastern European countries. Albania was one of the
countries and the Stabilization and Association Agreement entered into force in 1st April 2009.

In 2003 Albania was recognized as a potential candidate country for accession into EU and it therefore submitted officially on 28th of April 2009 the membership application. Albania granted the EU candidate status only recently on 24th June 2014. The negotiations have not yet been open as the Government needs to address the key priorities related to public administration, reforms in judiciary system and fight against corruption, organized crime and fundamental rights. These cirterias are highlighted in the conclusions of Council of EC in December 2013.

3. Albania and the EU Funds

With the signature of Trade and Co-operation Agreement between the Government of Albania and EC in 1992, Albania became eligible for financial assistance under the EU’s Phare programme and, from 2000, under the EU’s CARDS financial assistance instrument. As from 1991 until 2001 Albania has benefited from EU funds around 912 mln EUR in form of grant. From 2001 until 2006 it has benefited from the Stabilization and Association Process grants of 280 mln EUR.

In year 2007 the European Union introduced a new financial instrument for candidate and potential candidate countries called financial Instrument for pre-accession (IPA) which covered financial assistance for a term of seven years (2007-2013)-called IPA I programming. This assistance is provided on the bases of achievements as state of progress made by Albania and the needs for financing required by Government as part of their good governance. The IPA financial assistance was designed to accommodate the needs of the beneficiary countries, in the context of alignment with the pre-accession policy. The main objective of IPA financial assistance is to support governments by increasing institution-building, improve and enforce rule of law, in improving policies in the field of human rights (incl. the fundamental freedoms), raise awareness in the minority rights, design policies for improving gender equality and non-discrimination. Further such financial assistance objective is to strengthen administrative and economic reforms, support the economic and social development, improve policies for reconciliation and reconstruction and support regional and cross-border cooperation as well as agriculture and rural development sector.

The table below represents the spread of EU financial assistance to Albania through years (source Ministry of European Integration).

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<tr>
<td>PHARE</td>
<td>912 mln EUR</td>
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<td>PSA-CARDS</td>
<td>280 mln EUR</td>
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<td>IPA</td>
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<td>498 mln EUR</td>
<td>84 mln EUR</td>
<td>88.9 mln EUR</td>
<td>Under programming</td>
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To ensure effectiveness of the priorities designed in accordance to the needs of the governments benefiting for IPA I programming( 2007-2013), the programme is composed of five components; 1) Transitional Assistance and Institutional Building(TAIB), 2) Cross-Border Cooperation(CBC), 3) Human Resource Development (HRD), 4) Regional Development(RD) and 5) Rural Development or IPARD. The first two components concerns all beneficiary countries while the rest only to candidate countries. Therefore, until 2013 Albania could benefit only from the first two components, TAIB & CBC. The amounts of EUR spread during this program are shown in the table below.

IPA I Programme (2007-2013)

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<tr>
<td>Albania</td>
<td>61.0</td>
<td>70.7</td>
<td>81.2</td>
<td>93.2</td>
<td>95.0</td>
<td>96.9</td>
<td>498.0</td>
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The EU financial Assistance under IPA programme 2007-2013 to Albania has had an important role in improving the developments in areas of: strengthening the democratic institutions and improve the policies in the areas of rule of law; promoting and improving protection of the fundamental rights and freedom of expressions; reforms in public administration; reforms in justice and home affairs; modernization of the regulatory framework (incl. support by investing in equipment’s for key institutions); establishment and improvements in the regulatory framework for enforcement of financial control systems; strengthening and opening new paths for a better market economy environment; strengthening the role of civil society in participating in process of decision making; establishment of a system for social dialogue as an element for good governance; promotion of minority rights and their integration into society, building confidence in all
The new IPA approach will cover the period 2014-2020 and it differs from IPA I (2007-2013) because of its strategic approach. The new IPA programme will enable Albania by taking ownership of their own reforms and integrating them in development agendas. In this regard, the EU will support Albania in addressing and implementing its Public finance management reform (2014-2020); Reforms in Public Administration, Justice and Home affairs as the Government priority for development and reforms. Reforming the public finances is like reforming the state as it involves many institutions and stakeholders. Under IPA II (2014-2020) the EU is intended to give Budget Support (BS) to Albania in order to implement sector reform in the public finance management, public administration, employment and vocational training and is under programming for other sectors.


Albania went smooth on the effects of financial and the global economic crises. The Government successfully avoided Recession, and the growth shock was less severe than elsewhere in Europe. However, growth has slowed down in the recent years, presenting an immediate development challenge. In this context, returning Albanian economy to the trajectory of fast-paced economic growth has been recognized as one the key government priorities. The Government has drafted a sound Public Finance Management reform strategy which will lie within 2014-2020. The strategy is finalized in autumn 2014 after consultation with all stakeholders (donor coordination) and other interested parties. To promote economic dynamism and to ensure healthy, democratic and harmonious society. PFM reforms will foster transparent interaction between the citizens and all levels of government. This interaction will be based on mutual trust and will be subject to adequate checks and balances.

The purpose of the Albanian PFM reform strategy is to; 1) Identify the weaknesses and address the challenges faced by public financial management in Albania and to evaluate the elements of the PFM reforms, required for continuous growth and development in the economy; 2) Promote coherence in policy making, to prioritize and take responsibilities in implementing the public financial management reforms; and 3) Increase transparency towards Parliament, the financial sector, reliable data for business community, increase sustainability for international partners and the public. Such polices are designed by the Government are to strengthen the public financial management in the country.

The public financial management strategy is built upon six main pillars; 1) Sustainable and prudent fiscal framework; 2) Well-integrated and efficient planning and budgeting of public expenditure; 3) Efficient execution of the budget; 4) Modern Accounting and Reporting System; 5) Effective system of internal control at public units; 6) Effective oversight of the public finances.¹

The expected reform outcomes are selected to improve Albania’s public finance management and serve as clear direction for the institutions in developing their activities and reporting on their achievements.

Outcome 1:
1. Macroeconomic Stability
2. Improved Resource Mobilisation and allocation

Outcome 2:
1. Financial Discipline and Control
2. Strengthened Payroll and Pension Management
3. Improved Asset Management
4. Efficient and Transparent Financial Reporting and Procurement system

Outcome 3:
1. Strengthened Oversight Function Institutions
2. Collaborative and Complimentary Approach to Control and Oversight
3. Strengthened Follow up Mechanism of recommendations

Outcome 4:
1. Enhanced Legal and Regulatory Framework
2. Better IT Infrastructure and Rigorously Controlled Multi-year Budgetary Outlays

The strategy action plan includes the main components and actions to be undertaken in order to fulfil the strategic

¹ Pillars as defined in Albanian PFM Strategy (2014-2020)
objectives. It also contains the linkages to the outcomes. The intention is to improve all key aspects of public financial management and enhance transparency of budgetary analysis and control.

5. The Role of EU Funds in Improving Albania’s PFM Reforms

On the way to accession process, and as reported in the EU directive on Budgeting, the Government of Albania complies with the EU principles for good governance in the management of public finances and fiscal policies. The Public Finance Management Reform of the Government of Albania was designed to comply with EU directives on Budgeting; this way when Albania will succeed towards the EU, these provisions will be met.

EU’s Budget support as financial aid will exclusively focus on the PFM reform programme so as to pave the way for future sector support. The PFM reforms will be the basis of EU’s first BS operation whilst the future NSDI will enable the EU to support the implementation of Albania’s priority sector policies in a wider framework in the coming years. Stepping up EU budget support will provide a significant incentive for the government to address its PFM weaknesses while getting support to finance the gap in the public investment. Budget Support is also an incentive for addressing the necessary public administration changes in terms of economic and public management governance, necessary for enabling PFM reform. The EU’s BS approach is an adequate tool to link fiscal management and macro-economic governance with public administration improvements through its four eligibility criteria.

In June 2014, EU has launched a policy dialogue with Albanian Government and key partner organizations in order to discuss relevance of PFM strategy and the financial support to be given to boost this sector. A preliminary 40 mln EUR through EU budget support has been in principle agreed to be given for PFM implementation and the first tranche of disbursement has successfully transferred to the Albanian Government after having fulfilled conditionality and its obligation under IPA 2014 programme. Such financial support will impact positively the public finance management in Albania and will improve: a) macroeconomic Stability, Improve Resource Mobilisation and allocation, b) Financial Discipline and Control, Strengthened Payroll and Pension Management, Improved Asset Management, Efficient and Transparent Financial Reporting and Procurement system, c) Institutional Strengthening of Oversight Function, Collaborative and Complimentary Approach to Oversight, Strengthened Follow up Mechanism of recommendations and, d) Enhanced Legal and Regulatory Framework, Enhanced IT infrastructure and controlled recurrent costs

6. Conclusions


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The Albanian Reform in the Institutions of Justice and Its Impact on the Integration of Albania in the European Union

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Abstract

The reform in the institutions of law consists of a complexity of issues that aim at the establishment and functioning of a transparent, independent, professional and efficient system that ensures justice. Implemented in accordance with the strict condition of the European Union imposed on Albania, within the integration framework, the reform targets the reorganization and full reconstruction of the key instruments of the justice system. In this paper, there will be specific analysis of the issues related with the establishment and functioning of the main institutions of the administration and monitoring of the judicial power, constitutional and legal changes because of implementation the reform, as well as the role of the international structures, seen in the function of monitoring the implementation of the reform.

Keywords: reform, judicial power, court, prosecution, verification

The judicial system and its role in guaranteeing the state of law The independence of the judicial power is constantly being seen as the prerequisite to guarantee the state of law.1 The Albanian state build on the principles of the democratic way of state construction, it has long entered the irrevocable path of building the governmental, lawmaking and judicial institutions, in accordance to the western democratic models. Being a relatively underdevelopment state, considering here the legislative reforms as well, an important focus is given to the adaptation and harmonization of the normative corpus with that of the European Union countries, especially in the fields that have a direct connection with respecting and guaranteeing the state of law. After singing the agreement on stability and association with the European Union, the Albanian Government had to put a lot of effort into the construction and implementation of strategies through which it would implement the obligations that were set upon from Europe, in relation to the integration process. This process seems everlasting for Albania due to several factors from which the political one was decisive for slowing down the reforms. But which were the urgent obligations to be implemented so that Albania would be part of the European Union? The new legal framework, as the new state inherited old laws that did not fit with the new system of the state organization. Consolidated institutions that would monitor the implementation of the law and overall independent and efficient bodies in the framework of providing justice. The integration process that accompanied Albania these last 10 years, was followed by the passing of news laws related to the key field of the implementation and protection of the fundamental human rights and freedom. Several other reforms in the field of justice are part of this reform which were accompanied with the creation of completely new institutions for the Albanian territory, whose efficiency and activity was not subtle. As we know, democratic countries are established on principles which guarantee first of all the respect of the rights and freedom that pertain to each individual, or his/her natural rights. From these principles, two are the most important, the division of powers as well as the legality in the organization and functioning of the state and its authorities. This way the state is bound to lawfulness, it bases its activity on the judicial norms and therefore the representative authorities of the state act in compliance with the rules of law. On the other side, the principle of power division, guarantees effectivity especially in controlling the implementation of the law. It is the courts that control the implementation of the law, not only in the activity of the private implementation of the law, but from the state authorities as well. The judicial power is considered as the most important cog that ensures the principles of a judicial and democratic state, and the current state is being evaluated as the state of law today, seen exactly from the point of the view of the efficiency of the judicial power. The reforms in the Albanian justice system didn’t begin in the last two years. The judicial system was earlier reorganized in many of its aspects. Moreover, the creation of special courts and laws for the Administrative Court are part of an indisputable process in the judicial system. However, the judicial system in Albania had an urgent need for a full reform, due to visible problematics reflected in way justice was provided. The European

Union emphasized the judicial reform as being a primary condition for the integration of Albania, due to handicaps encountered in the implementation of the law as a result of several factors from which the control of judicial power from the politics and corruption was seen as the most problematic. The reform in the justice system came as a need to change the condition of the judicial bodies. But which are the main problematics revealed in the recent years in the judicial system bodies?

The identification of the problematics in the judicial system were seen as important in the aspect intervening specifically in these issues. They are related with the quality in which justice is provided, the independence of the judicial power and what is more important the absence of the public trust in the judicial bodies. The quality in which justice is provided is related with the moral and professional integrity of the judge. Guarantees for the quality of the justice provision as well as in the existing normative acts are presented in a high level, which is where rigorous conditions are imposed for the appointment in the judicial bodies. Likewise, promotion in the workplace and career of the judge are conditioned in a way as to avoid the appointment in supreme courts of people with inadequate professional career. However, the question is what threatens the provision of justice and in this context there should be taken into account the way judges are appointed and the structure of the main bodies that manage their movement into the judicial system. In accordance to this, there has been highlighted the reorganization of the High Council of Justice and a part of its members come from the Executive Council and they are even in leading positions as the case of the Minister of Justice. This body has not only changed completely, but the way it functions as the body that controls the movements in the judicial system, has changed too. The political control on the judicial bodies is a very controversial topic in Albania and it has been present in many reports of the international authorities. Personal gains through corruptive affairs are definitely present due to the lack of the proper function of the system. These two problematics have led in the public mistrust in the judicial institutions. The negative image of the judicial comes as a result of the involvement in the system of people whose concept for material gains goes beyond the demand for a positive image of the judges’ personality. The quality of justice provision and the clean image of the judge are the two most controversial issues and that encounter a rigorous regulation with the reformatory changes in the system. The careful verification of the judge’s image, mainly focused in the moral and professional integrity is a well-treated issue in the changes in the constitution and constitutes a big step ahead in the effort of providing justice in a quality way. Overall, this process will have a positive impact on the image alternation of the Albanian Justice.

Some of the Most Important Aspects of the Changes in Constitution

The reform in justice lead to a new regulation in relation to the function and organization of the main constitutional bodies, that bear the competence of exercising the judicial power. Likewise, there were changed in the provisions that regulate the competences and the intervention of other constitutional bodies in the organization of the justice system. The most important part of the reform is definitely related with the constitutional changes and precisely with the intervention of the main constitutional bodies in the act of ensuring justice. The problematics encountered in practice have often been a reflection of malfunction of the constitutional framework in relation to the institutions of the justice system. Therefore, the Constitution of the Republic of Albania has been revised three times since its entrance into force in 1998. The experience of these last years has shown that the changes in the constitution, especially those of the 2008, have had a negative influence in the organization and function of the justice system. As a result, the new changes in the Constitution bring about innovation in the organization of the new role of the constitutional bodies in the implementation of the judicial duties as well as the guarantee of an independent judicial power. The role of the President consists in keeping the balance in the justice institutions and ensuring a coherent collaboration in between the constitutional bodies that organize the judicial system. This is accomplished through that competences that were given to the president, mainly in the process of the appointments of crucial exponents of the judicial system, and those of the justice institutions. Based on this, the way the president is elected and his role in implementing the constitutional functions related to the judicial system, occupy an important part of the altered package. The justice reform also makes possible a full reorganization of the creation, function and content of the main bodies that administrate the judicial system. The High Council of Justice, the Prosecutor General, the Supreme Court as the basic institution that are related to justice, have been the most effected organs of the reforming process. The full reorganization of them, in content and competences, aims at ensuring the independence of the judicial system, effectivity in providing justice, as well as impartiality and professionalism from the judges. The very important institution that monitors the implementation of the Constitution as well as the implementation of the

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2 Reform Strategy in the Justice System pg.5, Tirane 2015
constitutional principles from the main state institutions and at the same time monitors the judicial system, is the Constitutional Court. In compliance with the constitutional provisions, it is the main instrument of analyzing the courts activities in their function of exercising the principle of legality in organizing adequate legal processes that guarantee the respect of the human rights and freedom. Moreover, the reform foresees a re-dimensioning of this body, by predicting new rules in relation to the appointment of the Constitutional Court members as well as their length of tenure. The independence, impartiality and efficiency of the Constitutional Court, are premises of the implementation of the constitutional principles and the constitutionality of the law-making process. In this context, interventions in the constitution which have affected not only the institutions of the Constitutional Court, but all the constitutional institutions that have to do with the judicial power, aim at determining stable rules that ensure the longevity of the constitutional provisions. In order to create a new judicial system that would ensure the human rights and freedom, it is necessary the creation of the new institutions that monitor the judicial bodies. A huge importance was given to the institution of work inspection in the justice system, which comes with a complete new organization. Likewise, the Prosecutor General and the Prosecution body, as constitutional institutions have a form of organization and function almost completely new. The role of the Prosecutor General starts with the functions that are given to him from the Constitution but also from the way of appointment and length of tenure, the role becomes more present in the implementation of duties of the judicial system. Therefore, the constitutional changes evaluate the role of the prosecution in providing justice and carefully determine the criteria for the appointment of the Prosecutor General.

The Role and Competences of the President of the Republic under the Constitutional Changes

The role of the President of the Republic is significantly present in the reformatting of the bodies of justice and as we mentioned it is more visible in balancing the judicial institutions with the other powers. His interventions in setting up and organizing the institutions, the appointment of the members of the Constitutional Court, the Supreme Court and High Administrative Court, are determined through the competences expressed in the constitution which have definitely strengthened the influence of the highest state body in strengthening the independence of the judicial power. Regarding the Constitutional Court, the appointment of the judges in the Constitutional Court in particular, the President is vested with the competences to appoint the three judges. With the constitutional changes, this court has a new organization in relation with the way of the appointment of the judges, the competences, the length of the tenure etc. It consists of 9 members, three of them appointed from the President, three from the Assembly, and three from the joint meeting of the Supreme Court and Supreme Administrative Court. As a result, the intervention of the President in the content of the Constitutional Court is evident, for as long as he has the function of appointing the three judges. This fact constitutes a further insurance in guaranteeing the impartiality of this body as well as not making it possible to be controlled from the legislative or executive courts. Despite this, the presidential competences do not risk at strengthening the influence of the President in the Constitutional Court, as the appointment is not related with the exclusive appointment of the president himself, but with the selection from a list of candidates, compiled from the Appointment Council in Justice. The president also has the right to monitor the Constitutional Court. Anytime the President notices inconsistencies of the normative acts with the constitutional principles or severe constitutional offences form the institutions of the three powers, the president can address the Constitutional Court. Regarding the Supreme Court and the Administrative Court, the President has the competence of appointing the judges, but different from what we mentioned in the Constitutional Court, the competences here are wider, as the President can reject the proposals set forward. The Constitutional Law states that the appointment of the judges in the Supreme Court and Supreme Administrative Court is carried out from the President of the Republic with the proposal of the High Judicial Council, for a 9-year tenure without the possibility of reappointment. The President within 10 days from the proposal appoints the judge or he can disagree and reject the proposals of the High Judicial Council, by presenting his reasons and arguments for each case. The President’s decree for the refusal of the proposals from the High Judicial Council loses its power if most of its members vote against it. In this case, and when he President does not express himself, the candidate is considered as appointed and starts his job while respecting the time-period set by the constitutional law that is 15 days from the day of the decision-making from the High Judicial Council. Considering the way in which the appointment of the judges is organized in the high instances of the judicial power, we notice that the role of the President of the Republic is just selective in the sense of the moral and professional integrity of the individuals.


proposed for high levels of the judicial system. His intervention in the form of refusal happens only in cases when the candidate does not meet the qualification criteria or selective conditions according to the law. However, it is the majority of the High Council of Justice that decides on the appointment and the President’s decree loses its power.

The Reform in Justice Creates Two New Institutions

The High Judicial Council and the High Prosecution Council. The High Judicial Council is the institution which is entrusted with the insurance of independence and efficiency of the judicial power. There are jurists in its consistence that come not only from the judicial, but also outside it, on the condition that they have high moral and professional integrity, though. So, the High Judicial Council has a heterogeneous consistence regarding the fields the members come from. They should have at least 15 years of experience in the profession and they should also be well-known names in their respective fields. Times ago, it was the High Council of Justice who had wide competences in the movement of the judges within the systems, as well as with the appointment of the new ones. Besides the members that were selected from the judicial board in three levels and the judges that were elected from the Assembly, the High Council of Justice was also composed of representatives from the executive who because of the ex officio duty, were part of those structures, even in leading positions. The presence of the representatives that came from politics was clearly noticeable, and even determining in deciding on the appointment and the President’s decree loses its power.

6 Cheirie Booth Blair, “The importance of judicial independence for a free and fair judgement”, Tirane 2012

Judicial Council, members of the High Council of Prosecutors. This body has in its competence the institutional investigation of the courts and the prosecution offices primarily in relation to the notified offenses having been completely against the law and are presented in the form of a complaint for a proper trial. The High Council Inspector is appointed for a nine-year mandate from 3/5 of the members of the Assembly without the right of being reelected, from the most notable jurists with at least 15 years of experience in their profession with high professional and moral integrity. The law foresees the inability of a person to be appointed if he has carried political functions in the public administration, or leading positions in a political party during the last 10 years before his candidacy. The availability of the judicial institutions, which consist of people achievements in their careers is one of the biggest challenges in the reform of the justice system. The way the justice bodies are administered and the selective process of the judges are certainly very important parameters to guarantee a judicial system that respects the human fundamental rights and freedom. The Constitution of Albania sanctions the principal of independence of the judge to exercise his functions in providing justice. As a result, the judicial administration has been considered as a structure that is in the service of this principal and creates the proper premises in fulfilling the final mission for a fair, impartial and qualitative trial. The judicial administration should never be used as a pretext to control the content of the individual judicial verdicts. The new constitutional changes have made clear the institutional competences in administrating justice by also respecting the main principals of the state of law in dividing the powers and exercising legality of their activities. The reform that touch the constitution are usually dictated from the urgent need. They are products of long consultations, especially in high levels of investigation and claim the creation of stable, coherent and productive foundations for the cases they treat. As such the reform in the Albanian justice system is the product of a long consulting process which set strong foundation in the constitutional law without forgetting several aspects tightly related to it. A range of laws has been approved and will be approved in the framework of implementing the reforms, despite the special terrain and problematics. The Albanian legal system continues to be in transition, influenced from different legal systems, especially European. The reform predicts new ways of controlling and evaluating “purity of the image” for high officials of the judicial bodies. As cited above, as essential criteria to promote the judges and prosecutors’ careers, there are several elements that have to do with professionalism, ethics, behavior, trustfulness and full integrity from the professional and moral point of view. The law predicts the creation of a new re-evaluation system aiming at guaranteeing the function of the state of law, the independence of the judicial power, as well as reestablishing people’s trust in the institutions of this system. The re-evaluation is predicted to be exercised based on the principals of proper process and by also respecting the fundamental rights of the subject being evaluated. The vetting process involves all the judges, including here judges of the Constitutional Court, Supreme Court, all the prosecutors as well as other officials that because of their positions are subjected to ex officio re-evaluation. The ways of controlling the judicial staff besides being delicate due to conserving the untouchedness of some principles that are organically related with the function, are presented as complex for many reasons. The court, because of the function it has, is the power that was given the exclusiveness of controlling the two other powers related with the implementation of the legality principal in exercising their functions. Likewise, the judicial power exercises its activity in an independent way. The independence of the judicial, is related in a way with the respect and exercising the decision making process as a product of a fair and professional trial, led from the truth in insuring social justice. For as long as the justice system achieves to guarantee high values that increase the trial standard, the judges’ authority and overall the trust in people, the verification process has difficulty in being implemented. However, based on what we said above, the Albanian judicial system is significantly far from the standards set on democratic states for an independent and reliable system. The control of the judges, among other things, is predicted to have some functions. First of all, it helps in improving the professional quality of the authorities that provide justice and secondly, fulfilling the ethical and moral criteria. The vetting or the process of verifying the members of the justice institutions does not threaten in essence their independence in exercising their duties. It is a transparent process that aims at constructing a system on the basis of meritocracy literally. In the professional aspect, the judges are independent in exercising their functions required by law and the court is the final word when it comes to solutions demanded in different situations. In this aspect, it is the doctrine the one that offers

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7 Law Nr.76/2016 “For some additions and changes in Law Nr.8417, date 21.10.1998, “The Constitution of the Albanian Republic”, changed, Article 174, point b
9 Cherrie Booth Blair, “The importance of judicial independence for a free and fair judgement”, Tirane 2012
10 Nuni, A, “Law, Justice and us, in 20 years of reflection” Tirane 2012

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Nuni, A, “Law, Justice and us, in 20 years of reflection” Tirane 2012
an incomparable judge for the judicial functions because of being free and diverse, it offers solutions and not impositions, it strengthens and does not threaten the independence.\textsuperscript{12} Outside of this aspect, there is the need to see the reevaluation process of the judicial staff. Sanctioned with constitutional dispositions, this controlling aspect is predicted to be implemented through qualified bodies in accordance with the constitutional and legal predictions. The reevaluation system is more or less a similar system with that of the administrative judgement, where besides the scrutiny from the assigned organs and the constitution, on the evaluation of the judges and prosecutors, they have the right to contradict the evaluation process in a higher body through appealing procedures.\textsuperscript{13} The reevaluation is carried out from Independent Qualification Commission, whereas the appeals are reviewed from the Appealing College in the Constitutional Court. This is a long process towards success which is related with several other factors. However, it is an important step and the most controversial in the justice reform that limits the establishment of the independent judicial power in Albania

**Conclusions**

The judicial system in Albania has often been presented as a weak and corrupted system. This comes as a result of gaps encountered in the implementation of justice as a consequence of several factors among which are the control of the judicial power from politics and corruption which are seen as the most problematic.

The reform in justice was a necessity to change the condition of the organs in the justice system and a primary condition for the integration of Albania in the European Union

The constitutional changes assign new organs to administrate the judicial power. A special care was given to the determination of the criteria for the judges and prosecutors’ appointment. New structures have been created to reevaluate the careers of subjects in the justice system.

The main purpose of the reform is the increase of the independence in the judicial power and its liberation from politics and corruption. In this framework the entire judicial staff will go through a process of moral and professional testing. The vetting or the process of verifying the members of the justice bodies, does not threaten their independence in exercising their duties. It is a transparent process that aims at constructing a system based on meritocracy.

**References**

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Cheirie Booth Blair, “The importance of judicial independence for a free and fair judgement”, Tirane 2012

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\textsuperscript{13} Article 179 , Law Nr.76/2016 “For some additions and changes in Law Nr.8417, date 21.10.1998, “The Constitution of the Albanian Republic”, changed
The Impact of Industry Variables on Company’s Performance

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Abstract

Everywhere, in the business world and not only, we speak about the competitiveness. And while talking about this concept, it seems appropriate to explain what the competitiveness is and how it influences the organizational performance. Nowadays, there has been a growing intensity of competition in all business areas and this has resulted in a greater attention to analyze the competitive behavior under environmental dynamics and complexity. The industry is the “arena” where starts and applies every company’s activity. Usually, facing the high level of competition, it is necessary to study all the variables which influence the organization in order to achieve goals such as: the profitability and ensuring organization’s longevity. The purpose of this paper is to examine the relationship between industry forces and organizational performance to test the applicability of Porter’s model explaining the differences in the performance of construction companies. The methodology used is in the function of links between variables that characterize the industry and the realized performance, expressed through overall performance. The primary data collection was conducted through a questionnaire. Besides the demographic characteristics of the sample, the questionnaire as well aims to collect information on a high number of variables. Geographically, the companies participated by completed the questionnaire, were performing their business activity in Vlora region (such as Vlora city, Orkum and Himara), covering areas where construction sectors had the major development, including urban and coastline areas. The processing data collected via questionnaire shows that the construction industry is characterized by a high level of competitiveness and market fragmentation. Through the empirical analysis of competitive forces, the study contributes to the specific orientation that investors and managers should have when they face a high rivalry among companies.

Keyword: industry, competitiveness, organizational performance, construction industry

1. Introduction

The industry is "arena" where the competition takes place. In this dynamic and complex environment, there are a number of factors which both of the competitive forces structure the industry, determine the intensity of competition, the ability of the organization to be positioned against its rivals and affect the profitability of the company (Pulaj & Kume, 2014).

Despite growing attention and extended literature, the competitiveness or competition remains a concept not clearly define, because there is no single definition for it. According to Waheeduzzan and Ryans (1996), the competition is a cause or an instrument to achieve objectives. Flanagan et al., (2007) show in their studies that understanding the competition belongs to the "spectators’ eyes", who could be any of the internal or external stakeholders (Flanagan et al., 2007). Man et al. (2002) suggest defining the competition concept through four of its features such as: focusing on long-term performance, the continued control of resources and capacities, the competitive position of the firm toward other firms and dynamism processes to generate profits). Another definition about this concept given from Lu (2006) shows that: “Competition as a widespread concept is like the law of the jungle to survive in the market and outperform the rivals”. The traditional financial indexes such as profitability, productivity or market share remain the best indicators to measure the level of competitiveness in an industry.

Finally, we can say that many authors are involved in debate about the competition by bringing a comprehensive framework on dimensions and features that characterize competition such as: definitions’ diversity, diversity of measures and indexes, application fields, dynamism and continuing process. Despite there is no unique definition on competition, this concept is an important part of management analysis together with other indicators such as profitability, market share or productivity (Pulaj & Kume, 2014).

Another model to analyze the level of competition is the industry analysis model proposed by Porter considering five forces: competitive rivalry, threats of new entrants, substitute products and power of suppliers and buyers. Due to the five forces model, businesses can evaluate their industry, forecast and conceptualize their positions compared to other companies.
Some important questions need to be answered during the industry analysis:

How much one industry is attractive and profitable? Why some industries are more attractive than others? Why some firms within an industry are more profitable than other in the same industry? How the industrial variables influence the organizational performance?

1.1 Literature review and industry environment analysis

There are a lot of factors influencing the company performance within an industry. If a company wants to analyze the potential industry’s profitability and to define the nature of competition, competitive forces model helps on the way of gathering information and processing it.

Another value for which this model, is the opportunity it creates to managers thinking about the concrete situation, formulate strategies and serves as a starting point for other detailed analysis. The interaction of these competitive five forces is a constant and detailed study to the success of a company.

Intensity of competition. It is important for firms to increase their awareness and understanding of the degree of competition within the industry (Pulaj & Kume, 2014). In this way, competitors test each other’s strengths and opportunities to gain continuously the right competitive advantage and dominate the market (Kume, 2010) in order to be long-lived and profitable in the market.

Threat of new Entrants. The number of companies is one of the main indicators meaning the concentration level. New entrants to an industry bring new capacity, the desire to gain market share and often substantial resources (Porter, 1979). They are potentially ready to enter the market and contribute to shape to the industry structure. The number of new firms, encouraged to enter in profitable industries, is high due to the attraction of high profits affecting the profitability of existing firms.

Among the first authors studied the entry barriers is Bain (1956), according his strategic thinking these barriers allowed existing firms to ensure high profits without encouraging new firms to enter the industry. The economies of scale and capital requirements accomplish his definition on entry barriers explaining the positive correlation with higher profits that existing companies provide. According to Stigler (1968) explains that the cost production is another entry barrier and should face from new entrants.

The views on entry barriers’ concept have sparked much debate and further developments. Ferguson (1974) sees the entry barriers as characterizing factor which allows existing firms to set prices below marginal costs and ensure consistently high profits. Since 1975, with the evolution of the planning process and culminating achievement in the stage of strategic management and entrepreneurship theories, Hofer (1975) presented the barriers to entry as the main variable in the structure of the industry.

Later, the importance of entry barriers on the profitability of existing firms was the motive for their classification into two categories:

i. Entry barriers created as a result of the structural characteristics of industries, and

ii. entry barriers created as a reduction of new firms by existing firms.

Despite the different definitions of entry barriers, it is important to identify the barriers that existing firms create and to what extent these barriers inhibit or encourage new entrants. Some of them are: economies of scale, capital requirements, access to distribution channels, cost disadvantages independent of size, government laws, product differentiation, switching costs, expected reaction, customer loyalty, network effect.

The bargaining power of suppliers is described as another factor which affects the industry structure. Suppliers of all resources or factors of production can be potentially a source of power on firms when the supply industry is dominated by a few numbers of suppliers. Generally, powerful suppliers can reduce the profitability in an industry, but specifically it depends on industry’s features and other potential factors such as: supplier switching costs, presence of substitute inputs, the high level concentration of supplier, the opportunity of vertically integration with the company reducing in this way the cost of inputs.

The bargaining power of buyers. According to Porter (1980), the customers influence the firms within an industry to impose low prices. The power of buyers depends on the following potential factors: the number of buyers and their concentration, the level of information and bargaining leverage, the cost to change the supplier, the standardization of the required product and the total amount of trading.

Threat of substitutes. The existence of substitute's product is the availability of a product that consumer can purchase instead of the industry’s product. Customers often use the substitute product when their propensity to substitute is related with the following potential factors: relative price, number of substitute products available and buyer switching costs, perceived level of product differentiation.

Under the light of this factors’ analysis, the sum of the competitive forces impacts determines the intensity of
competition. The profitability and attractiveness of the industry stay in an inverse relation with the capacity of each force included in Porter’s model. The greater the power of competitive forces the smaller is the expected profitability (Pulaj & Kume, 2016).

2. Methodology

In this study it is aimed to explain the relationship between industry forces and organizational performance. The current study considers a sample of construction companies registered in Vlora`s region. The companies were asked to express their assessment on variables used to analyze the industrial environment. Each used variable was expressed by an interpretative statement to increase the level of understanding and facilitate the completion of the questionnaire. The variables and their sub variables used in the questionnaire are:

P1 – dynamics and structure of the market. Based on the market’s definition, as the place where the buyer and seller express their desire and the ability to buy and/or sell a product or service, the group of variables classified under market structure include: market size, opportunities to create a goodwill, customers distance from firm, customers distribution, seasonality demand changes, the intensity of price negotiation, market transparency.

The sample population is taken from the construction industry. The construction industry like the others industries which operates in a dynamic and complex external environment (K’Obonyo, 2004; Davis et al., 2009), needs to analyze factors which measure the extent and frequency of industry changes. Variables included in the dynamics of the industry and its market are: the real market growth, the expected market growth, the rate of leaving the industry, the degree of uncertainty about future developments, changing customers’ needs and the rate of new entrants in the industry.

P2 – Competitive dynamics and variables that are included in this group refer to the company experiencing changes in organizational structure, cost structure, new investments planning, being influenced by existing companies and new entrants ones. Some potential variables are: the opportunity of change influenced from the organizational structure, the degree of change due to legislative restrictions, the degree of change due to the cost structure, existing firms severe responses, introduction and continuous improvement of the products/services and investment in new assets.

P3- Company’s dependence refers to all the variables that create dependence from production inputs, customers and external environmental factors. The variables that explain the dependent relationship of the company are: dependence on customers, dependence on suppliers, dependence on key employees, dependence on legislative changes, dependence on business cycle and dependency on exit barriers.

P4- Barriers to entry. Seen in the context of the industry, the entry barriers variables play an important role in attracting or deterring new entrants. However, it is difficult to assess whether an entry barrier has a positive or negative impact without full information from the company. The potential variables included under this category are: the economies of scale, capital and initial investment, accessibility of communication and distribution channels, customers’ attitude and loyalty, vertical integration and legal barriers.

Performancei = αi + β1 (Dynamics and structure of the marketi) + β2 (Competitive dynamicsi) + β31 (Rivalry competitivei) + β41 (Company’s dependencei) + β5 (Barriers to entryi) + εi.

- where the dependent variable Performancei refers to the performance of firm i,
- the independent variable Dynamics and structure of the marketi refers to the perception of the market’s dynamics according the firm i for the sub-variable j such as real and expected market growth, changes in demand as a result of industrial leaving rate, the uncertainty about future developments, changing customers’ needs and the rate of new entrants in the industry,
- the Competitive dynamics refers to the competitive actions among firms competing within a particular industry,
including changes in organizational structure, cost structure, new investments planning, being influenced by existing companies and new entrants ones,

- the **Rivalry competitive variables** refers to the intensity of competition for the firm \( i \) explaining through sub-variable \( j \) such as concentration rate, number of competing firms, product heterogeneity, heterogeneity of industry members, labor cost, gross profit, diversification rate,

- the **Company’s dependence** refers to all the sub-variables \( j \) that create dependence from production inputs, customers and external environmental factors and

- **Barriers to entry** refers to the variables \( j \) that attract or deter new entrants,

- And \( \alpha_i \) is the constant term, \( \epsilon_i \) is the error term.

It is used linear regression analysis to test the relationship between performance and industry forces explained with sub variables given to explain each of the above competitive forces. The gathered data have been evaluated with SPSS program. Statements related with the main variables used in the survey have been subjected to factor analysis classified by reliability test (Cronbach Alpha).

### 2.1 Sample size and demographic characteristics

In the study, it has been involved all the construction companies that do business activity in Vlora’s region and in their construction projects portfolio include: infrastructure projects, residential buildings (living apartment and villas), industrial constructions and other buildings such as hospitals, universities, government buildings, etc. The data are collected through a structured questionnaire. The questionnaire includes sections which assess the impact of competitive forces on company’s performance. The survey is conducted mainly in Vlora city and randomly in Himara and Ornikum.

**Table 1** presents the distribution of companies according the year of creation. It is noticed that the participated companies have different longevity beginning from 1992. Almost 32.7% of sample had over 10 years in this industry till the year 2001. It is noted that the period between the years 2000-2008 marks the highest number of registered firms due to the development of construction industry and the highest number of building permits approved in the district of Vlora. Weighting the life of surveyed firms, we see the average lifespan in the industry is relatively 7.7 years because of the high number of registered firms in recent years as a result of inducement that offered the industry expressed at high profit rates. The distribution of firms by year of creation is given in the table below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative percent</th>
<th>Year</th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992</td>
<td>1</td>
<td>0.9</td>
<td>0.9</td>
<td>2003</td>
<td>8</td>
<td>7.3</td>
<td>42.7</td>
</tr>
<tr>
<td>1993</td>
<td>2</td>
<td>1.8</td>
<td>2.7</td>
<td>2004</td>
<td>3</td>
<td>2.7</td>
<td>45.5</td>
</tr>
<tr>
<td>1994</td>
<td>1</td>
<td>1.8</td>
<td>4.5</td>
<td>2005</td>
<td>11</td>
<td>10.0</td>
<td>55.5</td>
</tr>
<tr>
<td>1995</td>
<td>4</td>
<td>3.6</td>
<td>8.2</td>
<td>2006</td>
<td>10</td>
<td>9.1</td>
<td>64.5</td>
</tr>
<tr>
<td>1996</td>
<td>3</td>
<td>2.7</td>
<td>10.9</td>
<td>2007</td>
<td>12</td>
<td>10.9</td>
<td>75.5</td>
</tr>
<tr>
<td>1998</td>
<td>8</td>
<td>4.5</td>
<td>15.5</td>
<td>2008</td>
<td>13</td>
<td>11.8</td>
<td>87.3</td>
</tr>
<tr>
<td>1999</td>
<td>8</td>
<td>7.3</td>
<td>18.2</td>
<td>2009</td>
<td>7</td>
<td>6.4</td>
<td>93.6</td>
</tr>
<tr>
<td>2000</td>
<td>5</td>
<td>4.5</td>
<td>24.5</td>
<td>2010</td>
<td>5</td>
<td>4.5</td>
<td>98.2</td>
</tr>
<tr>
<td>2001</td>
<td>2</td>
<td>1.8</td>
<td>32.7</td>
<td>2011</td>
<td>2</td>
<td>1.8</td>
<td>100.0</td>
</tr>
<tr>
<td>2002</td>
<td>9</td>
<td>8.2</td>
<td>35.5</td>
<td>Total</td>
<td>110</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

**Table 2** presents the distribution of companies according the employees number. 43 companies (39.1% of total) have fewer than 10 employees. The majority of the sample, approximately 55.5% of the companies have between 10-49 employees and only 5.5% of companies declared the number of employees between 50-249 employees. One of the main reasons for the high number of construction firms, registered as a small and the medium companies is the subcontracting process of works by other companies that offer specialized services.

<table>
<thead>
<tr>
<th>Employees number</th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-9 employees</td>
<td>43</td>
<td>39.1</td>
<td>39.1</td>
</tr>
<tr>
<td>10-49 employees</td>
<td>61</td>
<td>55.5</td>
<td>94.5</td>
</tr>
<tr>
<td>50-249 employees</td>
<td>6</td>
<td>5.5</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>110</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

According the data gathered from the questionnaires, the geographical distribution of the companies is mainly in Vlora, Ornikum and Himara Municipalities, covering all areas where construction industry had the higher development period,
including both urban area and coastline. Most of the firms perform their activities in Vlora, while only 8.2% in Orikum and 2.7% in Himara. Discussing the distribution of companies by the construction projects included in their portfolio, it is noted that most of the works and projects, nearly 86.4% of the sample size, belong to the private sector such as residential, commercial and industrial construction (houses and apartments). Only 13.6% of the projects belong to public sector such as infrastructure (roads, tunnels, bridges, airports) and institutional constructions (schools, hospitals, etc).

3. Analysis

According to the theory of competitive forces (Porter, 1980) and many other researchers who refer to industry analysis, it is noted that the positive or negative impact on sales growth, return indexes and overall performance, is related to the dynamics of environmental factors where the company operates.

For this purpose, it has been developed a multivariate analysis indicating the proper correlation and the impact of industry forces on the dependent variables, measured by overall firm performance. All the factors with a significant correlation (* p <0.05 level) were analyzed through a multiple regression analysis to reveal their impact on the overall firm performance (see Table 3).

Table 3. Selected independent variables with higher correlation with dependent variable/overall performance of the company (N=110)

<table>
<thead>
<tr>
<th>Variables</th>
<th>Overall performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distance to clients. All the firms in the industry generally compete on national level and not only in local and regional level</td>
<td>Pearson Correlation: -.202*  Sig. (2-tailed): .035</td>
</tr>
<tr>
<td>Continuous improvement of the products/services</td>
<td>Pearson Correlation: .289**  Sig. (2-tailed): .002</td>
</tr>
<tr>
<td>Seasonal change of demand.</td>
<td>Pearson Correlation: .121*  Sig. (2-tailed): .021</td>
</tr>
<tr>
<td>Dependence on exits from industry. A large number of firms have to close down their businesses leaving the industry.</td>
<td>Pearson Correlation: .128*  Sig. (2-tailed): .029</td>
</tr>
<tr>
<td>Uncertainty degree about future development. The demand varies and it is a difficult to forecast the development on the industry.</td>
<td>Pearson Correlation: -.216*  Sig. (2-tailed): .023</td>
</tr>
<tr>
<td>Dependence on suppliers</td>
<td>Pearson Correlation: -.374  Sig. (2-tailed): .044</td>
</tr>
<tr>
<td>Legislation. The construction industry depends to a large extent on legislative changes.</td>
<td>Pearson Correlation: -.291*  Sig. (2-tailed): .034</td>
</tr>
<tr>
<td>Dependence on business cycle. The demand of products and services varies strongly from business cycle.</td>
<td>Pearson Correlation: -.191*  Sig. (2-tailed): .048</td>
</tr>
<tr>
<td>Dependence on exit barriers. All large firms have to stay in the industry even if demand and the profits strongly decrease.</td>
<td>Pearson Correlation: .199*  Sig. (2-tailed): .037</td>
</tr>
<tr>
<td>New assets investments</td>
<td>Pearson Correlation: .260*  Sig. (2-tailed): .006</td>
</tr>
<tr>
<td>Number of competing companies</td>
<td>Pearson Correlation: -.273*  Sig. (2-tailed): .035</td>
</tr>
</tbody>
</table>

First, to assess whether the multiple regression model is valid or not, it is used ANOVA analysis. According generated values in Table 4, it is evident that the established model is valid. In our model, the F value is 4046> 1.89 (F critical value (11, 98) = 1.89) resulted significant, p = 0.001 is less than 0.05).
Table 4. ANOVA analysis of industrial variables and their impact on dependent variable “Overall firm performance evaluation”

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>21.292</td>
<td>11</td>
<td>1.936</td>
<td>3.263</td>
<td>.001a</td>
</tr>
<tr>
<td>Residual</td>
<td>58.126</td>
<td>98</td>
<td>.593</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>79.418</td>
<td>109</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), dependence on business cycle, legislation, number of competing firms, continuous improvement of the products/services, investment on new assets, dependence on exits from industry, customers distribution and distance from the company, the degree of uncertainty on future development, dependence on suppliers, dependence on exit barriers, seasonal change of demand.

b. Dependent Variable: overall firm performance

Regression analysis table shows the interaction of industry variables and dependant variable measure by overall performance of the company. As it is shown from the regression analysis, only some of the regression coefficients have their p value acceptable (p< 0.05).

Table 5. Industry variables’ coefficients and their impact on “Overall firm performance”

<table>
<thead>
<tr>
<th>Independent variable</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T value</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>3.535</td>
<td>.686</td>
<td>5.152</td>
<td>.000</td>
</tr>
<tr>
<td><strong>Distance to clients. All the firms in the industry generally compete on national level and not only in local and regional level</strong></td>
<td>-.141</td>
<td>.061</td>
<td>-.209</td>
<td>-2.300 .024</td>
</tr>
<tr>
<td><strong>Uncertainty degree about future development. The demand varies and it is a difficult to forecast the development on the industry</strong></td>
<td>-.146</td>
<td>.074</td>
<td>-.193</td>
<td>-1.981 .050</td>
</tr>
<tr>
<td>Dependence on exit barriers. All large firms have to stay in the industry even if demand and the profits strongly decrease.</td>
<td>.078</td>
<td>.062</td>
<td>.123</td>
<td>1.262 .210</td>
</tr>
<tr>
<td>New assets investments</td>
<td>.108</td>
<td>.071</td>
<td>.142</td>
<td>1.510 .134</td>
</tr>
<tr>
<td><strong>Number of competing companies</strong></td>
<td>-.198</td>
<td>.096</td>
<td>-.209</td>
<td>-2.069 .041</td>
</tr>
<tr>
<td>Continuous improvement of the products/services</td>
<td>.171</td>
<td>.069</td>
<td>.233</td>
<td>2.479 .015</td>
</tr>
<tr>
<td>Seasonal change of demand</td>
<td>.129</td>
<td>.081</td>
<td>.168</td>
<td>1.587 .116</td>
</tr>
<tr>
<td>Dependence on exits from industry. A large number of firms have to close down their businesses leaving the industry.</td>
<td>.111</td>
<td>.078</td>
<td>.131</td>
<td>1.424 .158</td>
</tr>
<tr>
<td><strong>Dependence on suppliers</strong></td>
<td>-.186</td>
<td>.072</td>
<td>-.256</td>
<td>-2.568 .012</td>
</tr>
<tr>
<td>Legislation. The construction industry depends to a large extent on legislative changes.</td>
<td>-.013</td>
<td>.066</td>
<td>-.019</td>
<td>-.197 .844</td>
</tr>
<tr>
<td>Dependence on business cycle. The demand of products and services varies strongly from business cycle.</td>
<td>-.049</td>
<td>.076</td>
<td>-.065</td>
<td>-1.641 .523</td>
</tr>
</tbody>
</table>

a. Dependent Variable: the evaluation of overall firm performance

Source: Results obtained by the authors.

Based on the analysis of multiple regressions, the variables that must stay in the model and have a negative impact on the performance of the company are: distance to customers/clients, the degree of uncertainty about future developments, the large number of firms competing, the need for specialized product and dependence on suppliers. This indicates that the performance of companies and the success rate is negatively affected by these factors.

According the public procurement and bidding process, the companies have right of access in this process regardless the where a project is implemented. The same phenomenon occurs also in the case of investments in
residential building projects while different firms invest in cities that represent attractiveness due to demographic or economic development, increasing competitive rivalry between the existing companies in this area. Another factor negatively influences the construction industry, is the uncertainty about future developments. This industry is experiencing a period of stagnation and the housing market seems to be saturated. Despite the high number of apartments built, which according to INSTAT statistics, urban areas seems to have an unfavorable distribution and not well studied by the builders. These factors combined with the difficult economic and financial situation that businesses are experiencing, increase the uncertainty on the future development. The same financial meltdown due to: modest demand for apartments, a high-margin profit of landowners, the high cost of borrowing, the lack of liquidity, administrative bureaucracy and the accumulated debt that public administration institutions owe Albanian construction companies for public works. It has caused dependence on suppliers during the entire value chain of this industry.

Among the factors which have a positive impact on firms’ performance is the ability to offer continuous improvement of the products/services, modified and adapted to the characteristics of clients (public sector or private sector) and creates a differentiation from other competitors in the market.

3. Conclusions

This study examined the effects of industry forces on firm performance using several sub-variables that explain each of industry forces according Porter’s Model. The study is conducted using data from the 2012 to 2015 period. The regression analyses showed a statistically significant negative relationship between firm performance and distance to customers, uncertainty degree about future development, the number of competing firms and dependence on suppliers.

The finding that there is a positive relationship between performance and continuous improvement of the products/services variable shows that the product served in this industry needs more improvement related with quality, product’s attributes and location which makes a competitive advantage for construction companies. These results indicate that firms in the sample did not obtain only scale economies to enhance their performance but there are several factors indicating the performance.

So, the degree of attractiveness and profitability of the industry depends on the impact of competitive forces, the level of the opportunities and threats presented by the direct impact on firm performance.

References

Research Application Method of Analyzing New Economic Model Followed in Albania

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Abstract

In my topic, I would like to present theoretical approaches and concrete direction of the new economic model that Albania should follow, based on the current situation that Albania experienced in global economy. In this paper, initially, I will present an overview of the Albanian economic transition and then I will suggest a heap of conclusions based on 20 years of history of success and failures. Primarily, concerning Europe means to have clear concepts, in order to build and to consolidate a system of economic and social-capitalist comprehension. Have you ever thought to raise a question, and more we tried to make a qualitative analysis of policy which responses to specific questions or queries following correctly: what is the most appropriate model for Albania capitalism? Are we building a coherent and structured model or are we building a mosaic of elements of capitalism for Albania, whose portrait we do not know any more and that we didn’t “projected” yet and no one else has done it in a long-term vision? The best response is a response expected of the type ‘as far as our final objective is the European Union, and then our model of capitalism will be European capitalist model, then the problem starts here. Capitalism has some basic principles and rules that form the core of it, but on the other hand each country is profiling capitalism according to the specifications of his choices. France has chosen the model of “capitalism of State”, Germany and the Nordic countries “social-democratic capitalism”, “liberal capitalism of England” as English-Saxon one, etc.In this regard the experts or politicians, should not reduce any debate, analysis or summary only of certain elements of the system of market, individual freedom, comparative advantages, social policy, which means the role and presence of the state in the economy, system of taxation, social security and the system of pensions, in order to build a port in its entirety capitalist model that we really need in Albania.

Keywords: Economic model, applications, reforms, comparative advantages.

1. Introduction

In this regard the experts or politicians, should not reduce any debate, analysis or summary only of certain elements of the system of market, individual freedom, comparative advantages, social policy, which means the role and presence of the state in the economy, system of taxation, social security and the system of pensions, in order to build a port in its entirety capitalist model that we really need in Albania. It becomes important for the fact that in a considerable extent, we have already built “market economy”, but meanwhile we have started to build capitalism and profiling its’ model.” (Hart, S.L & Quinn, R.E1993)

And this model does not begin and end only to market and individual freedom, but he needs to be judged by considering the establishment and consolidation of specific institutions, strengthening of democracy and legitimacy of all actors in development. Necessary compromises of political factors with the psychological and historical memory of each country.

Precisely, these elements are considered as one of the economist recognitions in the world for its analysis in relation to the models of capitalism. Magnin finds that “the analysis of the trajectory” of the transition of the former communist countries of Central and Eastern Europe, now members of EU testifies for an original form of capitalism emerging, a model really adapted to history and economic reality, as social, political, and psychological one.

Let us refer to the only one and exclusive model or a school like that of “ultra-liberal”, “regulation”, “institutionalist” to have more holistic perspective, historical and geographical comparative analysis as well as the experience of the problems of other countries of Central and Eastern Europe that are already integrated in the EU. Even Dutch researcher of capitalism models, H. Uterwedde refers that: “It is simply an illusion the practice of importing a ready model and even
creating a mosaic with the best sides of different models is an illusion too."

In fact, the truth is that only by understanding and respecting their whole complexity of each model of capitalism that already exist in the world, with the pros and cons of its benefits can be drawn the necessary experience from the others.

By J. Delors “specific national cultures and history of each country is the main opponent of a common capitalist in European cycle”. Models of capitalism in their integrity and coherence of the concepts originate in their national histories and in relation to freedom”.

The first definition of freedom is English, “is free he who does not belong to any person” and business relationships and ways of functioning of the labor market, as one of the most essential figures to English capitalism as Angle-Saxon ones. The symbolic essence of this freedom, allows everyone to change at any moment in his work or to open a new business in complete freedom. The essence of this philosophy is “if you do not have success, the main responsibility lies in your ability and efforts to achieve success”.

In England, the model of capitalism is the same with “freedom of everyone to access, to develop, and to change or close his business and employment policies” perfected and effective in their results by Margaret Thatcher and Tony Blair.

The issue of the new economic model, vision and structure as well as other significant issues as development priorities of a country, in the context of global and regional level and the sustainability of economic growth is linked to employment with deep structural reforms, with the green economy, education and innovation; issues that describe theoretical first part of this study. (Hart, S.L & Quinn, R.E 1993)

2. Literature Review and Hypotheses

This is not a purely theoretical connection between politics and the economy. This fact is also true and proved several times, in different places in our country. These policies are already affecting significantly and adversely the country's economy, public finances and social status. This impact, this political crisis with the economic and social situation, the more time passes the greater is the cost and consequences.

A prolonged political crisis could positively influence decision making and implementation of successful anti-crisis consensus, from the elected bodies and from the Albanian Parliament for the adoption of laws and fiscal policy, the budget, the Court of Accounts, for the implementation of the fiscal amnesty. Political crisis also are accompanied by a decline of trust in state institutions and in particular the performance of its functions of economic character. Source: INSTAT Progress Report.

They have played a negative role in: curbing growth, operations and activities of private business and keeping him in host position, the curbing foreign of direct investment, the collapse of confidence in the banking financial institutions in the country and foreign markets, increasing the social difficulties, unemployment, poverty, reduction of family budgets; facing so the rising price of energy, drinking water and essential goods for living.

2.1 Repeated political crisis and their impact on the economic and business cycle

Policy direction of the economy and public finance management, especially in the past two years led to the destruction of economic and financial balances in the country especially in the decline of economic growth (0-3%); growing budget deficit at 7.6% in 2009 and public debt at around 62% of GDP, the decline of direct investment in the economy, the rising of unemployment and deepening of asymmetry between economic growth and unemployment. (Hart, S.L & Quinn, R.E 1993)

There are some development steeps of growing up the impact of economy like:

I. Government relations with business, the expansion of economic and regulatory reforms and this freedom continues to face a number of problems related to lack of transparency and consumer business, difficulties in obstacles administrative rules.

II. The competitiveness of our economy that has made all reasonable steps could not be repositioned as to regional and wider economy. Our level of competitiveness in international markets show the level of Albanian exports which find market with many difficulties in these markets, despite ongoing liberalization of trade relations with its neighbors.

III. The demographic movements, migration and immigration, the impact on the real economic and social development in the country. Half of the country's population currently lives in a different country from the one who lived in 1990. During the last 20 years our population has greatly migrated. According to the World Bank, about 20% of the adult population is displaced within the country, while 35% of the active population currently
is immigrant. These synthetic indicators of the Albanian migratory flows should impose visionary policies and long-term migration, combined with policies of economic development, social development of the country. Source: INSTAT Progress Report.

IV. The structure and profile of poverty has changed, has deepened, especially in the northeastern areas and rural areas. The budgets, especially pensioners, people in need and families with low incomes, continue to be aggravated. It is enough to mention that about 12.4% of the population live on less than $2 per capita, not getting the minimum (around 360,000 people from 3.2 million people live on $2 a day and 88,000 of them).

V. They live just $1 a day; the latest estimates of the World Bank, although they confirmed the gradual reduction of poverty and more or less has been in satisfactory level: from 22.5% in 2002 (INSTAT 2002) to 18.5% in 2005 (INSTAT 2005) and 12.5% in 2008 (INSTAT) estimated that policy programs and measures in the fight against poverty have not been very effective. Issues of efficiency and the impact of the weak in the fight against poverty are found in the implementation of the Economic program aid. Source: INSTAT Progress Report.

VI. The Albania ruling political class in view of resource utilization and motivation and human resources (public administration) has been relatively back to the future development needs of the country. This backwardness of the political class and the ruling has caused and prompted the poor performance of administrators and public officials in Albania, among others who have suffered the consequences of the policies of recruitment and training of institutional capacity.

VII. After already 20 years of transition are made available to the economy and other areas of national development an entire generation of human resources entirely new form of mentalities with contemporary education, with managerial skills and leadership with new vision and economic development, they are victims of politics based not on merit but on party militancy.

Another unresolved issue is missing in the system reform of social security and health, which cannot be considered as an important element of the new economic model of the Albanian post-transition. The role of statistical information and independent institutions (INSTAT), financial (MF and Bank of Albania) and social indicators has been somewhat dictated why not harmonized by turning in many cases, not only in a non-transparent instrument, but also as source of not realistic information that brings a great confusion.

The capacity of public administration was weak; the system was highly politicized. Corruption was pervasive in every facet of the public sector. Citizens feared the public administration and did not trust it to provide even the most basic services in a fair or impartial way. (Blake, R.R & Mounton, J.S.)

2.2 Research Goal and data collected

But it seems that the time and content of this model is coming to an end in the sense that many of the elements and his energies apparently reached their maximum and the result already are running out for another period of 10 or 20 years in the future.

H1: Current global economic and financial crisis has a direct impact of the Albanian economy and finances. There are highlighted some cardinal problem: how sustainable is our economic growth?

H2: Do we have a structured economy which could go towards a long-term sustainable development?

The direct and indirect effects of the international economic-financial crisis can assume one or many years, and then we must deal with normality, it is estimated that this remains our most serious problem. By 2008-2009 the Albanian economy could have a lower growth than its trend of several years, and this is “justified” as a result of the global crisis, but the big question seems to arise just after this period.

Ensuring sustainable growth means that how will we be able to identify “new fuel sources and increase economic” or “substitute” some current sources of growth in short-term periods and in mid-time.

H3: How will we eliminate or decrease the high trade deficit and payments? How would we restructure the rural space in Albania dominated by agricultural mini-farms?

H4: How would you restructure and modernize Albanian business that still reflects enough the archaic informal element?

What are the best structural policies that convert us to the European economy and where we aim to integrate? Who will be sectors that will make the “motor” in Albanian economy in the coming years?

In this survey we aim to identify that there is a significant decline in economic growth, there is freezing real increase in budget revenues, there is also deepening budget deficit, increase of the stock debt, worsening trade balance, decline in lending to the economy, remittances are also in decline, while the EURO and USD continue rise toward
Albanian(ALL). These indicators are enough symptoms of the concerns why the economic growth in future periods may be difficult and will require more time to return to levels before the crisis. Without high rates of economic growth every social and economic challenge, integration of our country becomes more difficult.

"According to the report of the "Standard & Poor" published in the June 2010 general government debt, issued in two-thirds in local currency, is expected to be equal to 57% of GDP at the end of 2010. Further debt is 2.7 times higher than the annual income of the government and this is one of the highest debts of countries that we appreciate"1.

2.2.1 Research Goal

The cost of debt in 2010 rose to about 7-8 milliard compared with 2009. Given the fact that for years our economy will not be able to achieve economic growth of 6-8% (according to the IMF not before 2015) we risk to increase the burden of debt and its cost, threatening to become a burdensome stone for the economy, our public finances fragile and Albanian taxpayers.

It imposes stability of public finances in deficit reduction, debt and the cost of financing the economy as the public sector and the private sector. Everywhere today is discussed the problem of public debt and its reduction. (Hersey, P & Blanchart 1982)

Time is very important to recognize the magnitude of the crisis, time is crucial to prevent deterioration of public finances. Any delay or worse any kind of denying approach to the crisis and the risks of interventions in the economy, can bring very serious consequences for future economic developments, social if not political.

The example of the neighboring country, Greece, mismanagement of public finances, low quality of official statistics, high levels of budget deficit, public debt, increased the cost of financing scary the economy and put Greece in the precipice of bankruptcy. (Schumpeter, Joseph 1982)

The consequences of irresponsible policy to make in proper time the necessary reforms, the consequences of populist policies, disturbing size of level of corruption and tax evasion exacerbated Greece's rating in international capital markets, increased costs of financing the economy by imposing even late, but in very critical conditions of extreme social reforms.

Not only Greece but four EU countries have benefited most from EU policies and funding of about 25-30 years after their affiliation, in the first test of a global crisis proved again as the weakest in euro-zone.

Some label PIGS several GIPS-of united Europe, but the disappointment is more than just cynicism. The lesson for policy makers in our country should be clear: EU, access to EU structural funds which are insufficient to meet our future challenges, especially facing a potential crisis.

3. Data Analysis

The misuse of populist Euro-Atlantic integration does not hide our problems and potential crises, economic, social and political ones. In this case, they only become more serious and with extraordinary consequences when explode. (Hersey, P & Blanchart 1982)

The best harmonization of vision for our future with long-term strategies of economic and social development as well as the sources of the rapid economic growth, it is not an easy task, but that could not be overlooked and even worse to be distorted after every political rotation. Medium-term and annual budget should institutionalize the priorities defined in the strategy (NSDI) and cover the funding priorities of the NSDI. But what is the level of consistency between financial resources and priorities defined in the strategy? How is covered the continuity of indicators of the midterm annual budget.

The deviations from medium-term budget and periodic adjustments in its medium-term budget indicate the opposite and by the problems that the economic and financial situation carries. This finding is reconfirmed by the constant interference of the state budget, its frequent amendments2.

We estimate that realistic analyzes over the economic and financial developments in Albania, is taking appropriate steps to restore macro-economic stability and fiscal and will create all the prerequisites for the success of economic stability as he wants to set.

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1 The consultant's report S & P.
2 Remind fundamental changes in the budget of 2009-2010 by changing key indicators.
3.1 The global crisis and the suggestions of specialized institutions

The new economic model will bring tangible positive effects if it will better support economic growth in the 6-8%, stable growth of revenue 8-10% every year, control over public spending and increase their efficiency, the decrease of budget deficit limits of 3-4%, the gradual reduction of public debt from 60% to 50% of GDP, improvement of financial management, strengthening of institutions and public finances as a whole.

In relation to the global crisis, the suggestions of specialized institutions are focused on undertaking fiscal reforms that would provide more revenue to the state budget, the control over public spending and therefore control over the budget deficit and public debt. If I refer to public financial management, performance analysis of macroeconomic and fiscal indicators of our country, we can say that our public finances need immediate intervention, aimed at restoring fiscal balances and the budget.

The state budget is being the main instrument in the hands of the state as a completely public good which it should be used with maximum efficiency. Rational use of expenditure, providing a rational distribution, uniform efficient implementation, the use of fiscal policy as an instrument driver for the stimulation of the business, maintaining the balance between financial resources and their performance will provide not only macroeconomic stability but will also provide economic growth rates, the effects of which will be felt in all strata of the population, through effective use of the state budget.

The economic stability is being considered as a public good. It does not represent a set of simple statistical indicators, but affect positively or negatively on economic growth and increase the level of life. The investment and public spending should be aimed at maximum benefit in using their best increase of the efficiency of education, public health prophylaxis, preservation and regeneration of natural resources. (Schumpeter, Joseph 1982)

The increase of tax revenues in relation to the economy and community demands for more spending necessarily requires a deep reform not only because of the crisis. How can high growth rates ensure in earnings except interventions to stimulate economic growth. The insurance revenues in relation to macroeconomic developments, is basically along the country's macroeconomic stability control and management of public expenditures. For this it is necessary that fiscal policies aimed at creating a favorable business environment, fiscal policy should encourage private initiatives at this stage of development and the difficulties facing our economy. (Schumpeter, Joseph 1982)

The budget is the basic instrument through which the government can provide not only the annual targets for a long-term, but with a rational outcasts and providing maximum benefit to use resources, giving so the impulse of the development of the country, stimulating business not only through investment infrastructure, but also business participation in implementation of projects. The program of spending can turn into an instrument driver for the local economy, if not used efficiently has direct impact on the budget deficit, public debt, rising inflation with implications for macroeconomic stability. (Hersey, P & Blanchart 1982)

That is why the institutions of international financial IMF and the EU in particular, the disbursement of financial support to Greece, has been conditioned by the decrease of immediate public debt, taking austerity in expenditure control, using strict fiscal policy and short-term social costs and very severe.

3.2 Lessons from the global crisis for the Albanian economy

- Complete restructuring of the Albanian economy by considering the effects that the global crisis gave.
- Analysis and measurement of factors from the global crisis that contributed on our economy in order to avoid in case of repetition of global crises

3.3 Which model Albania should adopt?

The main concern in economic and social policies undertaken in Albania lies in their coherence and consistency in relation to a selected model. (Hersey, P & Blanchart 1982)

We are all witnesses to the fact that in many cases the politicians are "really excited" and suggest as a solution to rescue the experiences of countries that visit or suggestions of experts from different national and international without deepening enough in qualitative analysis on the coherence of these "formulas" in reality and in relation to our model.

All countries affected by the crisis have taken the responsibility of reducing the budget deficit and public debt, mainly to reduce expenditures, but when this was insufficient, they have increased mainly taxes, immediately.

The sustainable economic growth and social development and political ones, remain challenges in Albania's post-crisis of international financial conditions. Albanian challenges to achieve the millennium until 2015, consisting of country
economy ability to maintain a sustainable level of investment and social development. There has been good progress with agricultural statistics. Since the beginning of 2013 the National Statistics Institute (INSTAT) has been responsible for agricultural statistics. Source: The Census of Agricultural Holdings was conducted in October 2012.

4. Conclusions

It is assessed as really positive the American experience in the capital markets and immediately is asked to make similar policy; excited by German policy and social origin and immediately are suggested institutions to prepare a similar policy; after recognizing the experiences of Hungary, Chile, Hong Kong and immediately is required to apply the same things in Albania in order to attract as much foreign investment without linking this with the whole legal and institutional context of these countries compared to ours.

If a particular policy in the EU (in agro-food) give positive results, immediately we rush to suggest it as a lifeline for agriculture and agro-industry without deepening our financial arrangements or institutions need to implement it; it seems very effective model of social protection or pension in the Nordic countries that shortly seek to implement it without first watching closely associated with the tax level and contributions applied to these countries.

Naturally we get excited from the positive experiences of the small states and governments but did not go further in case of deepening greater decentralization and distribution of significant powers at the local level and the creation of specialized agencies to "replace effectively" the role of state and government in providing services.

Even more problematic is the picture when leaders or economic experts, parts of development patterns strive to unite wanting to "patch" delicate aspects of a policy model or programs of another model without a logical economy of financial consistent in producing so "hybrid models" with long-term negative effects.

One concerning problem in this regard are the content of subject programs in our universities, especially those dealing with the economy and finances. Many of them are equivalent and identified by a scientific formation of teachers that treat these programs and how consistent they are with the consolidated models of the contemporary socio-economic circumstances.

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Cultural Wisdom of Minangkabau Ethnic Community for Local – Global Virtual Identity

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Abstract

The development of digital technology is extending the opportunity to create a new identity of society. Digital technology enables cultural experience across boundaries, to new places of virtual world. Virtual identity functions as main differentiator of personal account in social media. It represents a personal being in virtual world. It also functions as a sign to culture and life’s value of the person behind an account. This paper discussed about the virtual identity use by the Minangkabau ethnic's people in Facebook. Iconic artifacts of Minangkabau use in profile picture of the social media. Those artifacts valued with Minangkabau’s cultural wisdom. The approach use for this research is cultural studies, with the semiotic method use to search the relation between the image and the cultural wisdom representation of Minangkabau. The visual data collected by capturing profile picture in Facebook. The image analyzed as everyday symbolic and expressive practice and form of Minangkabau ethnic’s people. The picture is the iconic sign resembles to its conceptual object in certain ways. The result is the understanding of how profile picture function as indirect visual communication of local – global identity of Minangkabau ethnic people. The message convey in virtual identity relates the account and others in cyberspace.

Keywords: virtual, identity, culture, wisdom, Minangkabau

1. Introduction

The fast changing world nowadays has constructed by the development of digital technology. Digital innovation of information and technology provide us with World Wide Web. People connect to each other through the net in cyberspace. Cyberspace becomes place to connect people from all over the world without time and place boundaries. Digital technology enables cultural experience across boundaries, to new places of virtual world. Indonesia as a developing country has impacted by the global changing world. The development of internet users in Indonesia is 15.8% in the last 3 years (http://www.internetsociety.org/map/global-internet-report/). Jakarta, the capital city of Indonesia, has become the social media capital of the world (http://socialmemos.com/social-media-statistics-for-indonesia/). The top ranks social media are Facebook, Twitter, LinkedIn, YouTube, Instagram.

Figure 1. The Tops Ranks Social Media in Indonesia  
Source: www.facebook.com; www.twitter.com; www.youtube.com; www.instagram.com

Facebook is still the most popular social media in Indonesia. The Facebook user in Jakarta is more than 11 million. Another 29 million Indonesian users on Twitter and 2.4% tweet post of 10.6 billion tweets worldwide are from Jakarta. Jakarta is a melting pot of people from many ethnics in Indonesia. As a capital city of Indonesia, Jakarta is a picture of global culture in Indonesia. One of the ethnic that has been part of the digital lifestyle is Minangkabau ethnic people.

2. Minangkabau Ethnic

Minangkabau is one of the ethnic groups in Indonesia. This ethnic group is known for its dynamic culture. The ethnic group is originated from West Sumatra and they are used to travel around the country to seek for a better life. This tradition called merantau. It is a common activity for young people to search for better living, higher education, and life’s
experiences. Through the activity of *merantau*, the young people of Minangkabau carry their culture and tradition to the new land.

Tradition is the basis of Minangkabau culture. They have traditional proverb that say, *Adat Basandi Syarak; Syarak Basandi Kitabullah*. It means that their culture based on their religion (Islam) and their religion based on the Holy Qur’an. The religion is the main principle of the culture of Minangkabau. It became the cultural identity of Minangkabau people. The cultural identity has been declared in Minangkabau Cultural Congress in year 2010. Minangkabau community has a unique characteristic of tradition and iconic artifact such as in wedding, clothing, and housing.

The Minangkabau ethnic people are expanding the culture of *merantau* in its meaning. *Merantau* is originated means the movement of Minangkabau people from West Sumatra to other region in Indonesia, or other countries. After the existence of cyberspace, *merantau* also means the movement of Minangkabau people to cyberspace through the World Wide Web.

![Figure 2. The Culture of Merantau](image)

*Merantau* culture spread the Minangkabau people from their originated hometown, West Sumatera, to other islands in Indonesia and also to other country. After the existing of virtual world, the Minangkabau ethnic people also spread their identity to cyberspace. Minangkabau ethnic people exist in cyberspace as individual or groups. In social media they are represented by the profile picture. The profile picture is the virtual identity of an account in social media such as Facebook, Twitter, YouTube, and Instagram. The ethnic's characteristic are recognized from the form and colors in profile picture.

3. **Method**

The approach of this research is cultural studies. Cultural studies is a method that used to understanding the human tendencies in cultural changes, including to create the personal identity in cyberspace. Cultural studies is discursive formation, a cluster of ideas, images and practices, which provide ways of talking, forms of knowledge and practice (Hall, 1997; Barker, 2012: 5). Identity and representation is the main aspect of cultural studies. Cultural studies explore the cultural changes and read it as the texts of life. In order to understand the text of life, cultural studies use other method such as visual analysis and semiotic method.

Visual analysis method is used to give understanding the visual image as cultural text. Visual analysis method is needed to analyze the elements of image. The image contains symbols and meanings. The semiotic method use to search the relation between image and the cultural wisdom representation of Minangkabau.

![Figure 3. Semiotic Method in Cultural Studies](image)
Profile picture is the object of analysis. Profile picture as the visual image consist of composition of form, object, colors, and spatial organization. Profile picture in social media are also accompanied by the verbal text. Verbal text is usually the name of the account. Profile picture is the representation of the verbal text. The form, object, colors, and spatial organization worked as a sign to convey the meaning of Minangkabau cultural identity.

The images as visual data are collected by capturing profile picture in Facebook. The Minangkabau cultural symbol and identity collected from the literature study. The image analyzed as everyday symbolic and expressive practice and form of Minangkabau ethnic’s people. Profile picture as sample fulfilled the criteria which are: (a) The image is the representation of Minangkabau people’s account, (b) The image consists of Minangkabau’s visual characteristic, and (c) The image has variety of objects.

4. Analysis

Cyberspace has created new personal of individuality. In cyberspace, a person constructed a second self. The computer offered new models of mind and new medium of human’s ideas and fantasies (Turkle, 1995: 9). Virtual identity is a definition of self and the representation of self in cyberspace. In personal context, virtual identity is a second persona of the person behind an account. It is a self definition of the account. In social context, virtual identity is a differentiation of another account to whom the person is being related. Through virtual identity, a person has existence in the global cyberspace.

On the other hand, in a real world there is a person’s nature identity. A person’s nature identity includes race and ethnicity. Ethnicity is both a physical fact and a cultural creation from a certain ethnic community. It refers to a sense of group affiliation based on a distinct heritage of worldview as people. Ethnicity is a cultural concept centered on the sharing norms, values, beliefs, cultural symbols and practices (Barker, 2012: 255). The formation of ethnic groups relies on shared cultural signifiers that have developed under specific historical, social, and political contexts.

Figure 4. Examples of Minangkabau's Profile Picture

In social media such as Facebook, Twitter, YouTube, Instagram, profile picture of Minangkabau ethnic can be recognized from the commonly used colors and form. The traditional colors of Minangkabau is yellow, red, and black. In traditional form, the three colors is the colors of marawa. Marawa is the traditional banner in Minangkabau ethnic culture that use in various event of Minangkabau people as the symbol of cultural territory of Minangkabau. Each color is a symbolic meaning of the homeland country (luhak nan tigo) which is Luhak Tanah Datar, Luhak Agam, and Luhak Lima Puluh Koto (Amir, 2006: xxi). It also symbolizes the greatness, braveness, and the resistance and wisdom. The three colors commonly showed in traditional banner, traditional clothes, and traditional motifs in crafts.

Another iconic artifact showed in profile picture of Minangkabau ethnic people's account is traditional house called Rumah Gadang or means big house. The traditional house has a unique form. It is a large rectangular house with spire curved roof structure with multiple gables and upsweeping ridges, formed like the horns of buffalo. Buffalo horn is often associated with stories of the winning of the Minang’s buffalo in war to Javanese people. It has been told in traditional stories of Minangkabau or Tambo Minangkabau (Amir, 2006: 150). It is also become the history of the name Minangkabau. Minang or menang means win and kabau or kerbau means buffalo.

The spire buffalo horn’s roof symbolized the relation to God and nature. God and nature are important in Minangkabau culture as the traditional proverb says that their culture based on their religion and the nature is the teacher of human’s life.
5. Results and Discussion

Each samples of Minangkabau’s profile picture contains elements of image which has meanings in cultural context and values. The specific forms and colors captured in elements of the image above.

<table>
<thead>
<tr>
<th>Image</th>
<th>Profile Picture</th>
<th>Cultural Wisdom</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buffalo horn</td>
<td><img src="image1.jpg" alt="Image" /></td>
<td>Wisdom and witty character of Minangkabau people.</td>
</tr>
<tr>
<td>Steep upright roof in Rumah Gadang and tower</td>
<td><img src="image2.jpg" alt="Image" /></td>
<td>Relation and worship to God.</td>
</tr>
<tr>
<td>Three colors: Yellow, Red, Black</td>
<td><img src="image3.jpg" alt="Image" /></td>
<td>The greatness, braveness, and the resistance and wisdom.</td>
</tr>
<tr>
<td>Curved line</td>
<td><img src="image4.jpg" alt="Image" /></td>
<td>The dynamicity of Minangkabau people and culture.</td>
</tr>
<tr>
<td>Motifs of traditional house</td>
<td><img src="image5.jpg" alt="Image" /></td>
<td>Relation to nature and the value to learn from nature.</td>
</tr>
<tr>
<td>Gold plated accessories in traditional clothes</td>
<td><img src="image6.jpg" alt="Image" /></td>
<td>The greatness of Minangkabau people and culture.</td>
</tr>
<tr>
<td>Head cover in traditional clothes</td>
<td><img src="image7.jpg" alt="Image" /></td>
<td>The obedience of the Islamic rules and norms.</td>
</tr>
</tbody>
</table>

**Tabel 1.** Relation between Image and Cultural Wisdom of Minangkabau
6. Conclusion

Minangkabau ethnic people are part of global culture community. The dynamicity characteristic of Minangkabau ethnic has allowed people of Minangkabau to going to another region outside their local hometown in West Sumatra, Indonesia and abroad. They also involved in cyber community in cyberspace. In cyberspace, they represented by the profile picture in social media such as Facebook. Their virtual identity is a second persona and become the differentiation of another account to whom the person is being related. Through virtual identity, the Minangkabau ethnic people mark their existence in the global culture.

Samples of profile pictures showed elements of image represent cultural wisdom of Minangkabau ethnic community. The cultural wisdom is embraced in local community but going global as they are using in the global society’s communication. The value of cultural identity Adat Basandi Syarak, Syarak Basandi Kitabullah has being understood in modern life. Obedience of the Islamic rules and norms showed in the traditional clothes and head covers in profile picture. The relation to God and nature showed through the form and motifs in traditional house. The greatness, braveness, and wisdom of Minangkabau ethnic conveyed through the colors used in images of profile picture. The dynamicity of Minangkabau has been showed by the using of traditional clothes and traditional house as the profile picture of social media. All the elements of image function as visual communication. Therefore, the profile picture is an indirect visual communication of local – global identity of Minangkabau ethnic people.

Reference

News Media Exposure and Political Communication among Libyan Elites at the Time of War

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Abstract

Many critical questions concerning the relationship between the news media and political knowledge involve the extent to which the media facilitate learning about news, war and politics. Political awareness – via the news media – affects virtually every aspect of citizens’ political attitudes and behaviours. This paper examines how Libyan elites adopt the news media to access news and information regarding the current Libyan war and politics and how they use political communication and new media to build/spread political awareness. With the expansion of private and state-owned television in Libya, concern has grown that these new TV services will survive in providing information about citizens’ interests, including the new, developing political scene. A total of 134 highly educated Libyan professionals completed an online survey, reporting their perceptions of issues covered by national TV services. This account centres on how those elites consume the media and what level of trust they have in the media and in information and what the role of the media in their country should be. The results show that most respondents, especially those who live outside the country, prefer using different Libyan news platforms. However, 50 per cent of these do not trust these channels as a source of information regarding the civil war, associated conflicts and politics in general. They have grown weary of coverage that represents the interests of those who run or own the services and consequently place little trust in the media. Spreading ‘lies as facts’ has affected the credibility of these services. Politically, these respondents wish the media to discuss solutions and act as a force for good, not for division. They also differed in the number and variety of national news sources that they reportedly used. This paper also highlights the role of social media, mobile telephony and the Internet, as well as the rapidly proliferating private and national media. These findings are also discussed in relation to the growing impact of online sources in Libyan society, social and political change and the emergence of new media platforms as new sources of information.

Keywords: Libyan civil war, Political communication, Libyan TV, Political awareness, Libyan elite, News coverage, War and conflict, Libyan politics, Social change

1. Introduction

Libya has witnessed a major change in its political, economic, social and cultural life following the Libyan 2011 uprising event. This has had an impact on the Libyan media as a whole. The vicissitudes of political, social and ideological differences, regional and partisan divisions and conflicts of power and leadership led the country into chaos (Kedze, 2015; Ronen, 2016; Shaoul, 2016). The spread of weapons among individuals, regions and militants has added major complexity to the political and social scene in Libyan. Intellectually, politically or regionally, the intensity of the dispute has drawn the country into a civil war with fighting between different militants and armed groups (Bhardwaj, 2012).

The media sector has observed a significant change in their structure and media discourse. For example, the media are no longer controlled by the former regime’s legislation, regulations and political directives which obstructed these media. In other words, media regulation is practically non-existent (BBC News, 2016). To launch any medium, no
authorised statement is needed after the fall of Gaddafi’s regime and the ensuing political change. In addition, the Constitutional Declaration issued by the National Transitional Council (NTC) after the political change gave the right of freedom of expression, communication and ownership based on Article 14 (Al-Asfar, 2013). The number of TV, radio stations and newspapers has sharply increased in a very short period. This looks ‘too good to be true’ although it is clear that several political parties and some regional areas have, or own, different media platforms in addition to the state-owned and privately owned media. This means that most news outlets are bankrolled by private entities and business interests.

The country is not a safe place to work for reporters and media staff. Therefore, many recently launched media are based abroad and little is known about their backers (El Issawi, 2013a; Wollenberg & Pack, 2013). This has increased the variety of media, which has significantly affected the local political scene. Libyan mainstream media – the majority of which have adopted strongly partisan stances – are key platforms for politicians to demonstrate their agendas. Overall, much has been written about the media landscape and change following the Arab uprisings of 2011. Justifiably, considerable discussion has taken place over the role of the proliferating private media, the breakneck growth in the influence of the Internet and, of course, the social media in particular. However, there has been little research that focuses on the subject through the eyes of the professional, highly educated Libyan elites who feel a keen understanding of the matters as local citizens. Therefore, this research is underpinned by quantitative audience research via an online survey. It aims to share the insights emerging from this research and to discuss the Libyan elites’ views of current Libyan television and what they believe that television should be doing. This part of the paper focuses on how Libyan elites consumed Libyan television during the news coverage of two operations (Fajer Libya and al-Karama)1 and the level of trust they had in this coverage.

2. Libyan Political Scene

After the fall of Gaddafi’s regime on 20 August 2011, there was no clear political force, or alliance of forces, that could lead the country politically. Instead, a multitude of actors – militias, armed groups and pro- and anti-Islamist groups – engaged in power struggles, preventing the re-establishment of central government control (Lacher, 2015).

However, after Gaddafi seized power in 1969, he disbanded the republican political system in 1977 – a situation which lasted for four decades – and established a new era of the “Rule of the people”, renaming the country al-Jamahiriya. Everything, then, was renamed according to this theme. The idea of the rule of the people, or the state of the masses, as some described it, was unique and unprecedented in that Libya was the only nation in the whole world that did not have either a president or a constitution.2 According to Gaddafi’s political system, the ordinary Libyan people ran their own country through congress for their beneficiaries. The Green Book3 contained the essential idea of statelessness and of people managing their own affairs without state institutions. This Book was/is seen as the third universal theory, after those of capitalism and socialism (Vandewalle, 2006).

In February 2011, everything changed after the UN and what were called ‘Libyan Friends’ mandated a NATO air strike which led to the death of Gaddafi and the country descended into an ongoing civil war (Bhardwaj, 2012; Moore, 2015). Politically, the country has been governed by different governments from the National Transitional Council (NTC) in March 2011 to the General National Congress (GNC) in August 2012 (Barbour, Brown, Cordell, Fowler, & Buru, 2016). Militias and Islamists campaigned and won a law aimed at a political ban on supporters of the Gaddafi regime, including the Prime Minister, Ali Zidan, the President of the National Congress, Mohamed El Magariaf, the chair of the main secular party, Mahmud Jibril, as well as judges, police and army officers and members of the boards of oil companies and banks (Clément & Salah, 2014). Disagreement has also been seen between the Council of Deputies (CD) in Tobruk (which was formed following the June 2014 elections) and its supporters, the New General National Congress (NGNC) in Tripoli and

1 Fajer Libya is an operation launched by a group of armed militias – mainly supported by Misrata – after the announcement of the Libyan Parliament election in 2014 and the failure of the Islam Wing Party to get seats in the Parliament. These militias attack all areas and institutions belonging to the Parliament, including Tripoli International Airport, and burned the oil-tank storage in South Tripoli. In contrast, al-Karama is a major military operation launched in May 2014 and led by the principal commander, Khalifa Haftar, against Islamist militants and extremist Islamic movements in Benghazi and eastern Libya.

2 Although many argued that Gaddafi was seen as the official president by the international community, in fact Gaddafi himself did not accept this. Instead, he wanted to be just a leader who guided his followers to the right path.

3 The political system in Libya was based on the first parts of the Green Book which also contains a compilation of perspectives on what Libyan’s social, political and economic organisation should look like. The Book is divided into three chapters. Volume I concerns the political system, Volume II is linked to the economic system and Volume III covers social issues.
its supporters and various jihadists and tribal elements controlling parts of the country. The GNC was supposed to hand power to the unicameral CD. However, the former refused to lay down its mandate and continued as the NGNC, a now largely unrecognised rival parliament based in Tripoli (European Forum, 2016). The war, nevertheless, proved, on balance, to be a disaster and turned the country into the model of a ‘failed state’ (Kedze, 2015; Ronen, 2016; Shaoul, 2016).

3. Politicisation of the Media

During the Arab uprising of 2011, Libya had a call for change and, as a consequence, the country descended into civil war (Abou-Khalil & Hargreaves, 2015). During this period, the propaganda battle between the regime and its opponents was fierce. TV channels are often associated with political and ideological factions. Therefore, there has been a dramatic expansion of TV channels, as well as other media platforms. For example, as of 2011, more than 50 Libyan (private and state) satellite TV channels were established (Al-Asfar, 2013). Indeed, the most popular genre of programme on Libyan television is the news (Dowson-Zeidan et al., 2014; Elareshi, 2013). It seems also that coverage of political issues is a key feature of programming during the last two or three years, especially during election time (June 2014). In fact, between them, news, current affairs, documentaries and features can occupy most of the viewing time. In particular, in June 2014, there was heavy political programming in the pre-election period, which resulted in the country’s first election.

Moreover, because they have different directions, employees and ownerships, some of these channels have faced major obstacles from the government, the militias and other political interests, which have resulted in some channels stopping broadcasting, a situation also brought about by the current general unrest, the war and lack of security. Despite all the new Libyan media (print, TV and radio) being established, the Libyan media has not been able to become free from state or individual control, which means that they are still not free by any means (El Issawi, 2013a). Criticism now can lead to violent recrimination (Dowson-Zeidan et al., 2014; Pargeter, 2013). For example, Freedom House (2014) reports a deteriorating security situation for journalists and other members of the press who have suffered a spate of threats, kidnappings and attacks since the start of uprising. This has even led to a number of journalists losing their lives (El Issawi, 2013b; Freedom House, 2014). The media landscape in Libya mirrors the division and factionalism seen in the current conflict, reflecting broadly pro- and anti-Islamist lines. As a result, Libyan media outlets, especially TV, have become a focus for factional violence. Many media employees have been threatened, intimidated, kidnapped or even killed regardless of their editorial stance (Reporters without Borders, 2014). Opposing fighting groups and militias have targeted several TV channels and their staff in Benghazi and Tripoli. For example, Libya al-Wataniyah was attacked and taken by pro-Islamist militias in August 2014 and Al-Rasmiya TV had been controlled by a pro-Islamist militia for almost a year before both were taken off the air by the authorities in Tobruk.

Overall, Libya’s media now reflects the wider circumstances of the state, with journalists, media workers and consumers being frustrated and poorly served (Gaub, 2014). Thus, instead of stimulating debates on political and social issues, Libyan television has become a mouthpiece for political parties, tribes and cities (Abou-Khalil & Hargreaves, 2015; Gaub, 2014). These television services have become involved in local conflicts by supporting one group or one militia over another. For example, Al-Jazeera considers the Libyan Shield Force and the Libyan Revolutionaries Operations Room (LROR) to be the Libyan National Army, and the Zintani Brigades and the Libyan National Army (LNA), General Haftar’s forces, to be illegal groups attempting a coup against the democratic institutions. Meanwhile, Al-Arabiya considers Haftar to be a representative of the LNA and strenuously promotes Operation al-Karama (Dignity).

3.1 TV Consumption in Libya

Television in Libya is still by far the most consumed media and the most important source of information (Al-Asfar, 2013; Altai Consulting, 2013; Elareshi & Gunter, 2012b). One of the habits in Libya is watching TV every day, with the most popular channels, local or non-local, very well-known (Dowson-Zeidan et al., 2014). Despite the reliance on television as a source of information and news, Libyan people are cautious of agendas behind almost all TV services and there appears to be very little trust in the credibility of television channels as a result. It should be noted that the lack of trust in Libyan TV was also there before the Libyan uprising (Elareshi & Gunter, 2012a).

3.2 Libyan Television Channels

Libyan broadcasts have developed over the years. However, there is still no specialised satellite news channel, such as Al-Jazeera TV or Al-Arabiya TV. Rather, news programmes broadcast on different television channels that also carry
other types of programming. Satellite dishes provide Libyans with an opportunity to view a greatly increased variety of programming from local and non-local channels. Several Libyan television channels are already on the air, but others are pilot broadcasts or have closed because of funding problems or lack of staff and technology. These include *Libya Toumast, Libya al-Hadath* and *Libya TV*. Below are the ones that can be viewed in Libya via satellite or aerial and are free of charge:

**al-Wataniyah** TV (The National) (formerly known as al-Jamahiriya) was established in 1968 and was the only national terrestrial TV run by the Libyan Jamahiriya Broadcasting Corporation (cited in Menassat, 2011). The station was rebranded in 2012, but was taken over by pro-Islamist militias in August 2014 and became their mouthpiece (Dowson-Zeidan et al., 2014). The channel then split in two, with rival satellite feeds from Tripoli (pro-Islamist) and Tobruk (anti-Islamist). The channel offers a mix of news bulletins, documentaries, live General National Congress (GNC) sessions and discussion shows (Altai Consulting, 2013).

**al-Neba** TV was launched in 2011 and is privately owned by Abdelhakim Belhadj (Libyan politician and military leader). He is the leader of the conservative Islamist al-Watan Party and is the former head of the Tripoli Military Council and former emir of the defunct Libyan Islamic Fighting Group, an anti-Gaddafi guerrilla group (Shideler, 2015). It was one of the few Libyan TV channels that broadcast from Tripoli after the Fajer Libya militia expelled all private channels, especially pro-government parliament channels. It is also a Qatar-supported Libyan TV station, seen as backing the Muslim Brotherhood in Libya. In March 2016, the channel was stopped after several gunmen raided its headquarters. The channel has been accused of instigating the fighting between Libyans and of supporting armed terrorist groups in Libya, such as Ansar al-Sharia.

**al-Aseemah** TV (The Capital) is a private and liberal-leaning TV station based in Tripoli. It was launched in July 2011 from Tunis. It broadcasts 24/7 from Tripoli, with about eight hours of live shows and 16 hours of pre-recorded content and re-runs. The channel has a dynamic image and branding. It also broadcasts cultural, political and entertainment programmes, with a strong focus on news and politics (Altai Consulting, 2013).

**Libya al-Ahrar** TV (Libya for the Free) is a private channel that started broadcasting from Doha, from where it is funded, in March 2011. It was managed by Mahmoud Shammam, the ex-Media Minister, and Ali al-Sallabi, a Muslim cleric and Islamist politician. The channel is considered one of the most influential TV channels since 2011. It broadcasts mainly news, debate and political programmes in Arabic, although one programme and one news bulletin are provided in Berber.

**Misrata** TV is a private channel established in August 2011 in Misrata. Mainly funded by the local council of Misrata, the channel uses the studio facilities of the old LJBC Misrata TV centre and broadcasts via satellite across Libya. It has two live political programmes, two religious shows and one ‘social clinic’ programme. Although popular only in Misrata, the channel has ambitions to become a national channel and targets Libya as a whole.

**Benghazi** TV (BTV) is a public channel established in 2012 and supported by the Benghazi Council and by Hossam al-Zawam (al-Karama operation supporter). The channel is renovating a mall in which to launch its studios as well as its own radio station. BTV was launched as a result of the lack of coverage of Benghazi city in mainstream Libyan TV. As such, BTV intends to provide reliable news and cultural shows about Benghazi, the rest of Libya and the world.

**al-Libiya** TV was launched in 2007, but was rebranded as al-Rasmiya (The Official) in 2011 following the uprising. Al-Rasmiya is also controlled by a pro-Islamist militia, but was taken off the air by the authorities in Tobruk. It has a rival feed from the east, which is dominated by the House of Representatives. The channel has no live content and offers only pre-recorded programmes because of managerial problems and security issues. In addition to social programmes, such as health and education issues, the channel offers political shows and debates.

**Libya al-Hurra** TV (The Free Libya) was the first private TV station in eastern Libya. It is an Internet television channel founded by Mohamed Nabbous who was killed by pro-Gaddafi troops during the second battle of Benghazi in March 2011. The channel was able to bypass government blocks on the Internet in order to broadcast live images from Benghazi across the world. It broadcasts a variety of interactive social shows and dialogue-based political programmes, as well as religious and sports programmes, from its studio in Benghazi.

**Fezzan** TV is a private TV channel started in 2012 after the fall of Sabha by a Libyan businessman (Mukhtar Khalid Omar). It is mainly concerned with promoting Libya’s southern culture and broadcasts two hours of live content daily and 12 hours of recorded content. One of their most popular programme is ‘Say Your Opinion’, a 45-minute weekly discussion about the problems of the South.

**Libya** TV is a private television channel owned by a prominent Libyan businessman, which launched in May 2011

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4 Phone interview with Hossam al-Zawam, head of Benghazi TV
in Egypt. It offers a number of political dialogue programmes, with famous guests such as GNC members. Their Facebook page becomes interactive during their most popular show, Lammet Khot (Brothers Gathering), displaying a space to take people's opinions on Facebook during the show.

*al-Tanasoh* TV is a public channel launched in 2009 and led by the Fatwa Centre. It airs from Tripoli in favour of the National Conference and the Muslim Brotherhood. It promotes the Salafi ideology led by al-Sadiq al-Ghariani (the Grand Mufti of Libya since 2012).

*Tobactes TV* is a privately owned channel launched in July 2011 in Tunisia. It is funded by a businessman from Misrata, Khalid al-Bahlul, who also manages the Tobactes Radio Network. As of May 2013, the channel moved to Misrata and is reported to have studios in Tripoli. Its editor-in-chief is Omar Abu Ghadada. The channel has only pre-recorded content.5

*Libya Awalan TV* (The Motherland) is a private TV channel founded in Cairo in March 2011. It broadcasts a mix of political dialogue programmes, chat shows and entertainment, including *Sahwat al Watan* (The Motherland Voice), one of the most popular TV shows in Libya.

*Libya One TV* is a private Libyan TV station launched in September 2011. It broadcasts from Tripoli and is managed by Ali Gadam. It offers a few socio-political programmes such as *Libyan Street*.

*Libya One* TV is a privately owned channel launched in 2011 and managed by Hassouna Tatannaki. It broadcast from Cairo before it was stopped in 2015.

*Libyan International Channel* is owned by Abdul-Majeed Mliqth (Alliance Party) and was launched in 2014, before being stopped in 2015 after it was attacked by *Fajir Libya*.

*Dardaneel* TV is a privately owned channel launched in 2012 by the pro-Social Council of Bani Walid and based in Bani Walid city.

*al-Khadrya* TV (The Green) (now knows as al-Jamahiriya). This privately owned channel was launched in 2012 and broadcasts from Cairo. It is supported by pro-Gaddafi groups.

*Al-Zintan TV* is privately owned by al-Zintan Council. It was launched in 2012, but was stopped in 2014.

*al-Qabael TV* is a privately owned channel launched in 2014 by the pro-Gaddafi system. It airs from Cairo. It provides different programmes in which it supports the former regime.

*Libya 24* TV is a privately owned, pro-Gaddafi channel, broadcast from London. It was launched in 2014 and is managed by Khalid el-Saadawi.

*al-Aseema TV* was launched in 2011 by the Government of National Salvation in Tripoli. It is seen as having a more liberal agenda.

### 4. Research Questions

- **RQ1**: How often do Libyan elites watch Libyan satellite TV?
- **RQ2**: Which Libyan satellite TV services are the most popular news sources among the Libyan elites?
- **RQ3**: What types of media content are preferred by Libyan elites on Libyan satellite TV?
- **RQ4**: To what extent do Libyan elites rely on Libyan channels as a ‘source of news’ about *al-Karama* and *Fajir Libya* operations?
- **RQ5**: In general, how credible do Libyan elites perceive news on Libyan TV services to be? And are some TV services seen as more credible than others?

### 5. Methods

The main data set out in this paper was obtained from an online questionnaire administered using a Google survey form. A stratified sample was used, which deliberately allowed the study to choose its participants to meet its objects and research questions. In this study, one segment of society was chosen, that of Libyan academic elites. This study follows the categories of Khalid Salah al-Din Hassan (2004) who classifies elites into sub-elites groups such as academic elite, political elite and media elite. The current study focuses on the academic elite because they have an influential part in public life and they also have an influence on university students. The questionnaire was posted online, targeting highly educated Libyans inside or outside Libya via Facebook and email in May-September 2015 with a primary focus on Libyan satellite TV consumption, political awareness and audience attitudes towards these platforms and information sources.

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5 Phone interview with Khalid al-Bahlul, head of Tobactes TV
From an initial contact sample of 144 respondents, filters were deployed to exclude responses from respondents who did not complete the questions, yielding a final sample of 134 participants.

6. Findings

A total of 134 responses were gathered and analysed, with a big gender ratio of 88.3% male and 11.7% female. 35.2% of respondents were aged over 47, 24.2% were less than 35, while 23.4% were aged between 41-46 and 17.2% between 36-40. 40.6% of respondents indicated that they had more than 17 years’ experience in their field, 21.1% had between 5-10 years, 20.3% had less than five years and 18% had 11-16 years. 60.9% of respondents answered the survey from inside Libya, while 39.1% were outside.

6.1 How Libyan elites consume TV services

Respondents were asked about their habits of watching Libyan satellite TV services. 43% of respondents watched Libyan satellite ‘quite often’, while 30% did so ‘always’ and 27% said such viewing was ‘rare’. When asked about their preferences, the most watched Libyan TV channels were: Libya al-Wataniyah TV (75%), al-Karama TV (68.8%), al-Nabaa TV (67.2%), al-Khadrya (63.5%), Libya Awalan TV and Dardaneel TV (both 63.3%), Libyan International Channel (58.96%), Libya al-Ahrar TV (56.86%), al-Tanasoh TV (51.87%), Libya 24 (51.3%), Misurata TV, Fezzan TV and Al Zintan TV (all 52.1%), Benghazi TV (51.06%) and al-Qabael TV (50.5%). Similarly, a study by Altai Consulting (2013) found that Libyans had access to government news and political updates via al-Wataniyah TV, but also looked for other popular international TV channels. This could be because Libyans felt unhappy with the coverage of the Libyan uprising (Altai Consulting, 2013).

The analysis of access to media and main sources of information indicates the widespread use of satellite TV services and the higher than expected penetration of the Internet (Elareshi & Al-Jaber, 2016). Data were presented both as the first choice and then as an aggregation of three prioritised choices. Most respondents indicated that the most watched types of Libyan TV programmes were: sports programmes (50.53%), entertainment (49.73%), talk shows (48.43%), news (46.3%), and political dialogues (45.5%). In terms of Libyan channel preferences, the landscape was dominated by the state-owned channel al-Wataniyah as this service was ranked especially high in terms of quality of content, speed of news and trustworthiness (Altai Consulting, 2013). However, other Libyan TV channels, such as al-Aseemah, al-Ahrar and al-Hurra, are also popular and sustainable private Libyan channels.

6.2 Reasons for watching news programmes

Respondents were asked to state their reasons for watching Libyan TV news programmes. Most (36.5%) said they watched news programmes because they wanted to know about local events and to view news of the war and military operations in Libya (31.7%), to explore local channel’s trends toward news coverage of the war in Libya (19.8%), to identify news-treatment methods regarding the war in Libya (11.9%), to watch out of curiosity (6.3%) and to verify the validity of news circulating about the war from other sources (3.2%).

When respondents were asked about their trust in Libyan television and whether they relied on local television as a primary source of news and information about what is going on in the nation, 83% of respondents indicated that they did not trust information on Libyan television, while some 11% did. However, this result is not surprising as it is clear that most Libyan television channels are associated with different or unclear agendas (especially those broadcast and staff-managed from outside the regime). Al-Wataniyah TV was ranked high in terms of quality, trustworthiness and scope, while al-Aseemah TV, al-Ahrar TV and al-Hurra came in second place. These findings were consistent with earlier studies which found that respondents from all types of Libyan backgrounds tended to trust the main national television channels (Altai Consulting, 2013).

Respondents were asked to what extent they followed Libyan TV news channels as a source of news coverage of the al-Karama and Fajer Libya military operations. Some (13.5%) indicated that they followed Libyan TV news channels, while 46% ‘did not watch’ and 40.5% did so ‘sometimes’. Here, respondents were asked to indicate whether the al-Karama and Fajer Libya operations were professionally covered by Libyan TV. 59.5% of respondents said ‘no’, while 18.3% said ‘sometimes’ and 12.7% said ‘yes’.

One of the questions asked respondents to indicate what types of programmes they watched on Libyan TV channels. The majority (61.1%) watched news programmes, 55.4% watched political discussion programmes, while less than two-tenths of all respondents watched entertainment (18.4%), sports (15.2%) and talk shows (10.6%). Further
An investigation was carried out to examine the reasons behind watching news programmes on Libyan TV channels. The main reasons given were: to access local events (37.3%), to view news of the war and military operations in Libya (25.4%), to confirm news of the war being circulated by other sources (12.7%), to identify the attitudes and trends of channels in their news coverage of the war in Libya (9.7%), to identify news-treatment methods of the war in Libya (8.2%), and curiosity (4.5%).

News about what is going on in Libya is delivered by different media from both local and non-local sources. Here, when respondents were asked how far they would go to verify information or whether they would depend on Libyan TV channels to learn about the al-Karama and Fajer Libya operations, nearly half (49.3%) of respondents said they would depend on Libyan TV channels ‘sometimes’, while 35.1% did not do so and 7.5% did so ‘often’. It should be noted that, in Libya, family members, friends and coffee shops are among other media and communication patterns used to verify news and information.

Figure 1: How channels are perceived in terms of their professionalism

It was also clear that respondents did not use Libyan TV channels as ‘main’ sources of news about the war led by the two operations (85.1%), compared with 6% who did so. Here, respondents were asked to what extent they thought Libyan TV channels were professionally able to cover the two operations. 58.2% of respondents said the two operations were not professionally covered by Libyan TV channels, 19.4% said they were ‘to some extent’ and only 5.2% said the Libyan channels demonstrated professional coverage ‘often’.

The above responses were noted when respondents indicated that all the Libyan TV channels had covered the war led by the two operations in an unprofessional way. These perspectives often varied across respondents. The Libyan TV channels seen as being the most unprofessional were: Tobactos TV (formerly Misrata TV) (87.9%), al-Tanasoh TV (82.3%), February 17 (81.7%), al-Naba (81.5%), Fezzan (78.9%), al-Wataniyah (68.2%), Benghazi (67.9%), Libya al-Ahrar (63%), al-Zintan (62.3%), Libya One (62%) and al-Qabael (57.1%).

Further, the credibility of the news war by the two operations was tested. 18 Libyan TV channels were rated on a four-point scale with ‘1’ being not biased and ‘4’ being completely biased. Once again, almost all the respondents indicated that all the Libyan TV channels lacked credibility and were slanted when they covered the news war. The most biased Libyan TV channels were, in decreasing order: al-Karama (63.8%), al-Zintan (61.4%), Libya One (58%), al-Naba (53.4%), al-Tanasoh (51.1%), February 17 (50%) and Tobactos (50%). These findings indicate the distrust felt towards news and information amongst Libyan elites and lead to the identification of factors that should be taken into consideration to understand information flows and optimise understanding of them. This could be because of the potentially divisive political and social issues that are led by rival groups in the absence of credible media coverage, as well as state security. This, as a whole, suggests that even the new private media outlets have been launched without clarity concerning their funding, production and agenda. This is because the national media in Libya is generally perceived as a political platform and is accused of spearheading ‘national schism’. This finding is consistent with the view that Libyan TV outlets are increasingly accused of promoting certain agendas related to their owners’ political views and the locations from which they broadcast (Al-Asfar, 2016; El Issawi, 2013a).
To examine the credibility of the news war, respondents were asked to indicate the most negative aspects of the coverage of the war led by the two operations. These were found to be: ‘spreading lies as facts’ (36.6%); ‘lacking specialised and professional media’ (15.7%); ‘newscasts lacking neutrality’ (12%); ‘newscasts lacking scoop’ (11.2%) and ‘newscasts exaggerate when showing victories and defeats’ (9%). Further, respondents were asked to provide suggestions which could improve Libyan TV services. Overall, respondents suggested the following: Libyan TV should ‘use media professional codes’ (25.4%), ‘commit to neutrality in covering news of the war’ (18.7%), ‘present both pros and cons of the operations’ (17.2%), ‘scoop’ (10.4%) and ‘adopting only specialists and analysts to discuss news issues’ (9%). This is an indication that Libyan elites are aware of media quality and of how local Libyan TV should be in terms of content and professionalism.

7. General Discussion

The current study provided an initial, systematic exploration of new Libyan TV channels. The study identified the types of channels that they are and looked at the impact of news TV exposure on political knowledge and political communication at the time of crisis. Unsurprisingly, the analysis has shown that Libyan elites frequently use satellite television for news and information about the country (RQ1). They are most likely to follow state-owned TV, e.g., al-Wataniyah TV, than others, even private-owned TV services such as al-Ahrar TV. The wide range of private and state-owned TV services could have helped to build free public opinion about what matters to the Libyans and help to unite them, but now it seems more likely to be used for division or ‘national schism’ (Al-Asfar, 2015; El Issawi, 2013b), war and unrest (RQ2) (Al-Asfar, 2016; Dowson-Zeidan et al., 2014).

The Libyan television-consumption pattern has increased not only since 2011, but since 2006 when new media platforms started to launch so-called ‘Libya al-Ghad’ (Elareshi, 2013). Some of these services were even able to compete with regional television services such as Al-Jazeera and Al-Arabiya TV (Elareshi & Gunter, 2012b). This is acceptable because of the progressive development of Libyan television combined with the fact that any significant coverage of Libya in regional television services is either absent or misleading. Libyans report that they watch TV every day and use it more than any other platform (El-Nawawy, 2006; Lahlali, 2011). They also cite television as their main ‘source of information’. There is also an indication that Libyans watch the state-owned broadcasters, especially evening news bulletins, and this is often seen as viewing for the whole family (Elareshi, 2013). However, when it comes to news covering the two operations, not many Libyan elites follow the local TV services; rather, they seek different platforms. This does not mean that the local TV services have been totally rejected by Libyan elites, but it does mean that they are not watched as often. This might be because the two operations were not professionally covered by the Libyan TV services and this could be because of a lack of professional skills, service agendas and trust (RQ3).

Libyan elites have several reasons for watching Libyan TV services, principally because they would like to be up-to-date about local events and because they want to view news of the war and military operations in Libya. However, they do not view these local TV services as sources of information which they can trust. Therefore, they would go to seek information from other, different sources such as the Internet. This could be because these Libyan TV services are
perceived as platforms which are associated with different or unclear agendas. This is clear when Libyan elites indicate that Libyan TV services have failed to cover the ongoing war between the two operations (al-Karama and Fajer Libya) and these services have a lack of professionalism in their news coverage (RQ4).

In this study Libyan elites have shown their interest in watching news programmes and other types of programmes such as entertainment, sports and talk shows. With regard to news programmes, accessing local events, receiving news of the war, and learning about attitudes and trends of channels were the most popular reasons for watching news.

The evaluation of the news credibility of Libyan TV services – as a whole – indicates that Libyan elites agree that these TV services lack credibility and are slanted when covering news of the war (RQ5). Despite the spread of new private and state-owned TV services in Libya recently, these services lack specialised media professionals, spreading lies as facts, and also lack neutrality in their newscasts, as well as lacking scoop (Al-Asfar, 2016). The current study suggests that these new branded and rebranded TV services should clearly adopt media professionals, providing fair coverage, providing both views on disputed topics, offer scoop and adopt only specialists to discuss matters. The clear lesson that these services should learn is that they need to be clearer about their agendas and their consumers and to adopt the standards of media professionalism in their broadcasts if they want to survive in this market. A long-term vision is much needed so as to define media professionalism and its role in the current political situation (El Issawi, 2013a).

8. Conclusion

The overall objective of this paper was to provide updated information about the Libyan television landscape, measuring consumption habits, perceptions of trust towards the news coverage of Fajer Libya and al-Karama, and attitudes towards political issues after the Libyan 2011 uprising, since when the country has experienced much political turmoil. Throughout the past six years, the media have played a major role, with what is referred as national media, state media, government media and official media, as well as private satellite channels, which have operated since 2011 and are owned by businessmen who are allied with different political agendas.

Since 2011, the Libyan media sector in general, and especially television, has witnessed significant change (Al-Asfar, 2016). One of the greatest testaments to this is the number of private and state-owned television stations all over the country. Of the privately run television outlets, a handful have now been well acknowledged by Libyans, although their continued existence depends on whether Libyans need them and whether the population is able to absorb all these stations and productions as it seems that their programmes are clearly suffering not only a lack of branding (Altai Consulting, 2013; Buccianti & El-Richani, 2015), but also financial, funding, policy and professional issues. After all, these services have been launched without government permission and without checks and licences.

What is clear is that Libyan television channels have played a substantial role during the unrest and are continuing to do so. However, a lack of professional skills and a lack of trust in these services have made it difficult to predict their future in general, especially when it comes to covering the civil war and associated conflicts, about which they have misled the Libyan citizens, allowing themselves to be transformed into propaganda tools. This, in turn, of course, has had an effect on the media outlets and their productions, which has led to them increasingly being viewed as political and military arms and thus they themselves have become targets (Abou-Khalil & Hargreaves, 2015).

Today, Libya is generally referred to as a failed state. It is evident that Libyan society has deteriorated. The country seems to lack the basic components of pluralism, liberalism and democracy so that the media sector and others would find it difficult to build good relationships with their audiences. The media sector needs regulation and reconstruction, especially after the division in the State pyramid following the multiplicity of legislatures and governments (Al-Asfar, 2015).

In terms of the media’s interests, employees need to be fully protected from assassinations and kidnappings. In turn, they need more training and greater skills and have to show that they are applying professionalism in their work. Media literacy efforts, through different platforms such as social media, should be used to inform the public politically and about their rights and should not be used as platforms for division through the spread of strife fitnah (Al-Asfar, 2016; Buccianti & El-Richani, 2015). These new platforms have become ways of verbally abusing, insulting and slandering opponents and have even become instruments of threat, promoting hatred and incitement to violence. Watching these channels, it is easy to note the reality of life in Libya today, the programmes being filled daily with controversies, conflicts and rumours, reflecting the size of the political differences and the territorial conflict now taking place in Libya.

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European Parliament the Democratic Representative for the People of Europe

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Abstract

The history of the European Parliament can be seen as part of the development process toward a federal parliament supported by some researchers, but however another viewpoint of EU nature, as an international organization would be influenced from the European Parliament’s viewpoint as well. It has been admitted that formal upcoming changes have turned it into a co-decision-maker with the Council of Ministers. There isn’t any other organization, where the member countries should share the decision-making process with the institutions which have been selected directly. In fact, during the creation of the united Europe, the power of the European Parliament have continuously increased trying to reduce the “democratic deficit” for which the Community is accused. Also the role of the EP role as an alternative point of access in the “policy-making” process for interests that feel excluded from the domination of business interests could help in building a sense of European Identity among such groups in the longer term. The European Parliament appoints an Ombudsman, who may receive complaints from any citizen of the Union or from any other natural person or legal entity living or having his/her statutory residence/registered office in a member country. The cases handled by an Ombudsman are related to the bad administration of the institutions or community bodies’ activities except the Court of Justice and the General Court in their court functions. The Ombudsman works in full competence and does not accept or require directives from any other organization. During his assignment must not perform any other professional activity for free or against payment. He is appointed by the European Parliament with the same duration of his legislature having a renewable mandate. In the DPB are provided also the Ombudsman’s norms that might have in the cases of bad administration in conjunction with the activity of institutions in this sector. Thus, it will be solved the problem of accusation for lacking of transparency addressed to this sector.

Keywords: development process, democratic deficit, alternative access, bad administration.

The idea that the MPs of the member countries should be join the other new institutions that were established after 1951 has been also embraced by the federalist MP of the National French Assembly, (Assemblee Nationale) Andre Philip. Andre Philip proposed that the MPs should have been aware on the actions and decisions taken by the Community which became liable for governing important economic sectors for the democratic countries like coal and steel (article 13 of the treaty). General Assembly established with KEQQ was comprised of representatives of member countries’ parliaments. They were elected by general voting for five years and enjoyed the following competences: 1) power of political control by analyzing the annual report submitted by the High Authority, 2) the right of questioning the High Authority on the method and reasoning used for the decisions taken, 3) the right to the motion of no confidence toward the High Authority which approval would be replaceable immediately upon its decision, 4) the right of consulting functions for the Commission and the Council.

The treaties establishing the European Economic Community and the EAEC (Euratom) signed in 1957 in Rome (effective in 1958), the Parliamentary Assembly inherited the main power; the executive control of the Community. It was still foreseen an institution from the treaty and election of members to be made by general voting. The EEC Treaty defined as member of the Parliamentary Assembly “representative of countries being part of the Communities” (article 137, direct election procedure from citizens). Indeed, this election method has failed, but article 138/1 of the EEC Treaty (same with other treaties) states that the Assembly is comprised of MPs from national parliaments.

This article was introduced by the European Community Studies Association (ECSA) in an Austrian conference on the "Democracy in Europe and European Parliament", held in Vienna from 19-21 May, 1999 and appeared at the Union

1 www.fedtrust.co.uk.
no. 1, 1999, and as part of the series of European Essays published by Federal Trust, London; are appointed under the provided by each member country. The election methods were not the same but varied according to the terms of each member country. This enabled the countries to disrespect the criteria for proportionality of the political forces represented in the national parliaments thus causing an unreal representation of the political forces in the European Parliament. In fact, such inadequacy drew the attention of all writers of the treaty to whom this election system was temporary. Article 138/3 granted to the Assembly the role to proceed further for the establishment of an organization having final character "created to comprise one of the elements of a future federal or confederal structure based on the principle of the separation of powers and that would require in particular a representative authority of two houses". The Assembly should have made possible the general direct election based on a uniform procedure for all the member countries, and the Council, upon an unanimous decision, would establish provisions for which would recommend the enforcement from member countries in conformity with their constitutional norms. The Parliamentary Assembly had also the right to investigate the activities of the Council of Commission and gather information. By the resolution on 20 March 1958 the Parliamentary Assembly, adopt by itself the name "European Parliamentary Assembly", while on 30 March 1962 changed name into the "European Parliament", to emphasize the role that would play in the gradually developing community. The European Economic Community gave quickly its fruits and the member countries aimed to strengthen not only the economic cooperation among them; following such initiative on 19 October 1961 the Fouchet Committee was established. The French government submitted a Treaty Project by which was aimed the political union of 6 member countries. The Assembly was imposed to not execute the 'censure vote' for the executives provided by the Treaty of Rome, but rather granting special competences and giving rights to make questions and recommendations to the Council. The first Fouchet Plan was not approved and in 1962, de Gaulle presented his plan for the future of Europe in the meeting of the ministers of foreign affairs in 17 April 1962, known as the "Second Fouchet Plan". This plan was some steps back in the lifecycle of the Community and diminished the rights of the Parliamentary Assembly and independent secretariat. Instead of it was foreseen a commission formed by diplomats supporting the Council. The ECC Treaty had decided to ratify the decisions on the financial resources of the Community by the member countries of the Community. The conflict between this principle and perseverance of the President de Gaulle on the national sovereignty resulted in the crisis of the Community of 1965-1966. On February 1965, the Second Chamber of the Dutch Parliament has decided that the Assembly should have authority on the public expenses of the Community. The principle that public expenses should be subject of the parliamentary control originates from the history of the Dutch political institutions and of course from the parliamentary democracy. The Netherlands admits that the European expenses cannot be controlled accurately from 6 separated parliaments and thus they should be controlled from the Assembly of the Community. In the Hague in 1969, upon French proposal, was held the a conference with the participation of the head of countries or government and ministers of foreign affairs. (de Gaulle was not anymore at the head of France, instead of him was the President Pompidou). The decisions taken in the conference started to be enforced and this ended up upon the approval of the Luxembourg Treaty which amended some articles of the ECC Treaty and through the Dutch proposal, the European Parliament gain authority over the community’s budget which have been empowered even more after the amendment made with the Treaty of 1975. The parliament shares almost equal power with the Council on the budget expenses but with one major exception, disapproval from the French government which expressed its dissatisfaction on the amendments to the treaties giving less power to the Parliament on the agricultural expenses, which are equal to over two thirds of the total and have special importance for France. The Luxembourg Treaty entitled the Parliament to express on the “non-compulsory expenditures”. For compulsory expenditures, the Parliament could propose amendments considered accepted if the Council did not contested them with qualified majority. By the mid-70s, the Council did not agree on the direct election of the European Parliament. Even in this case, France was in opposition with the countries supporting such thesis. However, after the appointment of the President Valery Giscard D'Estaing, which coincided with the upcoming French presidency; the official France wanted to undertake European initiatives. Therefore, after the consulting with Monnet, Zhiskar D'Estenj, decided to bring two new

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2 E.g Italy starting from 1969 was represented in the Assembly by members of all parliamentary political groups, while France excluded from the representation in the European Parliament some forces which were not part of the governmental majority.

3 Fausto Pocar, The right of the European Communities, p. 19.


5 French diplomat. (Christian Fouchet)

6 Paskal Milo. European Union p. 63.

7 European Union. Paskal Milo (reference) Marie Therese Bitsch, p.194 64.

8 Paskal Milo. European Union p. 91.
idea for the scheme of the European Communities: 1. the transformation of ad hoc summits of the presidents of countries and heads of member government in the European Council and 2. The resolution of direct elections for the European Parliament. The initiative of direct elections was supported by many political forces of 6 member countries. The decision for running such initiative was taken in Rome in December 1975 from the European Council during the Italian presidency. The perspective of elections challenged the political parties to be assorted based on their programs and ideas at European level. In April 1974 was formed the union of the socialist parties of the European Community; in spring of 1976 was established the federation of the liberal parties and the European People’s Party grouping the demochristians parties. The European People’s gained clear characteristics of a real transnational party. The first direct parliamentary elections were held in 1979. The direct voting by the citizens for the parliamentarians that would represent the future Europe’s institutions increased the impact of the European Parliament. The other result of these elections was the granting of good faith to the Parliament to accept the initiative of Spinelli on the draft of EU Treaty of federalist features, which was approved by considerable majority in February 1984. In fact, it was one of the two resources which lead to the negotiation of the Single European Act. Since then, the Parliament became the real institution, a representative of the Community’s people and this election’s method favored the most the community policies. Obviously, this achievement continues also today but what changes from one member country to another is the election method of the European parliamentarians. There isn’t any unified “European” election method for the parliamentarians.

The elected parliamentarians are independent and cannot accept any mandatory mandate or instruction.

The name European Parliament (EP) was officially used in the Single European Act signed in 17 February in Luxembourg and in 28 February 1986 in Hague and entered into force in 1 July 1987. During the first half of 1984, France owned the upcoming presidency of the Community. After the Parliament voted the draft of EU Treaty, Spinelli along with the European Parliament President, during a visit to the France’s President François Mitterrand in 1984, gave him a copy of the draft (symbolically). In his speech to the European Parliament, the President Mitterrand expressed his support for the draft Treaty, as well as in the next meetings of the European Council initiated by Dooge Committee (in the name of the Irish Leader) in the role of the personal representatives of the heads of countries and governments to submit concrete proposals for the institutional reforms in the upcoming meetings of the European Council. In January 1985, Jacques Delors, in his first declaration as the President of the European Commission, he said that he participated in some meetings in all capitals of the member countries of the Communities in order that the governments could accept the program of a single market, the common currency and the institutional reforms and admitted that the program of a single market was unanimously accepted. SEA presented a modification package of the establishing treaties of Rome and Paris, among which are: a) the official use of the term European Parliament although when related to early competences it couldn’t be understood a bona fide parliament; b) transformation of EP into a political and legal actor much more important for the European integration between the establishment of 'the procedure of cooperation' and 'the procedure of consent'. The Parliament would give its consent for the agreements of association and membership, but of course the empowerment of the European Parliament’s role as the main institution, the direct representative of the member countries’ people has been considered in continuity and apparently has found the consensus in the solemn declaration of Stuttgart over EU. The Maastricht Treaty has modified the institutional equilibrium in favor of the European Parliament by expanding the a) power of political control of the Parliament toward the Commission; b) procedure of cooperation and consent with the Commission for the decision that would have been undertaken, c) set out the procedure of codetermination which places the Parliament in the same plan with the Council. The Commission’s proposal should be transmitted the same way as in the Council and EP. This procedure comprises 80 % of normative procedures of EC, d)

11 Paskal Milo, European Union p. 123
12 European people vote themselves for their MPs that will represent them in the EP.
13 Altiero Spinelli, representative of the federalist method for establishment of Europe.
14 Some countries have the proportional election method, and others the majority election. Not only the election method but also the European MPs salaries vary from one member country to another. They are paid with the salaries of the national MP’s, although they are different in each of the member countries. The Italian MPs are paid the most.
17 www.europarl.eu.int
18 Rights of European Communities. Iva Zajmi p. 84.
necessity of taking EP’s opinion on the treaties and international agreement signed with the third countries. EP’s opinion should be in line with the Commission’s opinion; otherwise the Parliament may impede the case. Whereas the Amsterdam Treaty signed in 2 October 1997 gave special attention to the treatment of the Union’s institutions. For EP, the Amsterdam Treaty set out a number not exceeding 700 members with a right of a 5-year mandate. The changes provided in the treaty demanded the strengthening of the democratic grounds and expansion of EU responsibilities, beyond the achievements of SEA and EUT. The European Parliament gained wider competences in:

- establishing regulations for its members by taking firstly the Commission’s opinion and unanimous approval of the Council;
- appointing the Commission’s President. The Commission’s President would have been elected from the Parliament (ECT article 214);
- enjoying the right to be informed;
- giving the consent of the defining the European Commission; the Commission’s President and in second phase, the entire Commission should have been approved by EP by voting, separately (ECT article 214, former article 158). The Parliament may follow a procedure of investigative control similar to “hearings” of the U.S. Senate in the case assignments (ECT article 214).
- enjoying the right to submit a proposal on EP election through general direct election under a uniform procedure (ECT article 190.4);
- enjoying the right to ask from the Commission to submit legislative proposals (ECT article 192);
- enjoying the right in the co-decision procedure which replaces the cooperation procedure, almost in all the areas this procedure was included as well as in important political areas. This procedure allows EP to cancel or postpone the project legislation or propose amendment to it, passing it to a common committee EP-Council, known as the Conciliation Committee. In case the Council disputes the amendment proposed by EP, the Council and the Parliament should work in the Conciliation Committee to come out with a new project for the legislation. The new project should have the approval of the parties. The Treaty of Nice in 2001, provided the reforms in the European Parliament in two directions: a) Quantitative reform which should be made in light of the membership in the European Union of the other countries of Europe and the great increase of the number of the European Parliament. b) Qualitative reform, by which is intensified the weight and role of such important mechanism. For the population from 25 million to 60 million will be calculated plus one MP for 2 million people. According to this formula, the 732 countries of the European Parliament for the EU members and candidates will be divided as follows: (Minimum of countries for each state will be 6 MPs. For a population from 1 million to 25 million will be calculated plus 1 (one) MP every 500 thousand habitants. According to the number, it was agreed that starting from the elections of June 2004 a new formula will be in place for dividing the electoral zones which number of the member countries’ people is fundamental. Also, the Treaty of Nice gives to EP a number of participation rights in those political areas where the Community’s institutions do not have any general obligation to be advised with EP, but however can be advised. In case EP proposes changes for a certain project and the changes are supported by the Commission, the Council may approve them by qualified majority voting system or add the changes through unanimous voting. The rights defined in the treaty and the Parliament Regulation entitle the parliamentary committees to question the candidates. The European Parliament develops its work in particular parliamentary committees. (see table 3.5). Also, the Parliament should be consulted before the assignments in the Executive Board of the European Court of Justice and Court of Accounts (or Auditors). Of course, the protagonists of the debates in EP are the political groups. We currently see the concentration of the political forces in the European Parliament. (see figure 3.3) (table. 3. 6) Separation of countries in the European Parliament between the member countries:

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20 Institutional Reforms Manzella p. 4 www.reforme.net
22 Xhezair Zaganjori. Institutional Reforms of EU, p. 22.
The European Parliament strengthened the competences even in the decision-making process for important problems together with the Council. Actually, it is a co-legislator with the Council but it isn’t exactly a legislative body; co-approver of the budget (together with the Council); executes control in the Commission’s activity, may vote the motion of no confidence which obliges the Commission to withdraw; appoints the Ombudsman to receive complaints on the misadministration of the community. The European Parliament won the right to address to the European Court of Justice regarding different cases in conjunction with the:

- lack of competence,
- clarification of various procedural problems,
- breach of the treaty’s norms or other defined norms,\(^{23}\)
- when an international agreement is against to the treaty’s norms,
- declare its attitude on matters of special importance in the area of fundamental right in case for such matters has been invested and are expected declarations from the European Council, as well,
- increase the supervising role toward the parliamentary political parties.\(^{24}\)

The Constitutional Treaty increases the number of the parliamentarians in 750 countries under the principle, “degressive proportion”, with min. 6, max. 96. Exact number of every country will be set out before the elections in 2009.\(^ {25} \) EP gains also wider powers especially in the legislative cases including the budgetary process. The mechanism of co-determination which places EP and the Council of Ministers in the same plan, lies in all the sectors, with few exceptions. The EP’s competences remain limited in some strategic sectors of the national sovereignty starting from CFSP.\(^ {26} \)

**Voting Procedure**

The EEC Treaty and EU Treaty provide 3 different methods for the Parliament regarding the majority rule; a. majority with the two thirds of members; or 3/5 of members; b. absolute majority of representatives and c. a combination of two majorities.\(^ {27} \) As a rule, however, the resolutions, attitudes and motions are approved through a simple majority of votes. The changes within the context of the cooperation procedure, co-decision procedure and the motion within the context of the consent procedure are approved through the absolute majority of the members. The absolute majority is required even when are submitted changes for the procedure. In case of important decisions (e.g. a motion of no confidence for the Commission or decisions on the budget). Other important motions, censure toward the Commission or budgetary motions should be approved by quorum. All parliamentary non internal decisions are taken in plenary sessions with several parliamentary bodies.

**Competences and Rights of the European Parliament and Participation in the Preparation of the Legislation**

EP has the right of consultation, the right of investigating the activities of the other institutions, the right of co-decision in the legislation and the right of assignment and confirmation of the holders of job positions. Also, the EP may question the Commission\(^ {28} \), participate in the areas not defined by the treaties (non-disclosure information for trade

\(^{23}\) EUT article 230.

\(^{24}\) Alessandra Zanobetti. Institutions and Authorities of EU. Lectures, p. 7.


\(^{26}\) www, riforme.net (29.9.2004)


\(^{28}\) ECT article 197, former article 140.Summary of treaties.
negotiation and agreement of association); questions the Presidency on the matters related to CFSP, JHA and formal preparation of the legislation; approves or refutes the assignments for the new European Commission. 29 EP participates in the preparation of the legislation through below methods:

- facultative consultation from the Council of Ministers or the Commission;
- compulsory consultation from the Council;
- cooperation procedure (ECT article 252, former article 189c);
- co-decision procedure (ECT article 251, former article 189b);
- the right of co-decision on the budget (ECT article 272, former article 203);
- the right to approve or refute the legislative acts and to confirm or reject the Treaty of Accession, the agreements of associations and other important treaties.

The Rights to Supervise the Activities of the Other Institutions

At the beginning, the ECT granted rights to EP to supervise the activities of the Commission. Based on the Maastricht Treaty, EP monitors the activities of all the institutions of the European Union and European Council regarding the Common Foreign and Security Policy (CFSP) and Justice and Home Affairs (JHA). By the end of each financial year, all the EU institutions are required to calculate their finances. Based on the annual report prepared by the Court of Auditors, the EP Committee for the Budgetary Control decides whether it approves or not the way the Commission has managed the finances during the previous financial year (known as 'discharge' from liability). In case EP 30 refutes to approve the financial matters of the Commission, then we can say that we are in a midst of a serious situation that may lead to the resignation of the entire Commission. The most powerful instrument that EP may use to supervise the Commission is taking actions to censure it. Such action requires the support of the two thirds of all members.

The Relationship between EP and the Parliaments of the Member Countries

Prior to the direct elections in 1979, the MPs of EP were MPs of the national parliaments and had a dual mandate. From 1979 this dual mandate is not mandatory, and in fact some member countries prohibited the dual mandates. This has diminished considerably the relations between EP and the national parliaments. However, the national parliaments control how the EC law is enforced in their countries and continue to play an important role in case of amendments to the treaties. At the beginning of 90s, all the national parliaments had parliamentary authorities responsible for the EU matters, in which is noticed their involvement in the European policies of their respective governments. Therefore, EP and the national parliaments of the EU member countries have built several forms of cooperation to execute their rights vis-a-vis to executive. The earliest form was developed through the Conferences of the Presidents and Heads of Parliaments, the first of which gathered in January 1963. The Amsterdam Treaty provided either the rights of the national parliaments to analyze the activities of their governments or the relations between EP and national parliaments.

Below diagram summarizes the most important information mentioned above (figure 3.3, before the Treaty of Nice)

<table>
<thead>
<tr>
<th>Inclusion</th>
<th>Competences (duties/td rights);</th>
<th>Working methods:</th>
<th>Inter-parliamentary Relationships</th>
</tr>
</thead>
<tbody>
<tr>
<td>626 elected members, the Strasbourg meeting. 1 president, 14 vice-president and five quaestors elected for a term of 2</td>
<td>• counseling  • participation  • supervision  • appointments</td>
<td>These are defined in the Rules of Procedure. Best part of work is done in committees (17)</td>
<td>• Cooperation with national parliaments  • association agreements (eg the Europe Agreements with Eastern European countries)</td>
</tr>
</tbody>
</table>

Relationships of the European Parliament with the Commission

The role of the European Parliament in the administrative norms has increased. Following the voting reform we see a reequilibration of the relation Parliament – Council even in this area of the norms. The groups of parties and parliamentary committees are gathered monthly before and when required during the plenary sessions. In case EP proposes amendments of common position, the next step is for the Commission that decides within month unless approves such amendments. If yes, the amendment of proposal would return to the Council of Ministers which may only reamend it unless votes unanimously. This gives to the Commission the discretion to the process. After this process, the Council has the final veto, at least until the European Parliament refutes the common position and the Council cannot achieve unanimity. In such case, the European Parliament may block the legislation. In October 2004, the Euro

29 ECT article 214, former article 158. Summary of treaties.
Parliament wins for the first time over the Council of Ministers of EU by putting at risk the voting process of the new European Commission due to the block of the Italian minister Rocco Butiglione’s assignment as commissioner for Justice’s matters. The President of the Commission, the former Belgium Prime Minister Jose Manuel Barroso, waived to lead the 25 commissioners in the voting process of the European Parliament. Such decision of Barosso was taken since the Commission did not have the necessary majority to vote in EP. His waiver only few days before the voting process in the Euro Parliament us the first time happening in the European Union and demonstrates that the EP role has become very important that can approve or refute the European commissioners and censure collectively the Commission.31

Conclusion

The story of the European Parliament may be seen as part of the development process toward a federalist parliament supported by some researches, but another viewpoint of EU nature as an international organization would be affected even from the EP’s viewpoint. It has been admitted that further changes in the formal role has made it a co-decision maker with the Council of Ministers. There isn’t any other organization where the member countries should divide the decision-making process with the institutions elected directly. In fact, during the creation of the united Europe, the powers of the European Parliament have increased continuously as an effort to reduce the “democratic deficit” for which the Community is accused. The role of EP as an alternative access in the “policy-making” process for interests that feel excluded from the domination of the business interests, helps in the construction of a new sense of European identity among such long term groups.

Ombudsman

The European Parliament appoints an Ombudsman who receives complaints from any citizen of the Union or from any other natural person or legal entity living or has his/her statutory residence in a member country.33 The cases handled by the Ombudsman are related to the misadministration of the activity of the institutions or community authorities except the ECJ and Court of First Instance in the execution of their court functions. The Ombudsman executes his functions in full competence and does not accept or requires directives from any authority. During his duty, he shouldn’t execute any other professional activity for free or against payment. He is also appointed by the EP with the same term of his legislature of renewable mandate. In the DPB are provided as well the Ombudsman’s norms that may use in the cases of misadministration related to the activity of the institutions in this sector. Therefore, it is thought to be solved the problem for accuses on the lack of transparency addressed to this sector.

Notes

"Today EU is accused for “democratic deficit” i.e. many decisions are taken from the governments of the countries or their representatives; to avoid this phenomenon, a long rambling has occurred to add the power to the EP, especially related to the community legislation” (EU institutions and authorities, Allessandra Zanobetti).

From July 1999, the Conference of Presidents, upon the support of 3/5 of the its members had always the right to submit near the Parliament a motion for the substitution of the President, representation of a committee or any other holder of a position in the Parliament.

In the work with the Council, the Assembly acted as a budgetary authority for the three European communities. It had also the right to investigate the activities of the Council and Commission and gather information. Despite the new name it gave, the Single European Act turned EP into a very important political and legal actor in the European integration through the establishment of the “cooperation procedure”.

Romano Prodi in the European Parliament in 3 October 2000 was expressed that:

The European process may find the origin of its democratic vitality only by dual legitimacy; legitimacy of European people represented by you, members of the European Parliament and legitimacy of the member countries which is based on the democratic elections. The EP as an expression of expanded Europe with direct general elections, is a specific institution dedicated to represent the union of the European citizens; and it is from your approval of the Commission that the Commission has the resource of its legitimacy, and in particular the member countries represented in the Council.32.

31 EUT article 195, former article 138 e
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System for Electronic Archiving of Document in Republic of Kosovo- An Evaluation of Success Factors- Design-Reality Gap Analysis

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Abstract

Use of Innovation of ICT in activities of the public sector, referred to as e-Government, has helped governments to improve their services to citizens, to businesses and to government units by making them more qualitative and easily accessible. The initiative of e-Government in Kosovo was identified as a priority of the government in 2008 and since then a number of projects have been implemented, amongst them the System for Electronic Archiving of Document (SEAD). Since the partial or full failure of implementation of e-government projects is very frequent phenomenon in developing countries, the identification of success and failure factors of projects is necessary in order to address them on time. In this study are assessed the level of success of implementation of SEAD and are identified the critical success and failure factors of this system through seven dimensions ITPOSMO by using the Design Reality Gap Analysis. By measuring the design-reality gap across seven dimensions, we have assessed the success of the implementation of SEAD, which scored 18.05. Results from this study indicate that if no action is taken to reduce the size of gaps, particularly the gap in dimensions “Processes” and “Staffing and Skills”, project risks falling in the category “Partial Failure”. Findings from this research will serve to reduce the risks that may affect the successful implementation of e-governance in Republic of Kosovo, and also will serve other researchers in identifying the failure and success factors of e-Government in developing countries.

Keywords: SEAD, ICT, ITPOSMO, e-Government.

1. Introduction

Information and Communication Technology has brought dramatic changes in the functioning of global modern society. Evolution of the ICT made the governments to create a new vision for interaction with citizens and businesses.

Governments around the world were directed toward using of ICT innovations to improve the operations of the public sector, to offer to citizens and businesses qualitative services and appropriate access to information, and to improve Democratic Processes. This will drive the movement towards e-Government.

Zhiyuan Fang defines the e-Government as a way for governments to use the most innovative information and communication technologies, particularly web-based Internet applications, to provide citizens and businesses with more convenient access to government information and services, to improve the quality of the services and to provide greater opportunities to participate in democratic institutions and processes. (Fang, 2002)

In 2008, the Government of Kosovo approved “e-Government strategy 2009-2015”, thus starting so the e-government journey. Implementation of e-government in the Republic of Kosovo began in 2009 and since then a number of projects have been implemented, among them the System for Electronic Archiving of Documents (SEAD), which was one of the first initiatives undertaken in the implementation of e-Government program and is implemented in almost all the archives of government institutions.

The Government of Kosovo in 2016 has launched the initiative to link the SEAD with the System for Document Management and elimination of deficiencies that may be identified in SEAD, therefore an assessment of the critical success and failure factors would help to address the shortcomings of the system and an orientation of actions to be taken during the implementation of this initiative.
The analysis was done using the model: Design-Reality Gap Analysis conducted by Richard Heeks. The gap between the "real situation" in which the project is currently and "The Project Objectivity" along the seven dimensions of (ITPOSMO) model has been analyzed: Information, Technology, Processes, Objectives and values, Staffing and skills, Management systems and structure, Other resources. By measuring the size of this gap we assess the level of success, the smaller the gap, the higher the chance for more successful implementation of system. (Heeks, 2003)

2. System Description

The System of Electronic Archiving of Documents (SEAD) is a centralized system that has replaced and unified the manual process of archiving of documents and their management. This system is developed in the framework of the e-Government program (MAP, 2008) and implemented in almost all the institutions of the Republic of Kosovo in central and local level.

The system enables electronic archiving of documents, their destruction by retaining records for any destruction, authorization to access the archived documents and management of the archived matter by keeping track for any action taken by the user at any time.

Seeing the importance of this system, the Government of Kosovo in 2016 has initiated the project for interconnection of this system with the Document Management System, so that these two systems operate as one single system and also eliminate the gaps that could be identified in SEAD.

The unification of these two systems will enable to create an on-line document and protocol it in DMS, circulate it during the entire time while it is active and when it becomes passive, the document with all its descriptive data will be transferred to SEAD, pending to be archived.

The document with its identification data shall be available to the Archive Officer, thus making the archiving process very simple.

The users of this system are the employees who archive the documents in the relevant institutions; therefore the people involved in this research are the Archiving Officials of the institution using this system.

3. Research Framework

Although the e-government is seen as a magnificent project, most of the e-government projects have completely or partially failed (Heeks, 2003).

The assessment of the "success" of an information systems is a very important aspect to understand the IS success by assessing the effective creation, distribution, and use of information via technology. This is because every organization would like to ensure that their investments in IS field are successful and to identify whether the system meets the organization's goals (DeLone & McLean, 2016)

According to Heeks (Heeks, 2002), IS Initiatives may fall into one of the three outcome categories:

Total failure: The initiative never implemented, or was implemented but immediately abandoned.

Partial failure: The main goal of the initiative and/or desired result has not been achieved, or when the initiative initially is successful but after a year or so fails (may affect developing countries)

Success: The initiative is successful when we do not experience significant undesirable outcomes and in which the most of the stakeholder's major goals are attained.

Heeks divides the failure of the e-government projects as below (Heeks, 2003):
- 35% - total failures
- 50% - partial failures
- 15% - successful

One of the most used models for assessment of success factors of Information Systems is the Model: Design-Reality Gap Analysis developed by Richard Heeks, a model that has been used in many researches related to the measuring of success and failure of the e-Government initiative in developing countries

Heeks sees the source of a project failure on the size of Design-Reality Gap. The possibility of a project to be successful or to fail, depends on the size of gap between "current reality" in which the project is and "project design'. The larger design-reality gap leads to greater risk of project failure, and vice versa.

In order to understand this gap, gap analysis across seven dimensions of Heek's model, summarized by the ITPOSMO acronym is necessary and sufficient: Information, Technology, Processes, Objectives and values, Staffing and skills, Management systems and structures and Other Resources, which together create a model for assessing the
success and failure of the e-government, given under Figure No.1.

![Design Reality Gap (Heeks, 2003)](image)

**Figure No.1.** Design Reality Gap (Heeks, 2003)

4. **Research Methodology**

The research tool for data gathering used in this research is the open data questionnaire (Matthews.B & Ross.L, 2010). The questionnaire is built based on Heeks model, which covers seven factors: Information, Technology, Processes, Objectives & Values, Management Systems & Structures, Staffing & Skills and Other Resources.

The questionnaire has been conducted in two parts: the first part has been concentrated in questions enabling the collection of demographic data, such as: gender, age, education and working experience, whereas the second part of the questionnaire has been designed to measure seven (7) elements covered by the seven ITPOSMO dimensions:

1. Information
2. Technology
3. Processes
4. Objectives and values
5. Staffing and skills
6. Management systems and structures
7. Other Resources

To assess the design-reality gap, the scale from zero to ten has been used for each dimension.

<table>
<thead>
<tr>
<th>No change</th>
<th>some degree of change</th>
<th>radical changes</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>6</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>9</td>
<td>10</td>
<td></td>
</tr>
</tbody>
</table>

“0” - no change between the current reality and design proposal  
“5” - some degree of change between the current reality and design proposal  
“10” - radical changes between the current reality and design proposal

5. **Statistical Analysis of Collected Data**

The population in this study consists of 76 archive officers who use this system to electronically archive the documents within their institution. A total of 25 questionnaires were distributed via e-mail. 22 questionnaires were received, 2 of them were disqualified due to partial completion, while the rest of the questionnaires, 20 of them were valid.
5.1 Demographic information

Table No.1. Provides demographic data for archive officers who participated in this study

<table>
<thead>
<tr>
<th>Variable</th>
<th>Response</th>
<th>Frequency</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>10</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>10</td>
<td>50</td>
</tr>
<tr>
<td>Education Level</td>
<td>High school</td>
<td>4</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>University</td>
<td>11</td>
<td>55</td>
</tr>
<tr>
<td></td>
<td>Master</td>
<td>5</td>
<td>25</td>
</tr>
<tr>
<td>Work Experience</td>
<td>1-5 year</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>6-10 year</td>
<td>5</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>over 11 year</td>
<td>14</td>
<td>70</td>
</tr>
</tbody>
</table>

5.2 Design-reality gap.

In the diagram below are presented the total points for each dimension. The larger design-reality gap is in the dimensions: Processes, Staffing & Skills and Objectives & Values. See Figure No.2

Figure No.2: Diagram of Gaps

6. Results

Based on this study, the success of implementation of SEAD is scored 18.05, and falls under the category (15-28) “Your e-government project might be a partial failure unless action is taken to close design-reality gaps”, see Table No. 2.

Table No.2. Risk Assessment layout (Heeks, 2003)

<table>
<thead>
<tr>
<th>Overall Rating</th>
<th>Likely Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>57 – 70</td>
<td>Your e-government project will almost certainly fail unless action is taken to close design-reality gaps.</td>
</tr>
<tr>
<td>43 – 56</td>
<td>Your e-government project may well fail unless action is taken to close design-reality gaps.</td>
</tr>
<tr>
<td>29 – 42</td>
<td>Your e-government might fail totally, or might well be a partial failure unless action is taken to close design-reality gaps.</td>
</tr>
<tr>
<td>15 – 28</td>
<td>Your e-government project might be a partial failure unless action is taken to close design-reality gaps.</td>
</tr>
<tr>
<td>0 – 14</td>
<td>Your e-government project may well succeed.</td>
</tr>
</tbody>
</table>

Information: Information provided through SEAD is similar to the one in use. This information is accurate, complete, relevant and appropriately presented. 75% of respondents assess that the use of information is well defined; the information on SEAD should be accessible only to archive officials of the relevant institution, whereas for all other stakeholders, access to this information must be authorized to access certain information, through the function "authorization" which is included in the system. Only 25 % assess that information should be available for the public and
others, defined by the law on access to public documents.

Gaps=1.27

Technology: In general, respondents estimate that the technology used in SEAD is the right one. 25% of respondents estimate that their institution needs additional devices for scanning documents, while 20% estimate that it would be good if the Internet would be a little faster.

Gap=2.65.

Processes: According to respondents, although work processes for archiving files are digitized appropriately, but SEAD should be supplemented with some additional functions. 75% of respondents (officials) say that other functions should be added to the SEAD such as: electronic seal, electronic signature and communication with DMS.

Gap=6.

Objectives & Values: Respondents unanimously agree that SEAD has brought more benefit to their work and made it easier, but 75% of them, say that SEAD does not fully meet their objectives.

Gap=3.

Staffing & Skills: Respondents say they have sufficient skills to use the system and the user manual available in the system helps them a lot. While, 80% of respondents claim that the number of employees dealing with document archiving in relevant institution is low.

Gap=4.

Management Systems & Structures: In this dimension there is no expressed gap between the real situation and design. Only one respondent says that the organizational structure should be changed, because there is no unit for document management, which would deal precisely with this area.

Gap=0.45.

Other Resources: Respondents estimate that the legal framework with regard to document archiving is sufficient. 10% believe that every institution must have the list of official document classification.

Gap=0.7.

7. Recommendations

Reducing the size of gaps in dimension" Processes", which in this study is considered to be more critic, it can be done by Interconnection of two systems: "System for Electronic Archiving of Document" with "Document Management System". This interconnection will enable the creation of a unified platform for managing of circulation of documents and organizing the archive of the institution.

This will make easier work of archive officials, since the document created in DMS, it will pass in SEAD in the moment that the document will change the status from active-to-passive. In this case all meta-data that identify the document will be made available electronically for archive officials.

For verifying the identity of a signatory and legal validity of electronic document, we recommend to integrate the electronic seal and electronic signature in the unified platform (SEAD & DMS). These two elements will facilitate and simplify procedures for electronic identification, validity and authenticity of the document and the automatic sealing of documents.

In order to mitigate the concerns of 80% of respondents over the low number of employees dealing with document archiving in relevant institution, the institutions may recruit new employees or transfer employees to Archive Offices.

The working group, appointed for implementation of project for connecting of two systems (SEAD) and (DMS), must organize the workshops with archive officers in order to identify their expectation and the shortcomings encountered during use of the SEAD. Identify and addressing of shortcomings of the systems will enable the fulfilment of objectives, through reducing the gap in dimension "Objectives and Values".

The demand for additional equipment’s for scanning must be considered and should be treated seriously, since the process of archiving of document cannot be completed without attachment of scanned documents.

As a result not timely treatment of this problem, not make only difficult the process of archiving of documents but will increase the gap even in other dimensions, especially in dimension "Objectives and Values", thus making the system not more valuable to the work of the archive officers.

8. Conclusion

One of the first initiatives in the implementation of e-government program in the Republic of Kosovo was the initiative to implement a Unified and Centralized System for Electronic Archiving of Documents which will be used in all government...
institutions. To assess whether this initiative has reached its objectives and to identify the critical factors that could jeopardize the success of the project, the model design-reality gap analysis has been used.

By measuring the gap between the “Actual reality” in which the SEAD is and “what the project should achieve” across seven model dimensions ITPOSMO, we have assessed the success of the implementation of SEAD, which scored 18.05. Results from this study indicate that if no action is taken to reduce the size of gaps, the project risks falling in the category “Partial Failure”.

The working group that will implement the project for connecting the System for Electronic archiving of document (SEAD) and Document Management System (DMS) and address the shortcomings of SEAD (project initiated in 2016) must be mobilized to carefully address these gaps, particularly the gap in dimensions “Processes” and “Staffing and Skills” which according to the study are critical factors that can lead the project to partial failure.

Since one of the authors of this study “Fakije Zejnullahu”, has managed the implementation of the projects SEAD and DMS and continues to manage the implementation of the initiative for communication of these two systems, there was no limitation in the realization of this study and that the findings in this study will be implemented primarily in the successful realization of the initiative.

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The 2012 Flooding in Selected Parts of Isoko South, Delta State: Assessment of Socio-Economic Impacts

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Abstract

The study investigated the socio-economic impacts of the 2012 flooding in the riverine areas Isoko south Local Government area, Delta State. Two communities Oleh and Aviara which were greatly affected by the flood event were selected for the study. Both purposive and simple random sampling techniques were adopted in the survey. A total of two hundred questionnaire were distributed to household heads, famers, community and religious leaders, one hundred per community. Impacts on building/household property, financial cost of damage, impact on small farm holders, damage on school infrastructures, diseases distributed were used as impact indicators. The study showed that displacement of family members for a period of 3-4months recorded the highest impact with Oleh and Aviara communities scoring impact level of 34% and 36.6% respectively. This was followed by submergence of farmland/lost of valuable household property, 27.7% in Oleh community and 23.6% Aviara community. Death/major injury during the flood event recorded least impact of 8.5% in Oleh and 3.2% in Aviara communities. On the average these impacts were valued at between one and two million naira (N). Analysis of impact on small farm holders showed that monthly income groups between <50,000 and 100,000 naira(N) were worst hit by the flood event. These groups are mostly subsistent farmers including snail farmers, poultry owners. The study revealed that schools were closed down for a period of 2-3months while collapsed of bridges was a leading cause of disruption in school activities with impact scores of 22.2% and 18.8% in Oleh and Avaira communities respectively. Analysis of disease distribution showed that malaria fever ranked highest, 33.1% in Oleh and 41.9% in Avaira respectively. This was followed by Diarrhoea, 22.6% in Oleh and Typhoid fever, 22.1% in Aviara. Bearing the losses was a common response approach to the flood disaster in the sampled communities with scores of 30.9% in Oleh and 41.9% in Avaira respectively. This was followed by Diarrhoea, 22.6% in Oleh and Typhoid fever, 22.1% in Aviara. Bearing the losses was a common response approach to the flood disaster in the sampled communities with scores of 30.9% in Oleh and 27.6% in Aviara community. Structural modification ranked second with impact score of 16.5% in Oleh and migration to alternative location 16.3% in Avaira. Least response approach was construction of Monkey Bridge, 4.2% in Oleh and 4.1% in Avaira. Analysis of underlying cause of vulnerability showed that over reliance on government intervention thus doing little was main cause of vulnerability in Oleh, 25%, while in Avaira the main cause of vulnerability was attitude/cultural belief, 20.4%. The geographical locations of these communities also increase their vulnerability to flood by 22.9% in Oleh and 19.4% in Aviara. Result of student t test at 0.05 level of significance showed that the impact of the 2012 flooding in study area was similar in terms of damage to physical property, financial cost of impact, damage to school infrastructures and disease distribution. However, significant variation was observed in the two communities in terms of impacts on small farm holders. The study recommends land zoning in the framework of urban planning and regulation of urban development with a view to reducing the vulnerability of future flooding especially in the light recent global warming and climate change.

Keyword: Flooding, Socio-economic impact, disease distribution, physical infrastructures, vulnerability

1. Introduction

The frequency and magnitude of impacts of weather-related natural hazards in particular flooding on Nigerian society are assuming an increasing dimension. The Nigerian urban slum dwellers and population in coastal areas most are most vulnerable. The coastal zones of the world are mostly populated because of reasons like fertile soil, opportunity for the development of fishing and shipping industry (Mimura, 1999; McGranahan et al 2007; UN, Habitat, 2011; Jena and
Mishra; 2011). The IPCC Special Report (2007) on the Regional Impacts of Climate Change showed there would be drastic changes in rainfall patterns in the warmer climate and coastal regions as the Niger Delta may experience 5-6% increase of rainfall by 2030, which may create frequent high and prolonged floods in the region. According to UN-Water (2011), worldwide, there has been rapid growth in number of people killed or seriously impacted by flood disasters. Indeed, the amount of economic damages affects a large proportion of people in low-lying coastal zones or other areas at risk of flooding and extreme weather condition. Unfortunately, the impact in most developing countries is more felt by the urban poor in such a way that recovery is unlikely to be achieved without external aid (Blakie, 1994). A causal relationship between poverty and vulnerability to natural disaster has been established by authors (Mooser, 1998; Sinha and Lipton 1999; UNDP, 2004). In addition, the elderly, the disabled and children are particularly vulnerable (UN, 2004). Know Risk (2005) observed that studies undertaken show that the economic impact of natural disasters, such as flood shows a marked upward trend over the last several decades. The hazards tend to hit communities in developing countries especially the least developed countries, increasing their vulnerability and setting back their economic and social growth, sometimes by decades. The floods have led to loss of human life, destruction of social and economic infrastructure and degradation of already fragile ecosystems. The study indicates that social impacts include changes in people’s way of life, their culture, community, political systems, environment, health and wellbeing, their personal and property rights and their fears and aspirations. Various diseases like waterborne such cholera, dysentery, fever, diarrhea and are common in flood inundated communities. Populations inhabiting the low lying areas of Nigeria have witnessed different degrees of flood events with varying magnitudes of impacts. Over the centuries, these populations have developed different responses approach to flood. However, the 2012 flood which was believed to be caused in part by climate change and release of excess water from Ladgo dam, Republic of Cameroon was the first of its kind the last 40 years in the country. The flood which began in July 2012 killed 363 people, displaced over 2.1 million people across 30 states of the country. Isoko South in Delta State which is a flood prone area due to its geographical location and more so because farming is a major livelihood of its population was affected by the 2012 flood disaster. The aim of this study thus is to examine the socio-economic impacts of the 2012 flooding in selected communities of Isoko south as well as community response methods.

2. Methodology

2.1 Description of study area

The study area is Isoko south local government area, Delta state with its headquarters at Oleh, Nigeria. The area is one of the two local governments that make up the Isoko region. It lies approximately at latitude 5°22'55.52" North and longitude 6°12'51.01" East. The Isoko South Local Government Area covers a low-lying section of the larger Niger Delta Basin, interspersed with streams, canals and rivers (Fig. 1). Isoko south is located in a region of deciduous and evergreen forests, with patches of mangrove forest, as well as a forest reserve along the Aviara clan area. The area is in the tropical rain forest area of the Niger-delta and experiences high rainfall and high humidity most of the year. The climate is equatorial and is marked by two distinct seasons—the Dry and Rainy seasons. The Dry season lasts from about November to April and is significantly marked by the cool "harmattan" dusty haze from the north-east winds. The Rainy season spans May to October with a brief dry spell in August. The Isoko people migrated historically from Benin, Kingdom Edo State and therefore share some cultural similarities with the state. The Isoko South Local Area produces a large component of the oil and gas resources of Delta State. The population of Isoko South was approximately 227,712 (2006 population census).
The traditional occupation of the people of Isoko South is fishing and agriculture. There is also the widespread production of palm oil and palm kernels. Limited amount of hunting and fishing is also done. Women form a large proportion of the farming population. They also engage in trade of food crops for cash to meet other basic household needs.

2.2 Sample collection

The study adopted a field survey of the inundated areas of some flooded communities in Isoko South, Delta State, Nigeria. The study used primary data source. This was generated through personal observation, questionnaires distribution and oral interview of the people affected during the four (4) months (July-October, 2012) of inundation of the study area. These months were chosen as they coincided with the peak of rainfall in southeastern Nigeria as the peak of inundation. Two communities were selected for the study. These communities are Oleh and Aviara. The choice of these communities was based on willingness of community members to provide information. A total of Two hundred (200) households were randomly sampled from the study area. Household heads, decision makers in the communities (such as, local government counselors, community chiefs, head relief department at the local government secretariat, etc), elders, religious leaders, farmers and youths were targeted in the study, to provide information on the flood occurrences and its impacts on the life of people in the communities. Participatory questionnaire approach was used as a method to access the community’s perceptions on the flood occurrences and their impact on the communities’ socio-economic lives. Both descriptive and quantitative statistical methods were employed in the analysis and presentation of results. Data were presented in tables and statistical diagrams. The student’s t test was used to test for variation in the levels of impacts. The qualitative data was coded and entered in MS Excel before being transported to SPSS (Version 20.0).

3. Results

Tables 1-7 illustrate the socio-economic impacts of the 2012 flood events and community responses patterns.

**Table 1: Physical Impact of 2012 on household in Isoko south Local Government Area, Delta State**

<table>
<thead>
<tr>
<th>Type of Impact</th>
<th>Oleh Community</th>
<th>Aviara Community</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count of Respondents</td>
<td>% of Respondents</td>
<td>Count of Respondents</td>
</tr>
<tr>
<td>Collapse of building</td>
<td>10</td>
<td>18</td>
</tr>
<tr>
<td>Displacement of family members</td>
<td>32</td>
<td>34</td>
</tr>
<tr>
<td>Death/injury of Family member</td>
<td>8</td>
<td>3</td>
</tr>
<tr>
<td>Submergence of Farmland/lost of household properties</td>
<td>26</td>
<td>22</td>
</tr>
<tr>
<td>Damaged to businesses</td>
<td>18</td>
<td>16</td>
</tr>
<tr>
<td>Value of impact in Naira (N)</td>
<td>Oleh Community</td>
<td>Aviara Community</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>----------------</td>
<td>------------------</td>
</tr>
<tr>
<td></td>
<td>Count of Respondents</td>
<td>% of Respondents</td>
</tr>
<tr>
<td>&lt; 100,000.00</td>
<td>14</td>
<td>14.6</td>
</tr>
<tr>
<td>1000,000 – 1.5million</td>
<td>36</td>
<td>37.5</td>
</tr>
<tr>
<td>1.5million - 2.5million</td>
<td>32</td>
<td>33.3</td>
</tr>
<tr>
<td>2.5million – 3.5million</td>
<td>12</td>
<td>12.5</td>
</tr>
<tr>
<td>Above 3.5million</td>
<td>2</td>
<td>2.1</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Value of impact in Naira (N)</th>
<th>Oleh Community</th>
<th>Aviara community</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Count of Respondents</td>
<td>% of Respondents</td>
</tr>
<tr>
<td>&lt;50,000</td>
<td>26</td>
<td>27.1</td>
</tr>
<tr>
<td>50,000-100,000</td>
<td>16</td>
<td>16.6</td>
</tr>
<tr>
<td>100,000-200,000</td>
<td>20</td>
<td>20.8</td>
</tr>
<tr>
<td>200,000-300,000</td>
<td>18</td>
<td>18.8</td>
</tr>
<tr>
<td>300,000-400,000</td>
<td>10</td>
<td>10.4</td>
</tr>
<tr>
<td>Above 400,000</td>
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<td>6.3</td>
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<table>
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<th>Value of impact in Naira (N)</th>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Count of Respondents</td>
<td>% of Respondents</td>
</tr>
<tr>
<td>Submergence of school building</td>
<td>18</td>
<td>20</td>
</tr>
<tr>
<td>Disruption of learning activities</td>
<td>22</td>
<td>24.5</td>
</tr>
<tr>
<td>Fear of another flooding</td>
<td>6</td>
<td>6.7</td>
</tr>
<tr>
<td>Collapse of bridge</td>
<td>20</td>
<td>22.2</td>
</tr>
<tr>
<td>Road being impassable</td>
<td>16</td>
<td>17.8</td>
</tr>
<tr>
<td>Damage to school infrastructures</td>
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<td>8.8</td>
</tr>
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<table>
<thead>
<tr>
<th>Disease Type</th>
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<tbody>
<tr>
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<td>% of Respondents</td>
</tr>
<tr>
<td>Diarrhoea</td>
<td>21</td>
<td>22.6</td>
</tr>
<tr>
<td>Skin infection</td>
<td>13</td>
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</tr>
<tr>
<td>Malaria</td>
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<td>35.5</td>
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<tr>
<td>Measles</td>
<td>6</td>
<td>6.5</td>
</tr>
<tr>
<td>Typhoid Fever</td>
<td>16</td>
<td>17.2</td>
</tr>
<tr>
<td>Tetanus Infection</td>
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<td>4.3</td>
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<table>
<thead>
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<th>Value of impact in Naira (N)</th>
<th>Oleh Community</th>
<th>Aviara community</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Count of Respondents</td>
<td>% of Respondents</td>
</tr>
<tr>
<td>Bear the loss</td>
<td>30</td>
<td>30.9</td>
</tr>
<tr>
<td>Alternative location</td>
<td>8</td>
<td>8.2</td>
</tr>
<tr>
<td>Government intervention</td>
<td>12</td>
<td>12.4</td>
</tr>
<tr>
<td>Structural modification</td>
<td>16</td>
<td>16.5</td>
</tr>
<tr>
<td>Change of livelihood</td>
<td>8</td>
<td>8.2</td>
</tr>
<tr>
<td>Construction of canals</td>
<td>10</td>
<td>10.3</td>
</tr>
<tr>
<td>Raising of ground surface</td>
<td>9</td>
<td>9.3</td>
</tr>
<tr>
<td>Construction of monkey bridge</td>
<td>4</td>
<td>4.2</td>
</tr>
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</table>
Table 7: Underlying cause of vulnerability to the 2012 flood impact in Isoko south, Delta State

<table>
<thead>
<tr>
<th>Vulnerability Indicator</th>
<th>Oleh Community</th>
<th>Aviara community</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Count of Respondents</td>
<td>% of Respondents</td>
</tr>
<tr>
<td>Occupation in flood prone area</td>
<td>22</td>
<td>22.9</td>
</tr>
<tr>
<td>Poverty / Lack of alternative</td>
<td>16</td>
<td>16.7</td>
</tr>
<tr>
<td>Level of literacy</td>
<td>14</td>
<td>14.6</td>
</tr>
<tr>
<td>Reliance on government/community intervention</td>
<td>24</td>
<td>25</td>
</tr>
<tr>
<td>Attitude/cultural belief</td>
<td>8</td>
<td>8.3</td>
</tr>
<tr>
<td>Small businesses</td>
<td>12</td>
<td>12.5</td>
</tr>
</tbody>
</table>

4. Discussion

The severity of the 2012 flood shows that displacement of family members for the period of three-four month was the greatest impact in Isoko south, while submergence of farmland/lost of household property ranked second in terms of impact. Least impact was recorded for death/injuries. In Oleh community, damage to businesses was also a significant impact while collapse of buildings was also a very significant impact in Aviara community. These include residential and commercial buildings, bungalows, duplexes and storey buildings. The low response to death/injury in the both communities maybe attributed to the fact that the inhabitants of the study area are used to swimming even as early as 7 years. The study found that the voluntary services of divers also reduced the number of mortality. Only few deaths by disabled persons were recorded. Relocation to government relief camp and family friend in the upland areas was the two main available options. The financial cost of these damages ranged from lowest amount of fifty thousand Naira (50,000 N) to highest value of 3.5 million naira. However, greatest impact was on the category of 100,000-1.5 million Naira. The group under this category is mostly state civil servants and medium farm holders.

The level of damage on small-medium farm holders by the 2012 floods is summarized in table 3. In Oleh community, most of the impact was experienced by small farm holders’ mostly subsistent farmers who supplement civil service job with farming. In Aviara such was not the same as the impact on agriculture was more on medium farm holders. Generally however small farmer holders were most affected. The implication is such that since crop production/snail farming, live stock farming and fish farming are the main source of livelihood and food, continued exposure to floods will exacerbate their vulnerabilities as most of the respondents were willing to return home after the flood. All the respondents showed closure of school during the 4 months of flood inundation. Furthermore, 22.2% of the sampled households in Oleh indicated that collapse of connecting bridges was an major cause of disruption in learning activities. They were also reported cases complete submergence school infrastructure/damage of teaching equipment. The disruption in educational activity was also attributed to various reasons such as road being impassable. The study found that rivers and boreholes were the most common water sources that communities used for domestic uses. Nevertheless malaria fever was the common sickness during the 4 months of flood inundation as stagnant water became a breeding habitat for mosquitoes. The study revealed outbreaks of diarrhea and typhoid fever. This may be attributed to contamination from wastes, solid and sewage from burst septic tanks/pit latrines. The study found that the most common adjustment to the 2012 flooding in the study area was simply to suffer and bear the losses. The psychological and social impacts fall on the victims. This has negative effects as most of the flood affected persons reported to be battling with the thought of suicide. The fact that building Monkey Bridge ranked lowest in terms of response methods adopted by members of communities showed that most of the flood affected persons were of low income earning group. Results of student t test at 0.05 level of significance showed that the impact of the 2012 flooding in study area was similar in terms of damage to physical property, financial cost of impact, damage to school infrastructures and disease distribution. However, significant variation was observed in the two communities in terms of impacts on small farm holders.

5. Conclusion and Recommendations

The study revealed that the 2012 floods had adverse impact on the socio-economic status of livelihoods of people in in Oleh and Aviara communities, Isoko South Delta State whose traditional occupation are farming and fishing. It is also evident that the locations of these communities, their economic status and over dependence on government intervention were underlying causes of the people’s vulnerability and this poses a challenge for reducing or minimizing vulnerability. Although only few health facilities were damaged due to the floods, accessibility to available health services was a
problem due to infrastructure (Roads and Bridges) damage. School activities were also disrupted due to impassable roads, submergence of school building and fear from residents of another flood disaster. It was clear that households cope differently during the 2012 flood event. However, the most common strategy was bearing the losses by victims of the flood. Level of poverty also acted to prevent households from building concrete bridges, rather there was a general understanding than government should be responsible for flood control/abatement a situation which makes people less prepared for disaster. In the light of the above the study recommends that State government and relevant key stakeholders should engage communities in order for them to move permanently to higher grounds as most of the flood affected persons expressed the willingness to relocate if alternative livelihoods/basic social amenities such as; schools, hospitals, infrastructure are provided. There also need for land zoning in the framework of urban planning and regulation of urban development with a view to reducing the vulnerability of future flooding especially in the light recent global warming and climate change.

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Lean Six Sigma Based Administration Municipal Services versus Current Ones: Measuring the Gap from Civil Servants Perspective

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Abstract

The study compares the ideal municipal administrative services based on Lean Six Sigma with the current quality of administrative services provided by municipality, from the perspective of civil servants. Municipal civil servants have been interviewed and their responses have been analyzed. 12 Critical Success Factors (CSFs') and 36 sub factors have been used for the realization of the research. Statistical methods: Descriptive, Sample t-test, Independent t-test and One Way Anova have been used for the analysis. This research measures the gap, provides statistics and conclusions of the civil servants estimation differences regarding municipal administrative services, civil servants compliance for the identified gap and offers recommendations for administration service improvement in the future.

Keywords: Lean Six Sigma, LSS Critical Success Factors, Local Government Administration

1. Introduction

Municipalities generally provide services to citizens starting from the issuance of various certificates and permits, collection of taxes and fees, the realization of payments, allocation of subsidies, request’s reviewing and response to citizens’ etc. Of all government services, those provided by local government most directly affect the day-to-day lives of individuals (Sikander, 2015). Local governments are continually engaged to bring innovations in administrative services by improving the working environment, by installing modern systems and advanced means of communication and information, by training of civil servants in all levels of local government. Changes that improve processes are needed but before starting changing public management model, it is necessary to assess and measure the quality of current services in the municipality. Performance measurement is seen as a tool for improving public budgeting, promoting a better reporting system and modernizing public management (Greiling, 2005). The condition of the quality of services and the need for change, in this regard better than anyone else can help civil servants themselves who are working in the municipality. They are people who are part of the system of communication and information, they spend all the time communicating with citizens (customers) by using devices that are available, by listening their requests and complaints and experiencing pressures and privileges from their superiors. They know best as anyone else to assess performance in the municipal civil administration and their assessments help best to identify defects in the system. It is preferred that all civil servants that perform a task and produce a service for citizens should be involved in the process to improve administrative services. Lean six sigma management model is a suitable model for improving processes in administration, this is been proven in many municipalities in developed countries. Lean six sigma is the name typically given to process improvement programs that attempt to implement an approach that is more robust than either Lean or Six Sigma individually (Maleyff, 2014). In this research the difference of services based on lean six sigma and those currently provided in the municipality will be investigated, based on the civil servants estimations.

2. Literature Review

Lean Six Sigma is a process improvement philosophy which enables people to do a better job, eliminates waste and reduces cost, ultimately resulting in greater process efficiency and customer satisfaction (Martin, 2010, p. 58). It is based on the concept of combining two improvement programs, Lean Enterprise and Six Sigma. Lean is defined by Womack and Jones (1994) as the systematic removal of waste by all members of the organization from all areas of the values stream (Näslund, 2008, p. 273). The concept of LM can be traced to the Toyota Production System (TPS), a manufacturing philosophy pioneered by the Japanese engineers Taiichi Ohno and Shigeo Shingo (Kee, 2010, p. 12). Six Sigma is both a quality management philosophy and a methodology that focuses on reducing variation, measuring defects and improving the quality of products, processes and services (S. Furterer, A. K. Elshennawy, 2005). According
Lean, Six Sigma, and Lean Six Sigma are all variants of continuous improvement systems which have evolved from focused methodologies (Taylor et. al., 2014). Lean Six Sigma methodology is preferred over Lean or Six Sigma or any other continuous improvement methodology for process improvements across all the sectors in service industry (Sunder, 2013). Lean Six Sigma was originally devised to eliminate waste and improve manufacturing quality to no more than 3.4 defects per million opportunities (P. Guarraia, et. al., 2008, p. 1). Lean Six Sigma has been equally beneficial both for manufacturing or service concerns and Large or small scale organizations (X. Zhu, M. Hassan, 2012). A disciplined process improvement methodology, such as Lean Six Sigma, can benefit any organization, from large corporations to small municipalities (Maleyeff, 2007, p. 32). Lean six sigma concept is already being applied in many municipalities in USA and elsewhere as Fort Wayne, North Ayrshire, City of El Paso, Huston City, City of Tyler, City of Irving, Erie County. Successful implementation of lean six sigma usually is influenced by various factors. Brotherton and Shaw (1996) define CSFs as the ‘essential things’ that must be achieved by the company to identify which areas will produce the greatest “competitive leverages” (Baghban, 2016, p. 3463). There is some literature that suggests factors like leadership, strategic orientation, teamwork, technical approaches (metrics-systems), and training will probably affect LSS application. Psychogios et al. (2012), says that top management commitment, involvement & support; quality-driven organizational culture; quality-driven training; teamwork in problem solving; direct link between lean six sigma and customer satisfaction; strategic orientation of LSS; supportive technical systems (Tools, Techniques & IT); clear selection of LSS projects; prior implementation of other quality improvement programs; supportive performance management system are key factors that drive to successful implementation (A. G. Psychogios, L. K. Tsironis, 2012, p. 412). Today in the era of globalization and great competition one of the most important principles and aim of the large reforms is the principle of improving the quality of public services (E.Vanags, I Vanags, I. Vilka, 2006, p. 13). The local governments that have decided to start this innovation path since the early 1990’s have developed a new conception in the way they manage their organizations, from improving the quality of the services provided; executing their processes in a more effective and efficient way, to reduce the costs of the municipal management (money saving); until keeping the principle of legality, without being rigid, and guiding and approximating political decisions to the citizens through process standards in order to keep the current social services as higher as possible (Suárez-Barraza, 2013, p. 209). According to Akhakpe (2013), local government administration allows for clientele participation in decision making and implementation of government programs that affect their lives (Agbodike F.C. et. al., 2014, p. 100). Linderman, Schroeder, Zaheer, and Choo (2003) pointed out that six sigma can be implemented on the processes of producing manufacturing goods, business trade, executive management, and services. Service is about people, whether internal or external to the organization, and the relationships between them (Lisa, 2008).

3. Hypothesis

Since lean six sigma can ultimately helping companies and institutions achieve zero defects beside prompt delivery at lower costs and better customer satisfaction (Baghban, 2016, p. 3463), then it can be concluded that an organization that is successfully implementing this managerial concept is also offering ideal services to its customers. If a local municipal administration works with zero defects will satisfy the citizens, civil servants and its leadership. The question is whether the local municipal administration is offering ideal services to its citizens, if not, what is the gap between the LSS-based services and quality of services offered currently? In this paper, the gap between LSS-based services and the quality of services offered currently by a municipality in Kosovo has been explored. Hypotheses to be verified are:

H1: Municipality in Kosovo is not providing ideal administrative services to the citizens as would be achieved through lean six sigma based services.

H3: There is compliance between civil servants in their estimations regarding the existing gap between quality of LSS-based services and those currently provided by municipalities.

4. Methodology

This research was conducted in a municipality which deals with about 97,000 resident inhabitants. Administration of the civil service in the municipality is administered from 14 departments, plus the mayor's cabinet. In this administration are engaged 220 civil servants divided into three administrative levels: Managerial, professional, technical and administrative level. To 159 civil servants was conducted personal interview by using a structured questionnaire. In the questionnaire were 36 questions, three for each critical factor (12 CFS’s). Interview questions are formulated on enabling factor basis which are presented to the respondents with ideal content for administrative services based on LSS CFS’s where
respondents give their estimation score from their perspective using 5 options: Poor, Satisfactory, Good, Very Good and Ideal. Critical factors studied were selected from authors (Sunil Sharma, Anuradha R. Chetiya, 2012, p. 298) and (Ayon Chakraborty, Kay Chuan Tan, 2012, p. 998). The collected data were analyzed by using SPSS statistical models as descriptive analysis, One Sample T-test, Independent T-test and One way ANOVA.

5. Analysis

In this section are presented demographic profiles of respondents, gap analysis results which was conducted with the “one sample T-test”, gender-based differences which is realized by “Independent sample t-test” and group differences that are realized with “Anova”. The demographic profile of the respondents shows that 36.5% of the respondents who participated in the questionnaire were aged from 18-40, 30.2% were aged from 41-52 and 33.3% were aged from 53-64. This suggests that the separation of civil servants at the municipality was stratified into three groups, balanced with average around 30.3%. The total number of respondents was 159 with 3 employed at rank and five groups of working experience, 76 (47.8%) were male and 83 (52.2%) female, 19 chief officer’s, 111 officer’s, 15 assistant’s and 14 other in which nearly 50% of them have been working in municipality for at least 9 years, 34% at least 18 years, 3.1% at least 27 years, 10.7% at least 36 years and 3.1% at least 42 years.

In the Table 2 is presented GAP analysis to see the differences between the estimates of municipal civil servants regarding the quality of services they provide for the citizens and ideal quality to be achieved through the application of Lean Six Sigma (5.0). One sample t-test was used to see the results of the statistical significance. In the first row of Table 2 are presented data for the CSF Management Involvement, which shows that there is a difference between civil servants estimates and the ideal quality based on lean six sigma application. Average estimates are 4.02, the maximum rate based on application of lean six sigma 5.0 and the difference -0.97 5.0. Through the data issued by one sample t-test (t=-13.167; sig. 0.000 <0.005) it can be argued that there is statistically significant difference between the civil servants
estimation and the ideal quality based on lean six sigma application. In this table, based on estimations of civil servants of the municipality, the differences between the ideal quality based on lean six sigma (5.0) and quality offered by the municipality are evident throughout all CSF’s. This table shows that Management Involvement factor has the highest estimate and the smallest difference in comparison to other factors, and the Experts Engagement factor is estimated less than the others and has the highest difference. For Experts Engagement the average estimates are 3.08 out of 5.0 which ideal score is. The difference is -1.91 where t-test is (t=-26.312; sig. 0.000<0.005). The table shows that differences exist in all factors (CSF’s), in all cases we have differences with statistical significance because in all cases we can see sig. 0.000<0.005. The differences vary from -0.9 which is the smallest and -1.91 which is the largest one. So, the average estimates by civil servants for all CSF’s are less than 5.0.

Table 3 shows the results of Independent Sample t-test which presents the gender differences in terms of their estimates for the quality of services in the municipality. In the first row of Table 3 data can be learn for Management Involvement factor where the average estimate regarding this factor is with very close difference, where (M = 4.0175 and F = 4.0361). Further we can read the results of t-test (t = -0.125; sig.0.809 <0.05), which means that there is no gender statistically significant difference regarding Management Involvement estimates. Table shows also that by other factors are not noted large differences between the estimates outlined in both genders. The largest pronounced difference is noted by Visibility factor (M = F = 3.6140 and 3.4177) dif. = 0.1963 while the the smallest difference is noted by Motivation factor where (M = F = 3.1974 and 3.1888) dif. = 0.0086. Below, in the tables 4, 5 and 6 measurement analysis on estimation differences based on dimensions like age, work position and experience are presented. Table 4 shows the results of One Way ANOVA and we can see differences on estimation between different age groups. In the first row of the table 4 we can read data for Management Involvement factor and the results are: (age22-age26 = 4.15, age27-age39 = 3.93, age40-age52 = 4.08 and age53-age65 = 4.02), F value is 0.287 and the significance coefficient is 0.809. This means that the observed differences have no statistical significance, and that there is more than 80% chance that these differences happens randomly. According the analysis, it can be concluded that also by other CSFs’ there are no statistically significant differences between respondents with different age groups, in terms of civil servants estimations regarding quality services in the municipality. Also based on these data, we can say with much certainty that age has no impact on the assessment of civil servants. Observed data in the tables 4 and 5 shows similar results for assessments based on working position and experience. The differences are also small, no statistical significance difference is observed on civil servants estimation. Example, table 5, “Management Involvement” factor interpretation for working experience says this: (year 0-year 9 = 4.07; y10-y18 = 3.88; y19-y27 = 4.06; y28-y36 = 4.27 and y37-y42 = 3.86), F value = 0.686 while significance coefficient is: sig. = 0.602. In the table 6, “Management Involvement” factor interpretation for working position says following (Chief Officer = 4.03; Officer = 4.06; Assistant = 3.64 and other = 4.02), F value = 0.679 and the significance coefficient is sig. 0.61. Three tables show that differences between groups in the three cases are small, there is no statistically significant difference. This means that municipal civil servants regardless of age, experience or work position have similar opinions about the quality of municipal services.
<table>
<thead>
<tr>
<th>Table 6: One-way ANOVA results for differences in scores among three age groups in the factory.</th>
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<td>Factor</td>
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<tr>
<td>-------------------------</td>
</tr>
<tr>
<td>Position</td>
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<td>Chief officer</td>
</tr>
<tr>
<td>Officer</td>
</tr>
<tr>
<td>Secretary</td>
</tr>
<tr>
<td>Assistant</td>
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<td>Total</td>
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<th>Table 8: One-way ANOVA results on working position by sex.</th>
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<td>Factor</td>
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<tr>
<td>-------------------------</td>
</tr>
<tr>
<td>Chief officer</td>
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<tr>
<td>Officer</td>
</tr>
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<td>Secretary</td>
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<th>Table 10: One-way ANOVA results for differences in scores among three working experience groups in the factory.</th>
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<td>Factor</td>
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<tr>
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<tr>
<td>Assistant</td>
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</table>
6. Discussion

In this part the results that have emerged from the data analysis are discussed. Explanations are given on identified results over the existing gap between LSS standards and current quality of services. Each Critical Success Factor is tackled and explained. It is also discussed on civil servants compliance regarding their estimations. The outcomes of the analysis show that civil servants have provided estimates for most of the critical factors around 3.0 or slightly above. This means that each critical factor is far from the ideal quality which should be the target to be achieved in the future when compared to the value determined of 5.0 based on LSS standards. Data have produced a difference of -1.31 for “skills” which is the best estimated factor and worst estimated factor for “experts” which is -1.91. This means chief offices and officials do not properly follow targeted policies and they don’t share them in proper way with other officials, officials are not skilled to identify and report when there is a defect and to make proposals for solving the problem and they are not aware that their performance has an direct impact on all the chain of administrative service. Regarding the experts factor, there are no sufficient professional human resources and no external experts are engaged for specific projects that improve the quality of administrative services. Critical Success Factor “Management Involvement” makes an exception that has a positive score in this research. This factor was estimated by 4.02 points with only difference of -0.97 far from LSS standards which value in this research was 5.0. This means that the Chief Officers usually when necessary they spend time, even if not at ideal level as LSS standards requires, with employees in the workplace and provides assistance if required, he/she encourages officers to present the problem and solving the problem when it occurs during the process and he/she teach them how to conserve values and principles of the department. Regarding civil servants consistency the data shows that despite gender, age, position or work experience they all share similar estimation about the existing gap between the LSS standards and current services offered by the municipality. Observed results show similar estimations at three levels, meaning that their estimations are self-critical and all the three levels agree that the quality of services is far from the quality of services based on standards of LSS. Civil servants agree that improving quality of services at the levels of LSS, municipality must build contemporary electronic system, civil servants should receive more trainings, should increase confidence in the whole structure of the administration, must improve communication systems and above all municipalities should focus more to the citizens.

7. Conclusion and Recommendation

In conclusion, the hypothesis raised in this research are proven completely and can be concluded that the municipalities in the Republic of Kosovo do not provide the ideal quality of services for their citizens as would be the case with the application of lean six sigma standards. To this findings agree civil servants of Kosovo municipalities regardless of age, gender, place of work or experience. The quality of administrative services is an average of 3.5 from 5 points which is ideal level. Since the Republic of Kosovo is a new country, which is only 8 years as an independent country, it can be concluded that the level of administrative services is not disappointing because they are above average of 3.0. Still remains to be worked and improved in municipal service administration in order to satisfy needs of citizens. Since Lean aims to optimize costs, quality, and customer service constantly (N. Bhatia, J. Drew, 2007), municipalities such as is the case with Kosovo, as an emerging country, should be determined as soon as possible to start applying this concept. It is recommended that municipalities begin with application of LSS in selected departments, to plan investment of financial means, expert’s engagement, training for most capable civil servants so that in the future they can be leaders of the continuous improvement of administrative services in all municipality. Municipalities need to start using lean six sigma mechanisms and tools in order to identify defects in processes, to understand reasons why their work is not efficient enough.

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Abstract

The purpose of this paper is to give some general considerations on employment policy and international labour standards. This paper examines the context and the obligations under Convention no. 122, specifically: to declare an employment policy and to identify objectives of policies that can be implemented. It is important to mention that, this Convention, is one of the most important conventions that has defined the detail procedures regarding drafting and implementation of employment policies. According to this Convention, it is mandatory the involvement of representatives persons involved, in drafting and operation processes of employment policies. In this regard, authorities should take appropriate measures to secure that employers rights are respected and take into account their experience, views and opinions concerning employment policies. In order to stimulate economic growth, each member state should implement an active policy, in order to provide work for any person who was willing and able to work and an economic situation in which all available labor resources are being used. Furthermore in this paper will be identified general and selective measures, which are defined in Employment Policy Recommendation, 1964 (No. 122). The paper is focused especially on analyzing different issues regarding active labour market policies and employment policies. An important part of this paper, is the analysis of the flexibility in the labour market background, definitions of flexicurity, also security and flexibility in labour markets.

Keywords: Employment policy, international labour standards, labour market policies, flexibility and security.

1. Introduction

International labour standards play a key role in guaranteeing and respecting rights of all subjects involved in employment system. Since 1919, the International Labour Organization has developed a system of international labour standards aimed at promoting opportunities for women and men to obtain decent and productive work in conditions of freedom, equity, security and dignity. In today’s globalized economy, international labour standards are an essential component in the international framework for ensuring that the growth of the global economy provides benefits to all. (Rules of the Game: A brief introduction to International Labour Standards, 2014)

International labour standards are the fundamental part of the International Labour Organization’s strategy, which aims to promote globalization, development, reducing poverty and guarantee dignity and safety for workers and employers. One of the most important documents, is The Declaration on Social Justice for a Fair Globalization. This Declaration affirmed that International Labour Organization must apply and develop that policies which set standards, in accordance with the world of work and also that policies which can help in promoting and achieving the mission of the Organization.
2. International Labour Standards and Employment Policy

We can refer to international labour standards, as some legal instruments developed by the ILO’s integral parts, such as workers, employers and governments, which promote fundamental principles and rights at work. They can be either legally binding Conventions, specifically international treaties that member States should ratify, or recommendations, that are non-binding legal acts. Mostly, a Convention sets out the fundamental principles that should be adopted by countries that have ratified this Convention, while a Recommendation is a legal act which complements the Convention by setting out more detailed rules and instructions on how it could be implemented. Despite this, a recommendation can also be independent, so it can not be related to any Convention. It is important to mention that Recommendations and Conventions are developed by representatives of workers, employers and governments, and then they are adopted at the ILO’s annual International Labour Conference. Referring to ILO’s Constitution, all member States are obliged to send the adopted standard to the respective competent authority, which ordinarily can be the parliament, in order to take the approval document, which is called “consideration”. This process, in the case of Conventions, is called “consideration for ratification”. In case that a Convention is ratified, as a binding legal act, a Convention usually comes into force one year after the date of ratification from a specific country. After ratifying the Convention, ratifying countries are required to adopt the Convention in national law, to apply it and then to give a report or feedback, in regular periods of time, on issues related to the application of the Convention. If it is required by countries, International Labour Organization can offer technical assistance for different cases. According to cases, in which a country breaches the ratified Convention, the competent authorities can commence complaint procedures or representation procedures.

International labour standards elaborate the concept that several action needs to be taken on a specific issue, for example providing work for women with maternity protection, or providing safe and secure working conditions for horticultural workers. Evolving international labour standards, at the International Labour Organization, is a particular legislative process, that involves representatives of three actors, employers, workers and governments from all around the world. This legislative process is initiated from the Governing Body, which has the competence that, after agreeing on the issue, to put this issue on the agenda of a future International Labour Organization Conference. Then, the second step is the preparation of the report from the International Labour Office. This report offers an analyses of the laws, regulations, rules and practices of member States, related to the issue that is going to be discussed. It is mandatory, to represent and to submit this report to all the member States and also to different employers and workers organizations, in order to give them the opportunity to make comments and then to argue and review it at the International Labour Conference. There is also a second report that is prepared by the International Labour Office, together with a draft document for comments and is presented for discussion at the following International Labour Conference, where this document is proposed for adoption. There is also a specific procedure called “double discussion”, which is applied and gives to the participants of the Conference enough time to analyze the draft instrument and discuss on it. It is required a two-thirds majority of votes, in order to adopt a standard. In this regard, in order to adopt international labour standards, it is required to bring together delegations from all International Labour Office member States and each of them consist of government delegates, specifically one worker delegate and one employer delegate, which has one vote in plenary.

3. The Context and the Obligations under Convention no. 122

3.1 The context of Convention No. 122

Convention No. 122 illustrates the symbiosis between policy and rights. As a policy Convention, it articulates specific goals and the policies and programmes required for their achievement. But it is also a normative instrument: The states which ratify the Convention commit themselves and obtain different obligations, for instance the ratifying countries are required to take into consideration tripartite consultations, in formulating the policies. The employment policy goals are represented as a very important goal of the macroeconomic policy and for this reason the scope of the Convention consists of a very broad range of issues, such as social and financial matters, referring to ILO employment policy documents and discussions. The obligations related to the Convention include those deriving from membership of the ILO and particularly engagement with the supervisory processes. Convention No. 122 has proved an authoritative and popular statement of the role and goals of employment policy.

Convention No. 122 sets out the basic principles regarding the employment policies, which were first adopted by the ILO’s World Employment Conference in 1976 and other ILO instruments, which were ratified in the following decades and developed different elements of employment policy. Over the past few decades, many other member States have also articulated or adopted policies and programmes, which were focused on promoting full and productive employment.
Convention No. 122 has been ratified by many OECD countries, including Canada, the Member States of the European Union and Japan, as well as by Brazil, China, India and the Russian Federation. This Convention is also ratified from a great number of developing countries, which are taking steps towards its implementation through developing and implementing employment promotion policies and measures. Despite this, the real challenge remains the formulation and implementation of a national employment policy in accordance with the provisions of Convention.

The basic objective of Convention No. 122 is to see as a major goal, the implementation of that national policy, which promotes full and productive employment. In basic objectives is also involved the "freely chosen" element, with the purpose of ensuring the elimination of discrimination and creating opportunities to assure skills. There is a connection between the goal of full and productive employment and other economic and social objectives. In this context the most important element is first of all national level of development and other social and economic objectives. It is important to mention that representatives of employers and workers, as well as representatives of employers and workers involved in the rural economies, should be consulted on the formulation of employment policies and particularly on their application.

3.2 The obligations under Convention No. 122

First of all the Convention requires ratifying states to see as a major goal, the implementation of that national policy, which promotes full and productive employment. Regarding Article 1 of the Convention, employment policies shall ensure that people who are available and are looking for a work, to find and offer a productive work. In addition ratifying states are obliged to formulate and implement such policies, which shall aim at ensuring that people are free to choose their work, to find the appropriate work for which they are qualified for, to use their skills and to avoid all types of discrimination, such as on basis of color, religion, sex, race, national extraction, social origin or political opinion.

The Convention recommends that, employment policy shall take into consideration some essential elements, such as the level of economic development and the connection between the level of economic development, employment, social and economic objectives. The employment policies shall take due account to methods that are suitable to adopt in specific conditions of each ratifying state. Regarding Article 2 of the Convention, each member shall aim at ensuring, by applying the right methods and tools that are suitable for several conditions of a ratifying state and decide, after taking into consideration the economic and social factors, the measures and steps that is needed to be adopted for achieving the objectives stated in Article 1 of the Convention and also the programmes that needs to be developed, in order to fulfill the objectives and to apply this measures.

Full employment is not inconsistent with a degree of frictional (short-term) unemployment. ILO standard definitions and workforce surveys analyzing the different aspects of this phenomenon are widely used. First of all, productive employment. High value is clearly given to productivity among national economic objectives. Evidently, the greatest challenges that arise in this respect are at the informal end of the employment spectrum. Low productivity is a common feature of both rural and urban poverty. Referring to the application of Convention No. 122, the Committee of Experts states that the reduction of informal work is normally followed by an increase in productivity. Measures taken in relation to the informal economy should aim to provide enterprises in the informal economy with greater access to such elements, which facilitate this process. Member States provide information in their reports on the steps that ratifying states take in order to achieve the objectives of the Convention No. 122, in the framework of the informal economy, with the aim of transformation to the formal economy.

Second, freely chosen employment. The “Employment and Occupation” Convention No. 111, which entered into force in 1958, also prevents all types of discrimination in employment, such as discrimination on the basis of color, political opinion, race, national extraction, social origin and religion. This prohibition encompasses discrimination in relation to engagement, promotion, termination or any other conditions of employment. But it also calls for equal opportunities to be asserted and for active methods to be applied, in order to ensure equal opportunities, paying attention to vulnerable categories, including youth, migrants, older workers, indigenous peoples and workers with disabilities, not only with aim to prevent all the types of discrimination against them, but also to enhance their skills and employability.

Women make up around half of the population (or, in other words, half of human resources and human capital). This means that the situation of girls and women workers needs to be addressed in all countries, particularly by examining the gender relations at play in education and training, the gender division of labour and of property distribution. The employment policies can be successful, only if they are connected to households and social protection systems, which makes it impossible to ignore the need to strengthen the position of women in the employment issues. Employment policies are accordingly crucial in giving practical effect to the right related to free choices for both women and men workers. This complements the rights-based approach to equality advocated by the ILO, in which the right of equal compensation or remuneration for the same work for women and men workers, has a specific importance, in addition to
Active Labour Market Policies and Flexibility and Security

4.1 Active labour market policies

Since the 1990s there has been an increased request of the need to strengthen the relationship between employment, labour market policies and social protection. These types of policies are widely considered as an important and necessary mechanism in reducing unemployment. As a result, most economically developed countries have increased expenses for implementation of ALMPs (Active labour market policies). But it is important to mention that this process has not always been positive. A well-established microeconomic literature exists today on the effects of these policies and their design and delivery systems at the individual level.

The overall effects of ALMPs, however, have been less documented. Macroeconomic evaluations of ALMPs have not been carried out systematically yet, at least not taking into account implementation characteristics. In fact, few comprehensive studies centered specifically on the effects of ALMPs have been carried out since the beginning of the 90s and they reflect different approaches with regards to the effect of Active labour market policies on unemployment and employment level. While Layard et al. (1991) find that ALMPs have a negative effect on long-term unemployment, the OECD (1993) argues that results are not robust enough to be conclusive. More recently, Estevão (2003) found positive effects of ALMPs on the employment rate of the business sector in the 1990s but not in the late 1980s. Importantly, studies in which the effectiveness of ALMPs is linked to implementation aspects are even scarcer. As such, existing knowledge on the aggregate effects of activation measures and their design remains inconclusive. (Verônica, 2015)

Active labour market policies aim to create employment in two ways: first of all by implementing the appropriate measures, which support creating and generating, for example promoting public works, stimulating undertakings and enterprises and also by giving subsidies. The second way which is used to create employment is related with trainings, offering and providing full information and also by ensuring efficient labour exchanges. It can also be used indirect measures in macroeconomic level, promoting public works policies and programmes. One important aspect is also Collective bargaining. Collective bargaining consist of a process of negotiation between employees and employers aimed at arraining and regulating works conditions, benefits, working salaries and other aspects. This process can facilitate the implementation of those policies, which aims to create and ensure equality in employment.

With today’s openness to trade and investment, continuous technological progress and privatization of state-owned enterprises, labour market change is inevitable. In many cases, these changes result not only in internal reallocation of labour but also lay-offs. As a consequence, governments and the social partners must find ways to cope with such changes. ALMPs are an important policy tool for addressing the adverse effects of structural change and insufficient labour demand, thereby creating security in change, although they are not a substitute for macroeconomic policies of
economic growth and employment creation. In the absence of a favourable macro environment for increased investment, growth and employment, ALMPs can only provide temporary support to those displaced by structural and business cycle change.

Active policies must contribute to the reallocation of workers made redundant, while offering them replacement incomes during transition. In such a way, ALMPs not only contribute to security in change but also to employment, productivity and economic growth, at least in the longer term. Several units of the Office have already conceptualized and advised constituents on such active ways of coping with redundancies (e.g. socially responsible restructuring, community-based restructuring, etc. (Active labour market policies, 2003)). Regarding recent developments in ALMPs, it is important to mention activation of labour market policies, activation of in-work benefits, transitional labour markets, employment and competitiveness pacts, territorial employment pacts, Local development boards and community-based restructuring.

4.2 Flexibility and security

Since both flexibility and security are in fact multidimensional concepts, it is not surprising that a broader view has emerged in the European context. In this respect, labour market flexibility can be seen as the degree to which employment and/or working time (labour input adjustment) or wages (labour cost adjustment) can vary with the business cycle and structural changes to the economy. Moreover, flexibility can be seen in terms of external versus internal employment and/or working time (labour input adjustment) or wages (labour cost adjustment) can vary with the business cycle and structural changes to the economy. Flexibility can also be viewed as consisting of either numerical or functional adjustment; the latter referring to job changes involving a different employer and to labour turnover and geographic mobility, while the former refers to job changes within the same enterprise. Flexibility can also be described along different dimensions: job security, labour market security, employment protection and income security. Job security entails the protection of a particular job, i.e. traditional employment protection legislation, while employment security refers to the protection of employment but not necessarily in the same job or for the same employer, which is supported by labour market policies. Income security consists of protection to earnings provided by social security. A comprehensive approach to security (though employment security, labour market policies and social rights) can also be defined as labour market security. These multiple dimensions of both flexibility and security and their potential combinations clearly show that there isn’t a one-size-fits-all model. Although there has been considerable discussion on the Danish flexicurity model as a ‘golden triangle’ of flexible hiring and firing rules, generous income security and active labour market programmes, it is just one illustration of those possible combinations. (Cazes & Verick, 10)

Flexicurity represents a policy strategy that can be defined as follows: a policy strategy that attempts, synchronically and in a deliberate way, to enhance the flexibility of labour markets, the work organization and labour relations on the one hand, and to enhance security – employment security and social security – notably for weaker groups in and outside the labour market on the other hand. Clearly the definition presented above is rather strict due to the elements of ‘synchronization’, ‘coordination’ and ‘weaker groups’. Indeed, in order to render it possible to empirically research flexicurity a strict definition of the concept is required. (The Concept of “Flexicurity”: A new approach to regulating employment and labour markets, 2003). Flexicurity refers to the combination of flexible labour markets and a high level of employment and income security and is seen with the EU as the answer to the dilemma of how to maintain and improve competitiveness whilst preserving the European social model. One aspect to flexicurity is the promotion of flexible forms of working that will let more people participate in the labour market by giving them the possibility to balance work with other commitments. However, most social security systems were established to support the majority of workers in full-time regular employment and unless these are adapted to cater for atypical situations there is a clear risk of promoting flexibility without security. Given the current political emphasis on promoting flexicurity and monitoring of progress towards common goals, indicators to measure the extent to which people in flexible forms of employment are covered by social protection are of great interest. (Flexicurity: indicators on the coverage of certain social protection benefits for persons in flexible employment in the European union, 2009).
5. Conclusions

- International labour standards provide the basic essential social standards.
- International labour standards cover issues: wages, forced labour, social inclusion, basic rights for workers and employers, employment and unemployment policies, child and youth labour, equal opportunities and chances, equal compensation for the work with the same value etc.
- International Labour Organization aims to elaborate international labour standards and also in ensuring that these standards are implemented by governments.
- International labour standards are materialized in ILO’s legal tools, such as Conventions and Recommendations, respectively binding or non-binding guidelines.
- “Employment Policy” Convention No. 122, entered into force in 1964, promotes productive and full employment, which are considered as a major goal.
- It is important for the representatives of workers and employers, to be involved in drafting, formulation and application processes of employment policies.
- The application of policies, regarding security and flexibility, can be effective and helpful for representatives of employers and employees.
- Employment policies require close cooperation between ministries and key institutions that implement them.
- There are 8 ILO’s fundamental Conventions, developing and elaborating fundamental rights, which are legally binding guidelines.
- “Employment Policy” Convention No. 122, entered into force in 1964 is an important legal instruments, which plays a vital role in ensuring that national policy efforts give sufficient importance to the issue of employment.
- The better combination of flexibility and security, can effect employment, income and social protection.
- There is a discussion regarding flexicurity, what it is and can it work only on specific conditions.

References

Flexicurity: indicators on the coverage of certain social protection benefits for persons in flexible employment in the european union. (2009).
Microbiological and Physico-Chemical Data of Shkodra Lake for Months June-July-August

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Abstract

Lake Shkodra is closely connected with the change of weather conditions, which are associated with the increased runoff of streams and rivers that flow into the lake, especially in spring and fall season, increased rainfalls, snow, erosion phenomenon, flooding, etc. Water's central role in the biosphere implies several of the large issues confronting humanity which are in fact related to water: pollution, infections from pathogenic species, mismanaged agricultural lands, eutrophication etc. Shkodra watershed is exposed to various sources of pollutions, which are related with the discharge of waste waters, industrial and urban pollution, agricultural activities etc. Data on the lake Shkodra water quality will be presented at the article based in general physico-chemical and microbiological parameters. Water samples were collected according to Europian recommendations and WHO legislation. The physico-chemical and microbiological measured parameters were: pH, conductivity, turbidity, temperature, Enterococcus intestinales, Escherichia coli. The data presented here include months June, July and August for the years 2011 and 2012. Water samples were collected from 8 points of Lake Shkodra named stations. This study was conducted at the Microbiological Diagnostical Center "Wolfdieter Sixl", at the University of Shkodra "Luigi Gurakuqi".

Keywords: pH, conductivity, turbidity, temperature, Enterococcus intestinales, Escherichia coli

1. Introduction

The quality of Shkodra lake water is typically determined by monitoring microbial presence, especially faecal coliform bacteria (FC), Enterococcus intestinales etc (APHA-AWWA-WEF 1995). Different studies have shown the presence of many pathogens in lakes, rivers, groundwaters. All these pathogens can pose risks to human health. In many countries surface reservoirs serve as the main source of drinking water, and these surface water bodies are often vulnerable to pathogen contamination (Kistemann et al.2002). Weather events and pollution are a few of the external factors which affect physico-chemical parameters such as temperature, pH and dissolved oxygen (DO) of the water. These parameters have major influences on biochemical reactions that occur within the water. Standard Methods shows that the number of faecal coliform, Escherichia coli and Enterococcus intestinal indicates the origine of water pollution. The organisms most commonly used as indicators of faecal pollution are the coliform bacteria, particularly Escherichia coli and other faecal coliforms, (Chapman D, 1992). Escherichia coli is a species of fecal coliform bacteria that is specific to fecal material from humans and other warm-blooded animals (Draft International Standards ISO/DIN 8199). Enterococcus intestinal generally occur in the digestive systems of humans and other warm-blooded animals. In the past, Enterococcus intestinal were monitored together with fecal coliforms and a ratio of fecal coliforms to Enterococcus was calculated. This ratio was used to determine whether the contamination was of human or nonhuman origin. Standard Methods for the Examination of Water and Wastewater 20th Edition were used during collection, preservation and estimation of different parameters.
Figure 1: Sampling stations, (Image from Google Earth) (S1, S2, S3, S4, S5, S6, S7, S8)

Table 1. Geographical coordinates of sampling points

<table>
<thead>
<tr>
<th>Nr.</th>
<th>Sampling points</th>
<th>Geographical coordinates</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Shiroka</td>
<td>42°03'35.47''N, 19°27'25.30''E</td>
</tr>
<tr>
<td>2.</td>
<td>Zogaj</td>
<td>42°04'19.25''N, 19°23'57.00''E</td>
</tr>
<tr>
<td>3.</td>
<td>Zus</td>
<td>42°02'48.86''N, 19°29'14.17''E</td>
</tr>
<tr>
<td>4.</td>
<td>Buna river</td>
<td>42°03'01.98''N, 19°29'30.81''E</td>
</tr>
<tr>
<td>5.</td>
<td>Drini river</td>
<td>42°02'31.98''N, 19°29'34.10''E</td>
</tr>
<tr>
<td>7.</td>
<td>Kamica</td>
<td>42°12'34.98''N, 19°21'40.18''E</td>
</tr>
<tr>
<td>8.</td>
<td>Mid-lake</td>
<td>42°04'31.83''N, 19°26'15.10''E</td>
</tr>
</tbody>
</table>

2. Methods

The monitoring was carried out from June-July-August (2011-2012). The monitored stations were eight: (S1) Shiroka (42°03'35.47''N, 19°27'25.30''E), (S2) Zogaj (42°04'19.25''N, 19°23'57.00''E), (S3) Zus (42°02'48.86''N, 19°29'14.17''E), (S4) Buna river (42°03'01.98''N, 19°29'30.81''E), (S5) Drini river (42°02'31.98''N, 19°29'34.10''E), (S6) Sterbeq (42°11'26.33''N, 19°23'36.38''E), (S7) Kamica (42°12'34.98''N, 19°21'40.18''E), (S8) Mid-lake (42°04'31.83''N, 19°26'15.10''E). Sampling sites were defined on basis of anthropogenic pollution, water samples were taken with 250 ml sterile bottles by means of a TeleScoop sampler which is a versatile telescopic sampling system with exchangeable sample container holders and were transported in cool box. The following parameters were measured: i) pH, temperature and conductivity were measured in situ with equipment type of AQUALYTIC system ii) turbidity was measured using Turb 430 IR/T, a handheld precision turbidimeter providing the maximum degree of operating comfort, reliability and measuring certainty for all applications, iii) microbiological content was defined by the standard method, Most Probable Number (MPN) for Escherichia coli. In the MPN method, fermentation tubes are arranged in 3 rows, with 3 tubes per row, with varying dilutions of the samples in the tubes. A series of fermentation tubes that contains lactose broth are inoculated with the water sample and incubated for 48 hours at 44°C. A 10 mL of sample was inoculated into three tubes each consisting of double strengths lactose tubes, 1 mL was inoculated into the second three single-strength lactose
tubes, and 0.1 mL sample into each of the other three tubes, all containing lactose broth medium (Fig.2). ISO 8199, (1988); ISO 5667-2, (1995); ISO 7704, (1985) followed to conduct sampling properly. Standard Methods for the Examination of Water and Wastewater 20th Edition and ISO 9308-1, recommended use of membrane filtration method, where incubation temperature is 44°C and incubation time 48 hours. An appropriate volume of a water sample (100 mL water) was filtered through a 0.45-μm pore size nitrocellulose membrane filter that retains the bacteria present in the sample and was then transferred in Endo Agar and Slanetz Bartley Agar plates.

Figure 2. MPN/E.coli with lactose broth

3. Results and Discussion

Additionally, the monthly variations of physico-chemical properties were given in Fig. 3 a-d and microbiological parameters were given in Fig. 4 a-b. The results of our study are presented with graphics. Fig.3.a. present pH data for month June-July-August 2011-2012, which varies from 8.31-8.94. Temperature data for months June-July-August 2011-2012, vary from 18.2-26.9°C (Fig. 3 b). Conductivity data for months June-July-August 2011-2012, varies from 206.7μS/cm-248.8 μS/cm Fig.3-c. Turbidity data for months June-July-August, varies from 0.61-3.24 NTU/FNU. Escherichia coli ranged from 2-420 CFU/100 ml for months June-July-August 2011-2012 (Fig.4-a). Enterococcus intestinales for months June-July-August 2011-2012 varies from 4-383 CFU/100 ml (Fig. 4-b). The higher temperature in summer influence to the higher microbial content of samples. Enterococcus intestinales for Kamice (S1), Mid-lake (S4), Shirokë (S6) and Sterbeq (S5) was ≤100 CFU/100 ml water (excellent quality). Meanwhile Escherichia coli for Kamice (S1), Mid-lake (S4) and Sterbeq (S5) was lower ≤80 CFU/100 ml. Sampling points were characterized by a monthly change of microbial loading due to high temperature, pH changes, discharge of waste waters, etc. Microbiological data for Enterococcus intestinales and Escherichia coli are presented also with dendrograms conducted by Minitab 17. From figure 5. and figure 6. Dendrogram for Escherichia coli and Enterococcus intestinales shows that the sampling points represent similarities in function of the parameters set. The highest similarity for Escherichia coli and Enterococcus intestinales with respect to specified parameters represented sampling points Kamicë and Sterbeq which are geographically near to each other, these points appear as clean by microbiological indicators. Two other points Zogaj and Shiroka has similarity with each other because of the same source of water pollution, which is highly influenced from the untreated sewage waters discharged from Shiroka and Zogaj villages. Dendrogram for Enterococcus intestinales represent Zus and Buna river with the same source of pollution. From figure 5. Dendrogram for Escherichia coli represent two sampling points Zus and Drini river, which has the same similarity for Escherichia coli parameter, also Sterbeq and Kamice has the highest similarity the same as in figure 6. The hydrological system Drini-Buna is complicated because these rivers mixed together and this is the reason that the similarities of these points are different in two dendrograms of figure 5 and figure 6. Sampling stations S(2)-Buna and S(3)-Drini rivers, S(8)-Zus are characterised from highly bacterial loading, which is linked with sewage water pollution from two main rivers, which are polluted from municipal waste waters.
Fig. 3 a-d: Graphics with physico-chemical parameters a). pH b). temp c). conductivity d). turbidity

Fig. 4 a-b: Graphics with microbiological parameters a). Escherichia coli b). Enterococcus intestinales


4. Conclusions

The microbiological and physico-chemical data aims providing some assessment to water quality of Shirokë, Zogaj, Zus, Mid-lake, Drini and Buna rivers, Kamice and Sterbeq. The higher temperature in summer influence to the higher microbial content of samples. Sampling stations S(2) Buna and S(3)-Drini rivers, S(8)-Zus are characterised from highly bacterial loading, which is linked with sewage water pollution from two main rivers which are polluted from municipal waste waters. *Enterococcus intestinales* for Kamice (S1), Mid-lake (S4), Shirokë (S6) and Sterbeq (S5) was $\leq 100$ CFU/100 ml water (excellent quality). Meanwhile *Escherichia coli* for Kamice (S1), Mid-lake (S4) and Sterbeq (S5) was lower $\leq 80$ CFU/100 ml represent (excellent quality). Sampling points were characterized by a monthly change of microbial loading due to high temperature, pH changes, discharge of waste waters, etc. Quality of bathing water, EU Parliament (2006) values for inland waters *Escherichia coli* and *Enterococcus intestinales* were met in Mid-lake, Kamice, Sterbeq and Shirokë. Based on the same directive, Shirokë and Sterbeq result with excellent water quality for the years 2011-2012. From the results taken during this study we can conclude that the quality of the Shkodra lake water is of good quality according to the *Quality of Bathing Water, DIRECTIVE 2006/7/EC* for inland waters.

References


The Importance of Assessing Medicinal and Aromatic Plants as Products of Territory - In Order to Develop Tourism and Rural Areas

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Abstract

The concept of rural development, it stems from many factors and variables circumstantial of area as rural tourism, agritourism, products of territory, in our case the medicinal and aromatic plants. In this paper we estimate the land fund by purpose and destination of use is grouped into three categories, where the third, with about 53 thousand hectares, is less fertile, affected by erosion, and should be used with priority. Their expansion results to be 67% in mountain areas, 31% in hilly areas and only 2% in lowland areas. The more effective alternative according to our agriculture theory and practice is that of the aromatic and medicinal plants (medicinal and aromatic plants) that have multi-dimensional cultivating interests for our country, conditioned by the climatic and soil conditions as well as the economic and organizational conditions of a range of stakeholders related to the aromatic and medicinal plants, such as their growers, collectors, aggregators, processors and traders (exporters). In terms of our country the aromatic and medicinal plants have two main situations: From the wild, outdoor and, b) Cultivated, in increasingly growing areas, in different areas and with differentiated practices. Among the the aromatic and medicinal plants in complexity, sage, thyme and oregano have obvious superiority in area planted and the production realized out of their total. The advantage of the aromatic and medicinal plants results in full use of agricultural land, in a broader employment of free labor force (mainly women), increase of income, increase of their exports, which currently account for about 52-54 % of the total that agriculture as a whole realizes in the last years, etc.

Keywords: Bio products, tourism industry, products of territory, barren land, land fragmentation, medicinal and aromatic plants, rural tourism, etc.

1. Introduction

With the implementation of the Law on Land No. 7501 of 1991, a fund of 110 thousand hectares of land which was not distributed has remained without destination of use and has been considered as of "refused land" for a variety of well-known reasons. The purpose and the destination of their use divide those lands into three categories. They have territorial extent (about 70% in mountain areas) with a distance from the village-commune-city that goes up to 75 km, belong to the 5-10 class of soil fertility (they have low agricultural production potential), in some villages resulting from 300-1000 ha of such lands.

Various alternatives have been currently identified on the possibility of effective use of these lands, but as it turns out so far, the most rational has been the cultivation of different types of MAP in them. For the last three years (2013-2015) their production has resulted to be respectively in the figures: 7-17.4 and 10.4 thousand tons (6). Production is growing with oscillations over the years, with 2014 as the most successful among the other years. The aromatic and medicinal plants cultivation is of interest in our country. In many respects they demonstrate their advantages as: rational use of land refused, employment growth, increasing incomes, increasing exports, improving the quality of life of rural families, strengthening their pluriactive character, etc.

On the other hand, the aromatic and medicinal plants is one sector or activity that leads gradually to adequate...
improvement of the reciprocity city - countryside, by employing many free labor forces from the city in the rural areas around it. In this way, in our rural agriculture, some concepts are introduced, addressed by foreign authors, on the urban and rural dialectic improvements, on the perfect villagers and agriculturalists citizens, on the mother land and the young peasants, etc. (7).

2. Material and Methods

The Implementation of this paper was made possible by observing a series of methodological steps literature review, collection of data from primary and secondary sources that consisted as follows:

Semi-structured interviews with key actors of the value chain of the aromatic and medicinal plants in some areas of the country as: The region of Vlora, Kukes, the Great Highland (Malesia e Madhe) and Shengjeri area in Tirana. Semi-structured interviews with stakeholders in the advisory service and the Ministry of line for the most profitable and most suitable in these areas. Oral evidence and conversations with key people of relevant areas which affect and are affected regarding the cultivation of the aromatic and medicinal plants in variety, quantity and quality increased. The research of a wide literature on the aromatic and medicinal plants in Albania and statistical data on areas under cultivation, the diversity of the aromatic and medicinal plants, the quantities produced and exported, etc.. SWOT analysis to identify in our situation and in particular in study areas, as realistically as possible the strengths and opportunities on one hand as well as the weaknesses and threats on the other hand, to boost the development of this sector in rural areas. Economic analysis of the value chain for some of MAP in the studied areas. Designing and conducting surveys with farmers of different areas in the study, ages and genders, cultivating or not the aromatic and medicinal plants and how they judge for their impact on social and economic indicators of rural families (agricultural or not ), in more rational use of agricultural land in general and particularly unappropriated lands, etc.

3. Results and Discussion

3.1 Unappropriated lands and their use according products of territory estimation

Changes occurred in the early 90s with the advent of the market economy system enabled the old production structures (agricultural enterprises and agricultural cooperatives) in agriculture to cease, and pursuant to the Law on Land no. 7501 of June 1991 new production structures should be organized, small in size, but numerous (rural agricultural families). This reform on agricultural land not only dismantled and fragmentised the land in our country, but left out of economic circulation a considerable area (110,000 ha), considered refused (not split) because it is not getting owned by the rural agricultural economies due to low fertility, long distances from the centers and settlements, scarce opportunities for the organization of production in them, especially in remote and marginalized mountainous areas, etc. This agricultural land fund can be characterized by analyzing in the perspective as follows:

The destination of use (division) grouped in three categories.

The first category (with about 30 thousand ha); They are mostly fertile lands, with about 10 ha plots provided for use in the project "Albania 1 Euro" (Instruction of the Council of Ministers dated 18.07.2012 (1) placing at the disposal of foreign investors.

The second category (with about 27.500 ha); Land of the former agricultural enterprises are planned for the old former owners of agricultural land (compensation), which so far have received a small amount.

The third category, (with about 53.000 ha); It is refused land, unused, affected by soil erosion and which are lands that should be used with priority.

The relief where lands are located, it must be said that 67% of these lands lie in mountainous areas, 31% in hilly areas and only 2% in the field. (2)

The districts where these lands are located, we can emphasize that they have a total involvement of these (in 12 districts), but the share that they have in the total of the refused lands differs. Thus, in the regions of Durres- Shkodra-Kukes-Berat-Vlora this share ranges from 1-3% of the total; in the regions of Tirana-Fier-Elbasan it ranges from 4.5-8% of the land; and in other regions from 8.5-10%. Only Korca district occupies 54% of the total of these lands, where within this total, a share of 76% is occupied by Korca district.

The local units they are located on average from 155 ha / municipality (162 municipalities), about 45 hectares for every village (558 villages possess it), 35 ha / land lot (660 land lots).

The remoteness of the village - the municipality - the city they result in distances of 1 km to 75 km, where the minimum distance in 7 districts turns out to be 3 km, while the maximum distance in 8 districts reaches 40-75km.
The type of lands, based on the class of soil fertility that expresses the production potential (soil fertility), we emphasize that these lands (unappropriated) belong to classes 5-10 of soil fertility. The majority of them belong to the 6th class with 23% of the total, the 7th class with 37% of the total and the 8th class with 25% of their total.

As we evaluated above, in 62 villages (or in 12% of those who possess unappropriated land) a special phenomenon has been evidenced, because in those that are spread over 19 districts, there are over 100 ha of unappropriated land for each of them. On the other hand, 609 ha or 74% of the unappropriated land of the district are concentrated in Shengjergj (Tirana); over 300 ha in Kastrat (Dibra), over 1000 ha in five villages of Korca, etc. Only in the districts of Saranda, Delvina and Lezha has not been evidenced this land category that is being analyzed. From the above, the cultivation of agricultural land especially for the third category, will be conditioned by the area where they are located, the relief of land for each area, the concrete climatic conditions, the type of crops ranging to the area, the needs to work that crops have, market demands for concrete products, the development of land market and agricultural infrastructure, which makes it more attractive to unappropriated land cultivation, etc.

3.2 Medical and aromatic plants, as a territory products - an interest to cultivate them in our country

Land use in view of cultivation of aromatic and medicinal plants has a number of advantages, among which we mention as the most important the fact that it constitutes an instrument for reducing unemployment in rural areas (especially for women), for increasing income in rural families in general and those with little land in particular; for the protection of lands from erosion, degradation and loss of their agricultural activity, etc. Cultivation of the aromatic and medicinal plants brings an increase in production almost 6 times higher than those that grow in nature, leads to the development of the processing industry and their fast-growing export. It is estimated that this sector has been employed over 100 thousand people, whose growth depends on the interest of domestic and foreign companies to extend the model of the aromatic and medicinal plants in our country in further width of depth, due to increased market demand for some types of the aromatic and medicinal plants. The interest to cultivate the aromatic and medicinal plants begins even before the 90s by the state, for some of them such as rosemary, thymus, Lavanda etc.; meanwhile, it found further expansion over the years of market economy, rationally combining, as appropriate, the way of collecting in the wild (naturally) with the cultivation by rural economies, mainly in flinty lands (gravel), unsuitable for any kind of agricultural crop, etc.

8 kinds of plants have been considered as the most important in the entirety of the aromatic and medicinal plants, but those which occupy the largest cultivation area are:

The aromatic and medicinal plants in general and these crops in particular have a presence throughout the territory (except the common sage in Fier).

Their concentrations vary according to the regions where they are located. Thus, the most concentrated region results to be that of Fier and Gjirokaster; Common Sage slightly deviates from this concentration and is more concentrated in Gjirokasta, Vlora and Shkodra; whereas thyme is more concentrated in Tirana, Fier, Vlora and Dibra. Opportunities for expansion have been seen in the districts of Tirana (Shengjergj, which has about 610 ha refused, Berat, Dibra, Korca, Gjirokaster, Mallakastra, Elbasan, etc., because a larger number of lands of this category is found there and this will encourage rural development in those areas, by adding income and reducing poverty; they are part-time activities which increase pluriactive character of rural agricultural economies (provide from 17-30 - 60% of annual household income, subject the area). The further development and effective the aromatic and medicinal plants gets boost from direct funding support by the government, which has been increased and extended the measures over the years, where in 2015, for each hectare of cultivated land the amount of 250 thousand ALL has been offered.

The aromatic and medicinal plants concerns that have been numerous and present throughout their geographic distribution are multi-dimensional and can be reviewed: In environmental terms, it appears with massive erosion (Puka, Dibra, Koman, Çermenikë, Polican, Berat, Kukes, Saranda, etc.), caused by deforestation and new lands opening before 1990, by criterionless exploitation of some of the aromatic and medicinal plants where many of them are extinct.

In technical and technological terms, it must be said that the level of processing of the aromatic and medicinal plants in the country leaves much to be desired.

In social terms it appears with the phenomenon of leaving the population to urban areas, reducing the opportunity to accumulate them, the remoteness of collection points, which prevents interest towards the aromatic and medicinal plants.

In institutional terms, they relate to the cooperation Government - the aromatic and medicinal plants industry in Albania for informal performances, sale prices, etc.

In terms of bio certification, based on the fact that we have Bio products in the aromatic and medicinal plants, we claim to be among the leaders in the field of the aromatic and medicinal plants trade and marketing, with the label Made
in Albania. On the other hand it turns out the fact that the ratio MAP collection / possible production potential has increased over the years, but meantime it indicates that 30-50% of production is not converted into monetary value, so necessary for the interests of the country and certain groups of individuals (cultivators - collectors-processors-trader persons). In the structure of income of rural families, those from MAP occupied from 20-23-30% of their total and opportunities to achieve this share exist.

3.3 Some economic aspects in the aromatic and medicinal plants sector through the rural tourism industry

The aromatic and medicinal plants sector is an important source of income for the country regarding their exportation, that a similar situation has been evidenced for the past years:

According of this information it turns out that export in both cases have been increased, on average 14-20% per annum. the aromatic and medicinal plants share of exports against the agricultural sector results to be over 50%, but the ratio has declined over the years, with about 2 percent per year or about 4 percent in 2013/2011. By comparing the quantity and value of exports to the aromatic and medicinal plants for the period under review we emphasize that they have almost the same increase rate (6% more on value aspect), which indicates that there is still much work to be done on the quality of the product and consequently on its sale price. The indicator is conditional on the number of collectors and the quantity of te wild the aromatic and medicinal plants (70-80 thousand collectors), on the cultivation of the aromatic and medicinal plants from the farmers (an increasingly growing number), on the number and organization of companies for the collection and processing of the aromatic and medicinal plants, as well as the number of people employed varies (from 50-240 people); on the financial support from various programs, besides the direct state support, etc.

The aromatic and medicinal plants are annual and perennial plants, from which the average annual benefit is conditioned (ranging from 2060 EUR/ha for thyme up to 4610 EUR/ha for for linden plus thyme); settlement of investment (ranging from 1-2 years) as well as the profit for 1 kg in the case of wild collection of the aromatic and medicinal plants from their natural habitats, a situation that is presented as follows: The above informations indicates that the profit varies between the aromatic and medicinal plants; the highest price is that of common sage, which justifies the increase of areas planted with this plant.

Only in Malesia e Madhe, there are currently (in 2015) 3140 ha of 700 ha (in 2011) and other 1200 ha are aimed in the coming years. In the the aromatic and medicinal plants structure it occupies 88% of the area. This varies analysis according to the areas. Thus, for the cost-benefit analysis, the following three are the most likely scenarios in Shengjergj:

a. Two annual plants: fennel and anise.

b. Three 4-5 years plants: commonsage, thyme and oregano.

c. Perennial MAP: linden-laurel, associated with thyme.

Initial costs for annual plants are lower compared with the other two scenarios, where the majority of the initial investment costs consist of buying inputs such as seeds, seedlings, etc.

4. Conclusions and Recommendations

As a result, a number of conclusions have been naturally identified as follows:

The cultivation of the aromatic and medicinal plants is an alternative among many of those that these lands can be put into economic circulation, which provide use of land, increase of employment, increase of income for rural families, strengthening their pluractive character, increased of exports, etc.

Almost 90% of the aromatic and medicinal plants types are found in the wild, whereas regarding the cultivated the aromatic and medicinal plants, based on cost-benefit analysis, at least three scenarios can be used, which are conditioned from their cultivation areas.

An over exploitation and use of improper collection techniques has been evidenced, which leads to the fact that many types of the aromatic and medicinal plants (10 of them) are on the list of endangered plants etc.

The aromatic and medicinal plants exports have marked a satisfactory increase and occupy 51-54% of the total achieved from agriculture, with the possibility of improvement in the future.

With the implementation of the Law on Land No. 7501 of 1991, a fund of 110 thousand hectares of land which remained without destination of use and was considered refused, extending throughout the territory and with production potential of classes 5-10 of soil fertility.

Considering the above, we could also identify some suggestions that consist in the fact that:

The cooperations of farmers in the field of production-marketing of the aromatic and medicinal plants would lead to
the reduction of their cost, the increase of the negotiating power with various companies and the increase of revenue.

The aromatic and medicinal plants initially can play a special role in the growth of rural-urban reciprocity employing many free labor force from the city, where appropriate. In this way can be improved the concept addressed by some foreign authors on the urban-rural dialectical improvements, on the real and not the fake love for the village, on the perfect villagers and the urban agriculturalist (farmers), on the land mother and the young peasants, etc.

Export of the aromatic and medicinal plants capable to process would affect revenue growth and further employment of labor force.

It would be of interest for endangered plants threatened to be extinct if their collection should be stopped and the appropriate set of measures should be taken regarding this.

More investment from domestic operators to increase processing technology of the aromatic and medicinal plants in the country.

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The Perception of the City as a Growth Machine and Space of Flows

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Abstract

Two of the main features of the city over the last 50 years include intense urbanization and large scale growth. These two phenomena have produced new social, political and economical dynamics that have radicalized our understanding of the city. Many disciplines, among which urban sociology, are facing a crisis of old paradigms to explain these innovations. Consequently, contemporary urban sociology has articulated two new paradigms that try to explain and analyze the new processes of global urbanization. In the view of new models of urban growth, under intense globalization process, these phenomena are completely renovating the perception of the city under the models of a growth machine and the space of flows. These two views attempt to explain and understand the dynamic growth and changes in contemporary cities. In this essay we will put expose a critical analysis of the city as a growth machine and space of flows of the most important authors that unfold a latest development of the city in contemporary conditions. The main authors whose work will be addressed here are Harvey Molotch and Manuel Castells. Molotch reveals a new perception of the city as a growth machine that is based on the terms of strong economic urban development, while Castells introduces the notion of "network city" and "space of flows" for a new social structure to explain the complexity of connection within and between the cities (global cities). Under the new conditions, the perception of the city is understood as the space of flows that create global networks and new forms of interaction.

Keywords: growth machine, city, space of flows, global city, network

1. Introduction

There are various perceptions of the city being influenced from different methodology, disciplines and paradigms during the history of urban thought. One of the prospects that will be treated is related to the analysis of the city as a locus, which is defined not only by the physical and economical factors but also from the social and communicative ones. Urban sociologists such as Louis Wirth and Harvey Moloch have analysed the perception of the city as a machine of growth, where, besides the positive aspects that the economic capital provides to us, it also causes problems which are associated with impacts on the environment and economic inequality. 

In addition, under the new conditions of globalization and the development of technological communication, a new theory by Manuel Castells will be shaped, known as space of flows. This perspective will highlight the idea that the perception of the city not only has radically changed but it has also produced a dynamic of extension, not only between urban and rural but also in the way of its formation as non-physical entity with global borders. The basic categories and concepts of the way how the city is being perceived, such as: time, urban areas and the relationships of social interaction, have been totally changed, due to the influence of modern communication technologies.

2. The City as a Growth Machine

Different conventional definitions of the city, urban areas or metropolis have resulted in various analysis of the urban systems and the problems associated with them. One of the most interesting approaches to determine urban areas begins since the '40s with the notion of Wirth. His paradigm is related to the historical and social conditions that the american metropolis had at that time, which then became a model of interpretation for Europe. Thus, Wirth being conditioned by intensive process of urbanization at the time, perceived the city not as a dimension of social structure which involved the power and hierarchy of classes, but as an equation with physical terms with three main element: “number, density and heterogeneity.” According to Wirth, there are a number of sociological propositions concerning the relationship between (a) number of population, (b) density of settlement and (c) heterogeneity of inhabitants and group life, which can be formulated on the basis of observation and research (Wirth,1938,10).
At this perspective, Wirth not only was seeking to mark the typology of the city and what actually the city is but also to emphasize the difference between the rural space and the situation of the city before the intensive process of the modern urbanization. Consequently, one of the basic qualities of urbanization is the appearance of the increasing size of number and growth of population and its heterogeneity. “Thus the larger, the more densely populated, and the more heterogeneous a community, the more accentuated the characteristics associated with urbanism will be” (Wirth, 1938, 9).

In this aspect the intensive urbanization was considered to be not only an element that was developed at the inner part of the city, but also as a process which redefined and reshaped its own meaning. In geometric terms, the vectorial growth of the number constitutes the essential element of what it is named a city, where “to to say that large numbers are necessary to constitute a city means, of course, large numbers in relation to a restricted area or high density of settlement’ (Wirth, 1938,9).

Nevertheless, although the Wirth’s access became one of the dominant paradigms in the interpretation of the urban space, it had a deeper impact at the further changes of the city which appeared later on.

At this point of view, with the great economic development that the city was undergoing, a new access naturally was produced, but which took into consideration the main principles of Wirth’s model.

Around the early 80’s, when western cities had achieved an economic and material prosperity, a new paradigm of the conception of the city arose, which took into consideration these economic factors. Taking as empirical model the American city, Molotch “...speculate that the political and economic essence of virtually any given locality, in the present American context, is growth” (Molotch, 1976, 309-310).

Historically, Molotch was the first one who stressed the idea of the city as a growth machine, a basic locality which contributes in its own economical growth and development, but also as a state in general. According to him, empirically “the clearest indication of success at growth is a constantly rising urban-area population- a symptom of pattern ordinarily comprising an initial expansion of basic industries followed by an expanded labor force, a rising scale of retail and wholesale commerce, more far-flung and increasingly intensive land development, higher population density, and increased levels of financial activity” (Molotch, 1976,310).

However, this model of urban growth related to the city is too complex also at a political and social level. Stressing the economic dimension of the nature of the city this aspect involves directly a dimension of power and politics. “Thus, because the city is a growth machine, it draws a special sort of person into its politics” (Molotch, 1976, 317). In a more concrete social sense, every part of the land in the urban space is an aggregate of interests and each territory should not be seen as a demarcation of topographical features but also as a mosaic of competing interests associated with land capable of action and strategic kualicion. But this process is also one of the reasons of social conflict that this pattern of the city growth creates. “First is the increasing suspicion that in many areas, at many historical moments, growth benefits only a small proportion of local residents” (Molotch, 1976,318). Se dity, “growth almost brings with it the obvious problems of increased air and water pollution, traffic congestion, and overtaxing of natural amenities” (Molotch, 1976,318).

3. The City as a Space of Flows

Under the phenomenon of the intensive urbanization and suburbanization the city was experiencing deep social and urban dynamics. In this aspect, not only the economic capital but also the technological one was radically changing the conception and perception related to the urban space. One of the main researchers who contributed in his work was Manuel Castell. From the social point of view, he stated that: “the critical factor in the new urban processes, in Europe as elsewhere, is the fact that urban space is increasingly differentiated in social terms, while being functionally interrelated beyond physical contiguity. There follows the separation between symbolic meaning, location of functions, and the social appropriation of space in the metropolitan area” (Castells, 2010, 433-434). Meanwhile, according to him, in an epistemological aspect, “to consider the city as projection of society on space is both an indispensable starting point and too elementary an approach” (Castells, 1977, 115). So in a complex and complete meaning the area “.... is not a reflection of society, it is its expression. In other words: space is not a photocopy of society, it is society. Spatial forms and processes are formed by the dynamics of the overall social structure.” (Castells, 2010, 440-441).

From this point of view, the changed social conditions related to the city according to Castell, involve a new kind of conception and interpretation of the area and land in an urban sense. He states that the usage of new technologies, the collapse of communist states and the emergence of various social movements have resulted in the creation of a new society, the society of network. Thus, in todays social meaning, “the new society is made up of networks [....]a network is a set of interconnected nodes” (Castell, 2000, 695).

On the other hand, a new concept responds to the new social and technological conditions, that of space of flows.
The “... idea that there is a new spatial form characteristic of social practices that dominate and shape the network society: the space of flows. The space of flows is the material organisation of time-sharing social practices that work through flows. By flows I understand purposeful, repetitive, programmable sequences of exchange and interaction between physically disjointed positions held by social actors in the economic, political, and symbolic structures of society” (Castells, 2010, 442).

Thus, from the social aspect “the theory of space of flows from the implicit assumption that societies are asymmetrically organized around the dominant interests specific to each social structure. The space of flows is not the only spatial logic of our societies. It is, however, the dominant spatial logic because it is the spatial logic of the dominant interests/functions in our society” (Castells, 2010, 445). However, the space of flows has its own typology by radically transforming the concept of place and time related to the urban area, where “... function and power in our societies are organized in the space of flows, the structural domination of its logic essentially alters the meaning and dynamic of places” (Castells, 2010, 458). “[The] networks of discontiguous places in interaction with a diverse range of localities are the components of the new sociospatial structure.... A social structure made up of networks is an interactive system, constantly on the move. Social actors constituted as networks add and subtract components, which bring with them into the acting network new values and interests defined in terms of their matrix in the changing social structure” (Castell, 2000, 697).

But, with the change of social structure under the regime of space of flows, the vector time and place also change, as a result of the new technological vector.

“With the diffusion of electronically based communication technologies, territorial contiguity ceases to be a precondition for the simultaneity of interactive social practices. But the “death of distance” is not the end of spatial dimension of society... The space of flows... is made of electronic circuits and information systems, but it is also made of territories, physical places, whose functional or symbolic meaning depends on their connection to a network, rather than on its specific characteristics as localities. The space of flows is made of bits and pieces of places, connected by telecommunications, fast transportation, and information systems, and marked by symbols and spaces of intermediation (such as airports, international hotels, business centers, symbolized by de-localized architecture)” (Castell, 2000, 696).

Furthermore, the new virtual and distance communication technology shapes and organizes a new kind of social humus in the urban space.

“The Information Age is ushering in a new urban form, the informational city...[and]... because of the nature of the new society, based upon knowledge, or organized around networks, and partly made up of flows, the informational city in not a form but a process, a process characterized by structural domination of the space of flows” (Castells, 2010, 429).

In this dynamic, the later is increasingly replacing the space of places. Castells, states that our society has evolved into a situation with three main features: information, globalization and network. In a broader geographical sense, typologically the space of flows acts the same as the electronic communication networks that is related to the development of a hierarchy of cities (global cities) which become strategic distributors of the information at a global level, thus forming what is named “global city”.

More specifically, “the global city is made of territories that in different cities ensure the management of global economy and of global information networks...so the global city is a network of noncontiguous territories, reunited around the task of managing globalization by networks that transcend locality” (Castell, 2000, 697). But the typology of this city is more complicated than it appears because “the global city is not a place, but a process” (Castells, 2010, 417).

This concept is not only perceived as a definitive product, but as an open and dynamic process which constantly changing over time.

4. Conclusions

Even though these paradigms presented a restricted perspective of the perception of the city, however, they constitute a good and empirically justified model, which help us understand urban space in today’s global conditions. They stressed the fact that often the technological innovation and the economic capital create a deep impact not only in the conception of the city but also in the way categories and relations within and outside the city radically change shape.

Furthermore, these perspectives stress the fact that in today’s specific conditions, new problems have appeared which require innovative instruments to be solved on a scale that overcomes the physical limits of the city, permanently changing the physiognomy and dynamics that it creates.
References


Globalization and Growth Symptoms of Economic Changes Versus Legal Reforms in Albania and Management Challenges Too

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Abstract

The last years that there is a significant decline in economic growth, there are real freezing increase in budget revenues, deepening budget deficit, an increase of the stock ,the debt stock, deterioration of the trade balance, the decline of crediting to economy, remittances are also in decline, while the EURO and USD continue to rise towards ALL (Albanian Lek). Such indicators are enough symptoms of the concerns why the economic growth in future periods may be difficult and will require more time to return to levels before the crisis. Without high rates of economic growth every economic challenge, social and integration becomes too much difficult in our country. This topic that I am presenting consist in improving the wider usage of strategic management in medium-sized enterprises and small ones ,in our country.

Keywords: Legal analyze, Economic growth, Trade balance, Management of SME, Legal reforms.

1. Introduction

It seems that the time has fully come to be more clear in the basic objectives of development and growth model for the next 10-20 years. This lack becomes it more severe and the fact that the main political forces are in constant antagonism between them, which is expressed in the negative attitudes of each mutual economic achievement and the neglect shown to the concept of “a national strategy development” prepared with the utmost political and scientific consensus needed and respected by both sides. We are in a crucial moment to make precise concept of a clear policy for economic growth model and its essential factors. Closing It and In front of an indisputable fact. The current guarantee model of economic growth in Albania was based mainly on remittances from the emigration, which in some years have been even higher than 1 billion Euros per year.

Many donations as a poor country and the development that we have benefited as wholesale from soft loans and foreign aid, has really been an important artery that regularly furnished our economy, massive privatizations which have created to our budgets the luxury of being in balance and minimal deficit. Mostly agricultural self-employment, “boom” of 15-year-old construction sector, the dismissal of unemployment towards Greece or Italy, the binding recommendations of the IMF, appears to be moving toward total or partial exhaustion.

Even in18-year policies with absolute priority “maintaining macroeconomic balances”, thus creating opportunities for economic growth which does not seem to be a single one. The time has come to do more structural policies, well addressed and wide enough for promoting the maximum economic growth, to ensure the sustainability of its factorial. (R. Aveni, 1995)

For the study of this topic are used the primary researches which are supported by citations of publications, from the managers of big business in the world and secondary researches which include raising hypotheses and development of various publications as well as online searches . During these twenty years, Albania has made an undeniable economic progress.
1.1 The goals of this paper research

1. A better life in the country's economic and social offering employment opportunities and growth income.
2. Harmonious and long-term development of businesses based on the principles of attitude
3. Improvement of financing of local businesses
   - Increase the level of crediting and the creation of the Albanian Guarantee Fund of credits.
   - Increased funds for microcredit.
   - Strengthening the capacity of institutions of Microcredit
4. The objective of strategic management to support the overall goal of developing in Albania.

1.2 Methodology of this paper research

What are the best structural policies that the European economy convert us, where we aim to integrate? Which will be sectors that will make 'the motor' of the Albanian economy in the coming years? Tourism? Agriculture and agro-industry? Energy? Industry? Infrastructure? Education? Knowledge economy? Services? The small and medium business development? etc.

2. Literature Review and Hypotheses

But at the same time assessment of the debates has led to the conclusion that even after 20 years of transition are inherited many unfinished issues, missed reforms, uncrossed problems, and that’s why few questions and dilemmas should get an answered, in front of which is currently the socio-economic development and its opinion.

Hypotheses of this paper research
Some of these issues can be:
H1. Is there any theoretical context for the issues of economic model we are discussing about?
H 2. Has it completely finished the economic transition of Albania?
H3. What are the main achievements of this transition, mistakes, failures, dilemmas and challenges of the future?
Which model are we going to select? What vision and perspective for the macroeconomic role stability will we have, about the control over the budget deficit and public debt, in the context of the global crisis and its impact? Does Albanian economy need an absolute restructuring?
The following questions are being analyzed that are taken into consideration during the research
Which will be the priorities of development? How will this model be supported in the use of internal resources and new to our economy and how coherent is this the newest developments of global development, green development, climate change, water management and energy, innovation, technology, education, age of the internet and digitalization?
Is our economy ready to pass from a developing economy to a developed economy, exporting, competing with what comparative disadvantages and integrated in the region and on the continent?
Will the property issues be finally settled and what role will market play in financial ground in this model.
• How will it go on with to the development of regulatory reforms to expand economic freedom and to enhance the role of business and domestic and foreign investment in our economy?
• Will we have a synergy of economic development with employment and social development in the country?
• Will this bring economic development and to improve the quality of population life, in terms of age structure and its territorial development across the country.
• Which will be the role of economic diplomacy and new perspective of cooperation with international financial institutions?

3. The Significant Indicators of this Paper Research Study

Every business needs to develop a strategy by offering more competitive in its market. Strategic levels of international businesses have some unique features. To follow this strategy state level in which this arises is the most important mass expansion of its products. This is comprised of four levels.
The levels are: 1-Factors of production refer to all inputs necessary to compete in an industry such as labor, land, natural resources, capital and infrastructure. Of course these are based on a specific industry. If an industry has these factors specialized and advanced, than they can become one of the most successful industries.
Perscriptive conditions are characterized by a nature and a large proportion of buyers who have a need for their
own market share in the industry of goods and services. A significant measure of the market segment can produce a slight degree of efficiency and as much as competitive.

Related and supporting industries is the third dimension in this model. Italy's leading footwear was done because of this dimension.

What are the best structural policies that the European economy converts us, where we aim to integrate? Which will be sectors that will make “the motor” of the Albanian economy in the coming years?

It seems that the time has fully come to be clearer in the basic objectives of development and growth model for the next 10-20 years. This lack becomes it more severe and the fact that the main political forces are in constant antagonism between them, an antagonism which is expressed in the negative attitudes of each mutual economic achievement and the neglect shown to the concept of “a national strategy development” prepared with the utmost political and scientific consensus needed and respected by both sides.

The current guarantee model of economic growth in Albania was based mainly on remittances from the emigration, which in some years have been even higher than 11 milliard Euros per year. Many donations as a poor country and the development that we have benefited as wholesale from soft loans and foreign aid, has really been an important artery that regularly furnished our economy, massive privatizations which have created to our budgets the luxury of being in balance and minimal deficit

Even in 18-year policies with absolute priority “maintaining macroeconomic balances” thus creating opportunities for economic growth which does not seem to be a single one. The time has come to do more structural policies, well addressed and wide enough for promoting the maximum economic growth, to ensure the sustainability of its factorial.

This dimension helps companies in obtaining raw materials from the factory.

The structure, firm strategy and rivalry is the fourth dimension, which is the dimension with specific growth industries. The line of this dimension avoids competing firms with a structure or strategy. Earlier the attention was placed on the training of managers and executives study and later these things changed because the technology took advance. Japanese products have facilitated the work of managers under the program. (Harris, T.G 1997)

Strategy to reduce global costs of industries, are usually located in the state where they started their own business. Economy of scale is the main purpose for the operation of various industries in every country of the world. As explanation in a strategic focus some global air companies are thinking to use low cost strategy.

4. Diversification and Innovation Development Strategy

International diversification indicates a potential firm, which have to achieve their returns based on innovation. International diversification may be necessary to improve resources. In an environment that has many changes diversification assists with technological changes. Relationship in a global diversification, innovation and resources are interrelated. Many performance levels are needed to prove the innovation and resources required for development.

Researches can improve the profits of a company because of the potential capabilities of diversification with innovation performance or some have argued that the returns are increasing but this diversification has a very big risk. International expansion is very difficult to manage because there are risks. (Kester, F & Wollenberg, A.L 1986) Chief among them are economic and political risks because due to these risks by diversification of large firms are accustomed to the conditions of a market in competitive situations. The risk policy has to do with a government concentration creating much problem. The economic risk concerns exchange rates and market expansion line.

5. Types of Competitive Strategy

Strategic alliances are partnerships between firms and their sources of competition foundation skills are combined for the development and distribution of goods and services. Joint ventures are when two or more firms establish an independent company together and share the profit equally.

Strategic business alliances are consisting on partnership that have a different percentage on the surface but are equal among them. Unequal strategic alliances are formed by companies and customers agreement procedures or Distribution, in order to distribute goods and services. Types of competitive strategies at the business level are complementary alliances, alliances and reducing competition, the alliance responsible for reducing competition and alliance strategy. While the types of competitive strategy at the corporate level are diversifying alliances and franchises (Dumi A. SME strategy 2015)
6. Innovation

Technological revolution and greater competition in international markets have increased the importance of competitive innovation. Returns have shown that firms competing in the global industry and invest more in innovation to increase their profits. (Harris, T.G 1993)

In fact, investors often react positively to new products and enhance the firm's stocks pegged to steer cooperation level as better one. Corporate enterprises include firm commitments and actions, that decide to develop and manage innovation. (Kester, F & Wollenberg, A.L 1986)

Formally undertaken Corporate is a set of skills to produce goods and services effectively and to have a successful commercialization. Strategic leaders, managers and entrepreneurs all have an important role and are crucial to a corporation effective one. Innovation is an act of creation or development of a new product. Innovation is a process for creating a commercial product from similar firms. Simulation usually leads to products or processes standardization in America the most critical of all activities has been innovation. (Dumi A. SME strategy, 2015)

Many firms are able to generate ideas that lead to the commercialization but these goals have difficulties in innovation. Leaders and their words contain inspired symbolic value to the organization. Their work is very important for product ideas and to support the special needs of the product cycle. Entrepreneurs are the people who are the first to watch and analyze the economic opportunities that will emerge in the economic environment. (Gillespie, H.R 1980)

By joining the two processes entrepreneurship is an activity that is used to create goals in a single organization. J. B. Barney, 1994. The autonomous strategic behavior is a process that every product is combined with product ideas. Often through political processes, they develop and coordinate the commercial goods and services successfully. This attitude finds support in commercial centers.

Tab 1. Long term characterized and short term perspectives

Source: Dumi A, MJSS, Nr 3 2012

7. Findings

This study empirically examines the impact of debt management policies on borrowing costs incurred by state governments when issuing debt in the municipal bond market. Strategy induced behavior (Fiedler, F.E 1967)

Strategy induced behavior is a process through which a current strategy is innovation of strategy product. In this situation the country is being filtered by the structure of the product. Development and implementation of the corporate strategy is generally complicated. A company must have always intended to fulfill its purpose. Creation and commercialization of goods and services is a difficult process.( Harris, T.G 1993)

Design and technology transfer by infrastructure engineers which always seeks the opportunity and the right time. Stage design requires a high degree of integrity to the process of innovation function. Operating importance of integrity has been recognized for a period of time but has never been practiced in the industry until recently. Horizontal organization refers to changes in organizational process where functional management unites the parts to build a hierarchy. Appearances suggest that the key benefit is a horizontal organization that can be even more effective. (Dumi A. SME strategy 2015)

Based on positive political theory and the benefit principle of taxation, it is proposed that states that adhere to best practice debt management policies transmit signals to the credit ratings, investment community and taxpayers that the government should meet its obligations in a timely manner, resulting in lower debt costs. 1. The donors concurred with this assessment. IDA, starting with the 1998 CAS, considered governance and institution building as one of the central planks of its intervention and identified the need to adopt and implement reforms to build an accountable and transparent state as the most important challenge facing the Government of Albania.

1 Donors and government investments, IDA, report 2013
Tab 2. Indicators of growth and short term characterized and short term perspectives

Source: Dumi A, MJSS, Nr 3 2012

Long-term orientation is characterized by a long-range perspective coupled with a concern for thrift and weak expectations for quick returns on investments (Pacific Rim countries).

Short-term orientation is characterized by a long-range perspective coupled with a concern for thrift and weak expectations for quick returns on investments (Pacific Rim countries). (Gillespie, H.R 1980)

Tab 3: SWOT analysis by powers, weaknesses, opportunities and threats for the study of internal and external context were identified four strategies

<table>
<thead>
<tr>
<th>Opportunity:</th>
<th>Strategies:</th>
<th>Strategies:</th>
</tr>
</thead>
</table>
| 1. The increase of Internet users market  
2. The increase of sustained prosperity  
3. Fulfillments of legal and political vacuum  
4. Demographic structure (domination by young people) | 1. The entry strategy and market growth | 1. The strategy of strategic alliances. (To provide the necessary funds and organization of marketing campaigns for the presentation of products and services to be offered on the market) |

<table>
<thead>
<tr>
<th>Threats:</th>
<th>Strategies:</th>
<th>Strategies:</th>
</tr>
</thead>
</table>
| 1. The rapid technological changes  
2. Adaptation with the new technological changes | 3. Outsourcing strategy (some services)  
The entry new strategy and low market growth  
The entry strategy and imputed  
The entry strategy and market growth for essential product and services. | 4. Strategy and strategic alliances of "outsourcing" (Some services) |

8. Conclusions and Recommendations

Integration barriers can kill efforts to integrate effectively the functions of an organization. Departmental functions have been found differences through four dimensions: time orientation, personal orientation, goal orientation and formal structure. Where a person, who has a profession marketer, may have an important function in the product, characteristics and needs of the client gratification (Fiedler, F.E 1967)

These types of features can be violated or may change. Also these different orientations can create barriers through communication functions. Therefore eliminating the barriers, that may do more harm than good to the organization. Another obstacle may be the organizational policies. We can also find many methods and opportunities to improve the organization.

Global competition is a very important element to make a strong business, as a very important aspect, is the formulation of organizations mission and finding appropriate methods for achieving the goal.

But stakeholders are one of those elements that are affected and affect the progress of the organization. Organizations also have their premises which are: external environment analysis or PESTEL consisting of economic factors, social factors political and technological factors. And industrial environment is very important for organizations that environment consists of reformatories entrants, competitive rivalry, buyer powers, etc. (Dumi A. SME strategy 2015)

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Challenges and Potential of Future Agricultural Development in Jordan: Role of Education and Entrepreneurship

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Abstract

The paper examines the status of agriculture development in Jordan, current challenges and potential of future development. Aim of the study is to find out the role of education and entrepreneurship in fostering agriculture development in Jordan through: introducing new technologies into the sector; applying modern and global marketing perspective, and youth entrepreneurship empowerment. This study is based on theoretical approach based on secondary research, and primary research includes two surveys were carried out at this study. Like various studies this study confirmed that water scarcity is the main challenge facing agriculture development in Jordan, and the sector is less developed than other sectors in the country. Nevertheless, this study added that youth entrepreneurship low participation in the sector is not only due to financial shortage and youth insufficient knowledge, but it's due to their low attitude to working in agriculture too. Therefore, it is suggested that there is a need for significant paradigm shift in the education system to meet the needs of the market. Also utilizing the role of R&D to enhance the management of water resources and emphasize desalination and wastewater reuse, and change youth's attitude to working in agriculture. Add to the aforementioned that there is a need to provide more financial and technical support to attract and help youth entrepreneurs to invest in the sector. Accordingly, an opportunity for tackling the current challenges and fostering future development will emerge.

Keywords: Agriculture development, education, entrepreneurship, water scarcity, microfinance

1. Introduction

Due to the political, economic and social crisis in Middle East countries in the last few decades; it has been increasingly recognized that agriculture development has a crucial role in creating sustainable development due to its economic, social and environmental returns. During the past three decades, agriculture has started to play a major role in the protection of the environment and tackling the problem of climate change. It has the major role in protection of bio-diversity and ensuring an environmental balance that would secure sustainable use of resources and preserve them for future generations (UN Jordan, 2010). The agricultural sector in its economic, social and environmental dimensions is a fundamental sector of the national economy for each country in the world. Prices of agricultural goods, such as cereal and milk, are hitting record highs on international markets. Food security and food safety are no longer guaranteed. Accordingly, it's believed that fostering an entrepreneurial programs and activities in agriculture; will maximize individual and collective economic and social success on a national and global scale.

Education always has been the basic pillar of introducing technical innovation and new technologies into other sectors. Quality of Education concept should be introduced to participate in developing the agricultural sector through: introducing new technologies and technical innovation; adding values to agricultural products and improving engineering and production processes; preparing youths who are well trained and skilled to apply these methods to flourish the sector. Furthermore, youth workforces and education system with high quality are more able to introduce new marketing strategies and developing new markets to consume the agricultural products; as well as make the investment in this vital sector more profitable and sustainable.

Entrepreneurship is a key driver of the economy. Wealth and a high majority of jobs are created by small
businesses started by entrepreneurially minded individuals (Entre-ed, 2012). The agricultural sector in most of the developing countries is fully of aged farmers whom should be replaced by new innovative, enthusiastic and youth entrepreneurs. Entrepreneurship and innovation programs are crucial to train youth who are innovative and self-reliant, in order to make them employers of labor rather than adding them to the statistics of unemployed graduates. Therefore, GOJ (Government of Jordan) and International programs should ease access to finance for entrepreneurs in many forms, such as micro-leasing and group-based models to help them invest and participate in the sector. Involving youth entrepreneurs and improving used-technologies in the sector is making it increasingly viable for microfinance and entrepreneurship programs service providers to effectively reach people in rural areas. This is done by a better understanding of potential customers and their technical and financial needs to make significant improvements (Christen, Robert Peck, and Jamie Anderson, 2013).

Education, entrepreneurship and microfinance are important factors in developing the agricultural sector in Jordan. Youth entrepreneurs are more able to introduce new technologies and technical innovation into their societies. R&D, new technologies and youth potentials can tackle the current challenges such as water scarcity; as well as develop new markets and globally-standard agriculture products. That's why the focus of the study is about the major challenge facing agriculture development in Jordan which is water scarcity, and the role of education, entrepreneurship and microfinance in developing the sector as potential aspects of future development. This paper is structured as follows: background, methods and materials, results and findings, discussion and conclusion.

2. Background

Jordan has limited natural resources and is highly dependent on imports, particularly oil and foodstuffs. The role of agriculture is still weak in fostering real economic development and growth in the country. Jordan's natural resources for agricultural production are very limited. Only about 5% of the land mass is considered arable, and Jordan is among the world's most water-deficit countries (IFAD, 2001). Due to many reasons such as rush of urbanization; limited natural resources such as water and arable lands; difficulties in accessing financial services; the boom of new technology and services investments, and little contribution of youth entrepreneurship and technical innovation to the sector. The agricultural sector is less developed than other sectors in the country like: services, technology, health, etc. It has experienced high diminishing in its absolute value of the national economy and contribution to the GDP. The agriculture contribution to the GDP in 2013 was 3.2% (World Bank Database, 2013).

Jordan is a food deficit country with almost eighty five percent of its food imported (FAO, 2014). Jordan imports around 87 percent of its food requirements (The Jordan Times, 2013). The sector provides livelihoods for about 10% of the population and employs about 3.2% of the labor force. Livestock is estimated to contribute to one half of the total agricultural GDP (World Bank Database, 2013). In spite of the sector's low contribution to the GDP and highly consuming of water compared with other sectors (See Figures 2.1 and 2.2). It is still in its economical, social and environmental dimensions a fundamental sector of the national economy. The sector is the base of integrated rural development, a source of income and employment for rural and Badia (semi-desert) people and a generator of activities in the other economical sub-sectors, especially the industrial and services ones. It also plays a central role in food security and trade's balance improvement (FAO, 2006). Following sector reforms, agriculture in Jordan is now virtually free of all controls and restrictions, and Jordan has joined the World Trade Organization in 2000.

Jordan's economy is among the smallest in the Middle East with insufficient supplies of water, oil, and other natural resources, which underlying the government's heavy reliance on foreign assistance (Jordan Economy Profile, 2016). Most of the economic reforms activities which were carried out in the past weren't focused on the agricultural sector in Jordan, but they were more focused on other sectors like: services, technology and health. Therefore, the agricultural sector still less developed than other sectors and its contribution to GDP is little. In general, the agricultural sector is subjected to strong competition from other sectors and receives few national and international investments in comparison with other economic activities (FAO, 2009). Youth participation and entrepreneurship programs in the sector still scarce and have insignificant role in developing the sector. Youth entrepreneurship and business development programs in Jordan are more focused on technology and services sectors disregarding the importance of the agricultural sector. The sector has a crucial role in fostering the sustainable development and economic growth; add to that its potential to tackle the massive problem of unemployment. Rate of youth unemployment in Jordan is one of the highest in the world. Unemployment rate reached 14.6 per cent in the first quarter of 2016, which is the highest in eight years (The Jordan Times, 2016a).
2.1 Challenges

Major challenges facing agriculture development in Jordan are: reduced availability of freshwater for irrigation; the widening gap between food exports and food imports; the degradation of and misuse of natural resources, and the loss of agricultural land to urbanization (FAO, 2011). Marketing and production challenges also exist such as: adding values to agricultural products and improving production; pricing policies and marketing of agriculture products undermined investments in the agricultural sector, and fostered reluctance of participation of small farmers and youth entrepreneurs. For example in February 2016, farmers in Jordan valley destroyed tomato crops and protest mounting losses due to low prices. Prices were less than the cost of sending their products to the markets (The Jordan Times, 2016b). Moreover this is not the first time they do that, and many previous years experienced the same phenomenon as well like in 2012, 2007 and 2005.

Shortage of primary production credit was one of the major causes of declining the participation of small farmers and youth entrepreneurs in the sector. The potential of microfinance in Jordan and many developing countries to foster agriculture development still not well utilized, like what happened in many developed countries, France for example (Solène Morvant-Roux, 2008). The mismatch between the output of education and vocational training with market demands is the main reason behind highly youth unemployment and low participation in the agricultural sector. Moreover youths in the country still consider agricultural jobs as low skilled jobs, or jobs which don't require tertiary qualifications. Also there is a tendency in the sector to rely on foreign labor instead of employing locals (ILO-Jordan, 2014). However, water scarcity remains the main challenge facing agriculture development in the country, and using the limited available water resources for agricultural purposes is not the first priority to Jordan. "Our Water situation forms a strategic challenge that cannot be ignored. We have to balance between drinking water needs and industrial and irrigation water requirements. Drinking water remains the most essential and the highest priority issue", H.M. King Abdullah II, 1999 (Water for Life, Jordan's Water Strategy, 2008-2022).

2.2 Potential of Future Development

Agriculture development has a multidimensional impact on economic, social and environmental aspects. Accordingly, agricultural development nowadays is an international priority not only a national one. Over the past 10 years, Jordan has succeeded implementing structural reforms in education, health, privatization and liberalization (World Bank, 2016). Therefore, it's possible they carry out structural reforms in agriculture too. Agricultural development always has been the main tool in fostering rural development, and helping poor rural population generating their income and creating new job opportunities. Jordan is a "young" country, with its recent statistics revealing that over 60 percent of its population under 30, (World Bank Database, 2013). Therefore, Jordan youths are a valued asset to the country and they should be utilized,
Educated and involved in decision making to foster development in all sectors of the country. The World Bank has ranked Jordan as the best education system among Arab states in 2008, (Al Jazeera Arabic, 2012). In the absence of oil, gas and other natural resources education with high quality is a must. Quality and diversity of education to meet the needs of the market is crucial to achieve sustainable development, and develop an agricultural market and products meet the global standards.

Educated and well trained youth workforces are more qualified, motivated and capable of introducing new technologies into their communities and flourishing agriculture. New technologies and technical innovation can enhance the quantity and quality of agricultural yields and output. New technologies are crucial to improving the sustainable use of natural resources and reducing consumer food prices. Also they connect rural producers to the market, and stimulating the accumulation of physical and human capital for rural households and individuals. Nevertheless, well trained youth entrepreneurs and investment in R&D have a significant role in using new technologies to emphasize desalination and wastewater reuse. Also growing agricultural products which need less water and have higher market values, and applying modern techniques in order to maximize production like: hydroponics and greenhouses.

International organizations are playing an important role in developing the sector; e.g. in 2015, IFAD launched the Rural Economic Growth and Employment Project (REGEP). The project aims to reduce rural poverty, vulnerability and inequality in Jordan by creating employment and income-generating opportunities for the rural poor, especially women and youth (IFAD-Jordan, 2015). R&D institutions, microfinance service providers and private sector in Jordan have a great potential to participate in the agricultural development process too and create new investments and opportunities. Finally, two very important questions still not arise from this context. Why entrepreneurship education and youth participation in starting up new business still insufficient? Second question is why youth entrepreneurs participation in the agricultural sector still scant?

3. Methods and Materials

Theoretical studies in social sciences are different ways of characterizing the social world; they generate and analyze data about that social world. They provide an overview of the situation in terms of numbers and statistics. They just describe the general frame of the situation, without talking about real reasons behind these numbers and statistics (University of Southern California). Qualitative methods are more focused on the real reasons behind these numbers and statistics. Therefore, it's important to apply an empirical focus group work methodology in order to find out the reasons behind agriculture dimensioning and low contribution to GDP in Jordan, as well as youth low participation in the sector. Also to better understanding the current challenges of agriculture development in Jordan, and potentials of future development. There is a need to have a deeper look at the situation and to talk to the stakeholders of the subject of the study (youths, experts in water and agriculture, experts in microfinance and entrepreneurship). In this way, you can find out youth's trend about working in agriculture and experts opinions about the situation. In this way only, you could confirm your hypothesis or the facts which are already exist.

This chapter consists of two surveys. The first one consist of 10 open questions (discussion points) covering all the fields of the study (water and agriculture, microfinance and entrepreneurship). It was carried out in two ways: online questionnaire, and face to face interviews. The survey was designed for experts in water, agriculture, microfinance and entrepreneurship to find out more about the main challenges facing agriculture development in Jordan; main challenges preventing youth entrepreneurs participating in launching up agricultural businesses. Furthermore it's to find out the potentials of future development through emphasizing the role of education and entrepreneurship in the sector. Around 40 experts were contacted to carry out this survey; only 5 of them answered and discussed the questions about their fields, and gave complete and useful responses to be analyzed. The rest whom responded gave some brief answers and suggestion to enhance the situation. The data analysis of this survey derived to cover three main points with regard to the objectives of the study, and will be described in the next chapter (Findings and Results). After carrying out this survey, it was obvious that another survey should be designed for youths to confirm some of the results of the first survey. Some of the experts also confirmed that another survey with youths or potential new comers to the sector should be carried out. Most of the experts revealed that youth low participation in the sector is also referred to their low willingness to working in agriculture and their limited knowledge and experience to have agricultural business; not only due to financial shortage.

Accordingly, the second survey was designed to include 14 questions and to address youth between 16 to 35 years old. The aim of this survey was to find out their opinions about entrepreneurship and agricultural development in the country; to assess their trends to working in agriculture and the challenges might face them to have agricultural businesses. The questionnaire was carried out randomly and in different places. Some of the samples were filled face to face with students in schools and universities, the rest were carried out online and using social network platforms. Youths
who responded to questionnaire were more than 140 people; however, only 87 results were valid to be analyzed and generalized. They were with different levels of education and qualification (elementary, secondary and tertiary school education), and some of them were illiterate. The data analysis of this survey derived to cover three main points with regard to the objectives of this research study, and will be described in the next chapter (Findings and Results).

4. Findings and Results

Youths were more responsiveness to the second survey than experts to the first one. They were more optimistic than experts about the future of agriculture development in the country. However, experts since they know more about the current situation and challenges, they were less optimistic and more realistic. They have revealed that agriculture development in Jordan is facing formidable challenges. Those challenges are water scarcity, finance shortage, weak production and marketing processes and limited areas of arable lands. They mostly talked about the serious problem of water scarcity and its influence on undermining the future of agriculture development in the country. They concluded, even though Jordan has achieved a good level of agriculture development in the last decade, but it's still insufficient and need more of government efforts. Private sector involvement, youth entrepreneur's empowerment and introduce new technologies to this vital sector are also urgent aspects to achieve the desired results.

4.1 First Survey

Water scarcity is the main reason which could undermine the future of agricultural development in the country. Experts of water and agriculture said that since the last two decades GOJ and policy makers have realized the importance of agriculture development. They agreed that food safety and security are necessary to Jordan's future with regard to the current crisis in the Middle East. However, they started to launch structural reforms in the agricultural sector, but the challenges are not easy and Jordan dependency on rainwater creates a high risk in using the limited water resources for agricultural activities. Based on that, this makes water scarcity the main and biggest challenge facing agriculture development in Jordan, and the main reason which could undermine its future too. They added that water use for agriculture accounts to more than two thirds of water used in the country, even though its contribution to the GDP is very low comparing with other sectors. Experts in water and agriculture said that good management of water resources and using efficient techniques for desalination and wastewater reuse would tackle the problem. Furthermore this would increase the amount of water allocated to agriculture, which could make a better opportunity for future development.

Commercialization microfinance approach to support entrepreneurs in agribusinesses is not really well defined and used. Commercialization microfinance approach in Jordan has proven it success, profitability and sustainability in many sectors so far, but using such approach in agriculture has a different situation. Agricultural businesses in the country are dependent on many factors and challenges. The matter is not only financial access, but water for irrigation, arable lands availability and weather impact as well. Therefore, who supported using this approach for agricultural businesses said that there is a good potential for applying this approach to agriculture too. They confirmed that GOJ and international organizations have realized the importance of agriculture development in Jordan, and started to give more support to small farmers and new entrepreneurs in the sector. They also provide financial and technical support to MFIs and organizations that provide support to stockholders in this vital sector. Experts in microfinance added that in order to make this approach more sustainable and profitable. There is a need that GOJ, international organizations and the private sector should collaborate all together to restructure the scattered programs, and to create new forms of financial support which meet the needs of newcomers into the agricultural sector. On the other hand, others who are not so optimistic about using this approach for agriculture had another point of view. They said that the challenges facing agriculture development represented by natural resources like water scarcity and limited areas of arable lands. Also the lack of legal framework for microfinance organizations makes this approach hard to apply, due to the high risk MFI will take in applying such approach. However, some of the experts in microfinance said that using micro-leasing approach would be a solution to reduce the risk on entrepreneurs and MFIs, as well as maximize the value of the loan. But again this needs a high collaboration between GOJ, IOs, private sector and MFIs to apply and operate such an approach.

Entrepreneurship programs in Jordan are scattered in general, but in agriculture they aren't sufficient and goal oriented at all. Experts of entrepreneurship revealed that finance shortage is not only the problem for entrepreneurs in agriculture, beside that there are some other insufficient factors as well. For example, lacking to directed entrepreneurship education in general and particularly in agriculture and poor quality of vocational training too. Insufficient knowledge of new technologies, modern machineries and advanced techniques used in agriculture are among those reasons too. They added, a part of the natural challenges face agriculture projects in the country, there are some other
issues should be taken into consideration. Like local and global marketing and sustainability of these projects in order to make it worthy financing such projects. Nevertheless, they confirmed that entrepreneurship programs in the country are more focused on services and technology than agriculture, due to many reasons. Those reasons could be that agriculture is more affected by natural challenges and require more cost, capital and space than other sectors; as well as youth entrepreneurs are less likely to start up agricultural businesses, and they have a tendency to invest in services and technology. Even though starting up new projects in agriculture is harder than in other sectors, but they confirmed that these projects are more likely to success and be profitable. Add to that, its social and environmental returns as well.

4.2 Second Survey

The agricultural sector in Jordan is less developed than other sectors in the country like: technology, services and health. The responses from the survey also confirmed our hypothesis above about level of agriculture development in Jordan. According to the valid cases of the survey; the majority of youths confirmed that level of development in the agricultural sector is less than in other sectors. Nevertheless, the majority of the rest said that they don't know, and only 4 out of 87 said that level of development in the agricultural sector in the country is higher than in other sectors. The problem is that agricultural jobs still considered as low skilled jobs. More than 80% of workers in the agricultural sector in Jordan are immigrants, mainly from Egypt and Syria. Youth in the country still prefer to work in service, technology and governmental jobs and they feel less valued to work in agriculture. Only 4 out of 41 youths who have a tertiary level of education showed a tendency to work in agriculture, and 7 out of 32 who have a secondary level of education gave the same response. The rest who were with an elementary level of education and illiterate have shown a good tendency to be workers in this vital sector (10 out of 14 don't see agricultural jobs as low skilled jobs). Moreover only 31 out of 87 youths who participated in the survey think that agricultural business profitable. The fact is that as much as youths' levels of education increased their tendency to work in agricultural decrease. Add to the aforementioned that there is a real mismatch between education outcomes and market needs in Jordan, particularly for jobs need vocational training and skills.

Youths' participation and entrepreneurship role in agricultural development in Jordan still are not significant. However, the majority of youths who participated in the survey were with a secondary level of education or higher, only 9 out of 87 youths have received entrepreneurship education. Moreover two of them only have received it in public institutions and the rest in private ones. Without receiving any financial and technical support only 11 out of 87 youths said that they prefer to start up new businesses rather than being employed. But only one of them said that he would invest in agriculture. After receiving financial and technical support or staying for more than two years without a job. Therefore the ratio of youth entrepreneurs has increased to be 39 out of 87, but ratio of youth entrepreneurs who would invest in agriculture slightly decreased to be (3 out of 39). Furthermore, MFIs and youth's entrepreneurship program in agribusinesses still unheard and unknown by a lot of youth. Only 5 out of 87 youths said that they know about some of the MFIs and entrepreneurship programs, which funding agricultural businesses and helping newcomers to the sector. The ratio of youth who would invest in agriculture increased to 18% in case they receive the right technical and financial support, but this is on condition that the fund is only to start up an agribusiness.

Youth participation in agricultural development is crucial to flourish the sector and tackle unemployment. Most of the youth who participated in the survey agreed that youth role to foster agriculture development in the country is urgent in order to achieve food safety and security. Even though the percent of youth who would invest in agriculture was low, but most of them agree on the role of agriculture in facing the current and future challenges. They said that it's crucial to dealing with the crisis in the area and reducing youth unemployment. Entrepreneurship education and vocational training is needed, unfortunately as mentioned before only 9 out of 87 youths have received this kind of education and training, mostly in private institutions. Finally, youths were more optimistic about the future of agriculture after involving them in the sector and emphasize the role of education and entrepreneurship empowerment. More than half of the youths said that involving youth in the sector and encouraging entrepreneurs to invest in agriculture will reduce more than one third of youth unemployment in the future. They added that introducing new technologies and technical innovation will help to have an advanced agricultural sector. Therefore this will create many job opportunities needed for the production processes, engineering and marketing.

5. Discussions

Water scarcity and limited areas of arable lands; weak production and marketing and limited access to finance are the biggest challenges facing agriculture development in the country. In this study, most of the relevant suggestions and
recommendations regarding these challenges and the potential of agriculture development in the country were as follow. Reducing the level of unaccounted water since it is very high in Jordan due to the physical losses and administration losses which account to 40-45%. Accordingly, this area can improve the level of water saving and the increase in water quantity if the GOJ continues to work hard towards decreasing this ratio. Controlling private groundwater pumping since it’s very high, and increasing the tariff on such pumping because the prices are too low. Also increase the water tariff of drinking water especially for the consumers, because the prices are very low too. The efficient and managed use of surface water from the surface reservoirs is urgent. The current capacity of those is 325 mcms though, but part from this amount is used for drinking water. Maximizing the use of treated wastewater and increase the surface dams wherever it is possible (Eng. Fayez Batayneh¹). There is a need to enhance the management of water resources as well (by one estimate, the amount of water lost nationwide every year would satisfy the basic needs of 2.6 million people), (Mercy Corps, 2015). Emphasizing desalination and wastewater reuse, and providing farmers with small desalination units to improve the quality of water for irrigation. Establishment of new policies to promote growing agricultural products needed less amount of water and have a high market value could also help. Government should setup new policies to organize urbanization process; tackle the impact of random urbanization on inhabitants and agriculture, and protect the area of agricultural lands from being merely divided. Improve post-harvest management and agro-processing technologies, this helps to reduce on and off-farm losses. Increasing added value, and enhance shelf-life of Jordanian agricultural products are important too. Moreover, identification of non-traditional agricultural markets; increased promotion of Jordanian niche products and development of appropriate value chains including modern storage, transportation and port handling facilities would for sure achieve better results (FAO, 2014).

R&D and entrepreneurship are two important factors for fostering agriculture development, here below there are some suggestions in this regard. There is a need to direct the educational system to address youth's low attitude to working in agriculture. It’s also important to establish more technical and vocational schools and institutions to provide youth with the required knowledge and skills, and to qualify them for fostering advanced agricultural development. Promoting entrepreneurship education, and establishing training centers to provide this kind of education is decisive to training youth entrepreneurs in the agricultural sector and providing them with the required financial, technical and managerial skills to start-up their own businesses. Advanced and well developed agricultural sector need investment in higher education and R&D. Therefore, it's urgent to direct the higher education programs to meet the needs of the market, and to keep up with modern mechanization, advanced techniques and new technologies used in agriculture. Manufacturers of agricultural machinery should provide ongoing training workshops for equipment operators to enhance their capacities to function efficiently, and to use the available agricultural resources of the country efficiently and more productively. Add to the aforementioned that it's suggested to developing a new national strategy based on collaboration between GOJ and private sector aiming to enhance engineering and production processes. This will add values to agriculture products; enhance local and global marketing, and boost food safety and security policies.

Entrepreneurs’ access to finance is crucial to flourish agriculture in Jordan, and tackle unemployment. Banks and most of the MFI’s their main focus always are the economic returns generated of providing their services, they don’t consider other returns of agricultural development on social, political and environmental aspects. Therefore, GOJ and international organizations should collaborate in order to help them restructuring their services provided to agricultural activities. Many ways could help such as providing more support and easy access to entrepreneurs, and reducing interest loans and maximizing their values. Guaranteeing sustainability of these services and projects, as well as meeting with their commercialization approach is important too. Jordan has a ranking of 107 on the World Bank ease of doing business index in 2010 (World Bank Database, 2013). The main difficulties faced by new entrepreneurs lie in obtaining access to appropriate credit forms. Helping entrepreneurs by taxing elimination and facilitate the procedure to start up new businesses. Also designing appropriate microfinance tools and establishing a sound legal and regulatory frame work in which they operate; are necessary precursors to foster an efficient financial sector equipped to serve rural clients and youth entrepreneurs. It's important to provide more awareness and knowledge about MFIs and other financial initiatives which provide youth empowerment programs in agriculture through Ads, workshops and social networks. At the end, it's recommended establishing new financial services and updating the current ones to be more directed to help entrepreneurs in agriculture, by benefiting from successful experiences in funding agriculture projects in other countries having similar situations to Jordan, such as micro-leasing and group based models.

6. Conclusion

Agricultural development nowadays is an international priority not a national one due to its social, political and environmental returns not only the economic ones. The agricultural sector in Jordan has experienced high diminishing in its absolute value of the national economy and contribution to the GDP due to many reasons and challenges such as: rush of urbanization, water scarcity and limited areas of arable lands; difficulties in accessing financial services and insignificant participation of youth entrepreneurs. Moreover there is a development gap between the sector and other sectors in the country like: health, services and technology. Add to the aforementioned that Jordan is a food deficit country and imports around 87 percent of its food requirements. Jordan is hosting more than two million and half of refugees (The Jordan Times, 2016c); which put a high pressure on the country limited resources and food security situation.

Youth entrepreneurs still excluded from participation in agriculture development in the country. Youths in the country consider agriculture jobs as low skilled jobs, and they prefer to work for other sectors. Rate of youth unemployment in Jordan is one of the highest in the world, not only in the Middle East. On the other hand, youths in Jordan representing a large portion of the population, and they have proven their abilities and skills not only at national level, but at the global one as well. Therefore, youth entrepreneurs' participation in agricultural development is crucial to achieve the desired results and tackle unemployment. They are more able to introduce technical innovation and new technologies into this vital sector. Accordingly, the education system in Jordan should address youth's low attitude to working in agriculture. Youth entrepreneurship programs should be redirected to address the needs of entrepreneurs in agriculture, and provide them with the right technical and managerial skills in order to sustain their projects and make them more profitable. Government initiatives to ease accessing the proper financial services and enhance the limited knowledge and skills are urgent to have advanced and modern agriculture, as well as attract more entrepreneurs to start up new agribusinesses. GOJ should provide more help to small farmers and entrepreneurs, and promote some microfinance tools such as micro-lasing and group based models, which have proved its ability to foster agriculture and rural development in many countries such as Bolivia and Kenya.

However, people who participated in the survey confirmed many hypotheses of this study, but experts were less optimistic about the future of agriculture development in the country due to many reasons. They referred that youth entrepreneurs excluding from participation in agriculture development is not only due to lack of finance, beside that they lack the right knowledge, skills and passion to start up agribusinesses. Youth in the second survey also confirmed that they don't have a strong well to work in agriculture. Last but not least, before carrying out this research, the hypotheses were more optimistic about the future of agriculture development in the country. Especially after youth entrepreneur's intervention, their involvement in decision making and using the power of R&D to develop the sector. The fact is that the sector in Jordan is facing many formidable challenges, and the biggest one is water scarcity; which could really undermine the potential of future agricultural development in the country. However, agriculture development is a national priority, but many experts in the survey argued that agriculture uses more than 65 percent of the water in the country; meanwhile its contribution to GDP is very low compared with other sectors like services and tourism. According to Jordan’s Water Strategy (2008-2022), drinking water remains the most essential and the highest priority issue. This could restrain any future programme for structural reforms in the sector. Finally agriculture development is decisive for the current and future challenges in the area, as well as experts confirmed that there is a room for fostering future development. This would be through youth participation, proper access to finance and utilizing the role of R&D and new technologies. Also by using advanced techniques and modern machineries, and enhancing the local and regional marketing strategies.

References


Palynomorphs Dispersal of Plantago Type, in Elbasani Town – Albania

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Abstract

Paleopalynological data reported in this research, are received from underground layers that belongs to the geological period of New Holocene, in five different places belonging to the city of Elbasan. This research gives us certain paleopalynological input for the palynomorphs spreading to Plantago Type during New Holocene period. A significant number of environmental studies are done in Elbasan city during last thirty years. The goal where our paper is based, deals with the presentation of relationship amongst profoundness and distribution for the Plantago Type palynomorphs at various time intervals. The samples were received 25 cm depth from the surface to the 4 m of deepness, through a dry drilling sonde. Palynological input about this Type there were from any similar palynological research before, as from domestic and outside authors. Monitoring, numbering and microscopic photographing of palynomorphs is completed with Motic microscope BA310. Sample treatment also microscopic examinations were performed at “La Sapienza”, University Rome. See from our perspective, some essential data were found, showing exactly the relationship amongst profoundness and quantitative presence of pollen to Plantago Type.

Keywords: Paleopalynological, New Holocene, palynomorphs, pollen, Plantago Type.

1. Introduction

Paleopalynology is the discipline that deals with the study of microscopic fossils made of organic materials resistant. This science was initially known as "Pollen Analysis" with the purpose the study of pollen grains and spores including fossils of the Quaternary period to paleoflora rebuild (Von Post, 1916). Comparison of herbal spores and pollen present in those primitive, allows us judging the performance of primitive and specialized features of outer wall of the grains (Pacini & Franchi, 1978; Pacini & Hesse, 2005).

The presented material gives palynological data of New Holocene deposits in Elbasani town. Palynology is focused on the study of finding the factors of vegetation change and human impact on the surrounding environment (Moore & Webb, 1978).

The presented material gives palynological data of New Holocene deposits in Elbasani town. Palynology is focused on the study of finding the factors of vegetation change and human impact on the surrounding environment (Moore & Webb, 1978).

Plant microfossils of this type are not analyzed earlier in the Elbasani Region as well as no kind of studies by foreign or native researcher on palynomorphs of this plant in underground layers belonging the geological period of New Holocene in Elbasani town. Palynological studies in our country in recent years have built and created an organized and collaborative group already in various disciplines (Jance & Kapidani, 2011).

Through these kinds of researches are constructed a palynomorphs diagrams, reconstructed flora, vegetation, plant landscape and gives data on the natural history, ecological and climatic origin of the region under study (Forest et al., 1999; Davis, 1999).

The research in underground layers belonging the two thousand-year geological period ensure important
information and tries to shed light on possible changes to the vegetation in this area, as well as the factors that have contributed to these changes over the years (Shalla, 1983; Muhameti et al., 1984).

Monitoring, numbering and microscopic photographing of palynomorphs is completed with Motic microscope BA310, with overstatement 1500x. Information on the manner of taking samples as well as final preparation mode in laboratory to the palynomorphs ready for preview of this plant is presented below in this paper. (Kapidani, 1996; Kapidani & Jance, 2004).

Paleopalynological data help in the discovery of traces of history on the use and cultivation of plants, feeding mode and the origin of agriculture (Bryant & Holloway, 1996). The pollen quantifiable presence of \textit{Plantago} Type in underground layers reveals the manner of distribution over the years about \textit{Plantago} Type.

2. Material and Methods

Physical-chemical composition of the spores allows palynomorphs well saved and easily extracted from soil sediments. Basically all the extraction ways, join in principle methods of physical and chemical processing of 1 cm$^3$ sediment (Faegri & Iversen, 1989). The relief in all stationing where drilling is done has been flat, sub horizontal, small-angle slope on their way to the southern part of the city. Samples were taken every 25 cm depth from the surface to the depth reaching 4 m. A total of 105 samples are taken and analyzed.

2.1 The method of processing with hydrofluoric acid

To prepare the palynomorphs for microscopic study of a sample, the material initially is treated only with HCl and then with concentrated HF (Wood et al., 1996; Green 2001). This method consists in the processing of 1 cm$^3$ sediment with 10 ml HCl 37%, leaving together for a time of 15-20 minutes.

Then the material is mixed with 6 ml of 40% HF, leaving together for a period of 24 hours. Material rinsed with distilled water and is centrifuged for six minutes with 3,500 rotations per minute. Once obtained neutral environment, the precipitate is mixed with glycerol.

To avoid any difficulty in the microscope preparation, the glycerin is mixed with magnesium oxide MgO in a 5:1 ratio and it is ready to be observed in optical microscope (Moore & Webb, 1978; Davis, 1999).

2.2 Evaluation of processing methods.

For chemical treatment of samples, there are many processing methods. We practiced all the possible methods. For our conditions more appropriate methods for the chemical treatment of the samples results that of processing with hydrofluoric acid (2.1). It is worth noting that, for the closure of preparations the gelatin method was used (Kisser, 1935).

3. Analysis Results and Arguments

If we look at table 1, we will find the quantitative data for the pollen presence of \textit{Plantago} type, representative to the family of Plantaginaceae distributed by their presence in a defined deepness as well as the total spores’ quantity for \textit{Plantago} Type.

Table 1. The presence of palynomorphs by deepness

<table>
<thead>
<tr>
<th>Specimen</th>
<th>Deepness (centimeters)</th>
<th>Palynomorphs presence (\textit{Plantago} Typ - Plantaginaceae)</th>
</tr>
</thead>
<tbody>
<tr>
<td>16</td>
<td>25</td>
<td>98</td>
</tr>
<tr>
<td>15</td>
<td>50</td>
<td>96</td>
</tr>
<tr>
<td>14</td>
<td>75</td>
<td>93</td>
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<tr>
<td>13</td>
<td>100</td>
<td>83</td>
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<tr>
<td>12</td>
<td>125</td>
<td>85</td>
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<tr>
<td>11</td>
<td>150</td>
<td>82</td>
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<tr>
<td>10</td>
<td>175</td>
<td>74</td>
</tr>
<tr>
<td>9</td>
<td>200</td>
<td>84</td>
</tr>
<tr>
<td>8</td>
<td>225</td>
<td>68</td>
</tr>
</tbody>
</table>
The minimum number (36 palynomorphs) is provided exactly in 400 cm of deepness meantime the greater presence of palynomorphs of Plantago Type that is 98, is battling close to surface exactly in the 25 cm of deepness.

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>7</td>
<td>250</td>
<td>60</td>
</tr>
<tr>
<td>6</td>
<td>275</td>
<td>63</td>
</tr>
<tr>
<td>5</td>
<td>300</td>
<td>61</td>
</tr>
<tr>
<td>4</td>
<td>325</td>
<td>53</td>
</tr>
<tr>
<td>3</td>
<td>350</td>
<td>55</td>
</tr>
<tr>
<td>2</td>
<td>375</td>
<td>42</td>
</tr>
<tr>
<td>1</td>
<td>400</td>
<td>36</td>
</tr>
</tbody>
</table>

General presence of palynomorphs 1133

The palynomorphs distribution of Plantago Type by deepness

If observe figure 1 we see distinctly a significant increment to the palynomorphs of Plantago Type, part of Plantaginaceae family (Photos 1) from the profoundness to the superficies.

Observing the quantitative information, which we are given in the above table the palynomorphs aggregate number of Plantago Type, we find a fairly significant presence of 1133 spores.

By a thorough monitoring of the Table 1, gives us the right to say that: The presence of Plantago Type palynomorphs are observed at all deepness. As well if we observe carefully the Figure 1, it is clearly noted that: The Plantago Type palynomorphs have a significant augmentation of the attendance from the profoundness to the terrestrial area. The representatives of this plant usually grown in compressed and stable ground, so repeatedly this plant occurs along the paths, through rocks or in crevices of pavements. This plant, also rarely occurs along the edge of the driveway.

The leading cause for this presence of Plantago Type palynomorphs maybe should be connected with the mandatory requirement to this plant for human beings. We found enough material to contemporary literature that proves the use as herbal medicines of Plantago varieties, very long time ago. Plantago varieties as a medicinal plant and daily use find a spread as: disinfectant, against the swellings, treacle, anti-allergic, diuretic, soothing pain, tanner, contractile and cough suppressant. (Samuelsen, 2000).

In the traditional beliefs thought that this herb is capable for the treating and healing of the poisonous snake nip. Also among this plant has found a use as nutrition of ancient humanity. Decoct boiled or salt-glaze derived from this plant also find use for the treatment of various problems coming from the streets of the respiratory system.

Upward curve or the addition of Plantago Type palynomorphs towards the ground surface can be explained on the grounds that the palynomorphs of the surface can be well maintained than those exclusively deep, not avoid the impact of weather and environmental elements.

The quantitative data through spores and pollens variety of Plantago type shows the direction of evolution of this family mentioned in the study.

The palynomorphs amount of Plantago Type in subterranean strata reveals the spreading way throughout a long time about Plantago Type, part of Plantaginaceae Family.
4. Outcomes

1. The Plantago type palynomorphs have a meaningful growth from the profoundness to the ground superficies.
2. The Plantago type palynomorphs are found in every sample and at all depths.
3. We believe that the rate of growth of particles pollen of Plantago Type in all of these samples, in addition to the impact of ecological factors in maintaining good, must be related to the influence of anthropogenic factors in the necessity of presence of plants needed to.

References


Supplement 1. Microscopic photographs.

Ph. 1. Plantago Type pollens
The Classification of Rural Settlements in Gjirokastra Region

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Abstract

The network of residential areas in the region of Gjirokastra has changed depending on a complex factors. This has affected to the utilization rate of the region's rural territories. Considering the economic orientation of rural settlements by relief factor, we look that in settlements that lie in the landscape field, dominates this main branch of the economy: agriculture, livestock, processing of agricultural and livestock products and trade. In settlements that lie in low relief and high montane prevail livestock and orchards, while in the mountainous terrain of petty farming prevails (in villages of municipalities Picar, Cepo, Pogon and Frashër). To achieve this classification serves the real estate registry, which contains books of plots, with surfaces by categories (arable land, orchard, vineyards, forests, pastures, unproductive land). Until 1990, social-economic factor determining in order to limit the application of the regulatory policies of rural settlements. The old system aimed the limiting of the occupation of agricultural land and increasing population density in the rural area. After 1990 have not been implemented proper policies for the development of rural areas. Gjirokastra region rural areas have outstanding value to the organization as space and landscape, as well as the architecture and internal organization of housing and other buildings, infrastructure etc. Cohabitation over the Albanian population and Greek, especially in the rural area, there are approximate customs and traditions, communication and behavior, building style furnishing of flats, etc., creating an original model of the rural community, which can serve as gjeohapësire nucleus of a regional cross-border dimensions, where citizens of both countries (Albania and Greece) working for sustainable rural development.

Keywords: Cohabitation, rural settlements, agriculture, livestock, building style.

1. Classification According to the Function

1.1 Agricultural function

Agricultural function\(^1\) is implemented mainly in hilly and field terrain. Interest to deal with this issue is indicative of the dominance of the agricultural area on the surface of each village. Related to this indicator are remarkable Gjirokastra District, Communes (Lower Dropull: 70.5%, Lunxhëri: 44.2% and Upper Dropull: 42.4%) and Buz Commune of Tepelena District, where agricultural land consist in 47.3% of the total.

In Gjirokastra District, agricultural function is dominant in the villages of Upper Dropull Commune, Lunxhëri (Valare, Nokovë Erind and Gjatë), Odrie (Hundëkuq and Labovë the Great), Lower Dropull (Bularat, Vodhine, Likomil, Bodrishtë, Zervat, Jergucat, Kakavie and Dritë, Libohovë Center (Bulo, Upper Labovë and Nepravishtë) Cepo (Çepunë, Palokastër, Mashkullorë and Kodër), Antigone (Arshi Lengo), where agricultural area occupies more than 40% of the total.

In Përmet District, agricultural function is dominant in the villages of the Commune Dëshnicë (Tolar, Bedyqas, Kuqar, Kodrishtë and Katundishtë), Piskovë Center (Kutal, Kosinë, Piskovë, Rapckë and Pacomit), Petran (Bodar, Gjinkar, Qilarisht, Petran and Badelioni) Çarçovë (Çarçovë and Draçovë), Suke (Gorica) and Këlcyrë village, where agricultural

\(^1\) Office of Assets Registration in three Districts of Gjirokastër Region.
area occupies more than 40% of the total.

In Tepelenë District, agricultural function is dominant in the villages of the Commune Buz (Selçkë, Giava, Golemaj and Shale), Qesarat (Anë Vjosë and Qesarat) Luftinjë (Tosk Martalloz, Ballaj and Upper Luftinjë), Krahës (Krahës, Zhulaj, Përparim and Lulëzim), Memalaj Village (Cerrilë, Memalaj Village and Mirina), Lopës (Sinanaj) and Center (Dragot), where agricultural area occupies more than 41% of the total.

1.2 Livestock function

Livestock function has settlements in high hilly and mountainous relief, with considerable pasture area (pastures, meadows and moat). In order to identify the villages and communes with livestock function is used indicator of pasture area.

For this indicator are remarkable communes of Gjirokastra District (Zagorie, Odrie, Antigone, Picar, Cepo and Lunxhëri), where pastures area occupy over than 40% of the total, as well as Tepelenë district (Tepelenë Center, Memalaj Village and Kurgelesh), where pastoral areas occupy over 35% of the total.

In Gjirokastra District, livestock function is dominant in the villages of commune Zagorie (Lliar, Hoshtevë-Vithuq, Konckë, Nderan, Doshnici, Nivan and Upper Dropull Upper (Selo, Klishtan, Kerr, Sotira, Llovinë, Krioner and Koshovicë), Picar (Golem and Kolonje), Odrie (Andon Poci and Lower Labovë), Policani (Selckë, Polican and Skore), Lunxhëria (Mingul, Karjan, Kakoz, Dhoskats, Këllëz and Gjatë), Antigone (Krina, Sarajishitë and Asim Zeneli) Cepo (Prongji, Kardhiq, Humelicë and Mashkullorë) Libohovë Center (Labovë e Vogël) Lower Dropull (Rada), where pastoral areas occupy over 41% of the total.

In Përmet District, livestock function is dominant in the villages of Këlcyrë Municipality, mainly in Mbrezhdan, where pastures occupy 36.5% of the total surface.

In Tepelenë District, livestock function is dominant in the villages the Commune Krahës (Xhaxhaj, Lekdush, Progonat and Nivica) Luftinjë (Izvor, Arrëz e Madhe, Vagalat and Zhapokikë), villages of Hormova, Velqot, Lekël, Mezhgoran, Mamaj, Turan and Dukaj, villages Dames, Vasjar, Kashisht and Memalaj Village of Commune Memalaj Village, where pastoral areas occupy 45% of the total.

1.3 Agro-Tourism function

Agro-tourism function is evident mainly in settlements with remarkable agricultural traditions (where are implemented agricultural practices attractive to tourists), but also in places with tradition in the management of forests, water, etc.

To identify agricultural village with agro-tourism function serves indicator of occupation for forest area and water (rivers, streams and lakes) in the total surface of each village.

For this indicator are remarkable communes of Pogon, Petran, Çarçovë, Piskovë Centre, Dëshnicë, Supe, Kurselesh, where forest and water areas occupy over 45% of the total.

In Gjirokastra District, function agro-tourism is dominant in villages of Commune Pogon (Sopik, Çatistër, Hllomo and Mavrojer) Zagorie (Topovë and Zhej), Picar (Shtêpëz and Picar) Upper Dropull (Pepel) and Odrie (Tërbaq) where forests and water surfaces occupying over 45% of the total.

In Përmet District, agro-tourism function is dominant in villages of the Commune Piskovë Centre (Alipostivan, Parg, Grabovë-Argovë, Buhal, Pacomit and Rapcë), Petran (Lipe, Bënjë Novosel, Leusë, Kaludh, Badeloleni, Leshicë and Gjinër) Dëshnici (Senican, Pananti, Riban, Varibop and Kuqar) Çarçovë (Blovishë, Vilahë-Psillotë, Strënëbec, Kanikol, Zhepë, Draçovë and Pellumbar) and Supe (Suke and Taroninë), where areas of forests and waters occupy over 43% of the total surface.

In Tepelenë District, agro-tourism function is dominant in villages of the Commune Kurselesh (Gusmar and Rexhin), Buz (Lower Arrëz, Bader Kurtjëz, Buz Kalemaj, Komar, Lower Selckë Xhafaj, Shala and Buz), Lopës (Lab Martalloz and Dorëz), Memalaj Village (Bylysh and Kallëmb) Qesarat (Ahmanikaj, Koshtan, Iliras and Qesarat), Tepelenë
Center (Peshtan and Luzat), Luftinjë (Luadhaj, Maricaj, Upper Zhapokikë, Dervishaj and Rrapaj) Krahës (Allkomemaj, Upper Krahës, Levan and Kalivaç), where forest and water areas occupy over 40% of the total surface.

1.4 Agro-industrial function

Agro-industrial function is dominant in settlements near cities, where are developed handicrafts and processing industry of agricultural products and livestock.

In Gjirokastra District, agro-industrial function is dominant in the villages of Commune Upper Dropull (Vrisera, Sotira, Bularat etc.), Lower Dropull (Dhuvjan, Sofratikë, Vanistër, Goranxi, Terhat etc.), Cepo (Kodër, Mashkullorë, Palokastër, Humelicë, Kardhiq etc.), Lunxhëri (Erind, Mingul, Valare etc.), Libohovë Centre (Bulo and Nepravishë), Antigone (Arshi Lengo), Pogon (Poliçan) and Zagorie (Sheper).

In Përmet District, agro-industrial function is dominant in the villages of Këlcyrrë Municipality (Këlcyrrë Village) and Commune Petran (Leshicë, Petran, Bodar and Badëlonjë), Piskovë Center (Kosinë, Katal and Piskovë), Suhe (Zhepovë) Dëshnicë (Bedyqas, Kuqar and Tolar) and Çarçovë (Çarçovë and Pëllumbar).

In Tepelene District, agro-industrial function is dominant in the villages of Commune Lopës (Dhëmblan, Sinanaj and Matohasanaj) Krahës (Lulëzim and Krahës) Luftinjë (Dervishaj, Zhapokikë and Ballaj), Tepelenë Center (Dragot and Lekël), Buz (Buz and Xhafaj) Kurvelesh (Progonat) Memaliaj Village (Cërrilë, Memaliaj Village and Mirina) Qesarat (Anëvjosë and Qesarat).

1.5 Settlements with administrative functions

Those are settlements that have had and still have administrative functions (the localities, agricultural cooperatives and enterprises, villages and communes (municipalities).

1.5.1 Before year 1945

- Year 1934
  - Centre of Commune Rrëzë in Përmet District moved from village Draçovë to Petran, which was situated at the bank of Vjosa River, closer to Përmet and roadway;
  - Centre of Commune Lab Martalloz in Tepelenë District moved from village Lab Martalloz to Sinanaj and Commune was called Sinanaj;
- Year 1938
  - In Gjirokastër Prefecture was part of it:
    - District of Centre, which consisted in Communes Gjirokastër Centre (with centre in Gjirokastër), Kardhiq (with centre in Prongji) and Zagorie (with centre in Konckë);
    - District of Sub-Prefecture Libohovë, which consisted in Communes Libohovë Centre (with centre in Libohovë), Jergucat (with centre in Jergucat), Pogon (with centre in Poliçan);
    - District of Sub-Prefecture Përmet, which consisted in Communes Përmet Centre (with centre in Përmetin), Dëshnicë (with centre in Pavar), Këlcyrrë (with centre in Këlcyrrë), Petran (with centre in Petran) and Commune Frashër (with centre in Frashër);
    - District of Sub-Prefecture Tepelenë, which consisted in Communes Tepelenë Centre (with centre in Tepelenë), Krahës (with centre in Krahës), Rabie (with centre in Buz) dhe Sinanaj (with centre in Sinanaj);
    - District of Sub-Prefecture Kurvelesh, which consisted in Communes Gusmar Centre (with centre in Gusmar)

2 Official Notebook, 19 May 1934.
3 Official Notebook, Year of XVII, 17 June 1938.
and Kuç (with centre in Kuç).

- **Year 1940**: Village Labovë the Great it was turned to be the centre of new Communes of Labovë.

### 1.5.2 Period 1945-1989

- **Year 1949**: In Gjirokastër District, Gjirokastra was the centre of locality Gjirokastër Centre, Jergucati - was the centre of locality Jergucat, Kardhiq - was the centre of locality Kardhiq, Libohova - was the centre of locality Libohovë, Nokova - was the centre of locality Lunxhëri, Poliçani - was the centre of locality Poliçan, Koncka - was the centre of locality Zagorie.

  In Përmet District, Paviari was the centre of locality Ballaban, Çarçova was the centre of locality Çarçovë, Frashëri - was the centre of locality Frashër, Këlcyra - was the centre of locality Këlcyrë and Petran - was the centre of locality Petran.

- **Year 1950**: In Gjirokastër District, Sofratika was the centre of new locality Lower Dropull. On 10 October 1950, centre of locality Upper Dropull (former locality of Jergucat) moved to Vrisera, while centre of locality Lunxhëri moved to Erind.

- **Year 1952**: Centre of locality Ballaban was transferred in Sukë of the same locality.

- **Year 1954**: In Tepelenë District, centre of new locality Krahës was turned Krahësi Nr. 1.

- **Year 1955**: In Gjirokastër District, centre of locality Kardhiq was Kardhiqi and the centre of locality Zagori-Pogon - Poliçan. In Përmet District, centre of locality Ballaban was Sukë-Gorica, centre of locality Dangëlli - Frashër, centre of locality Čarçovë - Çarçovë and centre of locality Këlcyrë - Këlcyrë. In Tepelenë District, centre of locality Buz was Buz, centre of locality Krahës - Krahës Nr. 1 and centre of locality Progonat - Progonat.

- **Year 1956**: In Gjirokastër District, centre of locality Pogon became Poliçan, while centre of locality Zagorie became Topova.

- **Year 1958**: In Gjirokastër District, Sofratika was centre of locality Lower Dropull, Vrisera was centre of locality Upper Dropull, Ura e Kardhiqit was centre of locality Kardhiq, Libohova was centre of locality Libohovë, Nokova was centre of locality Lunxhëri, Poliçan was centre of locality Pogon and Topova was centre of locality Zagorie. In Përmet District, Përmet was centre of locality Centre, Sukë-Gorica - centre of locality Ballaban, Çarçova - centre of locality Čarçovë, Frashër - centre of locality Frashër, Këlcyra - centre of locality Këlcyrë and Gjinkar-Petrani - centre of locality Petran. In Tepelenë District, Buzi i Madh was centre of locality Buz, Krahës Nr. 1 - centre of locality Krahës, Progonati - centre of locality Progonat, and Sinanaj - centre of locality Sinanaj

- **Year 1965**: Through Decree Nr. 4069 dt. 15.11.1965, in Përmet District, centre of locality Ballaban moved to village Sukë.

- **Year 1967**: Ura e Kardhiqit continued to be the centre of locality Kardhiq.

Centre of agricultural cooperatives has been village Asim Zeneli, while centre of agricultural enterprises – villages Piskovë (in Përmet District), Valare, Arshi Lengo, Bulo and Andon Poçi (in Gjirokastra District).

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4 Official Notebook, 28 December 1940.
5 Official Notebook nr 25, Year VI, 6 April 1949.
6 Official Notebook, 30 March 1950.
7 Official Notebook nr 14, 15 September 1952.
8 Official Notebook nr 14, 25 September 1954.
9 Official Notebook nr 18, 30 December 1955.
10 Official Notebook nr 9, 10 August 1956.
Official Notebook nr 6, 10 May 1967.
2. Spatial Organization in Function of the Dominant Activities

Villages mentioned above, enjoyed the status of the administrative centre were also territorial centres of village systems locality, or agricultural enterprises- cooperative. These administrative centres were the promoters of the economic and social-cultural rural territories that had in their jurisdiction. In organizing the rural area primary role was the prevailing economic activity, which depended on relief and other natural conditions. Based on this, the administrative centres are classified into:

- Administrative centres in flat relief where is implemented agriculture, livestock where it was functioning agriculture, livestock breeding, etc. Such areas are: Jergucat, Sofratikë and Vrisera, in Gjirokastër; Këlcyrë and Sukë in Përmet District; Sinanaj, in Tepelenë District.
- Administrative centre in hilly relief, where it was functional fruit growing, agriculture and bee keeping: Prongji, Kardhiq, Nokovë, Erind, Upper Labovë, Topovë, Konckë and Poliçan, in Gjirokastër District; Draçovë, Petran, Ballaban, Çarçovë, Pavar, in Përmet District; Upper Buz, Rabie, Krahës, Toç, Lab Martalloz and Progonat, in Tepelenë District.
- Administrative centre in mountainous relief where it was functioning livestock breeding, beekeeping collecting of medical plants etc. Such village is that of Frashër in Përmet District.

3. Classification of the Villages According to Ethnic Composition, Organizational Way and Architecture

3.1 The geographical distribution of ethnic groups and the classification of villages

Historical, geopolitical, socio-cultural, economic and natural environment factors have affected the ethnic composition of the district of Gjirokastra. Data about this issue bring elements of cultural heritage (material and spiritual one) and coexistence of ethnic groups in this area before beginning the Ottoman period.

Geospatial district is ethnically homogeneous, predominantly Albanian, but, as throughout history has experienced periods of non-Albanian population immigration, today there live representatives of ethnic Greeks, Vlachos and Roma cultural communities etc.

According to the census of 1989, 86.6% of the Region population was Albanian and non-Albanian 13.4%, meanwhile 97.76% of the non-Albanian population consisted of Greek national minority. Population of Yugoslav and Italian nationalities results respectively 18 to 4. It has declined in time if we remember that in 1950 versus 1945 were repatriated in Gjirokastra district many Italians and Yugoslavs come during the war.

- Greek Minority

The official policies of the Republic of Albania have supported the cultural, educational, spiritual, scientific and minority bilingual formation. Greek minority integration into society has positively affected the district rural development.

Historical records show that the language immigrations of the Greek population in Gjirokastra region occurred during the XIV and XVIII century, as farmers in Albanian feudal fields. Greek farmers first settled in the valley of the Drino, in communes of Lower and Upper Dropull and Pogon in about 41 villages. The arrival of this population led to the change of the ethnic structure of the southern region.

In the League of Nations declaration of 1921, is provided an overview on the geographical spread of the Greek minority in Gjirokastra region. Greek-speaking population preserve its compactness and was centred in the sub prefecture of the Centre, in 9 villages with 4838 inhabitants or 15.2% of the population; in the sub prefecture of Libohovë in 28 villages with 13,573 inhabitants or 43% of the population and in the sub prefecture of Bazaar, in the villages and

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*International & National Legislation for protection of national minorities in Gjirokastër Region:*
- Declaration of Union of Nations, 02.10.1921,
- Universal Declaration of Human Rights (1948),
- National Conven ts for civil and political rights (1966).
- Law of year 1993 “ About the rights and principal freedoms of human beings”,
- DCM Nr. 396, dt. 22.08.1994 allows learning of native language even in the areas which are not inhabited from minority population.
- EU Convent - with the framework to protect national minorities, 01.002.1995, approved from Republic of Albania on 29.06.1995.
- DCM Nr. 493, dt. 18.08.1995 allows learning of Greek language in high schools of Dervician and Bularat.
- DCM Nr. 502, dt. 05.06.1996 allows education of Greek minority in 8-year schools of Gjirokastër.
Vllaho-Psiloterë and Biovizhdë with 111 people or about 0.1% of the population. Dervician villages (1267 inhabitants\(^\text{15}\)) and Grapshi had mixed and bilingual population (Greek and Albanian).

In the area where the Greek nationality population was living (37 settlements), there were 22 schools, while in 1923 opened three new schools in villages Jergucat, Bodrishtë and Zervat.

**Table 1: Education of Greek minorance in 1923**

<table>
<thead>
<tr>
<th>Description</th>
<th>Schools</th>
<th>Pupils</th>
<th>Teachers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sub-Prefecture of Centre</td>
<td>7</td>
<td>506</td>
<td>7</td>
</tr>
<tr>
<td>Sub-Prefecture Libohovës</td>
<td>15</td>
<td>924</td>
<td>17</td>
</tr>
</tbody>
</table>

After the liberation, in 1953, 4 family of Greek nationality settled in the village Kakoz. Since 1970, mainly through marriage, in Tepelena went inhabitants of Greek nationality from Saranda and Gjirokastra. The lower rate of population growth of Greek nationality is related to the higher education and urbanization. In the years 1985-1990, the natural increase in the district of Gjirokastra was 16 %, in the commune of Pogon 11 %, Upper Dropull 9 %, Lower Dropull 11 %, Picar 19 % and Lunxhëri 16 %.

Greek minority was deployed in rural areas as Pogoni valley, province of Upper Dropull and Lower Dropull Rrëzë of Përmet, Biovizhdë villages and Psilloterë Vllaho of Çarçovë Commune along the Vjosa valley, on the border with Greece.

After 1990, education in communes populated by the Greek minority was accomplished in 2 kindergartens, 13 schools of 8 years system, 2 schools (in the Bularat & Dervician), where were working 67 teachers from 169 in 1999. This fact indicates the high level the migration of teachers from area Dropulli and Pogon. Due to the great wave of migration (40-70%) to Greece, the ethnic structure changed.

In the town of Gjirokastra, in the 8-year-school "Urani Rumbo" learn 106\(^\text{16}\) children of the Greek minority. Since 1955, pedagogical high school "Pandeli Sotiri" graduated teacher of Greek for low cycle of education, and since 1993, the branch of "Greek Language and Literature " at the University "Eqrem Cabej" graduated teacher and researcher of Greek language and literature. In the area where the Greek minority is living there is a considerable development of private businesses of regional and national importance. This is affected from the proximity to the border, which allow free movement and establishment of joint businesses with Greece, road infrastructure, improved significantly in recent years, and remittances (remittances) of immigrants, a significant part of which is used for the construction sector (mainly for the stone quarries).

**Table 2: Gjirokastër structure according to the general register of population and houses of 1989**

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
<th>Albanian</th>
<th>Non-Albanian</th>
<th>According to nationalities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Greek</td>
<td>Macedonian</td>
<td>Montenegro &amp; Serbs</td>
</tr>
<tr>
<td>Place 3182417</td>
<td>3117601</td>
<td>64816</td>
<td>56758</td>
<td>4967</td>
</tr>
<tr>
<td>Region 155998</td>
<td>135097</td>
<td>20916</td>
<td>20420</td>
<td>14</td>
</tr>
<tr>
<td>Gjirokastër</td>
<td>66373</td>
<td>45978</td>
<td>20395</td>
<td>19921</td>
</tr>
<tr>
<td>Përmet 39775</td>
<td>39330</td>
<td>445</td>
<td>442</td>
<td>2</td>
</tr>
<tr>
<td>Tepelenë 49850</td>
<td>48789</td>
<td>61</td>
<td>57</td>
<td>3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Total</th>
<th>Albanian</th>
<th>Non-Albanian</th>
<th>According to nationalities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Greek</td>
<td>Macedonian</td>
<td>Montenegro &amp; Serbs</td>
</tr>
<tr>
<td>Place 100</td>
<td>98</td>
<td>2</td>
<td>1.83</td>
<td>0.13</td>
</tr>
<tr>
<td>Region 100</td>
<td>86.6</td>
<td>13.4</td>
<td>13.1</td>
<td>0.008</td>
</tr>
<tr>
<td>Gjirokastër</td>
<td>100</td>
<td>69.3</td>
<td>30.7</td>
<td>30</td>
</tr>
<tr>
<td>Përmet 100</td>
<td>98.9</td>
<td>1.1</td>
<td>1.092</td>
<td>0.005</td>
</tr>
<tr>
<td>Tepelenë 100</td>
<td>99.9</td>
<td>0.1</td>
<td>0.092</td>
<td>0.006</td>
</tr>
</tbody>
</table>

\(^{15}\) Mema, B., Greek Minority in Albania during the period 1920-1924, University Researches 4, Gjirokastër 2001, pg.105-111

After WWII the Greek minority was extended in Tepelena and Memaliaj towns: in October 1997, in Tepelenë were 241 citizens of Greek nationality, while in Memaliaj 155. During the period 1991-1997 the majority of citizens of Greek nationality have immigrated to Greece, even some have Greek nationality.

Table 3: Registering of Greek minority in 2001

<table>
<thead>
<tr>
<th>Description</th>
<th>Total population</th>
<th>Minoriteti etnik grek</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Families</td>
</tr>
<tr>
<td>Place</td>
<td>3069275</td>
<td>35829</td>
</tr>
<tr>
<td>Region</td>
<td>112831</td>
<td>18668</td>
</tr>
<tr>
<td>Lower Dropull</td>
<td>7558</td>
<td>7558</td>
</tr>
<tr>
<td>Upper Dropull</td>
<td>8525</td>
<td>8525</td>
</tr>
<tr>
<td>Pogon</td>
<td>907</td>
<td>907</td>
</tr>
<tr>
<td>Other</td>
<td>95841</td>
<td>1678</td>
</tr>
</tbody>
</table>

Registration of Population and dwelling houses in 2001, 1.17% of the population (present) of the country and 16.5% of the Region population was of Greek nationality (shown to the map ethnicity below).

4. Organization and Architecture of Rural Settlements

Gjirokastra district rural areas have outstanding value from the organizational way of space and landscape, as well as the architecture and internal organization of housing and other buildings, infrastructure etc. They are the revitalising of the contribution of talented local masters (the Lunxhëria, Dangëllia, Shqeria) of neighboring territories (Kolonja builders etc.) and the Greek minority. Monumental works stand out in the field of construction, such as paths, bridges, water pipelines and taps, two-storey dwellings, objects of worship (mosques, monasteries, churches, mosques shrines etc.), Irrigation and drainage systems etc.

Key elements are spatial settlement:
- Centers,
- Residential homes,
- Streets and squares,
- Social and cultural buildings,
- Playgrounds and green spaces

Depending on the terrain and other factors, natural and human, villages are organized in different ways. In mountainous terrain, the towns have some neighbourhoods, far apart and surrounded by farmland, with particular economy and home separate or grouped. In hilly villages are grouped and organized, but in many cases, two or more neighbourhoods. In the field of relief settlements have greater density of buildings, usually a centre, concentric road network and almost the same model apartment enters, connected with internal road network and the main road, perform the function of the hotbeds of social life, constituting the core of urban settlements composition. They comprise architectural ensembles, where can be found expression of cultures, traditions and customs of the rural population (residents meet and chat around a plane tree or old oak secular tree, well, pump, source, an object of worship or the
After 1990, one of the characteristics of urban development has been the establishing of new towns and agricultural towns, according to the studied urban planning, residential, social-cultural and economic buildings, with street and service unit of civil style. In the transformation of rural settlements into towns, in addition to economic factors, an important role have played social elements and urbanization, historical traditions and cultural centres as it is the case of Libohovë and Këlcyrë. Agricultural towns have functioned cooperatives or agricultural enterprises, SMT etc. Apart from the agricultural sector, these cities gradually has gained crafting-industrial (processing units of agricultural and livestock products, stone, wood, etc.). Agricultural economic character objects are placed in their vicinity, because they serve both production and population, while stables form independent unit away from residential area, in order don’t damage hygiene, functionality, urban and architectural elements of the village. Slaughterhouses and poultry with over 3000 animals have been located over 500 meters away from the residential area, stables for cows, pigs, horses and poultry over 250m, crafting workshops over 200m, stables for work animals over 100m etc.

Usually residence and economic areas are situated in:

- close to national road (in one side of it) and the entrance in each area is done through special roads such are: in villages of Bëncë, Turan, Dragot, Qesarat, Buz etc. of Tepelenë District; Sotiërë, Llovëvë, Upper Peshkëpi, Dervician and Jergucat, of Gjirokastër District; Kondas, Komarak, Sukë, Këlcyrë Village, Piskovë, Gjinkar, Petran etc. of Përmet District;
- far from the national road (in one side of it) and the entrance in each area is done through common roads such are: in villages of Communes of Upper Dropull, Zervat, Bularat etc. in Gjirokastër District and Luzat of Tepelenë District;
- very far from the national road and the connection with village is done through internal road of agriculture area in far mountainous areas: Kërrë and Kaparjel of Gjirokastër District; Mezhgoran in Tepelenë District; Limar, Malëshovë, Bubës, Toshkëz, villages of Ballaban, Dëshnicë, Sukë, Frashëri in Përmet District;
- In both sides of national roads such are villages of Lower Peshkëpi, Vilaho Goranxi, Çatistër etc. in Gjirokastër District; Mazhanj in Përmet District, Lab Martalloz, Sinanaj, Salari, Dukaj, in Tepelenë District;
- In the crossing section of national roads such are in villages of Glinë, Suhë, Labovë e Vogël etc. in Gjirokastër District; Çarçovë in Përmet District; Salari in Tepelenë District etc;
- In one side of national road and the connection is done in two points through an internal ring such are in the villages of Humelicë, Çepunë, Mashkullorë, Kordhocë, Commune of Lower Dropull, villages of Jergucat, Zervat, Bularat, Kakavë etc. in Gjirokastër District.

5. Agricultural Cities and their Role in Rural Development

Except Libohovë, the towns in the region lie in the relief field, where compactness is greater than in the hilly, there are more massive constructions (with rectangular blocks) and construction density is greater. The streets are straight, wide and small slope. Socio-economic development, changes in lifestyles, etc., have improved functional structure of region cities. Administrative cities (Gjirokastër, Përmet and Tepelenë) are old. They were created as centres of fortified residential type, and then are extended outside the fort, on the hilly slopes and in the field, becoming the economic and craft centres. During the years of communist regime, they developed rapidly, as cities with complex functions, administrative, industrial, handicraft, agricultural, cultural, and educational, with the development of transport and trade and compact neighbourhood. After the Liberation of the country, one of the characteristics of urban development has been the establishing of new towns and agricultural towns, according to the studied urban planning, residential, social-cultural and economic buildings, with street and service unit of civil style. In the transformation of rural settlements into cities, in addition to economic factors, an important role have played social elements and urbanization, historical traditions and cultural centres as it is the case of Libohovë and Këlcyrë. Agricultural towns have functioned cooperatives or agricultural enterprises, SMT etc. From the agricultural sector, these cities gradually has gained crafting-industrial functions (processing of agricultural and livestock products), trade (collection, package and sell in large urban centres and processing facilities) and cultural (houses of culture, libraries, sports teams, etc.) and education (vocational secondary schools, mainly agricultural). They have contributed significantly to the emancipation and the urbanization of rural society.

After 1990, in terms of rapid and chaotic urbanization, functional structure of the city has expanded and extended their influence into larger areas. Urban areas of the region, has 1745 agricultural enterprises, of which 846 belong to the
municipalities, mainly that of Libohovë (805 entities) and Këlcyra. Këlcyra represents the municipality with the highest utilization of arable land (60.8%), while Municipality of Tepelenë only 16.9%. In 1998, 55.1% of the regional urban space was utilized agricultural area. In Gjirokastra district municipalities, agricultural lands occupied 1189 ha, 92.8% of which were arable land (264 ha and 912 ha of Gjirokastra municipality Libohovë municipality); Përmet district municipalities, agricultural lands occupied 1165 ha, 78.5% of which were arable land (375 ha and 790 ha Përmet municipality and Këlcyreg municipality); while in the municipalities of Tepelena agricultural lands occupied 79 ha (12 ha and 67 ha Municipality of Tepelenë Municipality of Memaliaj).

In the period 1994-2004, except Libohovë in all municipalities the number of farmers decreased. More farmers had municipality of Libohovë : 43.2% of the farmers of urban area. Operating in urban area there are 802 entities which cultivate grains and 658 entities that grow vegetables, beans and potatoes, most of which are in municipalities Libohovë and Këlcyra.

- **Municipality Gjirokastër**, in 2004 had 7800 grape plants, 120 citrus trees and produced 1.1 kg/person vegetables and 0.2 kg/person potatoes.
- **Municipality Përmet**, in 2004 had over 2000 grape plants.
- **Municipality Tepelenë**, in 2004 had over 2600 olive trees and produced 7.4 kg/person vegetables.
- **Municipality Libohovë**, in 2004 had over 6000 fruit trees, 700 olive trees and 3000 grape plants. In 2004 this Municipality produced 178.7 kg/person grains, 203 kg/person vegetables, 6.8 kg/person beans and 33.8 kg/person potatoes.

- **Municipality Këlcyra**, in 2004 produced 73.6 kg/person grains, 61.3 kg/person vegetables, 4.6 kg/person beans and 24.2 kg/person potatoes, while the producing of industrial plants focused (mainly sunflowers) and continued like this till 1999.

- **Municipality Memaliaj**, in 2004, produced 3.6 kg/person vegetables.

6. **Role of Administrative Structure in 1992 in Reorganising the Network of Rural Residences**

6.1 **Role of Commune’s centres**

Administrative-Territorial Organizing expresses features of historical evolution and social-economic development of the region. After the Decision of Council of Ministers Nr. 269, dt. 25.06.1992 “For the administrative-territorial division of Albanian Republic”, it was done a reorganising of the network of rural residences in Gjirokastër region. Based on the Law Nr. 7605, dt. 15.09.1992 “for the division of territory in Municipality and Communes”\(^{17}\), it was established a new administrative-territorial division for each village.

In Gjirokastër district, were established Comunes of Antigone, Cepo, Lower Dropull, Upper Dropull, Lazarat, Lunxhëri, Odrie, Picar, Pogon, Qendër Libohovë and Zagorie; in Përmet District, were established Comunes of Ballaban, Çarçovë, Dëshnicë, Frashër, Petran, Piskovë Center and Sukë; in Tepelenë District, were established Coomunes of Tepelenë Centre, Memaliaj Village, Buz, Luftinjë, Krahsë, Qesarat, Lopës and Kurvelesh administrative-territorial division.

7. “Wild” Construction in Rural Residencies and their Role in Consuming the Agricultural Areas

7.1 Regulatory policies about rural areas before 1990.

Until 1990, social-economic factor was determining in a limiting way the implementation of the regulatory policies about rural settlements. During the period mentioned above the system aimed at limiting the occupation of agricultural land and increasing population density in the rural area. It was aimed to turn the village like the city, raising palaces changing lifestyles, developing, besides agriculture, and other economic activities.

In 1960, the Ministry of Agriculture and Cadastre branch approved guidelines which disciplined construction in the countryside, such as apartments, as well as social and economic facilities and cultural activities. In 1961 came out the decree and instruction of the Cabinet of Ministers "On saving the fertile soil from construction and other works", and in 1978 came out the decree and the relevant regulation "On the drafting, approval and implementation of the regulatory plans of cities and villages ". Therefore, it changed the way of conception and design of residential houses in the village. In order that these constructions were not wasteful and damaging the unity of blocks of land belonging to agricultural cooperatives and were established the executive committees of special commissions for construction in the village. They were aimed at preserving and saving as much arable land area from the construction and various works by defining unproductive land designated for construction. The size of the expansion of the residential centre was calculated from net population density/ha. This density should be ≥ 90 inhabitants / ha and ≤ 150 inhabitants / ha. Also by this Ministry were issued instructions about the main roads in a residential centre, which should not be more than two. In subsequent periods, the booklet “Planning urban agricultural centres” served for setting residential centres, production areas and also for the design of rural regulatory plans of residencies. This was followed by turning of a portion of farmland (especially fields and orchards) in non-agricultural areas (for roads, canals, residential, economic etc.).

7.2 The period after 1990

After 1990 have not been implemented proper policies for the development of rural areas, but there was a spontaneous stretch of individual houses of 2-3 floors in rural area of the county. At Urban Directorate at Regional Council there are a lot of requests from municipalities for urban studies, construction and individual (family) using for housing, combined with facilities for small crafts or manufacturing enterprises. Rural areas tend to be stretched to flat areas near the national roads, as well as to larger settlements. The request for the extension of the settlements has Lunxhëri, Lower Dropull, Antigone, Cepo, Petran, Piskovë Hub, Hub Tepelenë, Memaliaj Village Comunes etc.
Table 4: Constructions built without permission on agricultural lands in Gjirokastër Region

<table>
<thead>
<tr>
<th>Unit</th>
<th>Constructed</th>
<th>Flat area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>In Total:</td>
<td></td>
</tr>
<tr>
<td>Region</td>
<td>Nr Ha</td>
<td>Nr Ha Nr Ha</td>
</tr>
<tr>
<td>Gjirokastër</td>
<td>213 11</td>
<td>200 7 13 4</td>
</tr>
<tr>
<td>Përmet</td>
<td>105 9</td>
<td>92 5 13 4</td>
</tr>
<tr>
<td>Tepelenë</td>
<td>34 0.5</td>
<td>34 1 - -</td>
</tr>
<tr>
<td></td>
<td>74 1.3</td>
<td>74 1 - -</td>
</tr>
</tbody>
</table>

During this period were approved many building permits for objects of various kinds. Social-cultural facilities, health and infrastructure are financed mainly by state investors, while most of the residential buildings, hotels, restaurants, industrial and other activities have been financed by private investors and companies.

8. Conclusions

Agricultural function is implemented mainly in hilly and field terrain. Livestock function has settlements in high hilly and mountainous relief, with considerable pasture area (pastures, meadows and moat). In order to identify the villages and communes with livestock function is used indicator of pasture area. Agro-tourism function is evident mainly in settlements with remarkable agricultural traditions (where are implemented agricultural practices attractive to tourists), but also in places with tradition in the management of forests, water, etc. Agro-industrial function is dominant in settlements near cities, where are developed handicrafts and processing industry of agricultural products and livestock. Villages mentioned above, enjoyed the status of the administrative centre were also territorial centres of village systems locality, or agricultural enterprises- cooperative. Gjirokastra district rural areas have outstanding value from the organizational way of space and landscape, as well as the architecture and internal organization of housing and other buildings, infrastructure etc. After 1990, in terms of rapid and chaotic urbanization, functional structure of the city has expanded and extended their influence into larger areas. After 1990 have not been implemented proper policies for the development of rural areas.

Ethnic composition is homogeneous in Gjirokastra district. The ethnic Greek minority and cultural communities Vlachos and Roma, with values of material and spiritual culture, have enriched the cultural mosaic of the region. Especially it is evident in the spatial organization of dwelling houses, type of dwelling houses and architecture, traditions, agriculture, livestock and handicraft sector etc.

Cohabitation of the Albanian and Greek population, especially in the rural area, have approximate customs and traditions, communication and behaviour, building style furnishing of flats, etc., creating an original model of the rural community, which can serve as geo spatial nucleus of a regional cross-border dimensions, where citizens of both countries (Albania and Greece) are working for sustainable rural development.

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Education for Peace: Influence of Teacher's Communication Style in the Relationships Primary School Pupil Create with Each Other

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Abstract

Establishing a comparison between self-regulation skills that pupils develop in Primary Democratic, Active Learning and a Traditional school, a big difference in the communication styles were displayed by the teachers. Going along with this, very different social interactions were observed between the pupils. It has been established a relationship between the communication styles teachers have chosen and the effect it has in children's behaviour and the relationships they create between each other. However, teachers are not completely free to choose the way they want to communicate, it is also decided by the type of school they are working in. Each schooling type have their own principles, teaching method and philosophy. They even have a different understanding about the meaning of education. This is also decided by the current educational policy in each country. This is why two different laws of education (Spanish and Scottish) have been analysed. This study is a qualitative and no experimental or Ex Post Facto research, in which the variables are going to be studied in their natural context undertaking no control over them. A reflection is also been made on why alternative education is not legal in Spain comparing Spanish educational system with the Scottish one.

Keywords: Education for peace, Communication style, classroom environment, Primary School.

1. Introduction

This paper is aimed to present a very important part of the teaching education that, at least in the Spanish teaching training is not been taking care of properly: teachers style of communication and its influence the relationships children establish with each other.

The present paper presents how style of communication chosen by teachers has an influence in children's behaviour and in the way they face different kinds of social interaction.

Here is presented the unexpected findings of a PhD research which was originally focused on understand how different schooling types develop self-regulate learning skills in Primary School pupils.

To understand this research a quick overview of the different schools participants is going to be made. Three different schooling types (traditional, active learning and democratic schools) have participated in two different countries (Spain and Scotland, UK).

The Traditional Catholic School (Spain) is going to be presented in the first place. The teaching method is content-centred, thus, classroom are prepared for rote learning. In other words, all the desks are facing the blackboard where the teacher will perform the different lessons. In this school teachers are in total control of the classroom becoming the authority.

Regarding the democratic school, their teaching method is child-centred and research-base, therefore, pupils can decide what to learn and when. This means, the learning process is completely centred and adapted to each child learning pace. Teachers and students are supposed to have the same level of authority.

Finally, in the active learning school the teaching method used is project-base, children's learning pace is respected but the teacher still holds a democratic control of the classroom.

2. Theoretical Framework

To make this comparison it was needed to create a classification of the styles of communication and classroom environment.

The style of communication is composed by Tone and Direction. The tone is referred to the aim and how we present the message. The direction determinates the interaction between the one delivering the message and the ones
that listens (Kaplún, 1998).

The following tones have been considered in this research:
- Affective: The message is aimed to convey an emotion (Kaplún, 1998).
- Empathetic: The message has into account the others feelings. It needs active listening (Kaplún, 1998).
- Informative: Communicate the message in an objective way is the only thing that matters (Kaplún, 1998).
- Descriptive: The message is aimed to describe objectively a situation (Kaplún, 1998).
- Authoritarian: It has aggressiveness implicit. Its goal is to impose the listeners to act of behave in a certain way (Kaplún, 1998).

All the tones are complemented by its direction. Three are the directions observed in this study:
- Bidirectional: There is an existing interaction or feedback between the one that speaks and the one that listens. In other words, it exists an exchange of messages between them (Kaplún, 1998).
- Unidirectional: The messenger assume an active attitude while the listeners are passive. There is not interaction after the delivery (Kaplún, 1998).
- Mix: When both directions are used.

Not all the tones can be mixed with all the directions. For example, the affective and empathetic tone naturally are going to be bidirectional while the authoritarian just can be unidirectional.

Having understood the styles of communication, it is needed to present the classroom environments that it can produce. The followings are the ones considered for this research:
- Authoritarian-exploitative: The authority (teacher) shows mistrust in students, what leads him/her to take over in every situation. There is a strong hierarchy where decisions are made by the “boss” (Martí Bris, 2000).
- Authoritarian-paternalistic: A mistrust and strong hierarchy is showed for an emotional reason: Make pupils feel everything is done because the teacher cares for them, and they are trying to keep them safe (Martí Bris, 2000).
- Participatory-counsulter: It is showed trust in students’ capacities. Teacher controls the classroom but takes into account children opinions (Martí Bris, 2000).
- Participatory-group: Teacher shows full confidence in children capacities. All participate and take part in the decision making process. Everyone’s voice have the same value (Martí Bris, 2000).

3. Research Rationale

The present research is a multiple case study where three schooling types are being compared, (democratic, active learning and traditional). The design is not experimental, specifically Ex Post Facto, studying the variables in their natural context without trying to control them (Cohen, Manion & Morison, 2000). The purpose is to create a complete and detailed overview of the characteristics of both types of school and study the results produced by the primary school pupils.

The research has explored the relationships between the styles of communication used by the teachers and the classroom environment.

This is a qualitative research where the data have been gather by observation notes (Cohen, Manion & Morison, 2000).

4. Findings

As we have briefly introduced how the school works in the introduction. Here, just the relevant information to understand the conclusions is going to be presented.

Starting with the Traditional Catholic School, the style of communication used was authoritarian and mix, allowing very controlled participation. In this case there is two authority figures the teacher and the school book. Both unquestionable. A very clear example was seen in one of the classrooms:

Student: “I read a different theory from the one given by the book”
Teacher: “But what does the book say?”
Student: “What you said but maybe…”
Teacher: “But what does the book say?”
Student: “What you said”
Teacher: “Repeat with me I will never question an evidence”

Students compete for being the best in every subject, to win the teacher’s sympathy and get the best grades.
Therefore, the relationships established by the students are competitive with an aggressiveness implicit, coinciding with the communication style chosen by the teacher.

Taking into account the previous information, the classroom environment is classified as authoritarian-paternalistic. By opposite, the Democratic School teachers chose a bidirectional affective and empathetic style of communication, avoiding competitiveness between children and trying to make them feel they are worthy and valuable in their own and unique way. Therefore, cooperative and respectful relationships between children are created.

There is no authority since teachers assume a companion role. Children chose when and what to learn base on their own interests, and ask teacher’s for help or guidance when they need it. Therefore, the academic curriculum is created by pupils and the group needs.

The classroom environment created is participatory-group.

Finally, the Active Learning School teachers chose an affective and empathetic style of communication in harmony with the child-centre teaching method used. In this case, they have chosen a mix direction since teachers are still the authority in the classroom but children’s opinion are taken into account.

The active learning school case is quite special since most of the time they use a bidirectional communication but, sometimes, the unidirectional communication is used as well. The classroom environment wanted is participatory-consultive but, depending on the activity and its source and goals, the participatory-group will be also wanted.

Matching with the Democratic School, relationships established between the students are cooperative and respectful.

5. Conclusions

As it could be observed in the previous information, there is an existing relationship between the relationships established between children, the classroom environment and the way teachers choose to communicate.

<table>
<thead>
<tr>
<th>Style of Communication</th>
<th>Classroom environment</th>
<th>Relationships between students</th>
</tr>
</thead>
<tbody>
<tr>
<td>Democratic Sch.</td>
<td>Affective and empathetic. Bidirectional</td>
<td>Participative-group</td>
</tr>
<tr>
<td>Active Learning Sch.</td>
<td>Affective and empathetic. Mix direction.</td>
<td>Participative-consultive</td>
</tr>
<tr>
<td>Traditional Catholic Sch.</td>
<td>Authoritarian and informative. Mix direction.</td>
<td>Authoritarian-Paternalistic</td>
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</tbody>
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It exist an obvious relationship between the way that teachers communicate and the teaching method used.

At the same time, this style of communication chosen by teachers make students feel safe or not, allow them to develop their natural creativity or not. As an example, students from the Democratic and Active Learning schools feel safe and evaluated knowing that all of them are going to be treated with respect not just for their teachers but for their classmates. This can be the reason why pupils from both schools show a positive attitude towards learning.

It needs to be taken in account the cultural differences in the relationship teacher-pupil in the Scottish and the Spanish schools. In Scotland, students approach the teacher saying Miss, Mr. or Mrs., followed by their surname as way to be respectful. In Spain, in general, pupils call their teachers for their forename as a way to build a close relationship. However, the relationship between pupils in the traditional Spanish school was colder than in the Scottish active learning school. This could demonstrate that the communication style prevail over the way to approach the teacher.

Regarding teachers’ involvement, there is not enough evidence to demonstrate any differences between what involvement means in the three schools. Nevertheless, it is observed a connection between the different levels of teachers’ involvement in their pupils learning and the different pupil-teacher relationships. It seems the teaching method, classroom structure and school priorities predetermine the communicative style is going to be used. As a consequence, this will modify the relationship students will establish between themselves and the classroom environment built. This could lead us to the conclusion that the communicative style employed by the teacher modifies the pupil’s behaviour. The safer they feel, the peaceful and respectful behaviour they will show.

Finally, this can demonstrate how important it is the teacher role for students. Being a model of kindness, understanding and loving behaviour could have an impact in students’ attitude and in the way the treat each other. A possibility to learn how to solve conflicts in a peaceful way is been given to students by living in a peaceful, safe and respectful environment. Therefore, education for peace means provide them with this atmosphere where then can be themselves and feel worthy for who they are without being judge or compete with each other.
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An Outline of Loans' Trend in Albania

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Abstract

The early 2000’s epitomized very low levels of loans in Albania. The combination of imposition of stringent credit ceilings and the high and rising number of non-performing loans caused the commercial banks to have difficulties to meet the soaring demand for credit. Bank of Albania imposed low credit ceilings, artificially lowering the ability of the banks to provide loans despite having healthy deposit reserves. In 2001 the situation changed dramatically however, as a result of the administrative decision to transfer the bad loans from the Savings Bank to the Loan Handling Agency. This led to a changed financial picture overnight and a greatly improved NPL situation, by wiping out most of them as far as the banking sector was concerned. The Albanian economy had a boom in credit growth particularly after 2004, especially in foreign currency lending. It still remained less than what it should have been, due to low ratio of loans, compared to deposits level. The credit crisis of 2008 saw a decrease in lending, and 2009 saw an even greater deterioration. Nowadays supply has tightened, with banks making it more difficult to request loans, and the demand has decreased as well, with businesses reluctant to take on risky investments, indicating a lack of confidence in the Albanian economy and uncertainty about the future, especially in sectors such as construction, that are regarded as highly important to the overall performance of the economy.

Keywords: non-performing loans, credit crisis, economy

1. Introduction

After having emerged from a 50 year communist regime, Albania started to transform its economy from a largely planned system to a to a market economy. This process together with generous international assistance helped Albania on its way to progress. Because of strong economic growth, Albania’s population enjoyed a period of improved finances, and a significant percentage of the population transitioned from poverty to middle class. Poverty declined by half from 1990-2008. This transformation continues based on its largely untapped potential and opportunities. The financial crisis of 2008 revealed however the inherent flaw of growth based on internal consumption, and highlighted the need to shift to investment and export-led growth (Meka, 2011).

For all this to take place, several changes must occur. There is an urgent need to implement structural reforms to improve competitiveness, productivity and creativity. Industries that help create jobs have to be encouraged. There must be ways to involve whole segments of the population that haven’t experienced any improvements. This is a lot of potential left unused that could otherwise fuel a bigger growth now and in the future, as well as contribute to a greater stability politically that comes from having a larger middle-class.

Improvements in regional connectivity would be quite influential as it would make trade and investments much easier, while creating a much bigger market for the local goods. This is especially important because the lion’s share of foreign trade of Albania is with its neighboring countries Italy and Greece (Impavido, et al 2012).

The Albanian economy, especially the banking and financial sectors, are still feeling the aftershocks of the 2008 financial crisis. The lack of experience in the banking sector, in conjunction with poor lending and business approach has deteriorated the overall financial climate. It doesn’t help that the world economies, especially the financial and banking sectors, are still feeling the pinch of reduced demand and increased competitiveness in the world market. In 15 years the banking industry in Albania moved from a climate of aggressive expansion and growth in an attempt to capture as large a market share as possible, to cope with high NPL levels and darker economic outlook, at least in the short and medium term. The absorption of a big part of the banks’ NPL portfolios changed the financial picture overnight, however both banks and the private sector seem reluctant to commit to risky investments. In the absence of alternative funding sources (other than bank loans), Albanian businesses were facing a harsh reality of tightened loaning conditions by all banks during 2009-2011 and even further to 2012 (www.dukagjinicollege.eu). However banks play such a crucial role in regulating and promoting the right businesses and business models that they have an outsized influence in the rest of the
Recognizing their importance, the Government of Albania embarked on an encompassing reform focused on fiscal sustainability, trying to stabilize the financial sector. Great attention was paid to the energy infrastructure, stabilization of pension funds and local administration. Ongoing reforms have increased the general population’s and especially the business confidence and optimism, nurturing a climate favorable to growth (Shijaku and Ceca 2010). Of special importance are the Law Reform and the Land Reform, as they make sure fair business can prosper and contracts will be respected, removing major obstacles to both foreign and internal investments. Maintaining the momentum is crucial however as a lot depends on it, not less EU integration and increased confidence in finally being on the right path toward political stability and economic progress for all the different layers of the Albanian society.

Reduced demand for credit from the general population has been offset by an increase on the business side, as indicated by a 2.4% increase from the private sector in the first 2 months of 2016. Loans in Lek have increased at a steady rate, while loans in foreign currency have shown signs of continued improvement since the end of last year. The annual growth rate of this portfolio remains moderate however at 1.6%, once again indicating ongoing skepticism from the private sector (Ministry of Finance: September 2015).

Even though credit standards have been lowered for certain segments of the society, they remain pretty stringent for most others, thus artificially reducing demand and slowing down the currency flow for the entire economy. Loans to households have grown at a slower rate than expected (at only 4.2% annual expansion growth), while mortgage loans have remained virtually unchanged from last year. Rates of interest in Lek in the first two months of 2016 increased only slightly as compared to the interest in the last 3 months of 2015. Because of its low volume, it remains volatile and prone to significant changes, when anyone of the banks decides to increase or decrease its rates. In a longer term, they continue to follow a downward trend, even though it is not as fast as that of interest rate on deposits. By client, the reduced interest rate is more noticeable for households. Credit to the private sector has improved during the first quarter of 2016 across all CESEE countries and this increased credit to the private sector is reinforced as well by the positive and solid trend of loans to households in most regional economies.

Credit performance indicated signs of improvement during the second quarter: The bank credit portfolio achieved an average annual growth of 3%. This improvement occurred mainly because of the expansion of lek credit by 6.4%, while the portfolio of foreign currency credit showed no signs of change from the year before (INSTAT 2016).

However, its annual growth rates are making very slow progress: The stagnant credit growth shows the low demand as well as the tight supply for this particular product. Strengthening the demand and further improving supply for credit is considered as a precondition in order to have solid medium-term and long-term growth in Albania. Hence, implementing the action plan for the treatment of non-performing loans is of crucial importance (Bank of Albania: September 2016). This is where the justice reform will become very useful- it will enable a more transparent legal setting so that the parties can commit in long-term contracts (Shingjergji 2013).

The new available data and different analyses have not revealed any major changes to our medium-term predictions: In this aspect we do expect our economic activities to majorly improve. It is forecasted that the Albanian economy will return to equilibrium by the second half of 2017, which in turn would assume that inflation will return to target in the second half of 2018 (Albanian Banks Association, July 2016).

These forecasts are conditioned by the fact of maintaining the stimulating monetary policy over this period. The monetary stimulus is expected to remain unchanged over 2016. The balance of risks remains at a disadvantage. It is further toughened by, direct or indirect, potential Brexit implications for the economy and financial system in Albania (Bank of Albania: August 2016).

The Bank of Albania judges that the positive trajectory of economic and financial developments will be maintained in the period ahead. In any case, our monetary policy position will be in line with our inflation target and the need to further consolidate all sources of economic growth (“Action Plan”, December 2016).

2. Conclusion

A multitude of challenges have arisen in the banking system in Albania making it a very fragile sector. There is a plethora of problems caused by the economic crisis as well as by the reduction of income that used to be generated from Albanian emigrants worldwide. Another enormous challenge that is being faced now is the fact that banks hold a high percentage of non-performing loans (NPL). This increasing of NPL-s is attributable mainly to the bad loans that the Albanian banks issued right after post-communist transition.

In the light of the above situation, an examination of how both bank specific and macro-economic determinants affect NPL-s should be done. The following variables are found to have a major significance on the ratio of NPL: Real
GDP growth, unemployment, inflation, loan interest rates and remittances. Macro-economic conditions are closely linked to the banking performance. Simply put a GDP growth is always found to have a negative relationship with NPL-s. Similarly, interest rates have a direct influence on the lending capacity of the borrower, especially if the change of interest rate is significant.

Bank specific indicators are also found to have a major power on NPL-s. Variables which are specific to the bank (such as size, efficiency etc) market power are also very important determinants because they can cause risky loans.

High ratios of NPL-s continue to have a strong presence in Albania and they present an obstacle in the economic development. Minimizing these NPL-s is necessary to improve our economic growth and efficiency. Therefore it is recommended that banks in Albania look for ways to improve loan procedures and practices, in order to help economy recover faster. They should restructure the loans with new terms or collateral. Additionally it is advised that they issue smaller loans rather than larger ones. In order to get started with reviewing existing policies and procedures- staff training remains a crucial step in achieving this. It's time for banks to lower the risk and go back to recovery.

References

Female Identity and Imposed Codes in Caroline Compson: The Influence of Utopia on a Mother

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Abstract

This paper will be focused on the female identity and imposed codes in the character of Caroline Compson, in the novel “The Sound and the Fury”, by William Faulkner. The complexity of her figure is evident in the whole novel. The characters her children expose in the story reflect the authority Caroline Compson had on their education. Faulkner creates an individual, symbol of a specific philosophy on the world, precisely that of the South America. Under the effect of cultural codes imposed by racial aggression, class superiority, she had to adapt to the rules of such reality. Caroline initiates a utopian image for her life and, above all, a utopian image for the behavior of every woman based on the cultural codes of such society and religious myth. They have imposed a motherhood utopia. Physical purity is the core of her entity, which is even emotional. Apart from love, negligence, deadly tyranny is hidden the failure of a woman. Buried in her utopia she abandons physical desire and the attention towards husband and children. Through an empirical analysis of Caroline Compson, I will arrive to the point to evaluate her identity and the codes that perturb her children and husband.

Keywords: Caroline Compson, female identity, codes, utopia, ideology

1. Introduction: Utopia and Society

If we horizontally and vertically analyze the ideas of utopia developed during the years and centuries, we will clearly understand a transformation, as they become part of the structure of life and contemporary experience. Manheim (1985) describes utopia as “a sort of passing orientation of the reality that at the same time rips the connections with that existing reality.” (p.173) At the core of different concepts on utopia, which prevailed in the western societies, was the ideal creation of a society. This concept varies from the search for reflection over a better life, but it can even change to a pursuit of impressions not based on reality, being just an immeasurable project of human mind. The meaning of the word utopia, of Greek origin, can be translated as eu-topia, a place finding happiness or as ou-topia, a place not based on reality, but a result of fantasy. (Manheim, p.173) Different supporters of utopia, such as Saint Thomas, Fourier (1772-1837) and Owen (1771-1858) had no intention to emancipate the specific classes, but humanity as a whole (Davis, 1984, 4). While Thomas Moore (1478-1535) in his book *Utopia* (1516), projects utopia as a way of thinking for different kinds of societies, maintains the notion of Manheim that a good living can be reached only outside the existing reality.

The political and social ideas exposed in *The Republic* (380 BC) by Plato (428/427 or 424/423 – 348/347 BCE), *Metamorphosis* (8 AD) by Ovid (43 BC- AD 17-18), *The City of God* (5 AD) by Saint Augustine (354 AD- 430 AD), are examples of the first steps of a utopian projection, followed by modernist satire. Davis (1984) differs utopia on four ideal societies: natural abundance, the idyllic, the perfect moral commonwealth and the man of millennium. (p.8-9) Davis hints that utopia represented by Thomas Moore “is a category of social idealism based on an organizational, legislative, administrative and educational detailed imagination.” (p.10) Kumar (1987) is of the opinion that examples from myths of natural abundance, the idyllic or the man of millennium are an essential foundation in the long history of utopian ideas, presenting them as utopian occasions, but they are not utopia. At the same time, Kumar insists that Utopia by Thomas Moore is a result of a new period where rationalism and realism are typical of a classical revival of Renaissance. (p.21) Both Kumar and Manheim (1985) agree on the forms of a utopian mentality, supporting the idea that “modernist utopia changes when religious secularism is attached to the acting requests of the suppressed social strata.” (p.190)

In Manheim’s analysis on the four forms of utopian mentality is observed that overpowering secularism, which resulted in a second wave in the 18th century, named as “liberal-humanist ideas” (p.197) were connected to the image of a politic and economic prosperity uttered by the idealist middle-class generation. Conservative ideas were the third form related to utopia, while being exposed in the capitalist economies and the republic states. Communist-socialist utopia is the fourth form articulated as a “new creation based on internal synthesis of different forms related to utopia, exposed up
to now.”(Manheim, p.215) Although criticizing socialist utopia, Engels (1880) is of the idea that socialist concepts widespread before Marx are utopian because they condemn exploitation, poverty, but create an equal, ideal society disappearing discrimination. In accordance with Engel, they remain utopian because are not able to explain the element of exploitation and the historical process producing capitalist inevitable fall “after that society’s active forces act like nature’s forces: blindly, destroying as much as it is impossible.”(p. 73)

The discussion of Weber (1930) on utopia is more complicated and radical, saying that values do not exist in the social reality, even the result of a social action obscures the aim of the action and that the whole knowledge of the social world is just partial. (p.189) Weber’s counter-utopianism changes from radical adaptations.

When God and faith become a meaningful urge to give meaning to man’s life and help him face everyday problems, then faith takes a utopian connotation. This connotation is widespread in the context, where different religious preachers accept to leave apart the differences to bring peace and harmony through the formation of an existing utopian faith, just before the creation of universe. This concept of a far away future on faith forms the interfaith utopias. Members of a community fulfilling the rules imposed by the society form the intrafaith utopia. The Garden of Eden as well as Paradise is forms of utopia based on faith, found in different religions and preached in places where man finds peace, harmony away from sin, suffrage, misery, death.

A manifestation of utopia could be found within the context of myth. In many situations with human or superhuman creatures of a remote period, religious or secular archetypes, considered as a real overview of the manner the society and other natural phenomena were created. They present the living in the primitive form, but with emotional fulfilling, in full harmony of the man with the nature, avoiding the unnecessary wishes produced by conflicts and hostility. This simple and happy living has served as a reference for every crisis, with the hope that a near or far away future is the possibility to find happiness. What unites unlike mythic ideas and places is the expectation that such situation of happiness could be reached again.

If we focus on Lacan’s psycho-analytic analysis, we could gather more information and explore the nature of utopia, its truthfulness. Lacan (2007) was of the idea that “the truth is the inability of the real knowledge on the other individuals, the inexistence coming from the absence of that relation, of the unreached situation, the inexistence of a place.”(p.89) In these terms, the inexistence of a place indicates not only that this place does not exist, but at the same time, implies an ideal one, unreachable because perfect. The truth is imposed on humanity; giving a possibility to face the hidden, suppressed, unspoken feelings, affecting the normal progress of the individuals, save for suppressed groups. There exist a double result in this confrontation, on one side is an ideal society, if the confrontation is achieved, on the other side the utopia may be denied, if the confrontation is not achieved and the truth is covered. Utopia does not treat issues or places far away from the individual or community; in contrast, the hollow space between utopia and the subject is too close.

2. An Indirect Reflection of Mrs. Compson’s Character

In the novel, Mrs. Compson, is exposed as a complex character. Her representation is achieved through the description and characterization made by Quentin, Benjy, and Jason. The figure of the three brothers in the novel reflects even the influence of Mrs. Compson, their mother, during childhood, adolescence and maturity. In his episode, Quentin, remembers details from his mother reflecting their relation together with her influence on his personality. In the whole episode exists repetition of the same key motif: “If I could say Mother.”(Faulkner, 1990, p.117) This motif is abundant in the whole episode, while increasing the emotional bond: reader-novel, but even the psychological tone. The motif appears for the first time in a conversation between Mrs. Compson and Herbert Hedin, in April 1910:

Why shouldn’t you want my boys to be more than friends yes Candace and Quentin more than friends Father I have committed what a pity you had no brother or sister No sister no sister had no sister Don’t ask Quentin he and Mr Compson both feel a little insulted when I am strong enough to come down to the table I am going on nerve now I’ll pay for it after it’s all over and you have taken my little daughter away from me My little sister had no. If I could say Mother. Mother

... Ah Herbert Candace do you hear that She wouldn’t look at me soft stubborn jaw-angle not back-looking You needn’t be jealous though it’s just an old woman he’s flattering a grown married daughter I cant believe it. Nonsense you look like a girl you are losts younger than Candace colour in your cheeks like a girl A face reproachful tearful an odour of camphor and of tears a voice weeping steadily and softly beyonf the twilit door the twilight-coloured smell of honeysuckle. Bringing empty trucks down on the attic stairs they sounded like coffins French Lick. Found not death at the salt lick (p.117)
Even in the last part of his episode, Quentin refers to the relation with his mother: "the first car in town a girl Girl that’s what Jason couldn’t bear smell of gasoline making him sick then got madder than ever because a girl Girl had no sister but Benjamin Benjamin the child of my sorrowful if I’d just had a mother so I could say Mother Mother" (p.213) A turmoil interaction is evident in these words involving the mother and the son. A son laments the spiritual loss of a mother, who seems to have abandoned his child’s education. It is created the impression that this mother has not given Quentin and his brothers the sublime love and encouraging strength, characteristic of mothers. From a detailed description of memories haunting Quentin, we could typify Mrs. Compson, judge an aged woman flirting with her daughter’s fiancé, waiting to be in the center of attention without being disturbed by the consequences her behavior has on her children. She is always hiding through the tears her marriage consequences.

From the beginning of Benjy’s episode, Mrs. Compson, is present, but always accompanied by her brother, Maury.

"Let him go, Caroline." Uncle Mary said.
"You'll worry yourself sick over him."
"I know it." Mother said. "It's judgement on me. I sometimes wonder"
"I know, I know." Uncle Maury said. "You must keep your strength up. I'll make you a toddy." (p.4)

Save for uncommon moments is felt the presence of Mr. and Mrs. Compson, as a couple, running the family and taking care of their children. Maury’s existence is imposing in the Compson family. It is created the impression that he is in the middle of the couple, accentuating their alienation. Their durable relation looks as if surpassing a common brother-sister bond, implying a forbidden incest. The appeal for refusing his husband’s surname, to become closer to the family of origin, intensifies the bond between her and the brother.

3. Mrs. Compson’s Cultural Codes and Utopia

In the novel is noticed, indirectly, from the actions described by Compson’s children, a disharmony between Mr. and Mrs. Compson. Mrs. Compson’s life is divided in two parts: the first part belongs to a young Mrs. Compson, living the life of a beautiful and desirable youthful lady, ready to be married; the second part, after marriage, is focused on having children and the marriage miscarriage weeping. The codes of the society have imposed a utopia on the role of females in South American, and more specifically on Mrs. Compson’s role within the family. Her utopia was to stay virgin till her marriage. After exploring her female libido, when getting married and getting pregnant with four children, her life enters a period of permanent stagnation, followed by the abandonment of her children and husband. Faulkner creates a figure that does not move, but is stuck within her social environment. She seems to have fulfilled her family obligations along with her female utopia, affected by social conditions and the actual situation of women’s emancipation. The accomplishment of her youthful fantasies causes her stagnation, illness, and neglect of her responsibilities. In a particular moment, she even tries to explain not only her utopia but the utopia she thinks pertain to the whole women of 20th century American society.

"Yes," Mother says, "I suppose women who saty shut up like I do have no idea what goes on in this town."
"Yes," I says, "They don't."
"My life has been so different from that," Mother says. "Thank God I don't know about such wickedness. I don't even want to know about it. I'm not like most people." (p.323)

While questioning the cultural codes and their impact in the formation of an individual’s personality, and style of living, Roland Barthes (1977) hints that "if we achieve to get all this knowledge, these vulgarities we create a monster named ideology."(p.204) Mrs. Compson is a representative of individuals generated by the ideology of the American society and the cultural codes related to it. Faulkner produces a symbolic figure that does not only play the part of a specific character, but also represents a particular philosophy on the world, more explicitly that of South America. Under the influence of a society, where its codes were based on racial and class aggression, the cotton growers had the economic power, social dominance, while over putting their rules on the lower class, Mrs. Compson had to adapt to the regulations compelled by this reality. She originates a utopian image for her life and above all a utopian image for the conduct of every woman based on the cultural codes she was living. Within such background, the most important code was the preservation of moral and physical purity. In Quentin’s episode, as describing the codes she is brought up and have influenced her utopia, she contrasts herself with her daughter.

only Jason could do wrong because he is more Bascomb than Compson while your own daughter my little daughter my
Her physical purity is even symbolic. Mrs. Compson is snuggled in her image created during the early years of her life and she did not achieve to adapt to different social, economic, and cultural realities of the time living. She has no knowledge on business deals, on the usage of bank cheque, the behavior of women in society, how they pass their free time, what are their activities, their relation to men, how to deal with their intimacy. On the contrary, she locked herself up in an existential utopia causing troubles. The crying, illness, inactivity, inattention against children and her husband are the result of a mistaken utopia. Many critics blame Mr. Compson for his negligence in the education of children. John Irwin (1975) hints, “everything found in Mr. Compson’s perception of a society, based on symbolic fantasy of traditional notions on morality and virginity, does not exist anymore. He is attached to this system as a structure produced by it, not as an unchangeable essence, but for her wife this is the core of herself.” (p.120-22). It is precisely Mrs. Compson who does not accept to suit to the social changes and get out of her existential fantasy persuaded by the social environment, to live life for herself, her children, and her husband.

She seems to have fulfilled her utopia. The result of this fulfillment is her lost: physically, mentally. The lost of virginity together with the birth of her children constitutes the fulfillment of her utopian image formed by cultural social codes. It is inferred that in this culture is not included the attention and care for children, but absolute negligence. The imposition of these rules on her children brought up their frustration. All her codes turn out to be a mere alienation of the motherly codes. In many episodes are observed such qualities, especially in that of Quentin. Through eruption of the traditional exposure of action in the story, and using memory reminiscences of moments with his mother, Quentin blames Mrs. Compson for her mental confinement. This mother misses love, sweetness, spiritual bond, motherhood, but generates coldness, insecurity, and physical motherhood. For Quentin, she is the darkness her spirit is sank:

“You know what I’d do if I were King? She never was a queen or a fairy she was always a king or a giant or a general I’d break that place open and drag them out and I’d whip them good It was torn out, jagged. I was glad. I’d have to turn back to it until the dungeon was Mother herself she and Father upward into weak light holding hands and us lost somewhere below even them without even a ray of light. (p.215)

The same imprisonment is over lived even by Jason, while asking her mother the keys to Quentin’s room. In a scene is understood the effort of a child to get the key of the mother to free himself from her symbolic prison, in order to find salvation: “Give me the key, you old fool!” Jason cried suddenly. From her pocket he tugged a huge bunch of rusted keys on an iron ring like a mediaeval jailer’s and ran back up the hall with the two women behind me.” (p.331) Quentin and Jason are conscious of the spiritual frustration and lost of themselves caused by maternal abandonment. The abandonment is replaced by the perseverance to teach even her children the same rules and codes that made Mrs. Compson’s life. This results in a failure of maternal relations between children-mother, starting from the failure of Mrs. Compson in creating maternal relations with her children to the failure of Caddy, and the least but not the last, the failure of Miss Compson, who throws away the idea of ever having children. Such conduct is a result of the utopia influenced by the society.

Cultural codes have imposed a maternal utopia. Every woman valuable for the society must have her sole fantasy marriage and propagation, avoiding any other possible desire. Through building a figure as a synthesis, Faulkner transmits generalizing ideas within specific social connotation. The whole middle-class society has got as a maternal myth that of pious woman: the Virgin Mary. Such presupposition underlies the supposition of all women behaving under this influence. Based on such assumption, all women must follow Virgin Mary’s three virtues: that of silence, assistance towards the others, and virginity. Mrs. Compson bases her utopia just on the third virtue: virginity. This utopia imposed by the society, not derived from her free will, is rooted in the physical process of giving birth to the heirs for the Compson family. She dedicates no attention to her female libido, but shows contempt against the sexual appreciation of her body. In the middle class society, women, should not dedicate attention to their libido.

The American society was not, yet, ready for a sexual revolution, even the majority of women were not ready to start and support this movement. This is the motive why Mrs. Compson is a representative of many women educated by the social codes related to religious myth. They build their utopia on the myth of physical purity, which appears to be still emotional. Her identity is related to the religious myth. After fulfilling her utopia, Mrs. Compson uses her as a manner to hide the reality. She evades the responsibility from Benjy’s mental illness; hides from the sexual reality of Caddy, a woman of different desires as well as fantasies, who will suffer like her mother the emancipated social reality; escapes the maternal parenting for Quentin. The sole member of the Compson family fulfilling her fantasy is Jason who, from her
view point, is more Bascomb than Compson. No seed of Compson has penetrated Jason. During his birth she was still virgin, like Virgin Mary.

4. Conclusions

The maternal utopia divides females in two roles. In the first role, females should act according to the virgin utopia, renouncing the sexual desires. In the second role, females should act according to an alienating utopia, derived from the desires inflicted by the body. As I mentioned above, Mrs. Compson was of the idea that the bodily treasures were unacceptable from, the so called, ladies of high society. If a girl wanted to be “a lady”, or part of the high society, they had to abandon bodily desires, because its purpose was just to dedicate to the process of propagation. Within this utopian line of thought, virgin females are described as imprisoned within their desires, frustrated, toward a slow agony of physical death, because the spiritual death has already occurred. The whole being of these women dies when they give birth to heirs. An example of these women is definitely Mrs. Compson. On the other hand, the women of physical desire loose the right to be called ladies by the society, since they enliven their sexuality within constraints. They are a property of their fathers, brothers or husbands. Mainly young women, they break the imposed utopia. A typical representative of these women is, of course, Caddy, Mrs.Compson’s daughter.

Our perception of Mrs. Compson, is achieved through the descriptions and judgments made by her children. Over the indiscretion, love, compassion and tyranny is hidden the failure of a woman. She has built a jail with her utopia not only for her children, but even for herself. Immured in her utopia, she abandons her bodily desires and the parenting of her husband and children. Motherhood is her fantasy, desire, but even her destruction.

References

The Signs of the Differences in the Weights of the Ministers in Hungary between 1848 and 1944

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Abstract

The formal weight of the individual ministers in the cabinet or at the cabinet council is regulated in acts or at least one act. In the parliamentary form of government, and in the chancellor and council type of government, the ministers have to have the same weight. For this reason – according to my view – not only the formal, legal regulations have to be checked, but the daily operation of the cabinet as well. In my opinion the following circumstances should be examined: prime minister’s portfolio, ministers having more portfolios at a time, size of the cabinet, permanent and temporary substitutes of the prime minister and the ministers, length of the time spent in the cabinet, length of the time having the same portfolio, speaking order at the cabinet council and communication with the head of state. It also may be important to evaluate the factor being a relative to the prime minister or other ministers. The building of the ministry is a circumstance also to be checked to find out the weight of the minister. This paper examines the weight of the individual ministers in the cabinet by analyzing the previous conditions. The main sources for the analysis are the minutes of the cabinet council between 1848 and 1944.

Keywords: legal history, Hungarian government, ministerial structure, power relations in the cabinet

1. Weight of the Ministers in the Government

The form of government and the type of government define – among others of course – the relationship of the ministers within the cabinet. The determination of the form of government in a specific country, gives us a comprehensive picture on the structure of that state and the operation of the main state organs. The form of government gives answers mainly to the following two questions: What is the relationship between the legislative and the executive power? Who exercises the executive power? Regarding the relationship of the legislative and executive power the decisive circumstance is the extent of control by the parliament, the legislative power on the government, the executive power.  The other circumstance to determine the form of government is the answer to the question: by whom is the executive power exercised.  

The form of government and the type of government are two concepts that are frequently mixed up sometimes even in the scientific literature as well. I agree – accepting others opinions – that these two concepts are different from each other. The form of government shows the relationship between the legislative power branch and the executive power branch within a state. Meanwhile the type of government shows the role of the prime minister in the government, the prime minister’s position in the ministers’ council. There are some governmental models in which this distinction can be recognised; the justness of this distinction can be accepted. We can find different types of government in the same form of government; this confirms the differentiation of the two concepts: the form of government and the type of government. For instance, today’s United Kingdom and Germany both have a parliamentary form of government, but their type of government is different from each other. Therefore, the form of government and the type of government vary from each other.  

The form of government is surely determined by legal acts, and what is more, the form of government is usually determined by the highest legal norm available in the country. The form of government has an equal significance to the form of state that is why it must be regulated in the highest available legal norm: a constitution or a legal norm in the place of the constitution. The type of government

As I examined the practice, the main sources for this paper are the minutes of the cabinet council between 1848

Regarding the multiple portfolios, my first task was to check the purpose of this phenomenon. The archetype of the Hungarian governmental structure was defined in 1848. Its 10. § stated that the ministers’ council consists of a president and – if the president does not have a portfolio – apart from the president eight ministers. This regulation was clear; the first government had to have nine members. Above this, there was an additional indication in this article: “if the president does not have a portfolio.” It means that having multiple portfolios is not forbidden regarding the will of the legislator especially for the prime minister (president of the ministers’ council in this context).

The practice supports the above. It was usual for the prime ministers to have a portfolio besides being prime minister in the examined period. The very first prime minister to have a portfolio was the very first responsible prime minister of Hungary, Lajos Bathány. For practical purposes he was the leader of the ministry of war temporarily. Furthermore, he was the only prime minister to be a leader of seven ministries; he had seven portfolios for a two weeks period during the Hungarian revolution of 1848. Between 12th and 28th October 1848 he was the leader of all ministries having their seats in Budapest, except for the ministry of war. In the case of the first ministers’ council it was a necessity for the prime minister to have portfolios as well. It was just temporary and extraordinary.

The first government that was properly organised according to the 10 § of Act No III of 1848 was the government of István Bittó. This government operated between March 1874 and March 1875. During this one year the prime minister acted only as a prime minister, all the other ministries were lead by one minister, and there were no ministers with multiple portfolios.

Later it became habitual for the prime minister to have portfolios during their whole service. This phenomenon was not induced by necessity; it was not temporary, nor extraordinary. Sándor Wekerle was finance minister from 1889 in two consecutive governments. When he became prime minister in 1892, he kept his portfolio, and remained finance minister during his time as prime minister until 1895. Kálmán Széll was the first prime minister to have two portfolios at a time. He was minister for the interior during his whole time as prime minister, but he lead the quasi foreign ministry for a short time as well. The previously mentioned Sándor Wekerle was the first prime minister who had three portfolios besides being a prime minister. He was finance minister, minister of war and the minister for the Croatian affairs for a short time. It was very usual for the prime ministers to keep their former portfolio when they were appointed prime minister.

I would like to consult very briefly the question of being a professional or a politician regarding the ministers. This topic is worth a complete paper, but this time I would like only to raise the question, and suggest an answer for that. The ministers’, the government members’ professional and political attributes seem to be inseparable from each other. The professional carriers (e.g. in-ministry pre-life, being secretary of state) and the political positions (e.g. party leadership) are interfaced in the lifespan of a person. The prime ministers of course usually chose their ministers to fit into their political views. It is easier for the minister, if he had experiences in the central public administration. It must be stated that the governments are at the same time political-representative and governmental-administrative organs.

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4 Act No. III of 1848 on the independant and responsible Hungarian government
7 The proper name of this ministry is the ministry around the king’s person. It was responsible for the connection and the affairs between the emperor and Hungary. From the early it was called quasi foreign ministry.
statement is connected with many things. At first it is connected with the nature of the political system, secondly it is connected with the tasks expected from the government (e.g. political direction or bureaucratic management).11

As an example Béla Orczy lead four different portfolios in the government of Kálmán Tisza between 1879 and 1890. He was the quasi foreign minister for eleven years, and he was the minister of war in 1882 and 1884, the minister for public labour and traffic in 1886, and minister for the interior in 1887-1889.12 He served in the revolution as a soldier, he had two doctorates, and he worked as an attorney at law. After his service as minister he remained an appreciated politician, and an honoured aristocrat. His carrier in the government shows, that choosing him was a political decision. Of course he was not expert in all war affairs, public labour, traffic and interior affairs.

3. Prime Minister’s Substitution

I think, that the prime ministers’ substitution is an important and an indicator question. Being a substitute to the prime minister is an obvious expression of the prime ministers reliance and dependence, and at the same time it shows the weight of the person in the government.

In the examined period there were two types of substitutes, and both were just temporary. There was no permanent substitute to the prime minister. The first type of temporary substitutes were officially accepted by the head of state (the king or the governor). They were appointed when there was an anticipated or planned absence of the prime minister. Such absences were when the prime minister travelled abroad for more days, or the prime minister needed planned medical attendance. The second type of substitutes were the ones who were not accepted by the heads of state, but only occasionally substituted the prime minister. There were asked by the prime minister to do so.

Already the first government shows substitutes of the prime minister. In April 1848 the minister for traffic and public labour was appointed by the ministers’ council (after the initiative of the prime minister) to be the prime minister’s substitute while he left Budapest, and travelled to Innsbruck. In July 1848 the minister for religion and education was the substitute of the prime minister during his stay in Vienna.13 As this period was to short, no pattern can be shown from these substitutions.

In the government of Gyula Andrásy, he was substituted by the minister for religion and education when he accompanied the king to his journey for two months.14 This seems to be a first type of substitution. There were examples for the second type of substitution as well. In January 1869 the minister for the interior lead the ministers’ council without any prior document.15

Let me show two examples for the two types of substitutes in medical cases. On 31st August 1920 it was not the prime minister who presided at the ministers’ council, but the minister for commerce. The governor (the head of state) appointed the minister for commerce to substitute the prime minister during his illness.16 This is a first type of substitution. On 19th June 1925 the minister for public wellness and labour announced that the prime minister had a sudden sickness, that is why he decided not to preside at the ministers’ council, and ordered, that the minister for public wellness and labour should be his substitute.17 This is a second type of substitution, without the prior consent from the head of state.

Under the government of István Bethlen (1921-1931), a pattern can be found in the substitutions of the prime minister. József Vass, minister for public wellness and labour was the usual substitute of the prime minister. József Vass was already a minister when István Bethlen became the prime minister. During the ten years of Bethlen-government he substituted the prime minister18 for altogether one and a half years.19 Seemingly there was a solid trust between these two persons. József Vass ministerial service ended with his death in 1930.

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15 MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 4th January 1869.
16 MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 31st August 1920.
17 MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 19th June 1925.
18 Example to be found: MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 27th November 1925; MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 29th January 1926; MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 12th March 1926; MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 27th May 1926.
4. Ministry Buildings

The question of the ministry buildings appeared first on the ministers’ councils in 1867. Of course, that was the starting time of the consolidated governmental work after the compromise between Austria and Hungary. During the revolutionary period, the ministries were operating in buildings that were left by the Austrian governmental organs. There was not enough time to develop to a more sophisticated governmental organisation.

My hypothesis was that there are no nodes in this question, and the opportunity to build or to renovate the ministry building shows the weight and the strength of the minister in the government. To the contrary, when I examined the minutes of the ministers’ councils it appeared that there are nodes in this question. The topic of the ministry buildings was on the agenda of the ministers’ council in 1867,20 in 1889,21 in 1922-192322 and in 1940-1941.23

These years show dates that were important in the development of the Hungarian government and governmental structure. 1867 is the year when the Austrian-Hungarian Monarchy was created; that is the beginning of the build-up of a new governmental structure. A very similar situation appears in 1922-1923, which is at the beginning of the consolidation period after the First World War. That is also a beginning of a very new era, the development of the governmental structure for the independent Hungary. The beginning of the 1940s meant obviously the preparation for the Second World War. Among these four, the most interesting node is at 1889. In this year, a slight reform was introduced in the ministerial structure. The competencies and the names of two ministries were rearranged and changed. This gave the opportunity for the ministers to initiate the building and renovating some of the ministry buildings.

5. Summary

As I articulated before many circumstances affect the inner power relations of a government. For the purpose of this paper I have chosen three from these many. The multiple portfolios raise the question on the nature of the minister’s position: is it a pure political position, is it a pure professional position or a combination of both? The substitution of the prime minister shows the trust issues within ministers’ council. The question of the ministry buildings point out the greatest rearrangement points in the governmental development.

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20 MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 3rd April 1867.
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22 MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 12th January 1921; MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 9th February 1923; MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 18th August 1922; MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 22nd September 1922; MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 9th March 1923; MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 27th April 1923; MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 22nd June 1923; MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 16th February 1923; MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 9th March 1923; MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 25th February 1942; MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 25th February 1942; MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 26th October 1941; MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 26th April 1940; MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 25th February 1942; MNL W12 Minutes of the ministers’ council (K27) 1867-1944. 21st May 1942.
Strategic Development of Innovative Social Services in Elbasan

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Abstract

Modern times has brought major changes to the conceptual social life. Even the dimensions to be assessed not only sociologically and conceptually, but also to consider more joint efforts of the state, society and family. Especially for building social rights policies, integrated by improving the structure of social relations. This should be the essence of each regional social policy, local way of organizing community life. In terms of decentralization of social services, integration services are indications that local authorities should assess not only to root "society board" but target the most vulnerable groups. Rendered necessary by the implementation of a community instruments of the most innovative social policies being considered as trace methodological work and how to move forward strand of improving: Social Plan Area. In this case its implementation will affect the strategic development of innovative social services to improve and provide more social services integrated with health not only for the city but also in Elbasan Municipality Paper, Labino -Fushe, Tregan, Shirgian, Shushicë, to meet local policies for economic, social and cultural, creating social integration of health services, a calendar of activities for the implementation of the priorities in the field of social protection , to a common vision on the delivery of services.

Keywords: decentralization; social policy; network, integration of social - health services.

1. Introduction

In Albania, in the period after the collapse of the dictatorial regime until today is visible an improvement of the living conditions at the national level as well as at the Regional. In terms of measurability, different pace of development and the character of his somewhat spontaneous, make this improvement is relative: positive changes in some urban areas are vigorous and highly visible, while a large part of the rural areas lag behind dramatically and in many components of development.

The study "Social Area Plan" intends to present before the concerned institutions and agencies involved in social development, a modern approach to social development orientation of the area.

In terms of methodology, this study is an integrated treatise on these issues and is based on a preliminary analysis work. The study brings attention once again on the phenomenon of social exclusion. Social exclusion in Albania is a by-product of several factors. A very low level economic mis-governance, slowness in the process of decentralization, insufficient policies of the social inefficiency in targeting poor families, insufficient implementation of laws and regulations in force are some of the elements that favor or promote social exclusion. Differences in lifestyle and benefits of options between residents of rural and urban, mountainous and lowland between target social groups and the rest of the population have turned into gaps that feed exclusion social. Details of previous studies and relevant policy documents highlight how social groups in difficulty, children of families in need, persons with disabilities, the unemployed, the elderly and members of the Roma and Egyptian communities.

"The social area plan" devotes considerable attention to these target groups. Concentration of economic level, poverty is inevitable focus of any study of the nature of a long-term programming. The lack of a universal acceptance on a measurement of poverty indicators and risks always lead to inaccuracy or lack reliability of certain monitoring applications later in inadequate interventions and effective. The study recognizes, acknowledges and highlights the need for a stable system and better coordinate the monitoring, which in the current situation poses a real challenge for the design and implementation of social policies in Albania. The current stage of research and experience accumulated by successful projects or not, raise the need for a re-conceptualization of social services. It has become essential that access to the construction and delivery of social services to be an integrated and comprehensive approach. In this regard, the decentralization of social services suggested as a solution, which through added flexibility would create preconditions for comprehensive policies and interventions. Also, there are good reasons to explore the possibilities for
the realization of social networks, resulting in an integrated approach to social services.

Clearly, in the context of an overall strategy, social services have much to offer in terms of reducing poverty and improving the lives of poor and vulnerable. Local governments, suggested in the study, are more suited to handle several functions related to the provision of social programs. They have already been made aware of this crucial role and functions are realized through the provision of some part of good service. It is very important to examine in detail the ways in which de facto local authorities can maximize and expand the involvement of the above mentioned, focusing on improving the performance and measurability of outcomes of services provided. "Social area plan" offers a comprehensive new approach to the strategic planning. Strategic planning is a discipline born in the private sector, of which contaminated many public administrations essentially consists in "considering the current situation and future development of an" organization or a community, to set goals, develop a strategy for achieving and measuring results "(Osborne, Gaebler, 1995, 291). Various processes of strategic planning using different ways, but they all follow some basic steps (...). Unlike the private sector, public administration is needed is an additional element: consensus.

One of the advantages of consensus on a long-term strategic vision is to address drainage potential energies towards common development objectives. By David Osborne and Ted Gaebler Strategic planning is not something you do from time to time, to develop a plan, but it is orderly, linear. "An important element is not the plan, but planning. Creating a consensus on a vision for the future, an" organization or a community gives its members a "road idea who wish to pursue." This allows everyone - not just the leaders, to understand who is the way to be taken, helping them to seize unexpected opportunities and cope with unexpected problems, without waiting for orders from above. (Id, p.292).

Long-term strategic planning, according to many authors (Tanese, 2006) is one of the most important innovations in urban and territorial governance shown in the last twenty years. Social Area Plan is an instrument of strategic planning designed to build integrated system of social services. Lavinia Bifulco and Ota de Leonardis suspicious about the changes on the horizon in the field of social, claim policy of integration processes between policies on social issues are another important point of observation.

Driven from Europe, and closely related to the location, the integration of social services is configured as a strategy to pursue common objectives with different policies, for example, to build or rebuild services for care social policies related to health, employment, social protection, local development trying to combine with each other and, in turn, be combined into a common area.

These convergences encourage various combinations of reports, information and to redefine the subjects and competencies to create forms of cooperation, agreement and real integration between the different actors. This happens as operational practices on the ground, and intervention agencies, as in the technical and administrative management of elections, both in institutional responsibility, political and administrative (Bifulco, De Leonardis, 2006).

Some authors (Donolo 2005, Martelli, 2007) evidence, in addition to the potential for transformation, the risks associated with "ritualism" by which local governments are approaching the new instruments of planning, social area plan, Strategic Planning, the Local Development by defining them as a further fulfillment to realize. Adding protocols, act local agreements that characterize the planning processes of social services threaten to resemble mystical organizations that promote ritualistic practices in a vicious cycle. This risk may be submitted and social area plan.

They decide on the system in the form of integrated social services all operating in a specific territory. Various public entities and private companies that are carriers of values, objectives, different missions that are expected to work together to assist their citizens. Social Area Plans constitute the vehicle through which a task can be accomplished and effective integrated social-health.

Social Area Plan should not be considered a single rigid instrument to a particular territory. Rather he must continually adapted to the context in which put into operation by expanding the objectives and implementation territorial space, being considered as methodological trail threading work and how to move forward and improve. Gets, so, great importance joint construction and the creation of an overview and integrated problems that face. Not only in terms of cooperation and integration, but also in a broader context must be aware more and more on the fact that there may be faced with the seriousness of the problems separately. For this reason it is imperative that all energies available in the territory to work together.

In case this capacity is expected to affect the strategic development of innovative to improve social services and to provide more social services integrated with those of health not only in the city of Elbasan, but also in the municipalities Paper, Labinot-Fushe, Tregan, Shirgjan, Shushicë. The social area plan in the design of an integrated social system (Battistella, De Ambrogio, Ranci Ortigosa, 2007, p. 28-29) must identify:

- The objectives, priorities, instruments and tools;
- Organization of services, resources and quality requirements;
- Disclosure of data within the system information / statistics;
- Procedures to ensure integration of services and benefits;
- Format of consultation between Local Health Units or forms of cooperation with non-profit social service providers;
- Coordination with state authorities peripheral;
- Cooperation between local services, society and the local community.

2. What Will Serve New Social Area Plan?

On completion of local economic development policies and social-cultural development of Elbasan Municipality, municipalities Papër, Labinot-Fushe, Tregan, Shirgjan, Shushicë; As a calendar of activities in these areas for the implementation of priorities in the field of social protection of the rights of children, women, persons with disabilities, ethnic groups and the elderly as well as the support of families and individuals at risk of social exclusion1;

A common vision for the provision of social-healthy integrated services.

This plan aims to:
- Analyze the social and economic situation of social groups most vulnerable to poverty and social exclusion in the municipalities Paper, Labinot-Fushe, Tregan, Shirgjan, Shushicë considering best practice Social Area Plan of Elbasan Municipality;
- Identify the causes of the situation;
- Propose interference with social and economic nature to improve the situation;
- To require planning and interactions between institutions regarding the need for financial and human resources to meet the costs arising;
- To describe and make available best practices in terms of management based Inter social and health services;
- As a basis for building projects and social policies following2.

Social area plan should contain general principles such as subsidiarity, cooperation, efficiency and effectiveness, financial coverage, continuity. It is responsible for the participation of all components of the public, not closely related to the local community in its development processes. Its implementation consists of several phases over methodological (Battistella, De Ambrogio, Ranci Ortigosa, 2007):
- Ensure participation of all stakeholders (local government, non-profit organizations, civil society, community);
- Reconstruction of the "knowledge base", which is useful for analyzing needs and existing knowledge;
- Identification of strategic objectives;
- Clarity of content;
- Approval of the plan of the area and the signing of a "framework agreement".

The process should not be confused with typical administrative intervention, but should include among their combined actions, empowerment, counseling, communication involving all parties able to provide input at various stages of implementing the social area plan.

Interactions between the stakeholders should be based on the needs and opportunities for a specific territory in order to realize social-healthy services for the community. Special attention should be given to the technical and methodological conditions, necessary for the evaluation of the design and implementation of the social area plan, to the responsibilities of participating of the actors, and its management functions, deciding the functions of the governance in a cycle virtuoso.

1 This plan is related to: the general development plan of the city of Elbasan and municipalities Papër, Labinot-Fushe, Tregan, Shirgjan, Shushicë; Creating a new management of innovative social inter-health services; Protection of the rights of the most vulnerable groups of society; Implementation of local action plans in relevant areas.

2 For the preparation of this material was kept in consideration: the National Strategy for Children, Disability, Gender Equality, Community Rom; National Strategy 2007-2013 social services sector; Coordination of national policies of Elbasan Municipality, municipalities Papër, Labinot-Fushe, Tregan, Shirgjan, Shushicë; Increased attention on issues of social protection; Social Area Plan, Elbasan, 2005, 2009.
3. General Conclusion

Albania in general and the area under consideration in this study are undergoing social transformation in multiple directions. One part of transformation (and some of the problems) are the universal nature, phenomena known and accepted, a part of which developed countries have undergone stages of the historical development and the other part of the experience now even global nature phenomena. Like any transformation, they do not exceed the quietly and without social impacts, which call for intervention if the legislation and enforcement legislation, as well as through projects that aim to minimize the trauma and make safer and healthier future individual. In the case of Albania, the difficulties created by these transformations are even bigger, has a historical component and a cultural component that other things are inevitably. Over 20 years experience of social and interventions made by state and governmental agencies there is place for optimism. Not all interventions have been counterproductive and a good part of the investments have given a result. 

A carefully observed experience and bitter lessons learned or not the recent past by always constitute a sound basis for strategy enough. "Social area plan "seeks to respond to the extraordinary dynamism of social development, which is not only rapid, but often spontaneous, to minimize major problems arising not only of the past, but as by-product developments. 

The study initiated by the idea and supported it that the efficiency of interventions in the social sector in the near future can be effective and result in minimal cost only if access to the social problems of the area is an integrated approach, comprehensive, multi-stakeholder officials and voluntary self-motivated, flexible and coordinated. More coordination and more real decentralization in local governments in providing social services will bring faster results, lower cost compared to the benefits of social interventions; more sustainable results long-term perspective and above all an awareness of all the actors to be more involved. Data analysis and project files are an example that illustrates this approach. One of the most important directions of intervention is social protection for those in need. Traditional institutions of politics, education, and culture should be more aware of the urgency of such a priority. In particular, the focus should be to establish and scope of community social service institutions coupled with appropriate improvements in typology, physiognomy and social functions of the respective institutions. Now community service institutions are the sole responsibility of local government. At the same time they continue to have an irreplaceable role in building a society of healthy, fair, free of discrimination against and social inequality suffering individuals define the status of man in need and who are becoming more numerous in number in our society. The rapid transformations make the most immediate and significant role of community service institutions. Community social services should not functioning in a sporadic, spontaneous and fragmented process. The experience showed that such a thing does not bring lasting results. Create a network as broad and adequate social services community with a more integrated approach to social care provided by agencies of local government becomes a necessity to meet people's needs and demands of marginalized groups, or with problems and specific social needs. An integrated approach and support of a network of such results should be the subject of any regional or local social policy. Traditionally, community social policies are measured and evaluated with the construction and operation of institutions of social life in certain territories. Such a rating system is inevitably fragmented and a "process than zero". Care provided to persons in need and supported with complementary care to state agencies, local government and other non-profit or civil society should be measured and evaluated as an integral part of the local social and community policies. 

Programming of social policy developments appear as a decentralization of planning application. In this logic-governing conditions for collaboration between actors (institutional or not) that can be developed in a
profitable way and why, through interaction, they can develop a collective learning process.

Various improvements are participating democracy supporters believe in the realization of the social area plan:

- enhancing of civic culture by making participants better citizens, more conscious, active and confident in their
  abilities, skipping the traditional democratic channels;
- The promotion of mutual respect, being a school of democracy that develops skills and competencies of those
  participating;
- They produce more effective decisions, often taking advantage of the deep knowledge of the problems people
  have and their proposals for solutions;
- To enable the achievement of mutual solutions to problems without affecting the system of values;
- Increase the legitimacy of decisions; through procedures involving stakeholders, the decision is implemented
  by the government follow-up system;
- To increase the chances of success in implementing policies, thanks to the involvement of stakeholders
  present in a territory;
- Positively affect the reaction and effectiveness of the administrative apparatus: will be able to generate the
  increase of social relationships capital available in a given territory;

Decentralization of social services makes more visible and public responsibility to take local government. Therefore
appears necessary processing new policy community care, enhance the role of special regional institutions and local
social service. Such processes must go on study stages, stages of research undertaken by social scientists and
implementing institutions or providers of these services. Although necessary, the stage that is social services in Albania,
these studies are lacking. Reforming the social system aims already ended and that the process of decentralization of
social service institutions are generally under the responsibility of local government and civil society. This is a big step of
decentralization that already has all the conditions to become a reality.

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Reflexions about the Neo-classicist Dispositions of a Prohibited Playwright

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**Abstract**

The literary work of the Albanian playwright Etëhem Haxhiademi had been prohibited, due to vengeful political principles, for more than four decades. He was one of the most notable creators of the Albanian tragedy divulging in the modern period of the Albanian literature. In 1924 he wrote the tragedy “Ulysses” in Berlin, in 1926 he wrote the tragedy “Achilles” in Vienna and in 1928 he wrote the tragedy “Alexander” in Lushnje, Albania. The three tragedies were published in Tirana, Albania, in 1931. Later on he writes and publishes the tragedy “Pyrrhus” (1934), “Scanderbeg” “Skënderbeu” (1935), “Diomedes” (1936) and “Abeles” (1938). He was also known as the creator of the poetical volume “Lyra”, (1939), His dramatic work has been set up in accordance with models of classical tragedy, making use of the antiquity or medieval subjects, even stretching back to Biblical pre-history. His literary work becomes functional to revelations which can be compared with phenomena, ideas and the problems featuring the reality of the time he wrote his works. By striving to make the notions of classicism clearer in this writing, we have directly contributed to the estimation of the literary work of E. Haxhiademi which, in our opinion, has excessive concomitances in ideas, aesthetic ideals and practices conceiving the neo-classicism experiences in Europe.

**Keywords:** Prohibited playwright, tragedy, classical canon, neo-classicist dispositions.

1. **Introduction**

Before presenting our point of view related to the neoclassic inclinations of our dramatic author, we thought it over to provide some insights related to the effects the neoclassic drama models had in his tragedies.

Etehem Haxhiademi created seven tragedies, mainly in the first half of the 20th century (1920s and 1930s), with their subjects taken from the Albanian antiquity and Middle Ages, (“Pyrrhus”, “Alexander”, “Scanderbeg”), from ancient mythology (“Achilles”, “Diomedes”, “Ulysses”), as well as from biblical subjects (“Abel”) by so abiding to the fundamental tendency of the classical playwrights.

Haxhiademi’s persistent endeavour to return to classical tragedy, while the prosperity of this literary genre had already vanished in the period he wrote, can be explained with the efforts to give a new push to dramaturgy - one of the less developed genres in the Albanian literature. Because of its conventionality in the Albanian literature, this genre could advance solely on paths that had already been trampled by others. It could not be evolved differently but by applying models which had been considered by the European literature as instances of its perfection.

Certainly, the return of the Albanian genre of classical drama to the models of classical tragedy was not weird but, in general terms, it created a sort of anachronism in the background of the general evolvement inclinations in the literary processes of those years. Delayed classical bringing indicated the fact that the Albanian literature was inclined to try out any paths of evolvement, paths which would further develop and enrich it.

2. **The Place E. Haxhiademi Occupies in the Albanian Dramaturgy**

Just as in the classical dramaturgy, E. Haxhiademi’s subjects try to balance;

1. Major interests of great characters, Kings and Queens, military commanders, princes and princesses, popular leaders whose actions have been promoted by the powerful passion of being omnipotent. This passion becomes the cause of their tragic failure. Characters like Zanfina, Hamza and, for a certain period of time, even Moses in Scanderbeg, Atal, in Alexander, act under the unaffordable power of this passion; their actions affect the destiny of states, kingdoms alongside involving other passions with it, such as love, revenge, (the love of Philip for Cleopatra in the tragedy Alexander, the love of Achilles for Polixeny – the King Priam’s daughter, in Achilles, the King Priam’s strong want to revenge to Achilles, the love of Olympiad for Philip and
All these revelations contribute to the completion of the main action – the protection of the royal ruling and its inheritance.

2- In compliance with the classical principles, those subjects intended to deal with the perpetual passions of the people, with their greed to rule and their love and vengeance leading them to their ultimate destruction. In cases their actions were considered to be fair, namely, led by reason, they incarnated the virtue, whereas on the contrary, they permeated vice. In-fighting between them was very fierce because vice made use of all the intrigues and wickedness’s and would not stop even in the face of crime. In these terms, Olympiad, (Alexander), blind by her hatred to Philip, killed Cleopatra, her rival, who was pregnant, whereas King Priam took advantage of his daughter’s feelings, Polyxeny, to do away with her lover, Achilles.

With some of his tragedies Haxhiademi wanted to realize:

a- The well-known classical principle according to which humans are neither quite perfect nor quite evil to exhaustion. After a mistake or a weakness they suffer heavy consequences that do not depend on them whereas most of them, he does not deserve. In the tragedy with the same name, Achilles becomes a victim of both King Priam’s legitimate hatred and his predilection for Polyxeny – King Priam’s daughter. The same occurs with Philip (in Alexander), who, with his mind lost because of his love for Cleopatra, falls prey of Gaelon’s intrigues and was killed by Paussant. The same was Ulysses – the hero of tragedy bearing his name, killed by his son, Telagonus, the son who was born by his love with Circe.

b- The strength of their power and temptation thereof. Powerful passions thrived both in the temperament and conduct of those who could afford to bear, realize them or suffer from them, in the life of the mythical heroes as well as in the life of the high strata of the society. It was natural for the characters of classical tragedies to be taken from those strata of the society. Characters of Haxhiademi’s tragedies are either heroes from the Greek mythology, (Achilles, Diogenes, Ulysses, etc) or Kings and Queens, leaders or their relatives, (Pyrhus, Scanderbeg, Hamza, etc), representing great interests for the fates of their states.

c- In their literary work, all classics were moralists. They openly accepted this inclination and considered creations educating via grandeur to bear real values. E. Haxhiademi abided to this point of view, too, while not hesitating to ascertain, when directing to readers, that in one of his own literary works, the “Abel”, he had written about a moral thesis. In general, in all his creativity, Haxhiademi had been trying to realize the well-known principle of the classics; teaching and educating via favourite models deriving from the hymnization of the virtue in fight against vice.

d- The plots of Haxhiademi’s literary works, in compliance with the classical spirit, try to be extraordinary, too radiant, away from the worries of everyday life which, for classics were not considered deign to be reflected in art.

e- By imitating classical tragedy on all its sides, Haxhiademi tries to reflect, in his work not only the feeling of the greed of the royal power but other feelings as well, such as the love, parental compassion and nobility, always under the subjection of reason – the only force protecting virtue and the right and leading to them5.

The classicism of Haxhiademi’s tragedies has been noticed long ago; “Just as in the other tragedies of this author, remarked A Xhuvani – this tragedy, ‘The Scanderbeg’, has classical inspiration; it is divided in five acts, there are few characters and the weaving of the subject as a whole maintains the classical rules of the dramatic art. Mr. Etehem Haxhiademi – the classical admirer, loves to create tragedies instead of dramas”4.

3. Can Etehem Haxhiademi be Considered a Neoclassic Writer?

In order to get the response to this question we thought it over to present some opinions over neoclassicism, taken from Caroline Dauphin, La poésie neo-classique en France et en Angleterre, n° Comparatisme en Sorbonne 4-2013: (De)constitue le canon.

Neoclassicism should not be considered as an artistic tendency inculcated firmly into the history of literature; it is more an inclination of thinking with a certain stretching, a complex net of influences, a bridge connecting illuminist ideas with romantic ideals; a certain paradoxical equilibrium between tradition and modernity; a tendency for a new rapport between the neoclassic poetry and the solid canons/rules of classicism. In fact, neoclassicism is not simply a post-

4 Xhuvani, Aleksandër, A new Albanian tragedy – Illyria, Tiranë, nr. 37, 4 January 1936; no. 38, 11 January 1936, p. 3-4.
classicism, which would be a servile and humble imitation of the Elders; it is more an original and impressing treatment of ancient subjects and foregoing models. Behind the refusal to simply continue on the trails of the classical tradition should be seen the unproclaimed desire to re-establish classical canons and rules.

However, is it possible for a contradiction to exist between the proclaimed loyalty to an artistic and literary past and the assertion of its recreation, the search for the new and untested style in advance? The neoclassic concept per se is elusive, perceived as hanging between the past and the present, as the preceding model and the one following it, what is be questioned and what is distorted.

At least, the creation of this “classical” canon would kindly be accepted to fill a gap in the national literary culture by selecting from an elitary culture. On the other side, these intentions reveal political tendencies. In figurative and plastic arts, neoclassicism has actually arts served to the Revolution and the Empire; the presentation of the figure of Napoleon as a New Caesar by Jacque-Louis David has always been considered as a pretty illustrative example. Neoclassic poetry served to this very aim, too, it reconstructed the canon and made possible a new social, cultural and ideological model.

Neoclassicism in literature, (despite its greatest development in figurative, plastic arts and architecture), was spread to different countries of Europe, especially in France and England. Both currents, in France and England had common sources in terms of the influence of the Great Century, the illuminists’ ideas as well as the ancient models. Both of them require perfection of humans through their deeds described by poetry, the formal rules of symmetry and the harmony of dimensions; etymology of canon is re-found to derive from Greek word kanôn, which in its origin shows a measurement tool. On the other side, the great political and commercial rivalries between France and England could not hamper writers from both sides to have an ongoing adoration for classical models. Pope adores Boileau’s genius and it seems to make his dream of Boileau’s « Poetical Art » come true by writing « Essay on Criticism »: on the other side, Delille translated Milton in French.

The fundamental distinction between the English and French neoclassicism is undoubtedly, their time of radiance; in France the poetical neoclassicism was developed in a short but intensive period, by 1780-1820, dominated by Jacques Delille, André Chénier, and/or Jacque Clinchamps de Maflîâtre. In England the movement renovated French classics, being mainly inspired by Boileau. Milton, Dryden and later on Pope are salient and re-establish the classical rules of poetry by renovating, mainly, the art of satire.

Neoclassicism would be a modern term for writers evoking values of the Elders. Their legacy would disguise, in fact, a debatable rebuilt of the canon, somewhere between continuity and re-creation, in order to shape a national literature, serving to various political ambitions, as well.

Neoclassic poetry proposes an original re-reading of the classical models, be ancient authors or writers of the Great Century. In this framework, the translation of great poems of antiquity takes special interest. « By means of translation beyond linguistic transcription, the original the translator(s) consideration propose a new perspective and presents texts from a new point of view. Translation is, first of all, re-interpretation and re-actualization; it is product of a confidential dialogue permeating words and centuries in order to thoroughly recover the source text ».5

Even though they adore Elders/Ancients, they still are closer to Modern creators; they want to emulate with their models by creating a thoroughly original work. Dryden expresses this aim openly when he started to translate Virgil, Anaidea, and the Bucoliques.

New translations make possible for the Antiquity to be discovered under a new point of view, alongside archaeological discoveries of the time from the ruins of Pompey. Dryden in England shows to be classical by his reference and neoclassic by his ambitions, fed by a style as sensitive as it was elegant.

The illuminists’ influence to neoclassics evolves a different attitude to them regarding the Elders and the classics per se; so they are admirers of the Ancients, they appear as humans of their own time, eager for knowledge and great scientific curiosity.

For the classics the ancient references were re-devised by creating new relationships of the contemporary figures with ancient heroes. The poetry, too, retakes a political inclination. The classical canon is clearly used as a powerful ideological vector, destined to dramatize revolutionary episodes. By connecting present with the past Camille Desmoulins and André Chénier tended to convey revolution a timeless and universal character, in order for them to be the Horaces and Ovides of the time they lived in.

Therefore, neoclassicism is not a simple gathering of re-writings and translations from Virgil and illuminists; it is firstly an art in response to a historical need and in special political and cultural circumstances. The same way is it a

supportive art for the future generations, a resource for pre-romantics, although some modernists, like Baudelaire, consider it solely a literary shade comparable to a cloud of grasshoppers.

Neoclassicism is neither post-classicism as well, since it would loyally follow the entire predecessors of antiquity. However, it is neoclassicism which recovered classical canons in order to adapt it to a new esthetical and political ideal. Far from being the twilight of classicism, it is the new dawn of an early morning⁶.

4. Conclusions

By making clear what neoclassicism is, we can squarely consider Haxhiademi’s work, in which there are more concomitances of ideas and esthetical and practical ideals which conceived neo-classicist experiences in Europe. These concomitances are clearly distinguishable in Haxhiademi’s literary practices;

- At the beginnings of his literary works Haxhiademi translated Virgil’s *Bucoliques* so conveying a clear testimony for the inclinations of an art that could be re-read and re-written.
- He committed himself to poetry as well, alongside dramaturgy and translations.
- In his experiences of poetical creativity we find concomitances with the neoclassics’ ideas and intentions.
- A different point of view from the classics’ experiences was noticed in his dramaturgy, in terms of perceiving and treating characters and heroes as well as in conceiving and transmitting ideas.

This does not mean he was a representative of neoclassicism since in the Albanian context as well as for the certain level of social, political, cultural and ideological developments, moreover, for the coeval level of the evolvement of dramaturgy, it was impossible to follow and create neo-clasicist models of the literary and artistic works, (such a big leap could never even be made by a young playwright, howsoever cultivated and talented he was, because, so far there were no previous models of classicism conveyed to the literary experience of the Albanian literature); it was cosier and more suitable and functional in those conditions for other ideas or different intentions to be conceived, even similar to neoclassic nature, not necessarily intending the recreation of canons and new rules but aiming integration to the classical canons; and that is what Haxhiademi did, thus making recognition and inclination of this testimony be obvious even for neoclassicism.

By considering the nature of Haxhiademi’s work from this point of view, the reason why in the 20th century an author like him considered literary a model of 3-4 centuries ago and not a later any models such as neoclassicism, is naturally explicated, particularly by a writer who was grown up and cultivated in European civilized ambiances.

Precisely this declamation of syncretism of both the classical and neoclassic elements became the cause for commencing debates, approvals and disapprovals in 1930s and 1940s – a debate that, in a certain way, goes on even today.

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Representing Dialectic and Regional Lexicon in Explanatory Dictionaries of Albanian Language

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Abstract

Dialectic and regional lexicon has been and would continue to be a precious and inexhaustible resource for the standard literal Albanian language. Albanian language has got two dialects the Gheg and the Tosk. Both dialects meet together along the Shkumbin river, respectively on the right the Gheg dialect is spoken and on the left prevails the Tosk dialect. Both dialects are similar and alike to each other, so that they have always been Albanian language variants, used to write different works. This situation continued until the period of consolidation of Albanian language with the Orthographic Congress in 1972. The main principal of the Albanian language Congress was to represent the Albanian language with a common variant, with the same language for all Albanians in and out of the country borders. This could be done only with the standard literal language. The Orthographic Congress, with its achievements, makes an important irreversible turn in the history of the Albanian language. On the other hand, the processing of the standard Albanian language, did not have a negative affect upon the improvement and the development of dialects and regional language. All these changes have been clearly represented in explanatory dictionaries of Albanian language. Presentation of dialectisms and regionalisms from one dictionary to another, has been different because of the time and the linguistic circumstances on which they have been published. If we drop a look on all explanatory dictionaries of Albanian language, on a comparative plan, we will notice clear differences.

Keywords: Albanian language, dialects, word, explanatory dictionary.

The first reliable Albanian dictionary, published in 1954, is characterised by a tendency which represents a lexicon that aims towards the standard, but not being able to reach the quality and quantity level of oncoming dictionaries, eventhough it was compiled and published before the Orthographic Congress.

Important considerable changes have accured with the lexical fund of explanatory Albanian dictionaries after the Orthographic Congress held in 1972.

Already, a great number of words, once called part of this or that dialect, were now words of a common Albanian language. They had left behind the previous status of the dialect they belonged to, and had thus, won a wider status, the nation-wide one.

So, the development of life in all fields, mainly in the field of education, culture and science also the development of the literal language itself, led to the compile of a new explanatory dictionary, as standard as possible, with a wider and systematic range of words, with a richer phraseology and greater scientific needs.

“The Dictionary of Modern Albanian Language” is overwhelmed by a new theoretical evaluation of linguistic standard, words, phraseology of sayings and the meaningful content of the word. In it, it is greatly embodied the Albanian language, as the only literal national language, common and standardized, with defined features and with clear improving/developing tendencies. Furthermore, in this dictionary, it is also widely expressed the codification of lexical standard and the application of the morphological, orthographic and Orthoepy standard.

The dictionary of the modern Albanian language introduces the lexical composition of the Albanian language at that time, as well as the literal forms of each word; the main grammatical categories of the word; the warning of the word as a lexical – grammatical unit; expressive and stylistic emotions that make it different in different speeches.

During the two or three last decades of the XX century the Albanian language had a great burst. Its lexicon was confronted with continuous changes: on one side the values of the vivid popular source were widely used, inherited from the written language, and, on the other hand thousands of new words and expressions were created using the language’s own staff.
Many words were expanded with new meanings and new meaningful connotations. Many words were no longer used and they lost their previous vividness. All these brought about a quick increase in the number of words and expressions in Albanian language, as well as moving, enriching and distinguishing the meaningful and functional values of the phraseology and lexical units.

In the introduction of the ‘The Dictionary of the Modern Albanian Language’ are introduced its two main duties: a) giving explanations and normative for the word usage as well as expressions had been established into the Albanian language up to the time when they came out of use. b) bringing into use words or expressions very little known or unknown, especially those of popular source, which up to that time had not been represented in dictionaries or other publishing, but which had all values and possibilities to become part of the lexical and phraseological fund of the literal national language.

Despite the active lexicon, the ‘Dictionary of the Modern Albanian Language’ also includes some word categories and expressions with a more limited usage. Here are included words related to history connected with the past of the Albanian people, words which belong to designated fields of agricultural, livestock and craft production or words that have been closely connected with the lifestyle of regions, plants popular medicine and up to different religions and mythologies.

All Albanian words and phraseological units in the ‘Dictionary of Modern Albanian Language’ have been considered as a common, cultural treasure of Albanian people. The evaluation of each lexical unit and each expression, is not based on the regional or literal source, but according to the real value it has had in the lexical structure of the national literal language. The word has been seen under a critical point of view: how will it serve to enrich the literal lexicon, how much it will help to deepen the purity of the literal Albanian language or enlarging the range of stylistic or expressive tools. Also, the word has been studied in comparison with the lexical strata increasing and developing as well as those that go towards coming out of use.1

The same attitude has been held by the other explanatory dictionaries, for example the 1984 dictionary, as well as ‘The Albanian Language Dictionary’, 2006. Despite the active lexicon, which involves the majority of the vocabulary, a small part is considered to be the passive vocabulary with historic terms, dialectisms, regionalisms and archaisms. In explanatory dictionaries of Albanian language historic terms have been marked with the abbreviation “hist.”, regional expressions or words have been marked with the abbreviation “krahin.”, whereas words rarely used are marked with the abbreviation “rrallë”.

Referring to a statistical study done for the number of regionalisms in each dictionary it was emphasised that: In “The Modern Albanian Language Dictionary” (1980) there are nearly 1001 regional words, in “The Dictionary of Modern Albanian Language” (1984) there are nearly 246 regional words, whereas in “The Albanian language Dictionary” (2006), are treated almost 222 regional words.

Thus, regionalisms, in the explanatory dictionary of the 80’s occupy about 2.38 % compared to the whole lexicon treated, 0.7 % occupy in the dictionary of 84’s and finally in the dictionary of 2006 the regional words comprise only 4.6 % of the whole vocabulary. Also, if we refer only to the vocabulary of the letter K in all three explanatory dictionaries of Albanian language, we find out these data:

<table>
<thead>
<tr>
<th>Dictionaries</th>
<th>Vocabulary of the letter K</th>
<th>Number of regionalisms</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Dictionary of Modern Albanian language</td>
<td>3408</td>
<td>49</td>
<td>1.43</td>
</tr>
<tr>
<td>The Dictionary of Modern Albanian</td>
<td>2749</td>
<td>10</td>
<td>0.36</td>
</tr>
<tr>
<td>The Dictionary of Albanian language</td>
<td>2475</td>
<td>19</td>
<td>0.76</td>
</tr>
</tbody>
</table>

As we can distinguish, the numbers of regionalisms is different from one dictionary to another. Reasons are directly connected with the criteria applied to compile each dictionary.

Most regionalisms that exist in “The Dictionary of Modern Albanian Language” are missing in other dictionaries. For example: *abe, abuz, kaçi, kafkallë, kanavetë, kapinë, karriq, karrtet, kashër, katapi, katarak, këlifishte, kishk, kishkë, kitë, kilitë, koci, kopran, korropesh etc.* Whereas a part of them exists both in “The Dictionary of Modern Albanian Language” and “The Dictionary of Albanian Language” but not as regionalisms, but as words of the active lexicon, for example: *kakëzogëz, kallume, kolovajzë, korit (koris) etc.* In this group there will be also included even those words that appeared as regionalisms, not in their primary meaning, but in other meanings. There are cases when regionalisms appear as such in the explanatory dictionaries of 1980 and 2006, but not in the explanatory dictionary of 1984. These words in “The Modern Albanian dictionary” (1984) appear without the note “regionalisms”, for example: *kall, kopresh.* This usage seems to be unusual and strange, but the reason could be the treatment of these words in different

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ways.” The Modern Albanian Dictionary” and “The Albanian Dictionary” might have treated them as regionalisms whereas “The Dictionary of Modern Albanian” might have treated them as words which have passed on the active strata of the lexicon.

With the passing of time, many words have been substituted by active strata of the lexicon in stead of the passive ones. Words slowly lose their expressing and meaningful power, which brings about the reduction of their usage in speech and in writing. After being widely used, most words change into regionalisms, later into archaisms up to rare words. This is a very frequent phenomena that appears in all explanatory Albanian dictionaries. Respectively, many words presented as active words in the explanatory dictionaries of 1980 & 1984, are seen as part of the regional lexicon in the last dictionary of 2006, or otherwise they are seen as regionalisms. For example: kaptinë, karpuz, katinar, konop, kumi etc.

Regional lexicon, in all explanatory dictionaries of Albanian language, belongs to different fields that are directly connected with life styles and the way of thought.

Every region has its own customs and traditions, different from one another, whose features are represented quickly in the lexicon of each area.

The fields, in which the regionalisms have been mostly used in explanatory Albanian dictionaries are: medicine field, flora, fauna as well as the world of traditional cooking typical clothing, everyday expressions, wishes, curses up to the names of different people or things.

- **drop** (I), m. krahin. a dessert with crumbs of bread fried in butter: *drop with almonds.*
- **gjoli** (I), m. sh. -e(t) 1. krahin. lake; marshes: *gjoli i Pogradecit.* 2. Deep mud; thin mud.
- **kall** (II, -a, -ur) m. krahin. light: *kall a ciggarette.*
- **kállet** vetv. v. III \( \text{is lit. / passive. kállet v. III.} \)
- **kálj/e,-a** f. lighting.
- **kallur (i, e)** adj. lit.
- **përmjét,-i** m. krahin. waist.
- **vég/e,-a** f. krahin. 1. edhe fig., vjegë. 2. leg: *me végë të holla* (with thin legs)

Another topic that arises interest concerning regional words and their position in Albanian explanatory dictionaries is the semantic spectrum or differently set, the semantic structure.

If we compare the semantic explanations from one dictionary to another we will distinguish the tendency of the latest explanatory dictionaries to be abstract at a higher level or degree, based definitely on the semantic similarities of the main parts.

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5The Dictionary of Albanian Language Tiranë 2006, f. 797.
Modeling Adjuncthood - An Overview OF Incomplete Predication Verbs IN Albanian

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Abstract

The principal objective of this paper is to demonstrate some groups of intransitive verbs in Albanian which require a word or phrase to complete the predicate and make sense of the sentence. It is the case of adjuncts and complement/adjunct distinction. There are different proposals on the adjunct notion. This holds both in syntax and semantics. Our aim is to investigate how the adjunct notion is applied in Albanian linguistics; there are brought evidences from the cases when adjuncts are used as an optional part of a sentence or phrase that, if removed will not otherwise affect the remainder of the sentence and the cases used as an obligatory part of the sentence or verb phrase. Adjuncts are said not to fulfil selection requirements. Instead, it is thought that adjuncts themselves select the type of their host. For this reason we present evidence from Albanian intransitive verb groups that consider adjuncts as complementary class. The research is based on the data gathered from all the intransitive verbs given in the Dictionary of the Albanian Language (2006).

Keywords: adjunct, linguistics, argument, intransitive verb

1. Introduction

Theories of argument structure assume that arguments are necessary constituents; deleting them lead to ungrammaticality. Adjuncts on the other hand, may be said to fulfil selectional requirements (Hole, 1-33). The adjunct clauses are optional. Their omission does not lead to ungrammaticality of the sentence. Thus arguments are verb-headed, whereas the use of adjuncts is independent of particular verbs. But adjuncthood is more complex than that. There is a trend to level out the difference between arguments and adjuncts, such that adjuncts are increasingly seen to be just arguments of a special kind (Haspelmath: 2014). It is the case of adjuncts/complements which are selected by intransitive verbs of incomplete predication. Thus the difference between arguments and adjuncts disappears since adjuncts may be viewed as semantic arguments by some intransitive verbs whose meaning is not complete; there is needed an extra element for the verb to be grammatically correct (Hole, 2). Intransitive verbs indicate complete actions and their argument structure bears only one external argument, the subject which expresses a defining element of the process or state designated by the verb (Farrell 2005, 31). The use of other elements would serve the purpose of making the sentence more complete. We have recorded all intransitive verbs from entries in the Dictionary of Albanian Language (2006) and we have grouped the intransitive verbs, which except for the subject, functioning as a NP or DP, there is also needed another constituent which is obligatory in order for the sentence to

1.1 An overview of incomplete predication verbs

Argument structure has been widely studied as a core part of Generative Grammar due to the importance that the concept has developed over the last years. Dowty (2000: 53) states that in syntax, an adjunct is an “optional element”, they are freely deletable without loss of formedness or grammaticality, while a complement is an "obligatory element" whose presence in a given clause is required by some predicate. In semantics, an adjunct “modifies” the meaning of its head, while a complement “completes” the meaning of its head. We have recorded the subcategorization information for all Albanian intransitive verbs and there is noted that there is a group of intransitive verbs that except for the external argument, functioning as a subject and given mainly as a NP or DP, there is also needed another constituent which is obligatory in order for the sentence to
make sense. This is the case of adverbials, mainly locatives, whose omission make the sentence not complete. Thus these elements are semantically necessary for the verbal phrase. Such verbs are called verbs of incomplete predicativity (Hanafy: 2012) and usually express the idea of being, becoming, seeming, appearing.

1.1.1 Analysis Result

Based on the results given by the research in intransitive verbs, we have considered the first group of intransitive verbs of incomplete predicativity in Albanian to be the group of verbs such as: live/dwell. In Albanian linguistics the adverbials are traditionally considered as peripheral elements of the sentence, thus adjuncts (Kananaj: 2012). But a part of adverbials fill all the demands to be complements. Thus a large part is covered by the adverbials of place, the locatives (Krifka: 73). This is the case of locatives which are assumed to function as adjuncts in most of the cases but in sentences such as:

Alb: Ai banon në Tiranë.
Eng: He lives in Tirana.

If the locative in Tirana (në Tiranë) is omitted the sentence would be ungrammatical:

Alb: * Ai banon.
Eng: * He lives.

the verb live/dwell needs the PP in Tirana, otherwise the sentence is not complete. The verb shows that the argument functioning as the subject, “he” is not enough to fulfill the meaning of the verb – the need for the PP is complementary, thus “in Tirana” is a complement of the intransitive verb “to live”. In Albanian, verbs such as dwell (banoj), return (kthehem), lie (shtrihet), go (shkoj) etc. are fulfilled by prepositional phrases PP or adverbials which in syntax serve as obligatory elements whereas in semantics they complete the meaning of their head (Dowty, 53:2000).

Alb: Mbeta këtu/në mes të rrugës.
Eng: I was stuck here/in the middle of the road.

In the overmentioned sentence there is used the intransitive verb stick² (mbes) which needs to be completed by the adverbial of place “here” (këtu) or “in the middle of the road” (në mes të rrugës) in order for the sentence to be correct and complete. Thus these adverbials of place affect the verb that much, to the extent that their omission would lead to ungrammaticality. Only in a prementioned context, in which we already know what the situation is about, we may accept and consider as correct the sentence:

Alb: Mbeta.
Eng: I was stuck.

As shown by the sentences the lack of the complement (in this case a locative /adverbial of place) prepositional phrase PP, adverbial phrase AP make these sentences non grammatical. The verbs that follow share the same characteristic: dwell (banoj), lean (anoj), adhere (aderoj), stand (qëndroj), gush (buron – used with adverbial of place), exit (dal), seep (depërtoj), figure (figuroj), dig (gërmaj – when used as intransitive), enter (hyj), migrate (imigroj), live (jetoj – used with the meaning, dwell), take a shortcut (pres1 when used as intransitive) etc.

We have considered the second group of intransitive verbs of incomplete predicativity in Albanian to be the group of verbs such as: feel / work / operate (when used as intransitive), which need an adverbial / complement of manner to complete their meaning.

Alb: Djali u ndie mirë/keq.
Eng: The boy felt well/badly.
Alb: * Djali u ndie.
Eng: * The boy felt.

For the case of Albanian, only in a pre mentioned context, the conversation would be complete – in the case when the speaker and the hearer already know about the activity such as:

Alb: Ai punon.
Eng: He works.

Alb: Ai punon si mësues.
Eng: He works as a teacher.

The constituent “as a teacher” is obligatory in order for the sentence to be semantically complete. Larson (1988: 169) states that such elements appear to share characteristics of adjuncts and arguments alike; linguists have considered them to be optional or “implicit” arguments (Roeper: 1983). Also the verb “work” can be found in following examples:

Alb: Punon në uzinë / në arë / në minierë / në arsim.
Eng: He works in the factory/ in the field / in education.
Alb: Punon mirë.
Eng: He works well.
Alb: Punon si mësues. Or the same case for the verb “serve” (shërbej)
Eng: He works as a teacher.
Alb: Shërben si mësues
Eng: He serves as a teacher.
* Punon.
* Works.
* Shërben.
* Serves.

The verb “sound” (tingëllon) is also complemented by an element functioning as an adverbial of manner.

Alb: Kjo fjali tingëllon bukur.
Eng: This sentence sounds lovely.
Alb: * Kjo fjali tingëllon.
Eng: * This sentence sounds.

Based on the intransitive verbs consulted from the Dictionary of Albanian Language there was noted the group of co-verbs, such as: co-exist (bashkëekzistoj), cohabit (bashkëbanoj, bashkëjetoj), co-govern (bashkësundoj), converse (bisedoj – when used as intransitive), dialogue (dialogoj), fight in unison (dyluftoj), communicate (komunikoj – when used as intransitive), cooperate (kooperoj), costar, co-author etc. which in most of the cases are complemented by prepositional objects. If these elements are omitted the sentence would result to be incomplete, unclear and grammatically incorrect.

Alb: Bashkëjetoj me prindërit.
Eng: He cohabits with his parents.
Alb: Komunikojnë me lexuesin.
Eng: They communicate with the reader.
Alb: * Bashkëjetoj.
Eng: * Cohabit.

The omission of the prepositional object results in ungrammaticality. This clearly points out the fact that it is part of the subcategorization frame of the verb.

2. Concluding Remarks

It is commonly assumed across the language sciences that some semantic participant information is lexically encoded in the representation of verbs and some is not. The distinction between complements and adjuncts has a long tradition in grammatical theory. The subcategorization frame of the verb includes the arguments of it. In the case of intransitive verbs the subcategorization frame selects only one argument, the subject which expresses a defining element of the process or
state designated by the verb. For the case of verbs of incomplete predication except for the external argument, functioning as a subject and given mainly as a NP or DP, there is also needed another constituent which is obligatory in order for the sentence to make sense. This is the case of adverbials, mainly locatives, whose omission make the sentence not complete.

References

Leadership, Organization and Management of Works in Enterprise

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Abstract

Enterprise is a professional people organization, capital union, organizational structure, internal acts for leadership and management, which is known by state institutions, has been created as per law and by license taken or work permit from respective state institution (Agency for Business Registration in Republic of Kosovo), which is functioning as agency within the Ministry of Trade and Industry of Kosovo. There are known 3 forms of enterprises: small, medium and big enterprises known as corporeity’s. In today’s literature, but also in daily life, there is wide treatment for the term ‘enterprise’, respectively small and medium businesses. However, there is no agreement for the thing that which are the criteria’s that can define enterprise or business to be small or medium. However, some of the characteristics that made businesses different from each other are very visible. Pizzeria, hairdresser saloon, shop, vehicle service are small businesses, but factory for bus production, furniture factory, air companies are big businesses.

Keywords: Enterprise, Businesses.

1. Introduction

Leadership is important topic that is studied and discussed in different scientific and professional circles. This is multidisciplinary topic, and as that type, it can touch many scientific fields, starting from management cases with economic-business enterprises, and up to politic level of leadership and political government in country. Leadership known as process of influence to the dependents is very important for entrepreneurship development.

In today’s language, with word “leadership” mainly we can understand the ability to lead or to run and mainly is connected with tasks or responsibility or official authority of a person. There are some definitions for leadership, that tent to set up functions, qualities and leader’s mail role.

Briefly saying, leadership include actions to affect individual and group behaviors of people in work. To lead means to have influence in people so that it can realize general goals. Leadership includes mainly activities about inter-human aspects of management. Leadership as management function includes motivation, leadership styles, possible accesses and communication.

Leadership in order to have success, must employ people with high level of qualifications in management field, and to have permanent training and education program for the managerial staff by adapting it hierarchical level and professional education and training.

For enterprise leadership are known three hierarchical levels: high level – top management, medium and lower level of management and leadership. In this managerial structure, employers aren’t included, but, included are all level that has to do with leadership at least small group of people.

2. Enterprise Definition

One of the definitions for small business has been given from the Committee for Economic Development, and according to them there must be filled two or more following characteristics:

1. Firm management is independent and usually managers in the same time are also owners,
2. Capital is under ownership of one person or small group,
3. Region of distribution usually is small, and employers and owners are from the same region. But, the market does not mean to be local,
4. Relative size of the firm in the industry framework also must be small where it can be compared with biggest enterprises in the region. This can be shown in terms as sales size, number of employers or big number of important comparisons. It is clear that during definition of small and medium business that it must be taken into consideration more criteria’s, which can help.
As those criteria’s must be considered as following:

- Business must be independent,
- Business cannot be dominant in the region where it is operating,
- Number of employers,
- Revenues from sales.

Definition of small enterprises in Great Britain, small economy is among most developed in Europe. Long time before, in comparison with other European countries, it has been understood the importance of small economical subjects. Government of Great Britain created Committee for Researching Small Economic Subjects known also as The Committee of Inquiry on Small Firms, on top of which was J. E. Bolton.

Small and medium economic subjects must fulfill at least two from three bellow written criteria’s:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Small</th>
<th>Big</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover from sales (in million pounds)</td>
<td>2.8</td>
<td>11.2</td>
</tr>
<tr>
<td>Balance (in million pounds)</td>
<td>1.4</td>
<td>5.6</td>
</tr>
<tr>
<td>Number of employers</td>
<td>50</td>
<td>250</td>
</tr>
</tbody>
</table>

During the definition of business into consideration must be taken more criteria’s which can define what is small business. But, the more general criteria for SME definition is average number of employers. Definition of small enterprises in Croatia, small economy has been made from subjects that:

- Employ on the average less than 250 employers per year,
- Are independent in their activity.

Realize total turnover of 60,000,000.00€ million Kuna’s.

As per law for supporting small and medium enterprises Law No. 02/L-5, small enterprise can be known as

- Enterprise that employ up to 9 employers and
- That during previous 12 months had total turnover of 500,000.00€ or less.

But, a medium enterprise is enterprise that:

- Employ from 10 up to 49 employers and
- During previous 12 months had total turnover of 2,400,000.00€ or less.

But, we must notice that this law had suffered root changes with its amendment and law for changing and fulfilling the Law No. 02/L-5 for supporting small and medium enterprises Law No. 03/L-031 foresee this definition for small and medium enterprises:

Enterprise in order to get status of one of the classified enterprises must fulfill conditions as bellow:

- Micro-enterprises must employ up to 9 employers,
- Small enterprise must employ from 10 to 49 employers,
- Medium enterprise must employ from 50 to 249 employers.

2.1 Type of enterprises in Kosovo

As per activity type, enterprises in Kosovo can be production, trade and services enterprise.

Production enterprise are those businesses that produce products and other goods to complete consumer needs.

Trade enterprise are those businesses that deals with transaction of products and other goods,

Service enterprise are those businesses that carry services and other goods to complete consumer needs.

2.2 Enterprises structure as per legal statute

Law for trade companies in Republic of Kosovo Law No. 02/L-123 has foreseen this structure of enterprises in Kosovo:

Trade company can be created in Kosovo as:

- Individual business,
- General partnership,
- Limited partnership,
- Limited Liability Company and,
- Joint stock company.
2.3 Businesses role in national companies

In economic literature from developed states, apart there are 4 factors for the contribution of small and medium enterprises in trade economy and those factors are shown below:

- Contributions in different technological processes,
- Contribution in bringing healthy competition,
- Opening new job places,
- Rich offer of products in local market.

Here, we must add the fact that development of small enterprises contributes also in transition countries in resurrection of entrepreneurship initiative for changing economic structure and more accordsions functioning of economy in general.

However, form all those contributions, the most importance has been shown to the employment in which small enterprises use very big place. In economic literature, there were made some development of a certain number of accesses for analyzing effects of flexible technology in business increase. Flexible technology has made possible some changes in production scale, in mix product during whole life circle of the product, and some other changes in design. This form of flexibility has been made possible with some advantages in information technology. Bigger flexibility in technology can be found at bigger enterprises than in small enterprises because bigger enterprises have more resources (capital).

Despite the fact that small enterprises are important source of knowledge creation (with this also of the economic development), many authors believe that small businesses are also very important source for creating new job places. By decreasing unemployment, there is indirect affect in country economic development. In this context, self-employment has attracted attention of worlds economists.

Logic connection between self-employment and economic growth is as follows: self-employment promotes inventions and innovations and by this it comes up creating new job places; new businesses increase competition scale in the market (through increasing number of actors in the market) and by increasing effects for consumers (by decreasing monopolists power); growth of self-employment affects also in welfare of the people and of the society.

In USA, small enterprises are seen as the way for realizing a great American dream, respectively for achieving great individual prosperity. Some research show that 40% of total 1% of rich Americans have realized career by creating economic subject. Also, there are many indicators that proof the importance of small economy not only in USA, but also in other developing countries.

We will present shortly some settings that has to deal with American economy.

- Actually, there are more than 23 million entrepreneurs. Less than 7,000 belong to the greater corporates (with more than 500 employers).
- Traditionally 75% of new job places are opened by creating new economic subjects, but other part of job places is created from their growth and development. In the period from 1986 to 1990, bigger corporates didn’t open any new job places, meanwhile in the same time small economic subjects (with less than 20 employers) had increased employment with 170%, respectively from 1.49 million to 4.02 million.
- It is important to notice that number of subjects under woman’s ownership is increased rapidly. During the period from 1982 to 1992, their number is increased from 2,613 million to 5,889 million. Today it is estimated that they make up more than 40% of whole entrepreneurs in USA.
- Small economy employs 83% of employer’s power in economy, 78% in wholesale trade and 55% in trade.
- Small economy directly or indirectly affects the life of more than 100 million Americans.
- Almost half of the national gross domestic product is initiated from small economy.
- As per definition from the department of small enterprises, something more that 98% of whole economic subjects take part in small subject’s category.
- Almost 90% of small economic subjects employs more than 20 people.

Regarding the power of small economy in USA, there if proof of fact that if this sector is taken as independent, could be in third place in the world. Well, immediately after the whole economy of USA and Japan. Small economic subjects obviously have testified innovation process by leading in distribution of new products and services, many time being in the same time important supplier in specialized markets. Small economic subjects are non-formal and flexible, meanwhile contemporary technology moreover improves those characteristics.

In Great Britain, entrepreneurship wave has started by the end of 80s of the 20th century, respectively after some time in USA. But, the expansion of entrepreneurship and impact of small economy is nevertheless even smaller that it is
in USA. In Great Britain operates about 3.7 million economic subjects, most of them are small. Taken in general, 95% of those enterprises have less than 10 employers. Seen in general, small and medium subjects in Great Britain employs 55% of total number of the employers and realize 50% of turnover. It is shown that economic subjects with less than 100 employers in the 80s of last century have increased total number of employers in France, Germany, Italy, Japan, Great Britain and USA. Number of job places in small economies of those countries varies, but it is lead from USA. Taken in general, small and medium subjects employs from 60% to 70% of people’s potential of the OECD countries (Organization for Economic Cooperation and Development).

3. Enterprise Leadership

Leadership is orientation of conduct by individuals and group and have defined company objectives. Leadership as part of the management process is realized with people and among people in order to achieve desired results. Manager must understand and know people behavior and being in situation to realize communication, to motivate and to lead – direct, realizing organization objectives.

High level of leadership is highest and most important level. They are managers that got paid mostly and have responsibility in front of Board of Directors. Top managers are chosen by Board of Directors and they are responsible for implementation of board policies. They do described duties, given from other managerial structure. They take decision and they are responsible for the success or failure of the firm.

Medium hierarchical level is second managerial level of leadership. Managers from this level communicate with top management and they are responsible for implementation of the decisions taken by top management. They must know the work process that is being developed and they manage certain groups or bigger provided departments in managerial structure of enterprise. Lower level of management, can manage with small group of people and they are included directly in the working process and firm production. They must have technical knowledge about duties that are being developed in enterprise. Structural and technological changes, and other changes in economy require from the work market people that have ability and educational preparations that guarantee their enterprises success in business. Therefore, their requests are oriented toward new forms of formal and additional education, for the reason that traditional learning form doesn’t secure necessary implicated skills that will please requests of entrepreneurs. All those enterprises that have success and that have advanced with their business got support in new knowledge.

Formal education or function of professional management capacities of human resources includes several stages:

1st stage: Managerial capacities for concrete work,
2nd stage: Expansion and knowledge deepening, skills and implementation of technology in work,
3rd stage: Career development, preparing for making advantage and for finishing complicated managerial duties.
4th stage: Education and schooling for changes that will happen in the future. Education for the future. Knowledge even usually is changing as result of economic development and general development. Gained knowledge from formal learning way, with passed time and by technic-technological and informatics development, got old and in that form, they cannot be implemented. That knowledge is insufficient and every enterprise must make efforts for innovation of their managerial personnel knowledge, throughout knowledge fulfilling as follows:

- Seminars with exercise from the experience,
- Workshops with chosen topics,
- Training and simulation of works and duties,
- Case studies,
- Lectures in connection with special topics,

Those forms of learning are defined as non-formal forms of learning through which in systematic way and by plan to fulfill knowledge and necessary skills for enterprises.

Seminars are prepared and must be fit to the enterprises requests, managers request or public service holder’s requests for the people that usually are in whole work relationship. As per density among first are seminars for pre-experience. Those seminars attract people with academic preparation (faculty) with the aim to create pre-experience from management and business studies. Seminars usually are organized for young people and they use to serve as help for their successful career in business.

Second seminars are those that are organized for the people after substantial experience. Those seminars relatively are attended by people with the past in business. In the seminars that can gain abilities from each-other based in experience that attendees have for specific field, through experience exchange.

In third place, there are consultant seminars, which can be expanded from half day up to some weeks. Those
seminars are organized from professional people or any professional institution. Those seminars bring together people from different professions and they have in focus thematic cases.

Fourth category of seminars are seminars that are organized in house, which by nature are same with consultative seminars. Those seminars are organized from experts of management field, which have as task to educate attendees to work together organized and effectively.

External seminars have as aim development of leadership skills and to create confidence for successfully achieving results.

Aim of seminars is to:
• Improve quality of management in enterprise,
• Improve production effects in enterprise,
• Educate attendees to decrease production and services costs and
• Educate attendees from management, marketing, finance, privatization, entrepreneurship, personnel field.

Aim of seminars is to hold desired level of personnel knowledge and enterprise managers, different institutions, in accordance with actual requests.

Enterprises in many places in the world do organize seminars with the aim to collect knowledge in one place, to develop creation abilities, by securing new quality with they want to use. Through seminars must be promoted attendees ambitions to fulfill their knowledge for the cases which they have learned in high school or university, for production, services, sales, finance and trends of fulfilling managerial knowledge which require additional education. For this reason, the way of permanent learning through seminars without disconnection from work and it is very acceptable. Seminars are one of the most effective forms, they get forced and innovated. Schooling system, high or university, even it is too much perfect in the way of applying most contemporary programs, cannot offer sufficient knowledge for concrete actual business cases, especially in places which are in transition period, as it is Kosovo.

Training – there has passed time when formal education was main source of knowledge, time has passed when managers most of the time spent in planning, organizing and control. Key and holder of quality changes, manager, in report with himself, enterprise, vicinity – take new role by investing his time in building his team, his personnel, by training it and setting up healthy relationship between its members.

Learning, training and preparation as activity has as aim to develop experience and other creative behaviors of the employers, in order to realize finishing duties in successful way. Role of training has been seen in different ways. For the employer, it is seen by adding experience in work, but at manager in adding managerial experience or better to say managers got prepared to exercise their actions, and employers got trained for work. Request for adding experience and new knowledge creation in work is permanent request for employers in dynamic society. All the employers do not have same knowledge and experience then it is shown as elementary experience for training and learning. Knowing work methods, procedures and practices which can come out from the dynamic of work are in the same time basic objectives for attending changes than come even from organization system or environment.

Dynamic and creation of new technology with add the need for employers to be trained and learned. This should be considered also for old employers in work, also to the young employers that just have started their activity in different works.

Creation conditions for motivation increase, for new achievements in work, strengthening and stimulation specific results, and support for success in specific duties are some of the requests that are made with the aim to add experience and knowledge in comparison with time.

Methods, that are mostly used today in training and learning field for the employers are:
- Exercises during the work and,
- Practice exercises.

The first one are realized during the work process and mainly in the organizational level from the employer, supervisor or instructor, and practice exercises can be developed even in organizational level even outside of it and also that if other employers with more experience or from experts.

In enterprises that have little or more of tradition, professional consultants – people that have abilities and necessary knowledge for the implementation of the training are responsible for personnel training. But, as per transferring practice knowledge, more efficient are managers. Experience and their practice abilities, knowing their enterprise, network of business connections, personally knowing human resources of his organization, made him more qualified than professional person, responsible for human resources. Human resources training in enterprise is combined with respective changes in stance, self-respect of human resources and enterprise is increased, feeling about enterprise and their ability is increased. As well, throughout the training, experience exchange is secured and as well as knowledge of
attendees and increase of professional level, in this way by increase organizational culture level. Human resources training is one among best non-material investments. Through human resources gaps are fulfilled during regular education, by fulfilling them for their maximal use in enterprise or anywhere else. Meanwhile, the position of one person in enterprise, institution, society more and more depends from his abilities in order to innovate knowledge’s that he have, because that every day there is strong convergence between education and business. Successful enterprises through training can clarify their vision to the employers. Supporting and developing that vision, employers must have enough knowledge for sure that is might change in comparison with the knowledge gained in formal education, knowledge that got fulfilled during non-formal education, training. For this reason:

- All employers must be treated as human’s in their career. Also in those work places that aren’t attractive, which have usual fluctuation, there training is needed which must be in contexts of career building with the aim to be more attractive, respectively to have clear stance that all employed people request to be developed.
- Successful enterprises oblige their employers, despite their desire, to be in trainings, expanding their knowledge. This is uninterrupted learning and specialization for employers.

4. Conclusions

Leadership is defined as complex process during which one person can influence others to achieve mission, task or objective, by using their qualities (truth, values, character, knowledge and abilities. In this way, according to this definition, we can take out some characteristics of leadership: it is complex process, a person can influence the others to achieve pre-set aim, person value – leader to use in function for aims realization.

While "management is process of planning and taken decisions, organization, leadership and control of human, material, financial and informative resources in enterprise with the aim to achieve its aim in the most efficient and effective way". According to this definition, management consists of some characteristics from which we can notice: its process, consisted from planning, organizing, leadership and control of work of the employers (human resources), material and monetary, as well as information resources, in different organizations.

Leader has specific features to realize aims and other organizational objectives as: skills, knowledge, experience, creativity and charismas. Those features are features that leader has won with his developed experience and knowledge and are important for successful management of the organization.

Honesty, ability to delegate, inter-personal communication, humor feeling, mutual truth, common commitment, positive attitude to the group, creativity, intuition and the ability to motivate the group. Those features are identified as main features of leadership.

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Palynomorphological Data of Some Species of the Genus Achillea

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Abstract

The article includes the palynomorphological study of some species of the genus Achillea in Albania. In this article submitted comparative features of the species: Achillea abrotanoides, Achillea ageratifolia, Achillea clavennae, Achillea chrysocoma and Achillea millefolium. The material for the study was obtained in National Herbarium in Tirana. For the study of palynomorphological features are analyzed 31 pollen grains from each species. The treatment of material is made with acetolysis method and basic fuchsine. The fixing of pollen grains is made with glycerin gelatin. The study and photos of pollen grains are realized with light microscope with 1000x power. Between the plant species included in the study are differences and similarities regarding the palynological features such as: dimension of pollen grain, thickness of exine, length of spines, width of spines. The pollen grains of plants above are tricolporate. The shape of pollen grains by the outline appears spheroidal or prolate spheroidal. The exine appears thick and has two-layers. The sculpture of exine is echinate.

Keywords: Achillea, palynomorphological, pollen grain, exine, spines

1. Introduction

The genus Achillea is part of the family Asteraceae (Compositae), the largest family of vascular plants. This genus is represented by about 140 species distributed in Europe, in warmer areas of Asia and some in North America (Nemeth and Bernath, 2008; Saeidnia et al., 2011). In Flora of Albania the genus Achillea represented by 18 species (Anonymous, 1988-2000). The name of Achillea is referred to the Achilles, who in the Trojan war has used these plants to cure the wounds of his soldiers (Saeidnia et al., 2011).

The species of Achillea has been used since ancient times as medicinal plants for the treatment of many diseases as: anemia, diseases of the stomach, loss of appetite, menstrual irregularities etc. (Nemeth and Bernath, 2008; Saeidnia et al., 2011; Anonymous, 1988-2000). Other studies have shown for antioxidant and antibacterial action that have oily essences of species of the genus Achillea (Vitalini et al., 2016; Issabeagloo1 et al., 2012; Alfatemi, et al., 2015; Mazandarani et al., 2013; Benedec et al., 2013).

The morphological description of the pollen grains of several species of the genus Achillea is made by Wodehouse, 1935 and then by other authors (Erdtmann, 1943; Mee & Khan, 2003; Akylcin et al., 2010; Punt and Hoen, 2009; Kapidani, 1996; etc.).

In this paper presented morphological study of pollen grains of species: Achillea abrotanoides, Achillea ageratifolia, Achillea clavennae, Achillea chrysocoma and also compared with the palynomorphological data of Achillea millefolium taken from literature (Kapidani, 1996). The palynomorphological data of plant species: Achillea abrotanoides, Achillea ageratifolia, Achillea clavennae, Achillea chrysocoma presented for the first time in the palynological literature of our country.
2. Material and Methods

The material for the study was obtained in National Herbarium in Tirana. To achieve the study of pollens’ morphological characteristics we have used three analytical methods.

- Acetolysis of Erdtman method (Erdtman, 1956)
- Acetolysis of Avetisjan method (Avetisjan, 1950)
- Basic fuchsine method of Smoljaninova &Gollubkova, (1953)

The fixing of pollen grains is made with glycerin gelatin prepared according to Kissel method (Silatkov, 1967). The palynomorphological dates in this study regard the material acetolysed. In order to accomplish the quantitative analysis of palynomorphological features, 31 pollen grains are taken in consideration. There were prepared 3-5 microscope slide for each plant by different methods and they were studied by the Digital Microscope/Camera Software, Motic Images Plus 2.0 ML, B1Series. (This microscop saves images in JPG, BMP, MIG and TIFF and process the image with a variety of filters). The microscopic photos of pollen grains of the plant studied were presented in polar and equatorial view with magnification 1000X, taken by DAUTI Anxhela. The terminology is based on that recommended previously Erdtman (1952), Punt et al. (1994) and Kapidani, (2005).

3. Results and Discussion

Representatives of the genus Achillea are perennial plant, with white flowers, yellow, rarely pink. They grow in rocky areas, alpine meadows, near roads etc. (Anonymous, 1988-2000; Demiri, 1983)

The pollen grains representatives of this genus are monad, tricolporate, with spheroidal to prolate spheroidal outline. Pores of pollen grains have circular outline. The pore’s diameter varies from 3 - 5 µm. Mesocolpium varies from 14.65 - 20.2 µm. Exine is thick and two-layer with echinate sculpture. The spines are conical and their length varies from 2 - 4 µm, while their width varies from 2 - 6 µm. The distance between spinules varies from 2-4 µm. Thickness of exine varies from 3 - 6 µm. Ectexine is thicker than endexine. In ectexine is observed the presence of columellae and the tectum with thickness about 1 µm. Polar axis of pollen grains varies from 20.6 - 35.5 µm, while equatorial diameter varies from 20.6 - 35.2 µm. (fig.1,2,3,4,5).

The palynological features of each representative included in the study are expressed in Table 1,2 and shown through microscopic photos.

3.1 Achillea abrotanoides (Vis.) Vis. Fl. Dalm. 2:81 (1847)

![Figure 1. Pollen grains Achillea abrotanoides; a. polar view; b. equatorial view. (1000 X)](image1)

3.2 Achillea ageratifolia (Sibth. et Sm.) Boiss., Fl. Or. 3:275 (1875).

![Figure 2. Pollen grains Achillea ageratifolia; a. polar view; b. equatorial view. (1000 X)](image2)


![Figure 3. Pollen grains Achillea clavennae; a. polar view; b. equatorial view. (1000 X)](image3)
**Figure 3.** Pollen grains *Achillea clavennae*: a. polar view; b. equatorial view. (1000 X)


![Pollen grains](image)

**Figure 4.** Pollen grains *Achillea chrysocoma*: a. polar view; b. equatorial view. (1000 X)

3.5 *Achillea millefolium* L., *Sp. Pl.* 899 (1753)

![Pollen grains](image)

**Figure 5.** Pollen grains *Achillea millefolium* a. polar view; b. equatorial view. (1000 X)

**Table 1.** Dimensions of pollen grains of the plant species *Achillea*

<table>
<thead>
<tr>
<th>The palynological features</th>
<th><em>Achillea abrotanoides</em></th>
<th><em>Achillea ageratifolia</em></th>
<th><em>Achillea clavennae</em></th>
<th><em>Achillea chrysocoma</em></th>
<th><em>Achillea millefolium</em></th>
</tr>
</thead>
<tbody>
<tr>
<td>Polar axis (P) µm</td>
<td>24 – 30</td>
<td>29 – 34</td>
<td>30 - 33</td>
<td>32 - 38</td>
<td>20 - 21.3</td>
</tr>
<tr>
<td></td>
<td>(26)</td>
<td>(31.2)</td>
<td>(30.8)</td>
<td>(35.5)</td>
<td>(20.6)</td>
</tr>
<tr>
<td></td>
<td>(26.4)</td>
<td>(30)</td>
<td>(29.9)</td>
<td>(35.2)</td>
<td>(20.6)</td>
</tr>
</tbody>
</table>

**Figure 6.** Chart of average dimensions of pollen grains of species *Achillea*

Based on the data of the table 1 and the fig. 6 observed changes in the size of pollen grains of species *Achillea*, take in the study. The pollen grains of *Achillea chrysocoma* are greater than those of *Achillea abrotanoides*, *Achillea ageratifolia*, *Achillea clavennae*, *Achillea millefolium*, while pollen grains of *Achillea millefolium* are smaller than other species take in the study.

**Table 2.** Comparative table of palynomorphologic features of genus *Achillea*

<table>
<thead>
<tr>
<th>The palynological features</th>
<th><em>Achillea abrotanoides</em></th>
<th><em>Achillea ageratifolia</em></th>
<th><em>Achillea clavennae</em></th>
<th><em>Achillea chrysocoma</em></th>
<th><em>Achillea millefolium</em></th>
</tr>
</thead>
<tbody>
<tr>
<td>The thickness of exine</td>
<td>3 – 5</td>
<td>4 – 6</td>
<td>3 – 5</td>
<td>5 – 6</td>
<td>4.5</td>
</tr>
<tr>
<td>µm</td>
<td>(3.9)</td>
<td>(4.9)</td>
<td>(3.9)</td>
<td>(5.5)</td>
<td></td>
</tr>
<tr>
<td>The spines length µm</td>
<td>2 – 3</td>
<td>3 – 4</td>
<td>2 – 4</td>
<td>2 – 4</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>(3)</td>
<td>(3.5)</td>
<td>(2.9)</td>
<td>(3.3)</td>
<td></td>
</tr>
<tr>
<td>The spines width µm</td>
<td>2 – 3</td>
<td>3 – 4</td>
<td>2.5 - 3.5</td>
<td>3 – 6</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>(3)</td>
<td>(3.5)</td>
<td>(3)</td>
<td>(4.9)</td>
<td></td>
</tr>
<tr>
<td>Distance between spines</td>
<td>2 – 3</td>
<td>2 – 4</td>
<td>3 – 4</td>
<td>2 – 4</td>
<td>3 – 4</td>
</tr>
<tr>
<td>µm</td>
<td>(3)</td>
<td>(3)</td>
<td>(3.4)</td>
<td>(2.7)</td>
<td>(3.5)</td>
</tr>
</tbody>
</table>
Figure 7. Chart of average dimensions of the palynological features of species Achillea.

Based on the data of the table 2. and fig. 7 observed changes and similarities between the pollen grains of Achillea species. With regard thickness of exine feature, noted that the pollen grains of Achillea chrysocoma, have a thicker exine that pollen grains of Achillea abrotanoides, Achillea ageratifolia, Achillea clavennae and Achillea millefolium. In the length feature of spine noted that the spines appear longer at pollen grains of Achillea ageratifolia, while the wider spines on the basis distinguished in pollen grains of Achillea chrysocoma. The pollen grains of Achillea abrotanoides, Achillea ageratifolia and Achillea millefolium the spines have the same length and width. Distance between spines has not large differences between species, but appears few greater to pollen grains of Achillea millefolium, while mesocolpium is greater to the pollen grains of Achillea chrysocoma.

4. Conclusions

From the analysis of palynotaxonomical features of pollen grains of 5 species Achillea show that:
1. The greater pollen grains are at Achillea chrysocoma.
2. The exine appears thicker to the pollen grains of Achillea chrysocoma.
3. The longer spines has Achillea ageratifolia, while the wider spines has Achillea chrysocoma.
4. The pollen grains of Achillea abrotanoides, Achillea ageratifolia and Achillea millefolium have the spines with the same length and width.
5. Distance between spines is slightly larger to pollen grains of Achillea millefolium.

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The Special and Specialized Technical Vocabulary in Albanian Language

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Abstract

In the conditions of rapid development of science and technology, the cooperation of scientific-technical language with standard Albanian is continuing with a higher intensity than before. In particular, we notice a burgeoning enrichment of the technical vocabulary terminology, due to the birth and formation of fields and subfields of new technics and technology, as in computing, mechatronics, telemetry; concepts, many of which, on the one hand, are marked with names of the languages of origin, mainly from English, and, in turn, meet their needs with the lexical dough of the native language (common words, being raised into terms), by means of its word formation, as well as activation of other substrates, such as the terms phrase. The technical terminology in particular and the language of science and technology in general are areas in which the impact of society awareness on them find more suitable conditions to be realized.

Keywords: Albanian language, common words, special technical vocabulary, specialized technical vocabulary.

1. Introduction

As an object of special interest of this paper is precisely the view of the common words since the time of their evidence not only in written texts, like, for example, in "Missal" of Buzuku (1555) etc.; as well as reflected in Albanian dictionaries, as, for example, in the Vocabulary of Frang Bardhi\(^1\), where we meet a series of words which functioned as special units and later became terms.

One problem in itself is the standardization of terminology and in particular the introduction in the process of standardization of Albanian terms built on the grounds of ordinary words, which serve as key elements of resolving problems of collation and Albanianisation of the technical terminology in the Albanian language.

2. Technical Terms Reflected in Written Texts

Besides the use in the practice of oral communication, technical terms display their predominant actualization in written texts, primarily in teaching, which is observed since from the beginning of their creation. It started to a limited extent in low-level textbooks, save later was added to the high school level (before 1945) and then higher level (after 1945) with the creation of high schools in our country. Each of these levels has specific characteristics in terms of proportions of foreign terms and the Albanianized terms. In the primary level, the amount of technical terms was very limited; mainly dominated by technical terms of agriculture, mechanics, construction. Terms are processed by linguists and experts as specialists of Albanian and foreign languages. In them, generally foreign terms prevail, while Albanian ones are limited in quantity.

In the secondary level (high school) especially in vocational schools, foreign terms were introduced, while maintaining some balance with Albanianized terms. In any case it is evident that terminology has an Albanian base.

In the high level, terminology was created by specialists. In this level foreign terms prevail, and we rarely notice an effort for Albanianization.

\(^1\) Frang Bardhi, “DICTIONARIVM LATINO EPIROTICVM”, Romae, 1635.
3. Re-conceptualizing of the Technical Vocabulary (Special Vocabulary and Specialized Vocabulary)

In general terms, the technical vocabulary can be seen as a spacious stratification consisting of units (terms or compound words), which operates and is identified in various fields of knowledge, limited by knowledge and its use in speech by speakers. From the point of view of the origin of its creation in the course of time to the present situation, it can also be viewed as the formation from common words, as well as in their continuous development, as units that are divided into two broad groups depending on their two developing stages: from the lower forms of the special vocabulary to the higher forms of the special vocabulary, where as a development core serves the elevation of these two types of vocabularies, from a primary concept to the higher one. Since directly, as a special unit they link with common words as well as with units of a higher conceptual level, such as terms that we can call either special units of scientific-technical level or specialized units. Therefore, we can divide in this regard nominating units of the language vocabulary into three groups as follows:

4. Albanian Technical Terms and their Conceptual Contents

The largest part of terms are motivational in their conceptual content, which means that each of them has a base from which it originates and, just the way as the base is advanced, so will it develop in its content. However, one part of terms derive from common words and enter a field of knowledge on the quality of the term, while maintaining the conceptual content, i.e. its content as a word or as a term is more or less the same. Here we are dealing with same concepts that go from a low conceptual level (as a word) to a higher level (as a term). Thus, eg a range of terms from the field of construction may be considered, like door sill, floor, window (constr.), excavation, threshing, harvesting(farmers.), that have existed as common words since ancient times (Buzuku: derë-door, prag-door sill, fënestrë (window), korrje-harvesting). Here it should be noted that each of them develops further as dritare - window (building) from fënestrë shtëpie -house window, and the dritare - window (fryrjeje), dere- door (building) and dere-door (bakery) for present time.

The largest part develops from the point of view of conceptual content, by changing in the form the concept, but not at the core of his substantive marking, as rrotë-wheel (cart) → rrotë-wheel (car). Here the core is preserved, the expressive function of the word, while the concept is modified (object) in the term such as rrotë-wheel (car). This is seen also in shtrat-platform (of a cart) → shtrat-platform (of a car). In some cases the term, while changing a lot in the content, varies in for also as we mentioned earlier: parmendë-plow(wooden) → pamendë-plow (metal) (=plow), gur multiri-millstone → cilindër bloje-milling cylinder. In different languages for both concepts there are different signs for each concept, or even the same sign is inherited. Thus in Albanian and Russian we have today for the "two concepts" two signs: shq. parmendë → plug; rus. lemah → pllug, while in English and Italian there is one sign: Eng. plow; it. aratro.

5. The Basis of Origin of the Technical Terminologies from Common Words and their Further Developments in the Course of Time

1. Technical terminologies partly originate from words related to concepts that came from distant times from different places of the world, as an universal language, which passed from one language to another in different times, translated, adapted, as borrowed or even as being indigene (native). They are used as special words in various fields of human activity, later as terms in technical terminology and terminology of other fields of knowledge in Albanian language in different periods, as ruota → rotë, machina → makinë etc.

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2 G. Pllana, “Krijimi i leksikut shqip të terminologjive teknike (Procese të krijimit, të pasqyrimit në gjuhë dhe të standardizimit)”, dis. QSA Tiranë, 2015, p. 44.
From the early discipline of hunting, from which the human societies began, and of which hunting tools were part of, like: hark, shigjetë, majë; simple actions: shkëputje-tearing, hedhje-throwing, goditje-bashing, shpim, nxjerrje-stripping, ngecje-stagnation (most are found in today’s terminologies in different technical spheres etc.).

Agriculture tools, components, processes: hoe (shat), shovel(lopatë), digging(gërmim), sowing(mbjellje), harvesting(korrje).

Weapons of war: bullet (plumb), cartridge(fishek) fuse(siguresë).

Household utensils: scissors(gërshërë), chisel (daltë), pincers (darë).

Tools and processes for the relevant products: (wine (verë), brandy (raki) etc.): mangle (shtrydhëse), crush (shtrydhje).

2. From common words that have been used for centuries as a special words, where knowledge fields were created from words that entered written documents.

From written monuments of language ("Missal" of John Buzuku)^4. A portion entered directly: the shaft, power, strength; one portion as terminologised, as head (kokë), legs (këmbë), eyes (sy), etc..

3. Words from primitive technical tools, from the chariot and household tools: bed(shtrat), circle(rreth) (mountain), beam(reze) (wheel).

4. Words that are transformed from concepts with functional changes: plow → plug; millstone → mokërr; wheel milling → rrotë mulliri; cylinder milling → cilindër mullin; mill milling → mulli bloje; milling plant (flour) → fabrikë bloje (mielli).

5. Ambiguous concepts: Words used today as terms and common words with two different functions. They are designated by functions, semantic affinities. As words they express common concepts (meanings), as terms they express scientific-technical concepts: door (derë), door sill (prag), windows (dritare), ceiling (tavan), floor (dysheme), roof (çati) etc.

6. Terminologised words: head (bolt), foot (bridge).

7. Development of concepts within a term, as terminologized: shovel (tool) (lopatë (vegël)) → shovel (mixing) (lopatë (përzierëse)) → shovel (fan) (lopatë (ventilatori)), wheel (wagon) (rrotë (qerreje)) → wheel (car) (rrotë (makine)).

These related terms on the basis of developing their conceptual content can be presented schematically in the following form:

6. Conclusion

On general terms, the technical vocabulary can be seen as a broad stratification consisting of units (one word or compound words) that functions and is identified in various fields of knowledge, limited by the knowledge and its use in ordinary discourse by speakers.

In terms of the origin of its creation in the course of time to the present state it can be viewed also as a formation from common words, as well as in their further development, as units divided into two broad groups depending on their two transition stages from the forms of the special vocabulary: basal, to the forms of a higher special vocabulary, where, as a transition basis serves their elevation from a low concept to the high one. Directly they relate as with common words, also with units of a higher conceptual level, as are terms, which we may call either special units of a scientific-technical level or specialized units, since they connect with specific identified knowledge fields.

References

Measures Provided by the Albanian Legislation for Consumer Protection from Discrimination

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Abstract

Consumer protection in Albania is taking greater importance in this recent years. Despite measures for consumer protection, cases of consumer discrimination in the provision of goods and services on the market are present. In this paper we will discuss consumer protection from discrimination based on the analyzing of measures taken for the consumers protection and the efforts of our countrys' for establishment a higher level consumer protection. Approval and implementation of policies that are creating a general legal environment and institutional that guarantees consumers protection from discrimination have yielded positive effects. The reasons for which customers are discriminated were differing, the implementation of this measures has been necessary because no consumer can not discriminated. Direct discrimination of consumers based on gender and origin were the most widespread forms of discrimination. This kind of discrimination was a serious problem in the state of law, with the prevention of new cases in the market, we can say that we have a consumer protected. With the approval of law of 2008 we can say that we have a consumer protected because the previous laws had not yielded positive effects. With the approval of this law are create state mechanisms which have strengthened consumer protection and it have prevented cases of consumer discrimination.

Keywords: consumer, discrimination, market, price differentiation, measures implemented.

1. Introduction

Each of us is a consumer of goods and services. Society within which we live and are part asks how to meet basic needs of measures to protect and ensure the customer. An effective policy on the customer can change for the better the lives of citizens. The question arises what would you mean by customer? Consumer means any natural person who buys and uses goods or services to meet the needs of people and not for purposes that are related to commercial activity, namely for the resale of those goods.

Develop and implement policies to create an environment of general legal and institutional framework that guarantees consumers protection of health, safety and economic interests, improvement of education, information and awareness, support for effective implementation of their rights in order empowering consumers and increase their confidence in making purchases of goods and services in the market, making the market work for them. In some cases found in the market is a price differentiation.

Price differentiation is a "pricing strategy" where the goods or services identical or similar are offered at different prices from the same provider in various markets or territories.

Discrimination in price from geographical aspect occurs when there is an accusation against a business that offers different prices for the same product in two or more different countries simultaneously.

Education and awareness of consumers and traders is without doubt one of the elements that contribute to providing a customer-friendly climate and increasing the transparency of commercial practices. For this purpose, aiming to recognize the legal framework of consumer protection and product safety is being developed an awareness campaign for consumers and economic operators, addressing customers, students, economic operators and media. The issue of consumer education in school is applicable in the main documents of the basic education curriculum and secondary. In basic education, the issue of consumer education is included in the program of social education course, in line civic education and economic education that permeates this case, along the lines of other knowledge and skills.

2. Measures Provided for Consumer Protection

Despite the measures taken to protect the consumer as in the European and international market we conclude that we have one of his discrimination. Consumer protection is presented one of the main areas that are directly related to the
protection of human rights. Regulation of this area is based on three main pillars as they are consumer health, safety and protection of consumer rights and economic interests of consumers. Law no. 9902 dated 17.04.2008, "On consumer protection", as amended, constitutes the basic legislation on the right, where the Ombudsman is entitled to a special role in its Article 56 on the protection of consumers' interests not only for complaints individual, but also cases of a wider community across the country. Ombudsman institution in order to exercise the constitutional and legal powers to protect the rights and legitimate interests of consumers found problematic food security and expired goods which circulate in the market and not destroyed by commercial entities. For this occasion we asked the relevant authorities monitoring and constant checks to commercial entities, the disposal of products in cases where they find that they are expired and the imposition of punitive measures against commercial entities.

2.1 The role of Ombudsman in Albania

Also, we found problematic the case published in the media on the content of a high amount of aflatoxin in milk that has been circulating not only in the Albanian market, and to whom we have recommended the setting of standards on the quality of food products, in respect of the Constitution the Republic of Albania, when the life of a person is protected by law, in order to avoid cases when violated or endanger the lives of consumers and the application of Common Strategy for consumer Protection and Market Supervision (2007-2013), approved by DCM. 797 dated 14.11.2007.

Another case launched ex officio, has to do with the implementation of measures by the Municipality of Kukes for bill payments drinking water from economic aid, where all beneficiaries of social assistance is made stops in value 18% for payment of bills drinking water and the same scheme Municipality has applied for the collection of local taxes in each year. Ombudsman as a constitutional institution in fulfilling its duties and constitutional functioning, has found that the actions of the Municipality for the collection of taxes of drinking water bills, making stops economic aid, are actions that contradict the open with the law. Undoubtedly, that our institution is not pro making public service, in this case drinking water supply and its failure to pay by the customer, but the current legislation foresees other sanctions for persons resulting debt related to the payment of public services. Referring to Article 52 of the Constitution of the Republic of Albania to the point "2" to his forecast that: "Everyone, who remains without work for reasons independent of his will and when no other means of support, has the right to social assistance under the conditions provided by law ". In the context of this article, the nature of economic assistance to individuals who have lack of employment is an expression of social protection established through the fulfillment of social objectives and therefore their implementation is closely linked to the state's obligation to make guaranteeing and providing adequate funds for vital needs.

Another focus of activity of the Ombudsman for the protection of consumer rights and particularly those vulnerable groups as they are also persons with disabilities, have been recommendations to the Public Administration bodies just as the Ministry of Social Welfare and Youth / Ministry of Finance for the release of funds associated with the subsidy payments of electricity bills. Specifically, in 2012, Law 26/2012 dated 05.04.2012 "On Amendments to the Law no. 8098 dated 28.03.1996, "On the status of the Blind" and the Law no. 27/2012, "On amendments to Law no. 8626 dated 22.06.2000, "On the status of the paraplegic and quadriplegic", article 12 of them underwent changes as follows: "paraplegic and tetraplegic, blind and who have acquired the status, compensation benefit energy bill electricity and landline telephone bill. Measures, criteria and procedures for the benefit of the financial compensation shall be determined by the Council of Ministers ". With the changes that suffered the above law, the Company "CEZ Distribution" JSC proceeded to subsidize electricity bills by the end of April 2012. Thereafter to all customers who enjoy the status of the paraplegic and quadriplegic, blind and proceeded to full payment of electricity bills as defined in Decree No. 404 dated 20.06.2012, "For the purpose of determining the criteria and procedures of obtaining financial compensation for persons with the status of blind and paraplegic and quadriplegic, the electricity bill and fixed phone bill". In the above Decree states that:

1. Individuals beneficiary status under the Law No. 8626, dated 22.06.2000, "On the status of invalids, paraplegics and quadriplegics", as amended, who need a guardian, was given compensation for bill electricity at the rate of 2000 leks per month.

2. Individuals beneficiary status under the Law no. 8098, dated 28.03.1996, "On the status of the blind", as amended, need for caregivers, were given compensation for the electricity bill, to the extent 2000 leks per month.

3. Individuals beneficiary status under the Law no. 8626, dated 22.06.2000, "On the status of invalids, paraplegics and quadriplegics", as amended, and individuals beneficiary status under the Law no. 8098 dated 28.03.1996, "On the status of the blind", as amended, who did not need a guardian, was given compensation for electricity bill Lek 1,400 per month.
4. The amount of compensation is calculated and obtained at the local government unit where the individual is blind, paraplegic and quadriplegic, it has a residence ......

In the analysis of the above legal provisions, the Ombudsman Institution, has sought not only to mobilize the authorities, but they sensitize them to the importance that has this problem as it is subsidies and payments to people with disabilities limited to public services provided electricity as it is. For the above, we requested that concrete actions dealing with the disbursement of funds for realization of this process (subsidizing electricity bills) within a shortest possible time in order to protect and benefit of all rights persons with disabilities for a life as normal as possible, the real barriers and socio-economic integration.1

3. Conclusions

Each of us are consumers of goods and services. Quality service delivery is not the same for all persons. The reasons for not equal enjoyment of treatment are different consumers such as race, sex, age ect... In this paper we concluded that consumers do not enjoy the same treatment in the market so, as in the international, European and national level. Measures taken out show for a reduction or elimination of discrimination discrimination consumer, the statistics speak to the contrary. Despite their customer is discriminated against, directly or indirectly.

Ombudsman has played and is playing an important role in consumer protection, for the first time he was introduced by law in 2008. The forecast of this defense mechanism was to be the guarantor of consumer protection. In practice, many cases have been found where consumer rights are violated, to give customers solutions to their problems are drejtuar Ombudsman. In many cases the Ombudsman has concluded that consumer rights are violated and thus institutions and competent authorities have taken measures to protect consumers.

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Comparative Overview of Local Government Legislation in Albanian-speaking Republics

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Abstract

The Constitution of Albania defines in its Article 108, three units of local power, communes, municipalities and districts. Upon the amendments deriving from the new territorial reform, Albania has only 61 municipalities and 12 districts and no commune at all. In the article 5 of the law no. 139/2015 of the Local Self-Governance of the Republic of Albania, it is defined that municipalities and districts are the units of local governance. We have to do with a difference between the definition of the Constitution of Albania and the Law on Local Self-Governance. Therefore a constitutional amendment is needed in order to reflect the legal amendments on the local self-governance. The Republic of Albania approved the law no. 8548 on 11th November 1999 "On the ratification of the European Card of Local Autonomy". Upon this approval, the Card is an internal resource of the law and its implementation from the institutions and individuals is obligatory. Point 4 of the Article 14 of the Law on Local Self-Governance in the Republic of Albania defines that the Units of local self-governance may enter into inter-local collaboration agreements with units of foreign local self-governance units. Before entering in such agreements, these units obtain the opinion of the Ministry of Foreign Affairs. “Law on Local Self-Governance” of the Republic of Kosovo, approved in 2008. The reform on local governance started in 1999/2000, upon the end of the War in Kosovo and settlement of UNMIK Administration. Initially, the organization and functioning of local power was regulated by UNMIK Rule, which had the legal power, and then by the constitution in 2008. The Republic of Kosovo lies in an area of 10908 km² which is divided in 38 administrative units or in 38 communes which extends and act under specific territorial conditions. “Law on Local Self-Governance” of the Republic of Macedonia defines the communes as units of local self-governance. Another particularity of the Law on Local Self-Governance of the Local Republic of Macedonia is the status given to the city of Skopje as a special unit of local governance, as it is the Capital of the Republic. There are to be done the right legal amendments, in accordance to the legislation of EU and the interstate coordination in order to improve the collaboration in local governance level among the Albanian-speaking states, especially in the economic point of view, but as well as in the cultural and environmental one.

Keywords: decentralization, legislation on local governance, local autonomy, administrative reform, EU legislation on local and regional governance, European governance of local autonomy.

1. Introduction: The Meaning of Decentralisation

The thesis aims to make a comparative view of local government in Albanian speaking countries. If we refer to the political vocabulary of the Oxford term local government means a "Government institution that exercises authority in a territorially defined area of the country" (Iain Mc Lean. Political Dictionary. Tirana 2001, page 479)

Decentralization in itself is a process during which authority and responsibility for functions, passes from central government to local government units. Albania Constitution of 1998 stipulated that local authorities are based on the principle of decentralization and that relationship between central and local government are based on autonomy, legitimacy and cooperation (Article 13. Constitution of the Republic of Albania - Law 8417, dated 21/1998)

Local government in Kosovo, Macedonia and Montenegro is achieved under constitutional norms and laws of local government. In the text of Administrative Sciences at the University of Pristina it is stated that “territorial governance, namely governance of territorial units, is a very complex process and can be argued that it consists of many functions, ie activities" (Esat Stavileci: Introduction to Administrative Sciences. Office of textbooks and teaching aids Kosovo. Pristina, 1997, p. 247)

In the municipalities of Presevo and Bujanovac government is carried out pursuant to the Law on Local Self-Government of Serbia.

All democratic states consider Local Government as a value of democratic achievements and of particular importance for the political system. In this paper I do a comparative view of local government in Kosovo, Macedonia, Montenegro, Presevo and Bujanovac municipalities located in the southernmost part of Serbia, and in the East of
Kosovo. These municipalities with an Albanian majority, are under the Republic of Serbia. In 1992, local authorities organized a referendum on territorial political autonomy and unification with Kosovo. By the referendum 90% of the Albanian population said "yes" to the question posed in that Referendum.

LGUs in Albania are the municipalities and counties. In other Albanian speaking countries LGUs are the communes.

2. Local Government in the Republic of Albania

Local Government in Albania is based on the European Charter of Local Self-Government and in particular in Article 3, which stipulates that Local Self-Government denotes the right and the ability of local authorities, within the limits of the law, to regulate and manage a substantial share of public affairs under their own responsibility and in the interests of the local population.*4 (European Charter of Local Self-Government).

The first law on the organization of local government of pluralistic period is Law 7572, dated 10.06.1992, titled On Organization and Functioning of Local Government * 5 (Summary of Legislation for Institutions of Local Government of the Republic of Albania).

In the process of decentralization of governance reforms, in 2000 was adopted the Law on Territorial and Administrative Division of Local Government Units / LGU.* 6 (Law No. 8652, dated 31.7.2000 *On organization and functioning of local government)

Territorial and administrative division of 2000 generally maintained historical boundaries of municipalities, communes established in 1992. The package of reforms, which set out a framework of decentralization of governance in Albania, was built on the grounds that local government units, which would not have the opportunity to provide the functions and responsibilities delegated to selfgovernment, will use the alternative offered by the Constitution of Republic of Albania and the Law on the Organization and Functioning of Local Government to join with each other, according to the will of the people to govern, or to engage in LGU collaborations.

Laws and guidelines that complemented the framework of fiscal and administrative decentralization, and were prepared to intergovernmental transfers and grants until 2006 were drafted based on this assumption. Law on the Organization and Functioning of Local Government defines three types of functions to LGUs: own (exclusive), shared (joint) and delegated functions. Functional analysis of the performance of functions under the drafting of territorial reform in late 2013 showed that only 15% of local government units out of the total of 373 LGUs had been performed the functions designated by the organic law of local government. By 2014 there was no change in the groups of main categories of own (exclusive) functions, which include:

- Infrastructure and public services;
- Local economic development;
- Social services, cultural and recreational functions,
- Civil security.

Implementation of shared (joint) functions of local governance was associated with many uncertainties regarding the division of powers and finances between different levels of government. The delegation of functions from central government is an instrument used mainly in some functions, such as administration of the registry offices, business registration offices (NRC) and in general expenses to be covered by the state budget. Very few were the cases of delegation of functions and powers between local self government units of the same level or different levels, even in those cases where this has happened they have not been stable over time.

In 2014, Albania undertook and implemented a reform of the administrative and territorial consolidation by adopting the Law "On the territorial and administrative division of local government units in the Republic of Albania", *7 (Law no. 115/2014 dated 31.07.2014, "On the territorial and administrative division) finally settling the issues of fragmentation of local government and decentralization concluding the reform in our country. Today Albania has 61 local government units / municipalities and 12 districts. Districts did not change with the new territorial and administrative division but their constituent structure, municipalities and communes, underwent a radical change. With the new division, districts have in their structure approximately 5 municipalities from 31 local units that were based on the old division. With this reform the role of the district as harmonization of national policies with regional and local ones becomes easier and presumably would be more efficient. In fiscal decentralization indicators, Albania is far behind compared to other countries of South East Europe. It ranks last in the region to the revenues level of local government. In 2014, revenue accounted for 2.1% of the Gross Domestic Product (GDP), while fiscal revenues accounted for 1% of GDP. Only 0.22% of GDP revenues should be provided out of local property taxes, leaving behind only Croatia by 0.13% of GDP; Albania is the last one for local government investments. They represent 0.9% of GDP.* 8 (Cross-Cutting Strategy for Decentralization and Local
Goverance 2015-2020, 2015, pg 15)
Albania made the reform of administrative and territorial consolidation finally settling the issues of fragmentation of local units *9 (Law no. 115/2014, "On the administrative and territorial units of local government in the Republic of Albania")

To ensure effective governance Council of Ministers of the Republic of Albania in early 2015 established the Agency for the Implementation of the Territorial Reform. The Agency will play a coordinating role between central and local government units to enable resolution of the problems stemming from the process of transition to the new unified local units. The agency has not ordering functions, but will act as a guide and welfare institution for LGUs governance standards, as well as distribution of financial transition fund provided in the state budget. The Agency shall inform the institutions and other partners on the implementation progress of administrative and territorial reform.

Local government bodies are City Council and Mayor. Municipality Council members are elected according to the proportional system by direct election and represent local legislator. Mayor is elected directly by the voters of the administrative unit and exercises the executive power.

3. The Legal Framework of Local Self Government in Albanian Speaking Countries

Even in these countries the self-government legislation is based on European Charter of Self Government, the constitutions and laws on local self-government. In Kosovo, the government is implemented by Law on Local Governance. In eastern Kosovo, Macedonia and Montenegro it is implemented by the Law on Local Self-Government. According to the law the Communes are the basic territorial units of local government. They have the right to exercise local government. In Kosovo, the residents of administrative units have the right to elect their municipal councilors in Kosovo Municipalities by direct elections. In the first mandate they will have two years duration of action. Whereas in subsequent mandates the duration will be four years.*10 (Law on Local Self Government of the Republic of Kosovo, Article 37, letter 1)

In Macedonia and Montenegro the election of representatives is carried out every four years by direct elections. The Right of Citizens for Local Governance in East Kosovo Municipalities, is carried out by the Law on Local Self-Government, in which certain rights are provided for foreigners.*11 (Zakon o Lokalnoj Samoupravi Republike)

Based on the study of legislation of Albanian speaking countries it has been concluded that the power of the local government is not in the appropriate level, because the central government does not delegate enough powers to local government units, as occurs in European countries, where “State delegate to Local authorities increasingly more tasks”.*12 (Kval-Mellbye-Tranoi: Politics and Democracy. Pristhina, 2006, page 93).

Communes have the power to draft regulations, to adopt the Statute of the Commune, to adopt the municipal (cummunal) budget and to draw other general acts that are under their jurisdiction and govern the issues in their territory within the limits of the law defined. Municipalities (communes) in Kosovo pursuant the Law on Local Self-Government is a legal person, it has “its legal status, the right to own and manage property, the capacity to sue and be sued in court, the right to enter into contracts and the right to engage staff”, and “can be owner or co-owner of a company that is in the interest of the municipality in relation to citizens”.*13 (Law on Local Self-Government of the Republic of Kosovo, Article 5, paragraph 3, letter 1) Ahtisaari Comprehensive Proposal is an exception for conditions of establishment of new municipalities with Serb population in Kosovo.

In Macedonia “The commune is obliged to allow citizens access to local governance - comparative reviews basic information for services performed in the manner and conditions stipulated by statute”.*14 (Zakon za Lokalnata Samouprava “Sluzben vesnik na Republika Makedonija” br. 5 od 29 januari 2002 god; Article 8, paragraph 2)

In Albanian speaking countries “Statute of the municipality (commune) is the highest act adopted by the Municipality (Commune) in accordance with the central government legislation regulating the internal organization of the Municipality (Commune)” *15 (Law on Local Self-Government of the Republic of Kosovo, Article 3)

In Montenegro, the municipality is a territorial unit in which local residents exercise the right of the Local Government. In this country there are two Municipalities (communes) led by Albanians. Ulcinj has the status of the Municipality, while the status of Tuzi Urban Municipality within Podgorica. Since the Municipality of Ulcinj has the Statute, Tuzi works and acts with Statutory Decision. Statutory Decision is the basic act of the municipality of Tuzi and has to do with defining the duties, powers, responsibilities and rights of the municipality that was established for local residents living in the territory of this urban municipality within the capital of Montenegro, namely, Podgorica.

In Presevo and Bujanovac “The basic act of the local government unit is the Statute” *16 (Zakon o Lokalnoj Samoupravi Republike Srbije, document. cited: Article 10, paragraph 1)

To meet the demands of local residents in Albanian speaking municipalities of Kosovo, Eastern Kosovo,
Macedonia and Montenegro, and to realize their rights and obligations, they can establish enterprises and other organizations that perform public services. Thus, they have the right of cooperation and brotherhood with local government organizations both national and international of other states, with the consent of the Government. Local Government Law in Montenegro is encouraging because: "In conducting the activities of local government, In Kosovo has been a legal space that allowed the municipality according to UNMIK Regulation, 2000/45 and force them to make “arrangements with villages, settlements and urban quarters within its territory in order to ensure meeting the needs of all residents in the municipality”. *17 (United Nations - UNMIK, Regulation no. 2007/30, Doc. cited Article 5, paragraph 1).

This right and legal obligation was drafted by Law in the Law on Local Self-Government of the Republic of Kosovo. *18 (Law on Local Self-Government of the Republic of Kosovo, Article 34, paragraph 1).

This may be the competences field of study to realize the cooperation with local government units in Albania with Albanian speaking countries.

At the initiative of Tirana Mayor, cooperation union was established in the municipality of Tirana, Pristina, Gjakova, Presevo, Tetovo, and Ulcinj. This initiative should be accompanied by the Union of all Albanian speaking local government units in the Western Balkans.

The commune is independent and its rights can not be restricted to acts of state bodies, except in circumstances defined by law, in accordance with the Constitution”. *19 (Zakon o Lokalnoj Samoupravi Cme Gore, Article 8)

Macedonian legislation allows municipalities to take the decision to join tools and form joint public services, in order to realize common interests and performing common tasks within their competence. Municipality decides to cooperate with Municipalities of the Republic, the local governments of other countries and with International Organisations of local Communities and Local authorities. Municipality as a subject can join International Organisations of local governments. “International cooperation of municipalities is any act of Municipalities of the Republic of Macedonia, taken in accordance with the law, to conclude cooperation between them and local communities or local government of one or more other states, membership of their associations in international organization of local communities or government”. *20 (Zakon za Lokalnata Samouprava, “Sl. Vesnik na R. Makedonija” br. 5 od 29 januari 2002 god, document cited Article 2, paragraph 3)

4. Conclusions

Financial autonomy of local government still remains a challenge. Local authorities do not have adequate financial resources to perform its own functions and those delegated, especially small units of local government. Based on the data obtained about local budgets in 2012, 60% of LGUs were funded at over 80% from the state budget. Cooperation would create opportunities for the use of all human resources of municipal assets to increase the level of services in communities according to European standards. In Albania, pursuant to Article 108, communes or municipalities and districts are local government units. According to Article 108 paragraph 3 commune and municipality are units of local government. Whereas according to the law, the local government has only municipality. Legal Package should be approved for the taxation system that guarantees budget that meets the level of public services in communities, especially in the former communes. Unification of legislations in the field of competences with Albanian speaking countries. Establishment of a Union of all LGUs in Albanian speaking countries.

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The Psychological Violence Against Girls and Women

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Abstract

This study is focused mostly on the psychological and emotional violence against girls and women. The implementation of the study is based on the use of the quantitative research method by spreading and completing the survey with 650 respondents from 24 to 60 years old. The detailed study aims to explore the causes and conditions which favor violence as a necessity to understand the roots of these social phenomena. This implies a comprehensive analysis of social, economical, political and sub-cultural factors which affect in the implementation of it. From the data of our survey there are some results: nearly 63.0 percent of the respondents said that they had suffered psychological violence. Insults, shouts and threats are actions which happen more frequently and the respondents say that they are the most disturbing elements. Most girls and women suffer from the psychological violence within their family. This kind of violence is mainly caused by men, by their husbands, fathers, brothers.

Keywords: psychological violence, girls and women, violence within the family, husband, children, physical violence.

1. Introduction

The sociologist Rose Maria Calla, who is a lecturer at the University of Trento has stated that: “The psychological violence is harder to be identified because it leaves no visible traces and it can only be defined as: offences, insults, humiliation, destruction or willful damage of an object, systematic refusal to do the housework or the educational control (of children) in everyday life and as the restriction of personal freedom and movement” (Corradi, C., 2008:225). In our environments, violence is generally considered as something that is not harmful and it should be accepted in this way. People are aware of its existence not only within their families, but even in the main institutions. The psychological violence is sometimes more harmful than the physical one. Often, it is not immediately obvious. In some severe cases, it can reach up to a person’s suicide.

2. The Diffusion of Psychological Violence

The psychological violence is the most pervasive concern in the district of Elbasan. Our survey data show that: approximately 63.0% of respondents said that they had suffered psychological violence. Insults and shouting are actions that occur more often and for thererspondents they are very disturbing.

In general, the violator is the husband, the father or the brother, who exercise psychological violence against girls and women sometimes, when this kind of violence does not work, the physical violence is used against them. Males often have been educated since childhood with this kind of behavior against girls and women, and they see this attitude as something normal in emphasizing their leading role in the family.

As emphasized by the World Health Organization (WHO): “Men exercise violence against women as a method to stop them step out of their traditionally assigned role, or when they feel that the women can be a threat to their supremacy” (Corradi, C., 2008:69).

The male, psychologically violating the female, suppresses her, by transforming her in an inferior being, who cannot react or act against this violence. In the moment that women and girls find the force and courage within to react in order to stop this violence, the male uses the physical violence, because it feels to him like his authority is being diminished. Often, after reinstating his authority, the male apologizes, saying that it will not be repeated again, but in reality the cycle repeats itself. The strategies for keeping the violated girls and women are different in different people, and it seems that they are part of the personality of the male. This is emphasized by the Italian analysts, Giuseppe Ferrari and Valentina Penati: “The strategies used by those who decide to violate another individual are cunning and aim, first of all, to make possible the non-reaction of the victim against the violence. Often, especially within the family, the first victim has an
emotional relation; therefore it is difficult to identify the subtle line that divides a relation from psychological violence. The attacker sends ambiguous messages, which often says one thing and means another, putting this way, with his maneuvers, the victim in a state of confusion and incompetence to understand what is going on. There is no possibility for clarification, because the interruption of bilateral communication is another maneuver that the aggressor uses. Thus, the violated feels guilty for what is going on and makes the efforts to change in order not to become anymore a cause of violence. If she tries to react after a long and continuous period of violence, she is accused of being contentious and sick” (2011:4).

Psychological violence prevails in the family and is the more concerning, not only from the sophisticated strategies used, but because it is caused by a close person that knows very well the weaknesses of the victim and knows where to use the words. As stated by the analysts Giuseppe Ferrari and Valentina Penati: “The psychological violence is used by a person who is very acquainted with the victim, knows where are the weak points, knows what to say and how to say it, knows how to do the worst, because he knows the time when the word will hurt the most, because the violator is someone the victim trusts, loves him and in whom she leans for support” (2011:4).

3. Gender Relation and Psychological Violence

From, the data of research, around 87.5% of the respondents confirm that they have been violated by males.

Approximately 54.7% of the respondents confirm that they have been violated by the husbands. From the data we can conclude that in the gist of violence against the woman stays the gender relation that is imposed to the woman because of the social hierarchy and gender roles, a hierarchy that transforms the woman in the property of the husband (or the latter in “defender” or “discipliner” of the woman).

Males in patriarchal societies have been educated since childhood how to behave with women; they learn since the beginning the manners they should use towards sisters, so that they will be obedient and later they start using the same methods towards their wives. From the data of research, it results that 8.2% of the respondents have confirmed that the brother is the person that has exercised violence against them. According to the sociologist Zyndi Dervishi: “Still in Albanian society it is considered as an important “function” of older brothers taking care or tutoring the younger sisters, even the right of exercising violence against them if they do not obey to the “code” of the orders of the family’s males. Such a tutoring is reinforced especially during the last 10 years, because the idea that younger or older brothers “have the task of preserving the honor of their sisters”, “to not allow them to fall into the road of shame”, meaning prostitution. In such a “climate” extremely tensed, many parents, especially fathers, justify and time after time incentivize the vigilance and violence of their sons towards their daughters, especially in the villages” (2009:57). By practicing since childhood, males achieve the level of “professionalism” in causing violence against girls and women and isolating them from the society.

Women and girls are violated psychologically by the males for a long time – first they are violated in childhood by their fathers and brothers, then after married, it seems normal and cannot distinguish the start of a new psychological violence.

This exercise of violence in a part of the women and girls starts to cause problems with their personality, trust in themselves, by causing this way in many occasions depression. A woman that cannot react against violence suffers from psychical problems. More often she can suffer from guilt. They, in every occasion and for everything, feel themselves, by causing this way in many occasions depression. A woman that cannot react against violence suffers from violence.

Fearing that the wife might tell her friends about what happens and can be influenced by them, protesting against the domination of the husband, part of the husbands find the solution in not letting their girls and women go out with their friends, not even contact with them. So starts for the girls and women an isolation induced by the fathers and husbands. Other causes of isolation of girls and women are the phenomena occurring after the 1990s, like increased unemployment and the events threatening the public security and order, murders, thefts, rapes, human trafficking, etc. Using this situation as a justification, maintaining that something bad things might happen in the street, like molestation, robbing and rapes, part of the girls and women were locked home by their family males. This results from the study data, where the findings show that 6.9% of the respondents stated that the most concerning action is not allowing them to go out with friends.

The above are not the only factors that influenced in isolating girls and women within the house premises. Another
cause is jealousy. Even when men do not succeed in closing their wives at home, they become obsessive and call them at any time to ask about the whereabouts of their wives, who they are with, what they are doing, and alike. These obsessive men go further by controlling their wives’ cell phones. These findings result in the survey, where 10.2% of the respondents consider very disturbing the control of their husbands about their whereabouts at every moment. Therefore, these wives start to lose trust in people, due to violence, and they feel incompetent to carry out any task at their homes. In women going through such violence signs of depression start showing, they are not interested in doing the chores, and do not feel capable of working outside their homes.

4. Conclusion

Psychological violence against daughters and wives is very much spread. They are mainly violated by the husband, father, brother and males in general. There are some factors that influence this violence, such as patriarchal mentality, jealousy, not allowing women to work, etc. Preparing a national strategy on how to fight these factors, and more importantly fighting these factors, will make possible lowering violence against girls and women as the most vulnerable part of the society.

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Surrealist Crucifixion by Dali

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Abstract

All this study refers to this Spanish surrealist artist of the twentieth century, who made a significant contribution to the surrealist movement not just as an artist but also as a researcher and analyst, who touched the psychological aspect of the human mind. He combined the philosophical, psychological, mystical, oneric of Freud, symbolism and surrealism elements presenting so a picture which is chaotic at first glance that confuses the observer and makes him understand it as a surreal one without going beyond perception not only symbolic but also the mystic one. One of the most powerful relationships and even mystical would be Dali and his wife Gala- with her influence on the artist's artworks. Surrealism was in fact a multi-dimensional movement, which affected various areas opening so different paths of research for many artists. Surrealism is known as a movement which was sustain not only in absolute freedom of the artist but also in manifestos written by Andre Breton, without forgetting the very social impacts of that time. One of the most popular figures of surrealism is Salvador Dali, who made a great contribution to overcoming the many surreal characteristic features. One of the characteristic of Dali's works is his treatment on Christ's crucifixion. From all other contemporaries Dali presents the crucifixion by a very different form which appears from time to time and as a chess game with cubes. Meanwhile Gala is presented dressed under the mantle of the Saint with a kind of estrangement in the treatment of His suffering and crucifixion. In this detailed analysis we understand his surrealism (of Dali) and perhaps his position as a believer.

Keywords: surrealism, Crucifixion, symbolism, sacred, mystical influence.

1. Introduction

Crucifixion was one of the most particularized motives which are treated primarily under an excessive religious spirit in order to provide biblical message. Many artists have stayed loyal to religious message handling it in iconography and wall paintings with a special precision. For a lot of years in art history we see many artists who touched the theme of crucifixion in a more personal way putting into it not just colors but also symbols that represent a concernment more personal or artistic toward these religious topics. In this study are analyzed some works that represent the Crucifixion in various forms to those in which the religious motive will be combined with a mystic personal concernment wherein the work will be decoded and couldn't be perceived by all the people as church asked for.

2. From Realism to Symbolism

The aspect of the crucifixion is one of the most touched motives by many artists as those of classical and modern art and until today. Crucifixion was a derogatory and insulting act leaving the crucified person to have a slow and suffering death where even the bodies of crucified persons were shredded and bleeding by beatings for their humiliation. Mostly the crucifixion is treated as a violent and bloody act and more damning one in terms of how the body of Christ suffers physical deformities adapting stringed up extension of body weight down. Sometimes the body of Christ appears weak, schematic, not natural, hairline and smaller than the other characters around (in the works of Hieronymus Bosch).

Meanwhile the figure of Christ at the crucifixion made by Grunewald appears overly dramatic, there is not a prospect, figures represent a decline and not communicating with each other, they incur schematization, while the crossed figure is the only one which occupies the leading place. Christ's body undergoes a deformation at knees colliding with each other while the feet and the palms of the hands which seem to suffer a contraction of muscles when his body languishes.
Differently it will be treated in the works of Francisco De Goya which would require more the humane and two dimensionality line. In artwork of Caravaggio (Fig. 3) the crucifixion is shown on the side from the top down, where for the first time we see a composition so brave in front of his crucifixion.

There do not see blood, nail junction of the suffering but, fear, feeling strong before his crucifixion act.

In Figure. 1 we see the separation of the two plans, one of crucifixion and the buildings in the background. In the picture is presented the life, knowledge, and death. On the left, in the back of St. Mary we see a crow and some bones which go further up at the feet of the saints where one of them is embedded with the cross of Christ. Also we found a skull, while in the hands of St. John is a book that shows knowledge of renaissance. St. John seems that by gestures shows about the afterlife, which never will belong to death: “If I will that he tarry till I come, what is that to thee?” (John 21:22)²

Figures do not represent suffering and are just as in Fig.2 where St. Maria seems surrendered by the pain of Christ loss. In both works is presented book-knowledge, the four characters, otherwise the following acts that appear three.

In the work of Caravaggio there appear three characters which are not divine, but individuals who are assigned to the crucifixion of St. Peter. The same thing we see also into the work of Dali below where the characters are not divine but people who represent the continuation of a monotonous life and do not belong to the divine or to the death and punishment.

If we stop over at (fig. 4) may see a very different attitude from the one that was first presented before surrealism. Dali presents Christ from an unusual perspective, viewing from above.

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The view looks not human but very much divine where Father himself sees his son from above. In the works presented so till Dali realizes this work, we see that Crucifixion was seen by a human perspective, where the presence of Mary and other saints tell of suffering and the Bible discourse.

In work of Dali we see no deity nor mourning, but death and rebirth at the same time. Even we see over there even part of the landscape of his hometown, which is treated in many of his works.

In 1950 Dali wrote that he had dreamed a dream space, precisely this image (Crucifixion) with colors and he considered this dream as the unity of the universe, Christ. Dali stated that he drew a triangle and a circle where he put the Christ inside of it. Making a parallel of lines between the open hands (fig. 1- fig.2- Figure 3) and the conjoined legs is created a triangle and the head of Christ sitting down creates a circle inside the triangle itself. Thus he is creating Christian symbolism, the triangle of the Trinity and the circle as a symbol of the universe.

Figure of Christ in this work appear not die-away, describing a perfect vertical line, the body itself appears that requires not falling down even though his weight tends it.

Crucifixion of Dali is divided into two frames where the parallel below makes us to look the work on two plans that do not have a visual continuity rather than a philosophical continuity that make a whole picture. In the second plan where is depicting the fisherman to the left (fig. 4) and the other fisherman on the right (Fig. 5) there are part of a vital continuum and tranquility posing here the early landscape of his hometown.

We can say that the Crucifixion made by Dali is a different composition unlike many other Crucifixions made by artists before him. Compared with Grunewald, Caravaggio, Bosch or other artists who presented Crucifixion, Dali separated fully from them in content more dramatic but in philosophical way posing a Christ where no one mourns over him and even he himself does not seem to dying than a lifting process toward universe separating the religious and continuity of human life on the other side.

3. From Religious to Mystic

Dali also presents other cuboids Crucifixion, four dimensional, which makes a parallel with another Crucifixion (that is analyzed above). This Crucifixion represents again not suffering and bleeding, he seems disconnected from the cuboid cross creating thus a magnetic stand even though in front of naked body of Christ there appear four cubes that seem to play the role of the nailing.

The figure of Christ seems to sleep and it is almost as cross at his size, glorifying so more the figure of Christ. And the cross does not seem to represent the place of sacrifice and suffering by slow death but rather a cuboide in geometric

shape which looks like a puzzle. Lighting in this work is to own Christ over his face and creating shade in his Crucifixion (shadow of hands on cubes) as well as to female figures which seems to represent the St. Mary herself.

This figure wearing a mantle seems that worships the image of Christ more than the weeping for him as just as it appears in other works by the artists or as is illustrated on his religious writings. This figure is also his own wife who played a key influencing role in creativity of Dali, Gala who appear in almost all his works as a mother, as a whore, as a wife filed in the tarot cards (cards of fortune) which Dali paints and finally, in this work she represents the biological mother of Christ.

Before we stay at the different Crucifixion of Dali let us focus on mystical interest of what had influenced on Dali for such a composition.

"There are already some time that I am continuing to love my wife, whom I married seven years ago. Actually I begin to love her conform the law of the Roman Catholic Church (...)"4

"When Gala is resting, I can say that she resembles chapel of Tempieto di Bramanti, located near St. Peter Montozio in Rome. And as Stendhal in the Vatican and I later and in spite of him, I can put on a same plane her pride, her beautiful columns, and her soft and stable railings with her childish look and divine stairs with her smile."5

Gala and her influence as an educated female is presented in this work as a saint, icy under St. John's knowledge about the return of Christ, which we saw at work of H.Bosch above (Figure 1).

Regarding the circle and triangle we can do also a parallelism with "Vitruvius Man" by Leonardo da Vinci, where the human figures it is depicted in a triangle, the latter within a circle. Thus it can be seen even the Crucifixion made by Dali as chronological circle within the triangle and circle or cuboid cross who again wants to create a certain shape within which can be introduced or supported in this case the figure of Christ.

Consequently the work takes not only religious or dimensional connotations just as is covered in many articles as four dimensional but it manages to establish a mathematical and religious connection to create not anymore a sense of death and suffering but a new form of rebirth or raising the Christ from the terrestrial to divine. Although into the work (Figure 1) of H.Bosch is given in narrative form the death with skull and bones the earth and the image of Christ hanging on the cross yet he does not yet belong to physical death and burial. Also in figure 2 of Grunewald we see more mourning but again seem the body of Christ still is not surrendering to death than to a physical and terrible suffering and exhaustion, which also testify also physical disproportion of Christ (hands are longer than the body).

If we return to Gala and her presence at the Crucifixion of Christ can say that the work "Gala Contemplating the Mediterranean Sea which at Twenty Meters Becomes the Portrait of Abraham Lincoln- Homage to Rothko (second version), 1963"6 presented her figures in Crucifixion as a space of overwhelming spatial frequency of a particular non human. Gala seems placed precisely between those parallels which in the work presented as the core of the cross, without undergoing a proper Crucifixion.

In this work we also see the same image of Christ's crucifixion as in picture 4 above where we have the division of space wherein the crucified Christ is seen again from the top, are the fiery colors and looks like a particle offline precisely from the above work (fig. 4).

Change in this work is that Gala 'undresses', she appears naked returned on her back, it seems that she hasn't a visual relationship with crucifixion nor mourners for him, or to worship him just as in the above work, but she appears as a woman who is an interior space where we wanted to enter into this space, Gala seems to see through a window the outer space. Again this ambiguous situation and non-religious relationship is crossed by cubes which inside of them put the Christ and outside this framework put the lower half of the body of Gala (from the waist down) with her feet. Although this view of a contemplative women through a window is a motif that Dali borrowed from his work when he paints his sister Figure at a Window, 19257 (Fig. 6) but this view does not the same strain, because we can find a sense of Eros.

There are present the male and female, and in no work of that time St. Mary did appear naked and if in this artwork Gala did not embody Mary why she is placed in the same relationship with Christ seen from topside as in the work analyzed above (fig. 4).

Here Dali played with interior and exterior, with the divine and its sustainability, with humane instincts that bring continuity of erotic life by the birth of a creature again. Dali also played in this work with the observation from above to below and from below to topside.

Consequently, we see that the crucifixions in the works of Dali go beyond the religious aspect being raised in a range of more mystical (as Gala herself who was mystical and read the letters of fortune that then were condemned by the church), she was of authority and had a knowledge deeply connected with surrealism because she belonged to a solid family and was ex wife of Paul Eluard (where she participated in meetings of the surrealist artists since their beginnings, the place where she met Dali).

Consequently, we can say that Dali played with motifs which were somewhat affected by him and with religious hint but he defied them by embodying Gala with own figure of Mary as well as ambiguity of Gala with divinity and her nakedness in another work, which will not comply anymore with what quoted by church and Bible texts.

It was not an artistic and surreal maneuver of him but a symbolic and secret stand of him with his wife who was a figure who wore all the qualities to Dali. She was not placed to be offended or rejected biblical writings, but to present the Divine Mercy embodied to figure of Gala whom in Dali writings, in his works and in the book on the secret lives of his calls Gala as a leader and teacher of his, furthermore as his mother and his muse. In the same way was Maria for her son (and mostly as any mother for her son).

4. Conclusion

Crucifixion in the works of Dali appears in an aspect not only surreal but too mystical, where reading does not correspond just to the Bible and descriptive ones but with a symbolic and very mystic reading which challenged the compositions until then on plane Crucifixions (wall paintings) and two dimensional ones. The religious symbolism of Dali was mystical symbolism and separation of terrestrial dimension from the divine one in an upper and deeper philosophical level.

References
An Alternative Paradigm to the Oppression of Nuclear War: Salvador Dali's Painting of Christ of St. John of the Cross
Market and Banking Competition in the Frame of the Financial Crisis: Albanian Case

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Abstract

Albanian banking system is the most developed component of the financial system. Since the creation of the Albanian banking system with two levels in 1992, and its subsequent liberalization, the Albanian banking market has undergone substantial changes. Albanian banking system consists of 16 wholly owned private banks of which the majority are foreign-owned and only 3 are domestically owned banks. The main purpose of this paper is to study the Albanian banking market over the last decade through indicators that express market competition as one of the main directions of its development. The article refers to the beginning period of the global financial crisis which had an impact in the Albanian banking market. To achieve this goal are used theoretical knowledge and indexes that are used to calculate the level of competition in the banking market. Working methodology is based on statistical analysis of secondary data obtained from the Bank of Albania, commercial banks operating in Albania, the Albanian Ministry of Finance etc. Through the analysis of market indexes will try to give an overview on the current situation of the Albanian banking market. The end will conclude in several features highlighting banking markets in Albania and provide some recommendations based on the experience of other countries and the opportunities for such development in the Albanian banking market.

Keywords: banking market, loans, deposits, index

1. Introduction

Since the creation of two-tier banking system in 1992, and its subsequent liberalization, the Albanian banking market has undergone substantial changes. Albanian banking system consists of 16 private wholly owned bank extended to over 499 branches, of which the majority are foreign-owned and only 3 are domestically owned banks. However, although the ownership of the banking system is no longer in the hands of the state, it has increased public confidence in banks, significantly affected by the 1997 crisis and the banking panic of 2002. New banking products are born and developed. Services such as payment cards or online payments are functional in some banks of the Albanian banking system. There is a market added to credit risk with an unrivaled level to the first years of transition. Along with the increase of the number of banks is also increased the number of bank branches and agencies.

However, although so far are positive developments still we can not say that we have a properly developed banking system. There are still problems and dysfunction of the system in several ways. Although the level of debt in recent years has been increasing again intermediation remains low. Many individuals or commercial companies are not able to be financed by banks. The loan / deposit ratio presented in December 2015 level and 56.5% reflects a balanced structure of asset-liabilities at the system level. On the other hand interest rates on loans, even though they tended to decrease levels are still high and still deposit interest margin is also higher. Despite the first signs of competition the market continues to remain concentrated in a few banks. These and other developments come not only of being a banking system with a relatively young population but also by the level of competition in this sector.
2. Analysis of the Albanian Banking System Development and Competitiveness in the Market

The banking sector remains the main segment of financial intermediation in Albania. In late 2015, its assets to GDP recorded a 87% level. The banking sector is dominated by five large banks, which together constitute 67% of the loan portfolio and 73% of system deposits. Most of the banking sector is controlled by subsidiaries of foreign banking groups with capital originating from the European Union and to exercise their activities based on the Albanian legislation and all applicable regulatory framework of the Bank of Albania.

At the end of 2015, banking sector assets grew to 1,234 billion level, marking an annual growth of 3.9%, from 6.1% registered a year ago. This slowdown was due to lower growth in deposits and decrease the commitment of banks in the lending process. Expansion of assets is realized through operations in the interbank market and the securities, mainly reflecting growth sector participation in auctions of government debt securities. Financing activity is provided by the growth of deposits from the public, which occupied 82.1% of total liabilities of the banking sector. Despite moderate economic activity, bank deposits grew by 3.6% in 2015. This increase was lower, compared with the previous year of 7.3%.

During the second half of 2014, lending activity of the banking sector shrank by 1.8%. At the end of 2014, lending activity is estimated at about 41.3% of GDP. The net financial result of the banking sector at the end of the year was positive, with a value of around 6.6 billion

Approvals for conducting additional bank licenses annexes, in 2014, consisted in the evaluation of the requirements of the two banks to increase the activity of insurance and reinsurance mediation (for Raiffeisen Bank). As well as the approval for conducting additional activity of providing guarantees and commitments, and trading on behalf of clients even in a foreign exchange, in a self-organized market of transferable securities (for Intesa Sanpaolo Bank Albania). It is worth mentioning that the performance of the intermediary activity in insurance and reinsurance is an innovation in the activity of banks and finalization of changes made to the regulation of licensing banks a year ago, which expanded the spectrum of banking and financial activities carried out by banks, including those activities. Also, attractive appears this activity for other banks in the system, which are in the application process or interest, in terms of meeting the conditions for its performance. During this year, banks submitted requests to change their network, both in terms of expansion as well as the reduction of branches and agencies within the country.

In 2015 there were no changes in the number of entities operating in the non-banking financial market, after being awarded three new licenses for the operation of financial leasing and factoring, and was also 3 other licenses revoked. 3 Revocation of licenses to non-bank financial entities is a result of: initiating a financial activity as a result of the merger by absorption with a commercial bank and at the request of the subject. In keeping with the Principle of restraining competition, regulators support a market with a moderate level of competition. There are many ways to draw a bank structure in an economy depending on the weight that different banks keep banking market

At the end of December 2015, the Albanian banks of the banking sector are divided by size of activity:

- Banks of Group 1 (each holds 0-2% of total banking sector assets): United Bank of Albania (UBA), Veneto Bank (VB), International Commercial Bank (ICB), First Investment Bank (FIB) Bank, credit Bank of Albania (NBA); American Investment Bank (BAI). These banks account for about 6.5% of total banking sector assets.
- Banks of Group 2 (each holds 2-7% of total banking sector assets), ProCredit Bank (BPC), the National Bank of Greece (NBG), Societe Generale Bank - Albania (BSG), Alpha Bank - Albania (BA) Bank Union (BU), Tirana Bank (BT) .These banks account for about 24.1% of total banking sector assets.
- Banks of Group 3 (each owns about 7% of total banking sector assets), National Commercial Bank (NCB), Raiffeisen Bank (BR), Credins Bank (BC), Intesa Sanpaolo Bank-Albania (ISBA). These banks account for about 69.3% of total banking sector assets.

3. Albanian Banking Market and Competition in it

In a market economy, the regulatory and supervisory framework of the banking market tends to restrict competition in the market. Because of this influence, the practice may encounter two forms of the market:

- banking markets dominated by a single bank
- banking markets concentrated in a small number of banks.

A banking market is said to be dominated by one single bank when the bank owns over 50% of deposits and loans in the market. In such a situation this bank is price decisive and the market price takes the form of a monopolistic competition. The dominant bank sets interest rates and are a large number of small banks in the market which compete
among themselves with the interest rate that has defined the dominant bank.

A concentrated banking market is called when a small number of banks own the majority of the market (more than 70% of it). In such a market, major banks compete moderately to one another not showing signs of aggressiveness in the market.

It is often acknowledged that a part of a market failure is resolved through increased competition. It is precisely the lack of it which leads to part of the problems of the market. Prevalence and concentration are two indicators that show the level of competitiveness of the banking market. A banking system, whose activities are dominated by a bank or are concentrated in a few banks, has a low level of competition.

In particular, the dominance of the banking system occurs when a single bank controls a large part of the market. Naturally different countries have set different quotas on which a bank is defined as the dominant banking system. In Albania's case a bank is defined as dominant in the banking market if it owns over 40% of the market. While the prevalence of the system from a single bank is rare, banking systems concentrated on a small group of banks is a phenomenon that occurs most often. But, just like the banking market dominated by a single bank, also the banking market whose activities are concentrated on a small number of banks, have a low level of competition and a high level of H index that measures precisely the concentration of a banking system.

Competition in banking markets is estimated by a number of indicators. An important indicator which shows competitiveness is H index (Herfindahlit) which is a measure of the concentration level of the banking system of the country. A high index indicates a high level of concentration and consequently a low level of competition. A lower index indicates a low level of concentration which is a sign of a banking market with high competition. Calculations of this index are particularly important for assets, deposits and loans of the banking system.

H index values are smaller than 1 and greater than the average share of the banking system. Thus, a banking system like ours of 16 banks, the average share for each bank is considered 1/16 = 0.0625 or 6.25%. The meaning of this report is this: if each bank would have 6.25% of the market share then the market would be distributed equally to all banks so the competition would be high and there would be no concentration. In contrast, in conditions when one or several banks own most of the market then we say that the competition is low and the concentration is high. In such a situation, the index value is close to the number 1. Since 1994, after the liberalization of the banking system and the entry of several foreign banks, there were two periods of change scale prevalence of the banking system.

The first period, which starts in 1994 until 2000 is characterized by a significant increase of the level of prevalence of the banking system by the Savings Bank. In 1994, the Savings Bank's assets accounted for only 18% of the market whereas in 2000 this bank’s assets accounted for 63.3% of the market. The same has happened in the deposit's market. From 47.6% of the deposits collected by Savings Bank in 1994 its share in the deposit market went to 71.3% in year 2000.

The banking system underwent a significant change after year 1997. After this year, the Savings Bank significantly increased its market share. So this bank’s assets increased from 29% market share in 1996 to 62.7% in 1997. This marked the beginning of significant market dominance by the Savings Bank.

After year 2000, with an increase in the number of banks and their market share, the market share of the Savings Bank began to fall, which continued falling even after its privatization. Currently we can say that the prevalence of Raiffeisen Bank has fallen significantly and the the competitiveness of the banking system has began to be felt. By the owning of 63.3% of the banking system assets in 2000 by the Savings Bank, now it owns approximately 22.7% of assets. The market share of other banks has increased. A growing weight is being taken by several other banks like National Commercial Bank (BKT), Intesa San Paolo Bank, Tirana Bank, etc. Thus Intesa San Paolo, in late 2000, owned 4.37% of the assets of the Albanian banking system. During the 14 years this bank’s assets have multiplied, increasing its market share to 11.7% at the end of 2014. Meanwhile, for the same period, the share of Raiffeisen bank has marked a decrease in its share from 63.29% at the end of 2000, to 22.7% of banking system assets at the end of year 2014.

This situation is also demonstrated by the H index values. Based on the data of the past 11 years we note a decrease in the H index due to a lower dominance of Raiffeisen Bank in the market.

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<tbody>
<tr>
<td>Index H for Assets</td>
<td>0.21</td>
<td>0.18</td>
<td>0.15</td>
<td>0.15</td>
<td>0.14</td>
<td>0.15</td>
<td>0.15</td>
<td>0.14</td>
<td>0.14</td>
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<tr>
<td>Index H for Deposits</td>
<td>0.24</td>
<td>0.2</td>
<td>0.17</td>
<td>0.17</td>
<td>0.15</td>
<td>0.16</td>
<td>0.15</td>
<td>0.14</td>
<td>0.14</td>
<td>0.15</td>
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<tr>
<td>Index H for Loans</td>
<td>0.1</td>
<td>0.11</td>
<td>0.12</td>
<td>0.11</td>
<td>0.11</td>
<td>0.11</td>
<td>0.12</td>
<td>0.12</td>
<td>0.12</td>
<td>0.12</td>
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Source: Bank of Albania; Statistics Report .2015
As shown in the table above, from 2006 to 2015 Index H has decreased from 0.21 to 0.14 mainly in assets and from 0.24 to 0.14 in deposits and only in 2015 this indicator shows a slight improvement. The loan market also has a drop of index H from 0.1 in year 2006 to 0.12 in year 2015. The loan market is to be seen separately because this market has had lower levels of H index during the entire review period. This indicates a higher level of competition in this market.

After 2006 a decline in the prevalence rate in the market and an increased competition are apparent. The prevalence of Raiffeisen bank is below the level set by law. Currently the bank owns less than 25% of the banking system assets. Market developments have made it so that the market share previously owned by the Savings Bank now its owned by three banks. While other small banks occupy each a symbolic market share which is an evidence that the concentration of the market now is no longer on a single bank but on a small number of banks.

So, despite the decreased prevalence we can say that the new trend is towards the concentration of the banking system in a small number of banks that make up the majority of the Albanian banking market.

Therefore if in year 2000 the Savings Bank owned 63.29% of the market, at the end of 2014 roughly the same market share is owned by three banks, RZB, BKT and BASH which together have 61.3% of the total assets of the Albanian banking system.

A similar situation occurs in the deposit market. Market dominance by Raiffeisen Bank is softened. From 71.4% of the deposits market occupied by the Savings Bank in 2000, Raiffeisen Bank collected 23.9% of deposits in 2015. Similarly as in the asset market, in the market of deposits the three largest banks account for roughly 60% of the market in 2015. The following table shows data for the Albanian banking market sharing.

Table 2: Distribution of assets, deposits and loans for year 2015

<table>
<thead>
<tr>
<th>Nr Bankat</th>
<th>Aktivet Vlera</th>
<th>Aktivet Pesha</th>
<th>Vlera</th>
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<th>Vlera</th>
<th>Deposits Vlera</th>
<th>Deposits Pesha</th>
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<tr>
<td>6 Fibank Albania</td>
<td>17,063</td>
<td>1.3%</td>
<td>6,508</td>
<td>1.2%</td>
<td>15,406</td>
<td>1.5%</td>
<td></td>
</tr>
<tr>
<td>7 International Commercial Bank</td>
<td>9,189</td>
<td>0.7%</td>
<td>2,842</td>
<td>0.5%</td>
<td>6,820</td>
<td>0.7%</td>
<td></td>
</tr>
<tr>
<td>8 Intesa Sanpaolo Bank Albania</td>
<td>149,399</td>
<td>11.7%</td>
<td>50,912</td>
<td>9.1%</td>
<td>114,700</td>
<td>11.1%</td>
<td></td>
</tr>
<tr>
<td>9 NBG Bank Albania</td>
<td>44,352</td>
<td>3.5%</td>
<td>24,369</td>
<td>4.3%</td>
<td>33,625</td>
<td>3.3%</td>
<td></td>
</tr>
<tr>
<td>10 ProCredit Bank</td>
<td>40,711</td>
<td>3.2%</td>
<td>23,006</td>
<td>4.1%</td>
<td>32,442</td>
<td>3.1%</td>
<td></td>
</tr>
<tr>
<td>11 Raiffeisen Bank Albania</td>
<td>290,561</td>
<td>22.7%</td>
<td>127,997</td>
<td>22.8%</td>
<td>246,385</td>
<td>23.9%</td>
<td></td>
</tr>
<tr>
<td>12 Socite Generale Albania</td>
<td>69,994</td>
<td>5.5%</td>
<td>37,620</td>
<td>6.7%</td>
<td>56,688</td>
<td>5.5%</td>
<td></td>
</tr>
<tr>
<td>13 Tirana Bank</td>
<td>101,580</td>
<td>7.9%</td>
<td>43,995</td>
<td>7.8%</td>
<td>78,630</td>
<td>7.6%</td>
<td></td>
</tr>
<tr>
<td>14 Union Bank</td>
<td>32,675</td>
<td>2.6%</td>
<td>14,246</td>
<td>2.5%</td>
<td>27,235</td>
<td>2.6%</td>
<td></td>
</tr>
</tbody>
</table>


The data for assets, deposits and loans demonstrate the concentration of most of the market share in 3 main banks, RZB, BKT and ISP, which own 55.7% of the banking system assets; 58.2% of deposits collected and 48% of the market of distributed loans, showing the concentration of the market, especially that of assets and deposits, in these three banks.

These data reveal once again the low level of concentration in the loan market, an indicator of high competition in this market. There are 11 banks that occupy a significant part in the loan market, starting from the Commercial Bank of Greece which occupies 4.96% of the market and continuing with other banks which occupy greater share of the market to the main lead, Tirana Bank, which occupies 13.36% of the loan market.

The current level of concentration of the Albanian banking system is influenced by the presence of several banks with a very low level of activity. Hence, 6 banks together account for less than 3% of the market share. Specifically these banks own 2.81% of the assets of the banking system and have been able to accumulate only 1.95% of the deposit. A loan volume of 5.1 billion ALL, accounts for only 2.59% of the loan market. Most part of these banks have been licensed for years but still, they have not managed to occupy a significant portion of the market. Naturally, this has affected the level of concentration of the banking system, by not pressured for further increase of competition in the market.
4. Conclusions and Recommendations

By analyzing the results of the index H market loans, deposits and assets we can say that the Albanian banking market is a market partly focused. This conclusion demonstrates the fact that three to four Albanian banking system banks own over 50% of the market.

Analyzing quantitative data related to deposits, loans and asset for the past 10 years as well as parallel index values over the last 19 years we can say that the Albanian banking system has been transformed from a market dominated by Raiffeisen Bank, in a market concentrated by three to four banks that belong to the group G3. This development has increased the range of banking services, providing them with a quality similar to banks in countries of the European Union and at an acceptable cost to consumers of banking services in Albania.

For a further increase in banking competition in Albania as promoter of this market we think:

- Albanian banking market should increase the range of banking services and their quality in order to offer products up to date with current developments and also offer competitive prices and suitable to the users of banking services.
- It is necessary to find such instruments to encourage a more lending economy by banks and to increase the competition in the credit market. Currently, interest rates on loans have declined but still remain at high levels compared to other regional countries. The downward trend of interest rates on loans is lower than the downward trend of interest rates on deposits. At the same time, the decline of the base interest rate was an incentive to decrease further the interest rate on loans. A more competitive market will provide loan interest rates that not only serve the banking productivity, reduce banking risks but also promoting the economy, especially in a crisis such as that of European countries, a crisis by which the Albanian economy is also affected.
- It is necessary licensing of local banks with limited activity only in some areas of the country. Macedonia’s example is a good opportunity to see the benefits of an expansive sector to the local banks. The greatest benefits in this regard I think that will have the agricultural sector which still suffers from a lack of bank financing.
- Stimulation of credit growth by banks to agriculture and agro-processing sector through implementation of a rapid plan of the Credit Guarantee Fund, already begun to be implemented by the government would increase the competition in the banking market.

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The Tendencies of Progressive Pedagogy and Its Development Up to the Secondary Ten Years of the XX Century

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Abstract

The beginning of the XX century was the time when the contradictions of the capitalism pass into imperialism and leaded to the World War Two. The imperialist relationships between states and the abnormal aggravation of the classes, divergences between bourgeoisie and proletariat extended the activity of bourgeoisie regarding the variety of culture. The fear for the existence of the bourgeoisie class and the desire for the preservation of the capitalist system were seen in the cultural attempts of the beginning of the XX century. In this period is seen the birth of the new pedagogy, which is recognised as the progressive pedagogy gaining role and importance in the capitalist world. The movement started first in the United States of America in the first hundred years of the XX century. The new ideas were first developed by some young teachers who tried to put these into practice. Step by step those ideas were supported by a wider scale of teachers or scholars. The pedagogic progressive movement was strengthened during the last twenty years of the XX century, reaching its peak with the foundation of the "Progressive Education Association"

Keywords: School, Teacher, Progressive Thinker, Education, Psychology

1. Introduction

The beginning of the XX century was the age of achievements in every field of life and work, but simultaneously was the aggravation of imperialist relationships between the countries and not an ordinary aggravation of the war of classes; it was also contradiction between the bourgeoisie and proletariat.

This was the time of big discoveries such as the profound study of atom and atomic and discovery of atomic energy, theory of relativity of Albert Einstein, genes discovery, discoveries of the chemical nature of life, discoveries of universe etc.

Technical-scientific discoveries and the implementation in the developed countries brought the “the second industrial revolution” up to the production of the nuclear energy for productive purposes, investigative and military purposes, up to a wide automatic process of production.

At the political-ideological aspect, bourgeoisie was introduced against the working class not only in the aggravated oppressed economical and political system but also with ideological powers part of idealist modern philosophical system. The bourgeoisie culture firstly tried to idealize the society contradictions to justify the exploitation and reconcile the discrepancies, but doing so it distanced from the reality the people and primary needs of society. It got into problems fearing the future.

Apart from strong social contradictions was given the new pedagogy that gained authoritarian position in the world of bourgeoisie. This pedagogy in its development introduces a dynamic and prosperous development, which was introduced especially in the time space of the First World War. It was not doubt that in the capitalist world no matter how big were the differences between the developed countries the main purpose was to subdue the youths and to adjust it with its own need. This primary assignment was expressed vividly in the education of bourgeoisie creation and professional formation of the teachers.

Along this period various pedagogical streams were introduced. The First World War and the new social situation place the imperialist world in front of urgent pedagogical duties. The general social issues were complicated the gigantic advance of technology, industry, social and natural sciences (especially of psychology). The ways of education and traditional school did not correspond to the demands of time. The youth had to be shaped in a new way since the education was conceived at school it was required to be renewed and the traditional education was renewed too.

For this reason all the reformist movements related to modern pedagogy peaked in the right solution of problems that had to do with the education reforms and educational system. It was true that the existing forms of education did not
correspond to the new social developments of that time. This was the reason why reformist pedagogical developments were similar not only in the direction of preserving the security of bourgeoisie society but also preserving the new social life style. So it can be said that there are found many elements of progressive education.

When we talk about the cases that created the pedagogy and the new school we cannot leave aside the fact that a great number of teachers or mentors were trying to make school more comfortable and more enjoyable for students trying to avoid the mentality of barracks and prison.

No doubt that these attempts and changes expressed the sincere humanism. The teachers were urged toward the human behavior using psychology and pedagogy which were becoming a constituent part of education of teachers.

Parts of reformist modern movement were somehow the protests against school and against the mechanized citizen life. It is not our aim to present details of the scholars to develop the reformist pedagogy or the new education or the new school compared to the old one.

It is important that in this study are the general features of these attempts by the scholars of education. It is clear that amongst pedagogical movements it is not easy to make a clear division because very frequently were observed same or similar elements. From the main contradiction of capitalist movements in the imperialist society, from the contradictions of individuals and capitalist regime were raised many theories especially theory-pedagogical bourgeoisie dualism called individual and social pedagogy.

Both these streams tried to solve the individual and social relationship issues, but whilst the individual pedagogy was hoping in the development of individual personality and asked from the society to give some space for individuals, because the social pedagogy was expecting everything from society. As it can be seen both pedagogical streams insisted for the solution in compromise solution of this issue, even by resigning from a few interests of personality of individual in profit of the interests of the society.

Meanwhile none of them could not give a fair solution because the contradictions through the individuals and society that originated from the reality of the capitalist world were innumerous. The representatives of those theories insist in the idea that the society and the individual could be developed properly.

A kind of solution was introduced to reconcile the individual and social pedagogy at that time called the pedagogy of personality, but even that could not sort out this issue, because this problem could not be avoided from the society. So for example Hygo Gauding (1860-1923) one of the main representatives of the pedagogy of personality and also at the same time one of the scholars of the school of work says that the subconscious of the child that belongs to the community is developed on its own1. This was clearly a pure idealism which leads to bourgeoisie individuality.

It must be pointed out that Gauding was a representative of the school of work of spiritual direction, fighter of free spiritual activity and with his ideas was distinguished by Kerscienstainer, a distinguished activist of the school of work in the simplest meaning of the word.

2. Progressive Pedagogy and Its Development Up to 1920

At the field of American individual pedagogy made part even the contemporary direction called progressive education. Due to the great importance of this topic was undertaken this study.

The movement started early in the United States of America in the first hundred years of the XX century. The young teachers were the first trying to implement them in practice2. Also other employees of schools admitted these ideas and later other scholars too. In the 1912 started to publish educational annals which in the first years saw the first actions of this movement3.

The main condition for the development of the child is his activity so much space must be given to him for excursions, handcraft, games and discussions. The lessons for children should be nice for him so they can be very active while they learn. At school should be nice environment and the school should be a “place of attempts”. The behavior toward the children should be kind and civilized4.

The greatest need that the child feels is the initiative. Along with his education they should rely in the interest of the

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3 Ibid.
child himself. His freedom with his responsibilities is the best condition for his intellectual and moral improvement. To learn the most important thing is the child life experience. That’s why the curricula should adjust to this need. Since the experience is not divided according to the scientific varieties but is complex the lesson itself should be summarized. In this way the summarized education should replace the curricula. Such education should start from the experience of the child himself. With children they should act individually and not in group.

The main duty of the school is to provide children with conditions for his development. The children should not be overloaded by other extra conditions. This is the type of education according to the conditions of the child. This opinion is formulated in a classical way is “children should not try to develop spiritually” and also they should not try to look older and heavier.

This movement since its beginning gave some slogans to indicate its direction. So this new pedagogy the education and development considered as similar: “development for development”, “The process and purpose are one”. This means that: the purpose is given together with the process improving from within the child to outside. For this sake they talk even more about the “organic development.”

We think that these types of formulations are classical formulations of educational naturalism and in principle they do not reveal anything that Russo said.

According to these principles, the content of the lesson at school where the representatives of this movement have included these varieties: modeling drawing, dram, wood and metal crafting, folk games songs, knowledge for nature for the development of fantasy but not for new knowledge gaining. The learning for writing and reading started from nine or tenth grade. Such experiments were made possible by the decentralization of the American schooling education.

Schools that have worked in accordance to those slogans are spread in United States of America, but they were not connected with each other that’s why the fundamental pedocentric idea (the child is the center of everything) started to be divided in different sessions. To strengthen itself this movement organized in Washington in the XX century the progressive education association which started to publish in 1924 its magazine (Progressive Education). This association in 1920 has had some hundred members, and by the end of the thirty years more than 10 000 people mainly professional school workers.

The principles of the Association were involved in those seven points as follows:
1. The child should have freedom to develop naturally, should be given the chance to express himself.
2. The child interest should be satisfied and developed organizing direct contacts of the child with the district and implementing his experiences that he has gained in this way.
3. The teacher should organize the child’s activity, he should urge to use his knowledge through learning and observance and judging in such a way that the child learns to use the sources of life and science. In such sources they counted different life activities and books the child should learn to assess his knowledge that he has gained so he could express himself more effectively and logically.
4. We should study the psychic development of the child to determine the content of the methods of learning of children.
5. It is stressed the importance of the physical education and the hygiene at school. Better conditions of schools were required, larger space more fresh air and lightning, ventilation etc.
6. It is necessary the relationship of the school with the child aiming to meet the needs of the children (the creation of the common condition for his different activities especially in the stage of the elementary education).
7. The schools should transmit new educational ideas; they should be laboratories of the educational improvement.

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5 Ibid.
6 Ibid.
7 Ibid, f. 201.
8 Ibid.
10 Ibid.
12 Ibid.
14 Ibid.
This education movement gained respect with the introduction of John Dewi’s book “Democracy and education” (1916) in this work Dewi develops his education point of view according to the philosophy of pragmatism. Some people in USA thought that this book is the most important masterpiece by all of them written so far.

3. Method of Projects

The majority of Dewi point of view were accepted by progressists. Since 1918 Dui point of views were popularized by Kripatrick. The language of Dui was rather difficult and not so appropriate for the audience. Klipetrick also has contributed enormously in the attempts of the progressive education especially with the so called “Project Method”. First of all the word project(ion) in didactics means activity of the students based in choosing and planning, made in similar circumstances with life and not with the work at school.

a) Activity (cooperation) of the students in learning.
b) Taking into considerations the principals of learning.
c) The effective moral of education.

These demands should meet “methods of projects”. In this sense Kilpetrick has placed 4 types of projects.

1. Constructive projects meaning to express some visible form of art (hand craft drama).
2. Esthetic projects meaning to develop students activity that are important for the esthetic education (reading verse, listening music, taking pictures etc.).
3. Problem solving projects – solution of mental assignments (conclusion, comparison, generalization).
4. Specific educational projects - aiming to gain knowledge and practices (reading writing).

Co-scholars of Kilpetrick extended further these scale of projects. No doubt that the method of projects has good sides as well. They were based in psychological idea that the knowledge, abilities and qualities of the character are shaped in active participation in the solution of the true problems. The student after having chosen his project takes it as his assignment and he cares about it personally.

The student feels his assignment as a principal duty, where he can sometimes implement his personal experiences. The purposes of such duty for the student were of a vital importance because he can also implement his own experience. That was a good motivation. The student can run his own activity and become responsible for his project.

If the project is individual then the student may express in his individuality, while if it is a group work then he develops his social responsibility and experience in collaboration (the school of future collaboration).

The negative side effects of this method were these:

- It is difficult to organize good projects because it requires time patience, things students were not supplied with.
- In such work is evident the risk for losing the time of students engaged in a uncontrolled work. With all the knowledge gained very frequently these remain isolated practice.

In a certain way this is also the American critics of the methods of project, while we try to add the social argument. Children with better conditions that have good housing conditions for schooling projects, children with parents who look after their children projects have more chances to achieve success than the children of workers and peasants. However would be more appropriate that our schools could work with such assignments especially in the stages of the compulsory education even high school. But it would be necessary first to try these and appraise in experimental schools or at least experimental classrooms.

* John Dewey (1859-1952) was an American philosopher, psychologist, and educational reformer whose ideas have been influential in education and social reform. Dewey is one of the primary figures associated with the philosophy of pragmatism and is considered one of the founders of functional psychology. A Review of General Psychology survey, published in 2002, ranked Dewey as the 93rd most cited psychologist of the 20th century. A well-known public intellectual, he was also a major voice of progressive education and liberalism. Although Dewey is known best for his publications about education, he also wrote about many other topics, including epistemology, metaphysics, aesthetics, art, logic, social theory, and ethics.

17 Ibid.
21 Ibid.
4. The Further Development of Progressive Education in Thirties and Forties

At the beginning the progressive education was entirely individual. Then when the USA were taken down by economy crisis (1929) started the progressive mentors thinking how the pedagogy and schools should help find solutions for surpassing urgent cases.

This is a very educative example: the society that fights for existence or for development in a way facing difficulties cannot allow itself the luxury of individual education22.

Kilpatrick was the first to believe that the free competition all against all (education for which the child is in the center is truly appropriate for such relationships) but mutual help in favor of society should be the main education regulator23.

George Cauntsy member of the progressive society criticized in a such a way the progressive education. He criticized “that it has not compiled any theory and would be important for the improvement of social condition but it has developed only the theory of extreme individuality” 24.

The case has gone so far that they have heard such mocking how the progressive mentors a few years ago were the fearless fighters of the individualization of the new freedom, of the education in school and praising the child’s personality and now was the time for the renewal of the society through the schooling and collective will.

The education progressive association created a special committee for the social-economical problems. It compiled reminders for teachers that have asked from them to look after to the duties of society and education. But this invitation did not have any results. The debate ended in a not clear declaration how to consider the individuals isolated from the society, because between the individuals and society exist a mutual dependency. The content of the lessons in school should take into consideration the society needs, but the education should not be a preparation for life, but the life itself so in accordance to the needs of the child. So they returned back at the beginning. The problem was still opened.

The pedagogic progressive association in fact admitted the double duty of education improving the individual and involving him into community making him a worthy member of society25. The relationship of the two duties remained unsolved because the contradictions between the interest of the individual and the community in the exploring society are enormous.

But the disagreements between the different representatives of the Progressive education association were not erased. The majority thought that seven points of the program did not respond. It was created the new community (1938) in order to compile the theoretical foundations (philosophical) of that association26. Three years later committee compiled the report that was somehow close to the principles of the progressive education association “social pedagogy”27.

The report was very general and not clear: “to educate the man to be free and willing to cooperate to solve common duties, to be aware for his social responsibility and use freely his intelligence” 28. The community fearing not to be charged by anyone was divided among those who ask for a new society. The progressive education association could not hold an entirely individual position and was forced to give concessions toward the social education. The development went further in this direction.

In 1935 was formed the John Dewey association (John Dewey the biggest contemporary philosopher and mentor) for the study of pedagogic issues. It is typical that this association attracted to join it besides mentors also some professionals for the economical and social issues. The declaration of this association agrees that the education plays a key role for the renewal of the American society.

The association during those ten years from 1927 to 1947 has published many annual journals treating the social role of the education and pedagogy. The typical titles in those publications were: Teacher and society, democracy and the content of the lesson etc. Besides this the association has published its annual journal where was stressed the fact that has ended the century of individualization in economy and the century of close relation between the social planning

24 Ibid.
26 Paul C. Violas; Steven Tozer; Guy B. Senese, School and Society: Historical and Contemporary Perspectives (hereinafter: Historical and Contemporary ...), McGraw-Hill Humanities/Social Sciences/Languages, 2006, p. 121.
27 Ibid.
28 G. L. Gutek, Historical and Philosophical ..., p. 416.
and collective controlling is in agony.

No doubt that the merit of this association stands in what some pedagogic workers (teachers) attracted the attention toward the social problematic and social education, but its influence mainly in the American practice was weak\textsuperscript{29}.

The progressive education association in 1944 changed its name and was called the American education association was headed towards to improvement of education in the United States of America.

1. Every child has the same chances of education including higher education, without being influenced by the race (black people) religion, economical situation. It must be pointed out that this is really a progressive direction, nevertheless has remained only in theory and it is contradictory: in practice there no exist same educational opportunities without taking into consideration the economical situation.

2. To assign the program of program for the education of the youth from 17 to 23 years to pass from school to life and to the social work with adults. To us this could be referred as a certain type of “continuous education” for the students of compulsory education\textsuperscript{30}.

Also it was required that the youths could join different social activities in accordance to the democratic society, but in this case the education should not be in the influence of any group of interest. But actually this is a typical fraud of the bourgeoisie pedagogy because they don’t find their education “according the rules” is under the influence of the ruling class.

Apart from that we should continue the experimental studies and reach a mutual relationship between community, education and school.

If we compare those seven above mentioned points of the progressive education association would be clear the path of development of this association. Unchanged has remained only the seventh point (experimental education).

After the Second World War was made more prominent this tendency (relation of the education with society) in the rows of the American education Association. Its mentors stress that the educators should know and understand the social events, because the strengths that form the assign its education. That is why it is fair and a duty of educators to take part in the political life. Simultaneously they have have stressed that they should not be educated in any political direction and for no economical system. This is how we said a deception that can not be reconciled with the demands of the time for the educators to participate in political life.

The practical results of these changes in educational theory in all the territory of the United States of America was the creation of the schools which differently form the schools that derive from the child have considered them as schools deriving from the society. These schools have worked in accordance to the slogans “schools should improve the social life” this has caused the close relationship between the school, community and the child.

This process is understood has not involved all the schools. Many schools have remained more conservative, whether “ran by the child” or the progressive education has not involved them at all. The majority of the schools in United States have remained traditional, old or conservative.

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\textsuperscript{29} Ibid.

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Challenges in Agribusiness and Rural Tourism Development in Albania

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Abstract

Agricultural sector is one of sectors that has a huge impact on the economy. Agricultural production is increasing but it has not had any lasting impact. On the other hand, the impact of investment in value chains, including different factors, resulted successful in increasing agricultural productivity and profitability, and this impact have demonstrated a high degree of economic stability. Thus, tourism is one of the most perspective sectors in Albania. There are also many difficulties, such as the lack of services, marketing or infrastructure. Furthermore, agribusiness sector and rural tourism have difficulties in funding because of lack of technology, lower product quality standards and market. Based on these facts, in this paper, we have analysed empirically difficulties of this sector and the opportunity to develop it. The main purpose of our research is to design a strategy for development of agribusiness and rural tourism sector. The methodology is based on primary and secondary sources. More specifically, we refer to previous research by other authors and other studies made by government and private agencies. The main goal is to provide data through interviews of business representatives.

Keywords: agribusiness, rural tourism, value chains, agriculture productivity

1. Introduction

Tourism is a catchword for rural development, engagement in projects to alleviate poverty and the preservation of cultural diversity of the indigenous community (Doohyun et al., 2014). In recent years there have been changes in the Albanian Agribusiness Sector. These have had a positive impact on this sector, but its development is still low. Some of the numerous barriers are: production, marketing, information and lack of access to appropriate financial products. Actually the demand for rural goods and tourist services in this direction is high intensity, while the ability of businesses operating in these areas to fulfill this demand remains at a low level. A lot of the products are sold in the market due to lack of conservation and their packaging. On the other hand, tourism services have low quality, low cost, low margins and poor customers.

The agricultural sector in Europe is facing dramatic changes due to various factors, such as climatic changes, changes in the policy environment and development of tourism. (Strataten, 2000). The nature of the process of land reform carried out during the 1990s has contributed to the chronic structural nature of rural poverty. Although most people received land from this process, land distribution was far from ideal. Most people received only very small areas, usually broken in to several parcels. Thus the production base for poor farmers is impractical, and many have leased or sold their entitlements, or else have chosen to allow it to remain fallow. Small-scale producers continue to have great difficulty in producing marketable surpluses of produce at a profit. While they produce a wide range of commodities, their access to the factors of production (machinery, credit, inputs) remains sub-optimal and their access to information is poorly addressed through the publicly available extension services. They typically sell marketable produce immediately after harvest at a significant price disadvantage. Poor people in rural areas of Albania find great difficulty in engaging in entrepreneurial activity. They are constrained in this by a number of inter-related factors. These include: lack of access to formal lines of finance, inadequate education, lack of access to land, lack of appropriate financial products for poor people, small of scale of operations and lack of technical and market knowledge. The combined impact of these factors is that entrepreneurial activity by poor people remains subdued in rural areas. The attempt to combine agricultural and tourism services, which are known as agro-tourism, is an important approach for rural development (Tanupol et al.,
Agricultural equipment in use dates from the era of the centrally planned economy, and is thus both inefficient and costly. Agribusiness continues to use out-dated and inadequate technology, especially in the mountain areas. Much of the financial infrastructure remains in poor condition or non-existent in the more remote parts of Albania. While some of the main roads and facilities are in fair condition, it is the condition of rural access roads, energy supplies and water supplies for both domestic and irrigation needs which have the greatest negative impact on limiting agricultural-based income growth. There are also severe constraints on communications in many localities.

Finance. The relative lack of provision of appropriate financial products and tools for agricultural-based rural enterprises in mountain areas remains a serious constraint on the growth of incomes from these sources. While there has been a general improvement in the provision of medium and longer-term finance for enterprises. The supply remains concentrated in more easily accessible areas, and is almost non-existent in some areas. In addition, there are several other important factors that limit the availability of rural finance. In summary, these are: lack of viable Banks and Microfinance institutions in many areas, under-valuation of rural assets with the potential to be used for collateral, lack of assets to be used for collateral by the youth and by potential female entrepreneurs and lack of facilities to enable viable SMEs to gain access to long-term venture capital or equity financing.

Markets: The market demand for Albanian agricultural commodities and rural-based products remains strong. In the first place, there are significant imports or agricultural commodities which can be grown locally, even of items grown in the programme area (e.g. chestnuts, herbal teas). The proximity to Europe, and the new initiatives for easier trading systems, also provide new opportunities for exports to the EU. However, there are serious constraints which continue to operate on the supply side of the marketing process, with resultant limitations on the ability of rural SMEs to provide avenues for sustainable income growth. The most important of these are: (a) lack of investment in production, processing, storage and transport facilities. There has been very limited investment from private sources in the sector, with the limited investment mainly being provided through official development assistance channels; (b) lack of access to short-term and seasonal finance for production. Trade in commodities, including those for exports, takes place in an informal and un-managed setting. Vendors and purchasers have to use personal knowledge and contacts in order to make trades. The result is that prices achieved are sub-optimal, substantial amounts of produce goes un-harvested (specifically in the case of chestnuts, pomegranate and medicinal herbs occurring naturally in forest areas), unsold and is wasted while at the same time there is un-met demand. At the farm level, there has been very little development of contract farming or supply procedures. Those that do exist are not suitable for large-scale replication because they are based on personal knowledge and social pressure rather than on systematic and business like principles. Marketing of tourism products is done in an amateurish and un-coordinated way, to the detriment of the buyers of the product as well as the purveyors. There is no system of booking, and few ways of determining the nature of services being offered. There are few links between accommodation services and others, such as activities and restaurants. Moreover, the overall quality of the services offered is poor, despite the undoubted beauty of many localities. Further, the lack of proper waste disposal systems means that the environment is substantially degraded by an abundance of litter and household rubbish.

Technological: With the inadequate levels of investment in the past decade, most Albanian agriculture and agribusiness continues to use out-dated and inadequate technology, especially in the mountain areas. Much of the agricultural equipment in use dates from the era of the centrally planned economy, and is thus both inefficient and costly.

2. Methodology

The main purpose of our research is to design a strategy for development of agribusiness and rural tourism sector. This paper is mainly based on the study and review of several papers by national and international authors. As secondary sources were used earlier studies by different authors, periodic reports from government agencies and consulting corporation. Meanwhile primary data was collected through interviews with business representatives. To assess the problems and to develop the strategies for rural tourism, we conducted a desk research and held direct meetings with representatives of selected business. Also, we conducted the farmers for interviews. After that, we used qualitative analysis for generating results from findings.

3. Limitations on Sector Growth

Rural tourism is stable for supporting socio-economic problems in rural areas and it is also an important source of living for the rural population (Tchetchik, Fleischer, & Fleischer, 2008). However, there are some limitations. The limitations of this sector are numerous and they affect each other. The reduction or elimination of these restrictions will be an opportunity of developing this sector. Some of the limitations are: infrastructure, finance, markets, technological.

Infrastructure: Rural infrastructure remains in poor condition or non-existent in the more remote parts of Albania. While some of the main roads and facilities are in fair condition, it is the condition of rural access roads, energy supplies and water supplies for both domestic and irrigation needs which have the greatest negative impact on limiting agricultural-based income growth. There are also severe constraints on communications in many localities.

Finance. The relative lack of provision of appropriate financial products and tools for agricultural-based rural enterprises in mountain areas remains a serious constraint on the growth of incomes from these sources. While there has been a general improvement in the provision of medium and longer-term finance for enterprises. The supply remains concentrated in more easily accessible areas, and is almost non-existent in some areas. In addition, there are several other important factors that limit the availability of rural finance. In summary, these are: lack of viable Banks and Microfinance institutions in many areas, under-valuation of rural assets with the potential to be used for collateral, lack of assets to be used for collateral by the youth and by potential female entrepreneurs and lack of facilities to enable viable SMEs to gain access to long-term venture capital or equity financing.

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Technological: With the inadequate levels of investment in the past decade, most Albanian agriculture and agribusiness continues to use out-dated and inadequate technology, especially in the mountain areas. Much of the agricultural equipment in use dates from the era of the centrally planned economy, and is thus both inefficient and costly.
to operate. There is also lack of application of modern standards of hygiene, quality, reliability and grading. All of these make it more difficult for enterprises to successfully enter export markets, especially those in the EU, as well as raising costs at the farm and enterprise levels.

4. Strategic Approach to Develop the Agribusiness

Rural tourism is a convergence of rural and tourism development. Moreover, rural sustainable livelihoods is a convergence of rural development and sustainable development (Shen, Hughey dhe Simmons 2008). The impact from investment in value chains involving a broad range of actors has proved successful in raising agricultural productivity and profitability and has also demonstrated a higher degree of sustainability. Rural tourism is marginalized some extent in substitution for rural development and its pursuit will depend on agricultural activity and community involvement (Hall, Kirkpatrick and Morag, 2005). Agribusiness must to accelerating the shift to a private sector led structural transformation, increasing opportunities for the poorest by enabling them to exploit non-agricultural opportunities and prioritising districts with higher than average poverty rates.

- The demand for medium and long term rural finance is largely unsatisfied, despite the efforts of several development initiatives;
- The impact of the rural finance which has been provided has largely been positive in terms of employment and income creation, enterprise development and improvements in export performance;
- So far, despite intentions to the contrary, the application of a Value Chain Approach to rural investment has only occurred in a piecemeal fashion;
- There is a large unsatisfied demand for many rural products;
- There is still a large population of under-employed rural people in need of permanent and remunerative employment.

In order for companies to be able to compete, there should be an efficient market system. It is often argued that the development of sustainable rural tourism cannot be achieved without the full support of rural community (Doohyun et al., 2014). However, market efficiency is not a normal situation for many sub-sectors of the agricultural industry in Albania. Its consequences are caused losses, sub-optimal prices, supply shortages and irregularities and loss due to competition. A tourist offer is very fragmented (Hall, Mitchell and Roberts, 2005). Inefficiencies are prominent in the relationships between small farmers and processors/markets, between suppliers and local markets and also between various producers and export markets. Although there have been some efforts to remove such inefficiencies, they remain a serious impediment. Similarly, enterprises need to use technology that is sufficiently modern and efficient to enable them to compete on the basis of cost and quality. Actually, social-cultural heritage maintenance is also considered an essential component of sustainable development the natural resources and socio-cultural heritage maintenance (Holloway and Taylor, 2006). Again, these are not features of the majority of agricultural enterprises, contributing to their difficulty in competing and making sustainable profits. The approach to technological improvements is in two directions. Firstly, in the case of financial development, technological innovations would be developed in concert with the development and application of financial services. Secondly, in the case of individual enterprises supported, the application of appropriate new technology would be embedded within the investment. There would also be requirements for all agro-processing investments to be compliant with best practice environmental standards, particularly those such as dairy processors which provide perishable food products directly to the public. Such environmental standards would also be applied to producers to avoid the possibility of unintended environmental costs being passed on to the associated community or public sphere. Sustainable tourism model is intended to reconcile the tensions between the partners, social, environmental and economic factors and keeping the balance in the long term (Lane, 2005). The scenario in the mountainous rural Albania is one of the small plots of land and fragmented land for many of those who have some, and many rural people being ill-qualified for agricultural entrepreneurship. Moreover, even amongst people do own and farm the land, there are many who are ill-suited to farming due to their own skill base, age or gender. It follows that the most attractive means for genuine poverty alleviation is for rural employment creation. Efforts by agricultural SMEs to develop contract farming have been observed in some localities. However, as noted, these are based on personal knowledge and are thus inherently limited in size, outreach and scope of activities. Procedures for engagement between a company/market entity and farmers in a contract farming system need to be based on principles of transparency, trust and effective enforcement, together with in-built financing.

Transparency. The company would need to ensure that all of the information pertaining to financial and technical dealings with farmers would be transparently available. The policy on company mark-ups and pricing for services and
inputs would be negotiated and agreed prior to any agreement. The costs would be overtly disclosed by the company to relevant community organisations of farmers participating in a scheme, and directly to the farmers themselves. This process would be maintained through an “open book system” whereby the company would specifically enable farmers to have full knowledge of the derivation of prices and charges pertaining to farmer's transactions.

Trust. Various other devices would be used to engender trust between the parties. Firstly, a contract would be negotiated between the each company and participating farmers, with farmers organisations providing negotiation on behalf of their members. This would be varied from time to time to suit circumstances, but only with the full knowledge and participation of the farmers and their organisations. Secondly, an Independent Audit of procedures would be carried out periodically by a competent and reputable organisation. This would be done annually at the commencement of the agreement, but could be done less frequently once trust is evidently established. This would be used to provide a guarantee that stated procedures and calculations were accurate, and that the procedures themselves were robust and fair to all parties. Thirdly, the system would use the authority of the farmer’s organisations and their leaders to ensure appropriate communication and discipline. Fourthly, companies would endeavour to use trusted and well-educated local people within its system of engagement with farmers and provision of services to them.

Enforcement. There would need to be agreed methods of enforcement to avoid delinquent behaviour by either party. For the most part, enforcement of farmer behaviour would be through a form of group responsibility, managed by farmer’s organisations. While there would be a legally binding agreement between the parties, resorting to the formal legal system for redress would be too slow and inconvenient, as matters would require rapid resolution so as not to disrupt agricultural operations. For example, the farmers organisation for each participating group of farmers would be responsible for ensuring compliance within their group for technical matters such as timely and assured crop delivery and crop quality management. Failure of one or more of the group to undertake agreed actions would need to be covered by the group as a whole. Similarly, the farmer’s organisation would be responsible for the financial compliance of farmers under its control, and would be obliged to make good any shortfalls. The behaviour of each company would also need to be governed by the possibility of sanctions. If a farmer or farmer’s organisation believed that a company had not discharged its obligations, they would be able to seek redress through direct engagement with the company. If intermediation at this level did not succeed, then the matter could be referred to an independent arbitrator (honest broker). The arbitrator would need to be a competent yet “disinterested” organisation such as a legal arbitration practice or a reputable NGO. The identity of the arbitrator would need to be agreed jointly between each company and the participating farmers organisations, and its decisions would be binding on both parties. The arbitrator would be able to invoke sanctions on a company if a case against it were proven. The severity of the sanctions would be pre-determined by negotiation between the parties.

Financing. The system would have in-built financing, usually from a bank or MFI, within a “Tri-Partite Agreement”. Such a system would operate as follows: (a) the Farmers and the Processor would negotiate a contract, which would include specification of improved procedures requiring specific inputs, as well as pricing and standards parameters; (b) the Farmers and the Processor would jointly approach a bank with which they already have a relationship, seeking partial or complete financing for the required inputs; (c) they bank would become a party to the agreement, with its role being to provide the agreed finance in a timely way to the farmers, and to manage repayments. The Processor would pay the Farmers only through their account with the bank and it would deduct repayments from this on an agreed schedule; (d) while the bank may require some collateral or guarantee initially, it is expected that it would ease this requirement after it becomes confident of the robustness of the system.

5. Conclusions

Through this empirical research, we have found difficulties and opportunities for development of this sector. Some of the limitations are: infrastructure, finance, markets, technological. However, rural tourism has the potential to be developed. The coordination between farmers and market will lead to the development of rural tourism. Some strategies may focus on transparency, trust, effective enforcement and financing. Another way is to invest in technology. Why? Technology will help financial services and thus individual enterprises will be supported by applying new technology appropriate for their investments.

References


The Impacts of the Cooperation among Physical Education Teachers and Parents into Improving the Quality of the Students’ Acquisition and Education Achievements

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Abstract

Nowadays, the need to involve parental community into the instruction and education processes in our schools is becoming more and more important, due even to the fact that partnering and collaboration lay into the foundations of the teachers and parents’ activity. In these terms, this writing is treating issues connected with information and theoretical concepts of parental involvement into the instruction and education processes, the role of the teacher in general and particularly the role of the physical education teachers, the strategies to be used for being as much effective and qualitative as possible as well as expectations from this collaboration. Writing methodology is based on researching contemporary bibliography as well as on compiling and using questionnaires to the high school physical education teachers of Elbasan town, by means of which it has been intended to present the tableau of parental involvement in education as well as in the school community in general as genuinely as possible.

Keywords: Involvement, cooperation, strategy, expectation, teachers, parents, education.

1. Introduction

The need to be informed about and aware of their children’s progress and achievement at school as well as in other leisure activities is one of parents’ core expectation. They should enjoy the right to get involved in discussions and be part of the decision-making process for issues related to their children. The ways children are activated and involved in the teaching-learning process, assessment of the potentials they own, the strong and weak points, difficulties and problems they are being faced with in various subjects, the ways teachers use to make possible students to be attentive to what is going on in their school life, the ways students enter into relationships with their teachers as well as with their coevals/classmates, the ambiance associating children in their classrooms, school, etc, are some of the issues that should be involved in the information for parents. Children and the school can be considered as two important poles in the social life, in which, both parents and teachers intend the best achievements for children. However, there might be cases when the regular and systematic collaboration lacks and tensions and misunderstandings might result among teachers and parents in their ways of thinking, acting as well as in their attitudes to different issues.

2. Theoretical Insights

2.1 Parental Involvement

Researchers have once commented that the parental role in child education should centre only in choosing the school, creating the proper ambiance at home for the social and emotional development of children as well as for the formation of their moral values.

Some used to say that parents have nothing to do with the children progress at school but others would contradict it as an outdated point of view regarding the parental (non) involvement at school life which is irreconcilable with the terms of present-day perceptions regarding the issue.

Parental involvement now means so much for parents that presently they consider it as a family necessity for the children’s progress at school. The greatest part of the contemporary literature keeps suggesting that parents’ involvement is helpful in the following directions; enhances and increases the children’s progress at school, produces better scores in tests, improves behaviour and morale, has a positive impact in parents-children relationships, increases caring to children, etc.

Findings from all research have been affecting parental involvement to a great extend and other efforts are being
made to reveal the best methods to this approach, despite obstacles encountered. One of the problems encountered in parental involvement are the different ways the issue has been perceived by teachers and parents; culture is a variable that can change their ideas about the most effective ways parents should be involved in the life of the school.

In present-day perception parental involvement has been considered in two categories; their involvement at home and at school.

Home involvement has been defined by Sheldon (2002), as interaction of parents with their children regarding issues related to learning process (the school), as well as in other learning activities and it represents the direct investment of parents’ resources in the education of their children.

The second kind of parental involvement, the one occurring at school, includes voluntarism and parents’ gatherings with the school community to get informed about their children’s progress.

2.2 Strategies to further increase parental involvement.

Many strategies of increasing parental involvement have emerged as a result of efforts to get over obstacles encountered to this regard. One of the ways to achieve this is raising people’s awareness about the benefits of parental involvement and the application of the most successful methods and models for this approach. According to Karther and Lowden, (1997), there are several ways to reveal and test the best parental involvement measures for families at risk. Informal gatherings with families at the beginning of the school year, regular contacts of school with families by means of the teachers in charge of respective classes, school and leisure activities initiated particularly by the physical education and sport teachers as well as phoning families and in most cases writing positively about students’ behaviour than negatively.

Homeless families should also be considered as vulnerable as families at risk; school and teachers should care to secure a welcoming ambiance for parents from these families, too. Certain researchers suggest several ways of involving parents among which we can mention the following; making a reception room available for parents, reception manual, appointing special days for parents and students, home visits, official notifications for parents, the protocol of parent-teacher meetings as well as a welcoming programme for new students and their parents.

Various schools and states are attempting to increase parental involvement by educating teachers to this regard in order to be successful in fulfilling their duties. To serve to this aim, parental involvement has become part of the school curricula via “interactive homework”. ‘Interactive homework” is based on a concept developed by Balli (1996), aiming to involve and further engage parents in resolving wants and assignments school requires from their children.

2.3 Parental expectations

Another aspect of parental involvement is parental expectations. In their study, authors Fan and Chen (2001), discovered a significant relationship between the parental involvement and academic achievements; moreover, they discovered an even stronger relationship among parental involvement and their expectations.

However, researchers emphasize that parents’ expectations should be identified in time and communicated to the school community. Trivette, Anderson, et al.,(1995), asserted that these expectations are, in most cases communicated by verbal communication to the school and on regular bases. Surprisingly, these high expectations did not result to have direct effect in the family structural changes in the course of interaction with school or in higher levels of participation in school activities.

The highest expectations, though, exert an indirect influence on both these aspects of parental involvement. Higher parental expectation can indirectly influence over these two aspects of parental involvement. Parental expectations can influence strongly on the children’s school performance. In cases when parents have higher expectations, children’s progress is optimal. This kind of relationship is maintained even in cases when the effects of the factors like the social and economic status are considered.

3. Methodology

Realization of this study was based on the selection of native and foreign theoretical materials regarding issue linked with the role of the (physical education) teachers for parental involvement in the teaching and education processes.

Collection of the study data was done by means of questionnaires distributed to five high schools of Elbasan Town, respectively in public schools “Dhaskal Todri”, “Kostandin Kristoforidhi”, “Vasil Kamami”, “Mahir Domi” as well as in the private school “Nickolas Copernicus”. Questionnaires were drafted to get response by 20 physical education teachers. Canvassing was completed in the period March-April 2016. The questions used in the questionnaires are the following;
1. Does parents' participation serve for a better school?
2. Do parents know how to help children with their school assignments or any other activities of physical character they have to perform at home?
3. Have families the proper commitment to enhance students for yielding better results at school?
4. Are parents prone to learn proper methods and techniques for helping their children at home?
5. Does the parental collaboration and involvement increase the affectivity of the teachers’ work at school?
6. To what extent is teachers' parents consulting significant in the teaching—learning process?
7. To what extent is voluntarism important for the parents-teachers involvement?

4. Outcomes and the Discourse

While responding to the question whether parents' participation served to have a better school, the data collected revealed that 97% of teachers agree strongly whereas the remaining 3% simply agree which shows that teachers consider parents' participation and involvement very significant for this approach.

Graph 1

Results obtained from the second question show that 57% of the teachers state that parents know how to help their children whilst 38% state that parents can fairly help their children related to school assignments and other activities of physical character in home conditions whereas 5% of the responders think that parents do not have proper and contemporary knowledge to this regard. In general, these data are way too positive since they affect not only children's academic development but even their emotional development. They also reveal the need for continuous qualification as well as updating parents with proper cognition to increase the effectiveness of the teachers and the school work in education.

Graph 2

Regarding the importance of the family in positive enhancement of students to reach better results at school the results showed that 36% of the teachers fairly agree, 44% agree and 20% strongly agree; these data makes us reflect in relation to the work of many researchers which connect positive achievements of their students with the social, economic and cultural status of their parents and the last ones have a strong influence in teenage.

Graph 3
Data obtained by question 4 showed that 33% of students stated that parents have less capacity to this regard, 29% of them state that parents have sufficient capacity whilst 38% state that parents have too much capacity. These data show that not all parents collaborate with teachers and contribute for their children. Causes might be of different nature, either for negligence or for total lack or incapacity to engage because of economic, social and cultural reasons.

Graph 4

Responses to question 5 showed that 25% fairly agree, 42% of teachers agree and 33% of them strongly agree. This result makes us understand that in most cases it is the teachers who do not require collaboration with parents regarding effective teaching methods or the ways students are treated.

Graph 5

Regarding teacher-parents consultation sessions, data collected from questionnaires showed that 66% of teachers consider them as very important 30% as important whereas 4% consider it as less important. These data also show that teachers feel that they should consult parents and students at least twice a year.

Graph 6

Regarding voluntarism of parents' involvement in the teaching-educating process it turned out that 79% of the teachers consider this element as very significant, 15% consider is as simply important and only 6% of them consider it as less important. These data reveal that most of the teachers are conscious that voluntarism of parents is very important and effecting not both in the teaching and learning processes.

Graph 7
5. Conclusions and Recommendations

1. Teachers of the high school cycle consider participation of parents as very significant for the teaching and educating processes as well as for the students’ academic achievements.

2. Parental involvement increases children’s success at school, improves their habits and moral conduct, enhances caring for students and diminishes problems regarding students’ behaviour and positively affects issues related to culture and behaviour at work.

3. Although the greatest part of the teachers accepts the significance and the need of parents’ involvement in education, in everyday practices, there is a part of them who have not become aware of or do not consider this fact as significant.

4. Therefore, one of the strategies for increasing the effectiveness of parents’ involvement in education has been and it will remain to be even in the future - qualification of teachers and students with the best and the most effective methods for positive results to this regard.

5. Teachers feel the need for consulting parents, at least twice a year, but they support increasing contacts and collaboration with them, too, in order to identify and discuss about both progress and failures as well as to increase effectiveness of their work with students.

6. Parents voluntarism remains a significant factor which should continuously be promoted and enhanced since it affects not only the teaching and learning process but even further.

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ICT Use in Elementary Schools and the Future-Teachers’ Perception

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Abstract

The aim of this article is to explore the student teachers’ perception of ICT use in elementary schools in Shkodra city. This research presents the perception that students have on ICT use in several elementary grades during their practice in four different schools. The paper presents an interpretative analyzes of the perception of Shkodra’s university future-teachers at teaching programmes. In this study, the students were asked to analyze the situation in some elementary classes in Shkodra's schools, about the use of ICT tools during different classes they have attended during their teaching practices. The students reflected also on the association between the use of ICTs in the elementary classes and the reshape of class teaching and learning, as well on the modification on learning and teaching process itself. This paper finishes by identifying some of the perceptions and needs the students will face and would like to change in their future teaching.

Keywords: ICT, learning, perception, school, student, teaching.

1. Introduction

ICTs have the potential to innovate, accelerate, enrich, and deepen skills, to motivate and engage students, to help relate school experience to work practices, create economic viability for tomorrow’s workers, as well as strengthening teaching and helping schools change (Davis and Tearle, 1999; Lemke and Coughlin, 1998; cited by Yusuf, 2005). As Jhurree (2005) states, much has been said and reported about the impact of technology, especially computers, in education. (Noor-Ul-Amin)

Students using ICTs for learning purposes become immersed in the process of learning and as more and more students use computers as information sources and cognitive tools (Reeves & Jonassen, 1996: 693-719)), the influence of the technology on supporting how students learn will continue to increase. (Noor-Ul-Amin)

The use of technologies in teaching and learning process is very important in our schools in Albania. Even though it is in a progressive process, it is not at the level the students and teachers need or the context of the ICT development in general. Except this, the educational system is trying to improve the teaching and learning process through the educational system. The universities are supporters of this progress especially for future teachers through subjects or the teaching models they offer using ICT tools.

The perceptual process is a sequence of processes that work together to determine our experience of and reaction to stimuli in the environment. The perception does not just happen, but is the end of the result of the complex behind the scenes processes, many of which are not available to your awareness. The process is divided into four categories: stimulus (all the elements in our environment, that can we potentially perceived), electricity, experience and knowledge (which intend all the information that a person brings to a situation), (Goldstein, 2009: 5).

In Shkodra University the curricula of future teachers’ has changed during the years. These changes reflected the way the technologies of education seen by the context and the needs. The implementation of the new concepts on
technology started during the years 1998-2003. The subject was firstly named “Computer”, because this is the period of time the computers began to be part of the Albanians lifestyle. So, the first need for the students was to learn how to use a computer for themselves in the future or to prepare their class works. During this period the people in general learnt to use the computer and they became part of their everyday life at home and at work. Through the years 2003-2008 there was no subject which had to do with computers or other technologies for the future teacher programmes. In 2008 the subject was changed at the curricula of future teachers as “The use of the new technologies” and now it is renamed “Learning through new technologies” which has been programmed in a term per year. The students attended this subject 4 hours per week in 15 weeks of a term (semester), 2 hours of lectures and 2 seminars. During these classes the students have some theoretical information combined with practical lessons of elementary school teachers about the way of ICT use in the classes. So, this course is not only to know how to use computers or other ICT items, but also to gain a sense of technology integration and a new pedagogical thinking with ICTs. The students also prepare some lesson plans in group and individually using ICT tools. At the same time the students are at the last semester of the last semester of university. They have the active practice at the elementary school of the city to observe and to teach practically before they graduate as teachers of Elementary schools. This study is done exactly based on their practice during this period of time.

2. Methodology

This is a qualitative study, in a focus group of 30 students on the third year of “Luigj Gurakuqi” university. They attend the third year (Bachelor) at the Faculty of Education, at the programme for teachers of Elementary Schools. These students follow the active practice and passive practice in 4 schools of the Shkodra city ("Branko Kadia", “Skënderbeu”, “Mati Logoreci” and “Pashko Vasa”). They attend this practice for one year, in two different terms (15 weeks + 14 weeks). In the first term they do the passive practice (they follow the normal lessons of a teacher in a class) and in the second term the active one (they teach in the elementary classes). The questions asked to the students consisted on what they have really seen in these classes, the ICT tools used by the teachers, the teachers needs on ICT support and on the other hand their perception on their ability to use ICT’s in the future and how do they see the ICT use by them in the future. According to their opinion the students see the lack of the ICT tools in our schools even though they feel almost ready to prepare different classes using ICT in their future classes.

3. Results and Discussions

The focus group of 30 students, third year, in Bachelor level in the education programme follows the active practice (they teach in the elementary classes) and passive practice (they follow the normal lessons of a teacher in a class) in 4 schools of the city: “Branko Kadia”, “Skënderbeu”, “Mati Logoreci” and “Pashko Vasa”. The focus group answered 5 open-ending questions to reflect the situation of schools and their points of view about their perspective in front of the context and their future teaching.

Q1. “How do you assess the context (school and grade) where you achieve professional practice related to ICT tools and their use?” About this question, the students gave different answers depending on the schools they followed the practice.

In Branko Kadia school the students mostly admit: No tools to be applied; Only a tape recorder for the music lessons; There are no tools; There are no audio-visual tools in the classes I have done the practice; There are no tools; No tools in this school; No conditions and no tools; Two teachers used the English room with overhead projector and computers during all the lessons; All the teachers use a tape recorder during the music lessons; Only in the English classroom use computers and an overhead projector.

In Mati Logoreci school they often admit: Never seen to apply ICT tools; Never seen neither in the passive, nor in the active practice a tool to been used; There are no tools; There are no labs or ICT tools.

The students who followed the practice in Pashko Vasa School mostly confirm that: There are no tools; No lessons with an ICT tool; No tools at all, There is only a tape recorder during the music lessons and the personal cell phone of the teacher to show pictures or to listen to the songs; It is a very disappointing situation the absence of tools; There is only a tape recorder for all the elementary classes and the computers’ lab for the secondary school.

And the students who had the practice in Skënderbeu school mostly stated: There are no ICT tools, and no lessons using ICT tools; There are no other tools, only a tape recorder used every Monday morning for the Anthem; There are no tools, only a tape recorder in the corner of the class, never used during the practice; No ICT tools in the classes I have had practice during this year in this school; No tools, only a computer lab, but never used by the
elementary school teachers; Only the teacher we had the active practice has her own computer and uses it, but in general there is no electricity, so it is impossible to use it according to the lessons.

Based on the students perception we can highlight that in schools in general there are computer labs only for the secondary classes, not for the elementary school. But, on the other hand the elementary school teachers do not try to challenge themselves by using the computers in their lessons. We can admit the fact that there are efforts by the teachers in a sporadic way to use the ICT tools, but they do not have the right conditions to use them in their classes or do not have the right softwares in mother tongue which makes teaching difficult also the way of finding resources to use in their lessons.

Q2. “What are the current needs of an elementary teacher associated with the use of technology?” there were different points of view (opinions). The most frequent answers they gave about the needs the students said: To have tools and the necessary environments; To have the ability to use computers and other ICT tools; There are no tools and not a try by the teachers to use the ICT tools; The teachers need trainings; The teachers need courses and the right conditions to use these tools; The teachers are never been asked to use the ICT tools; They have no computers or overhead projectors; The teachers need tools (Tape recorders, PC or Overhead Projectors) and also to have software in Albanian Language and the trainings about the use during their lessons; Knowledge and trainings on computer use; Training and softwares available for subjects and ages of the pupils; The right conditions and tools according to the subjects and themes of the lessons.

The students see the lack of ICT tools and the right environment, and less the need for trainings, because they think the teachers know how to use some tools, specially the basic programmes of computers.

Their answers about the question (Q.3): “How do you assess your level of knowledge about the use of technological tools in the future with regard to the learning process? How prepared do you feel about your lessons of applied learning technologies?”, were almost the same: Have a good knowledge, but need more practice to use them; Have good abilities to use computers, but need more tools than those to try before my future teaching; Are ready; Have a fair knowledge; Have good knowledge on computers, but need more practice before my real class; Not very good knowledge, but with a specific training and the right conditions to do their best; Feel able because have had the chance to practice their use; Need a frequent use of these tools.

In general the students are able to use the main ICT tools, but they need a real time in real classes to use and to practice their ideas through these tools. This is understandable because they do not have the chance to practice their knowledge in our classes and they are in the first year of the experience as teachers.

Q4. “Are the pupils or children of a primary level willing to engage in ICT use during their lessons?”, the students admitted almost the same statements. In general they think that the pupils are prepared to use the ICT tools; others think that the pupils are prepared, because they use different tools at home (computers, cameras, and cell phones) and only one of them admits that they need more preparations.

The students see their future problem on using ICTs bigger than that of their pupils, because they see that the pupils are interested and found of ICT tools as an entertainment way and a kind part of their free time.

Q5. “Do you see the introduction of learning technologies as an obstacle or a relief in your work in the future?” was the last question in our focus group. In general the students see the introduction of the technologies as a facilitator for the teachers and for the pupils too; Others think that it is a relief for the pupils, but their use should be well programmed; A small group thinks that the use of these tools may be an obstacle or a relief depending on the subject, so in some subjects they are a relief and in other they think are obstacles; Others think that it is a relief specially to reduce the time of understanding and learning, raises the concentration, attention and a small group thinks that is an important relief, but this process needs a good management, because otherwise it will be an obstacle.

We can highlight the fact that the ICT introduction in the future classes is more a relief than an obstacle, but related to activities and several practices during their lesson ICT is a necessity for a better and future teaching.

4. Conclusions and Recommendations

Based on their perception, the students admit that they:

- Have a low level of computer skills for specific programmes, due to the impracticable skills and the theoretic computer knowledge, not practiced.
- Are optimistic about their possibility and ability to use the ICT tools during their classes in the future, but they need different trainings, not as a necessity.
- See a big problem on interaction of the ICT tools and the conditions of the classrooms.
• Need help and support to change the conditions in schools with the aim to improve the quality of teaching with their future pupils. (tools, environment, trainings, the right software etc.)
• Need to practice not only the computers, but also over head projectors etc. before going in real classrooms.
• The introduction of ICTs in teaching and learning process is seen more as a relief and the pupils as good collaborators.

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The Effectiveness of Portfolio Assessment on EFL Students' Writing Performance: The Case of Third Year Secondary Students in Algeria

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Abstract

The current study examines the effect of the portfolio assessment method to assess writing ability of third year foreign languages learners enrolled at a secondary school in Laghouat, Algeria. The objective was to find out whether a particular portfolio assessment model was successful in helping the students to improve their English writing ability in general, and writing strategies and processes in particular. In doing so, four experimental tools were implemented: Pretest/Posttest, English Writing Evaluation Exam, Self-Reporting Questionnaire, and Analytic Scoring Rubric. Accordingly, the findings of the posttest and post-self-questionnaire displayed a notable improvement in English writing performance of the learners and in their writing product skills as well. Indeed, results indicated a significant increase in the students' use of writing processes as a result of the portfolio assessment method. The study concluded that the portfolio assessment model is found to be an effective instructional strategy as well as an evaluation tool, besides that it enhances the learners' English writing performance by focusing efforts on writing products as well as writing processes.

Keywords: portfolio assessment, writing ability, writing evaluation exam, self-reporting questionnaire, analytic scoring rubric

1. Introduction

Algeria has assumed English as a foreign language in its schools and higher educational Institutions since the acquisition of EFL, as an obligatory subject-matter in the overall educational program in all streams. Meanwhile, the area of teaching English as a foreign language is always a theme to variant researches which aim at improving its learning process in general and learning skills in particular. Hence, the ability to write in foreign language is becoming a widely recognized as a needed skill in educational, business and personal reasons.

Grabe and Kaplan (1996) in their book “Theory and Practice of Writing” agreed that half of the world’s population does not master how to write adequately and effectively. Writing has always been one of the most complex language skills. Hence, it is not an easy task to achieve since it requires difficult work, lengthy steps, additional time, and more practice.

In the field of teaching writing as a skill, using portfolio assessment is spreading. Indeed Portfolios have commonly been related to written performance. Thus, such type of assessment means more interaction and cooperation between the student and the teacher. More or less, portfolio can be a set of the activities taken on over time in the development of written products. Obviously, portfolio is not a new concept. The portfolio concept got strength in the 1980s. Most importantly, interest in portfolios as assessment procedures first came apparent in the literature in the area of composition. Correspondingly, the centre of the current research is how students improve as writers by highlighting process, multiple drafting, teamwork, and operational writing. With respect to the importance of the assessment process as one major element of school program, this study may change the view of assessment process. Indeed, portfolio
assessment ought to be considered as basic part of teaching, and hence it could be used for instructional objectives.

According to the traditional grading method, writings are assessed, given grades, and returned while learners are passive participants in the assessment process. Thus, test scores cannot be trusted as a basis of making decisions concerning their writing performance. The method used is a product-based. Writing process is somewhat forgotten. Teachers seek the product: its clearness, originality, and correctness but they do not attend to the writing process. Nor do they attend to the writing performance. In such a method, the teacher is dominant and mistake-hunter while he/she ought to be assistant. Consequently, the researcher has been asked to argue for improving the process orientation in teaching and assessing writing performance. This is the actual situation of teaching and assessing writing in Laghouat and Algeria as well. Several research questions could be raised as:

1. What is the current level of the EFL learners' English writing ability?
2. How effective is the use of portfolio assessment stratagem on improving the students' English writing performance?
3. What are the effects of portfolio assessment on the students' use of writing processes?

The researchers hypothesize that: Traditional language tests no longer meet the needs of EFL students as a foreign language since their outcomes have been assessed at a specific point of time or at the end of the learning process. In addition, they do not better pupils’ writing skills and portfolio assessment may improve the writing performance of third year EFL students at the secondary level

2. Review of Literature

Hamp-Lyons (2006) asserted that most of the literature concerning portfolios comes from first language writing and there is rare literature on the use of portfolios for L2 learners in assessment fields. There is also limited number of quantitative research considering the impact of portfolio assessment on EFL students' writing skill. In his descriptive research, Aly (2000) investigated the impact of using portfolio assessment on freshman first year students in writing course in Cairo University. The finding was about 95% of the pupils' final portfolios, which demonstrated that the students had used the portfolio positively. Concerning writing instruction, Aly (2002) proposed a process-based writing approach or “writing workshop” to improve the students’ writing skills. The study was carried with second year, both male and female learners who were haphazardly appointed to the experimental group. Findings indicated that using writing workshop approach helped students to be more responsible towards individual and group work as well. Song and August (2002) through their quantitative investigation, compared the performance of two groups of advanced ESL learners in ENG 22, a second semester composition course, at Kingsborough Community College, City University of New York. One group was assessed on the basis of portfolios as well as the writing assessment test; however, the other was assessed using the formal assessment test only. The study found that the students prefer to pass into ENG 22 from ENG 2 in that they were assessed by portfolio which seems to be a more befitting form of assessment.

The efficiency of reflection as an essential constituent of the portfolio development was examined by kowalewski, Murphy, and Starns in 2002. The study was conducted to include strategies to boost student writing abilities. Five strategies were implemented to improve student writing skills. The results of this investigation exposed an obvious improvement in student writing scores for all classes. In the same token, portfolio assessment was chosen by Koelpner and Meserge (2003) to make both learners and their parents aware of academic progress in writing for first and second grade learners and math for seventh grade learners who were from an elementary and a middle school. Results also showed that the pupils felt more privileged in their own learning and became reflecting about their writing process. In 2004, Apple and Shimo studied students’ use of portfolio procedure in an EFL classes in Japan. The self report questionnaire demonstrated that students positively believed that portfolio creation assisted them ameliorate compositional and expressive writing proficiency. Two case studies about use of portfolio assessment at two institutions in the UAE were carried on by Coombe and Barlow (2004). The first study was done at Dubai Men College where a five writing portfolio was to be accomplished during the fall. Results indicated that portfolio proved its role in improving the students’ writing. Dealing with the effect of portfolio assessment on pupils’ ability in writing, Al-Serhani (2007) demonstrated that portfolio assessment had a positive effect on pupils' writing ability in general and the writing aspects such as purpose, content, organization, vocabulary, sentence structure and mechanics in specific. Sharifi and Hassaskhah (2011) , in a study to examine the effect of portfolio assessment on writing, suggested a time series plan. They used a traditional testing in the first half of the semester whereas in the second half a portfolio was used. They found that the portfolio had a favorable role in improving writing performance.

Since all the previous literature proved that the majority of the studies indicated positive impact of portfolio assessment on writing instruction, we want to use it so as to investigate its effectiveness on improving the writing
performance of third year secondary students, and to explore if it is possible to apply it in the teaching of writing in EFL educational setting in Algeria and more particularly in the Secondary high schools in Laghouat.

3. **Our Contribution**

It is very difficult to arrange a true experimental design, especially in a school classroom. Hence, the current research adopts first a quasi-experimental method based on pretest/posttest to assess current proficiency in writing and later the improvement, besides a descriptive method since the aim of descriptive approach is to identify the real-life situation and to gather information of the events as they happen.

3.1 **Sample of the Research**

The compositions taken for this study were chosen from learners of EFL enrolled in the third year of the secondary education in Laghouat. The number of the first drafts was 120 papers; they were taken from 30 learners writing related to the four units within the syllabus. Subjects were 30 male and female students attending foreign languages classes in one school. The socio economic environs of the experimental school population range from upper middle class families. All subjects are taught in Arabic language except French as a second language and English as a foreign language. They have been learning English language for seven years. The average chronological age of the subjects is 18 years old. Moreover, there is some evidence of the resemblance of the learners' level in English writing competence proved by the preliminary test.

3.2 **Tools of the Study**

To examine the effect of portfolio assessment techniques on writing performance, five tools were used by the researcher. English Writing Evaluation Exam (EWEE) that is created to assess the pupils' writing ability in English. It is of an authentic assessment type. It includes one part that consists of one paragraph writing on a selected prescribed theme from their units and which is familiar to pupils, i.e., exam materials represent activities of writing in 'New Prospects' textbook. All instructions are provided. They are written in simple English. It also involves information about the aim of the test, the time allowed to accomplish the test, as well as the criteria on which scoring will be based. The EWEE is scored analytically by using an analytic scoring rubric which is developed by the teacher. Learners' writing capacity can be evaluated separately on different criteria. However, the researcher decides to assess only grammatical structures and mechanics. The rater gives each pupil a score on mechanics and sentence structure out of five.

Analytic Scoring Rubric (ASR) that is used for grading English writing exam papers of the pupils. It evaluates the pupils' writing proficiency against a preconceived criterion. It involves the main constituents of mechanics and grammar. The teacher using the rubric can describe to what degree the pupil has met the criterion, i.e., the level of writing. Also, the rubric includes five levels of production: achieved writing, proficient writing, basic writing, and limited writing, and not applicable or poor (N/A).

Self-Reporting Questionnaire (SQ) which is provided to define writing processes that the students were using in the accomplishment of writing activities and to indicate whether they had already these processes or not. The valid questionnaire involved 23 items describing four distinguishing writing processes, mainly planning, drafting, revising, and editing. It was based on a 3-point scale: always, sometimes, and never. These were given numerical grades: always=2, sometimes=1, and never=0. Simple directions concerning pupils' answers to the questionnaire were presented in both English and Arabic languages as a cover letter.

Portfolio Assessment Sample (PAS). It is used to improve and to evaluate subjects' writing ability, and it is "a single measure which is incapable of estimating the diversity of skills, knowledge, processes, and strategies that combine to determine student progress" (Moya & O'Malley, 1994, p.15). It is the medicine given to the experimental group, in which 240 writing tasks at least are developed by the learners within the four units. The suggested portfolio model for EFL writing assessment contains factors like portfolio committee and general as well as specific learning objectives.

The quantitative analysis of data was carried out to evaluate the effect of the Portfolio Assessment sample on the writing ability of EFL third year secondary learners. The researcher tried to demonstrate the results in form of figures that can be analyzed and interpreted later.
4. Discussion

After the subjects were administered the EWEE which is related to the first unit, the teacher has adopted AQ that is based on their common errors found in the preliminary test, so as to correct their works. The teacher will edit the pupils paragraphs using the proofreading abbreviations and ask the subjects again to rewrite the task to be corrected for second or may be several times until they make it better (correct or at least 2 mistakes per a work). The figure below displayed the results found by comparing the first drafts with the second ones:

![Figure 1: The First and Second Drafts' Mistakes and Marks in Unit 1.](image1)

According to figure 1 and by comparing first the marks taken in the first draft and the second drafts, we notice that the number of mistakes have reduced. For example, the most frequent mistake (M1), i.e., past simple tense has been diminished from 85 to 40; and even the least frequent mistake (M10) has also been reduced from 40 to 20 times in 120 works.

Further, the taken marks have also changed. In the first draft, 13 pupils have taken 01/05; 10 have taken 1,5/05; whereas 1 pupil only has taken 2,5/05. However, in the second draft, 6 pupils have taken 1/5, and 05 pupils have taken the best score 2/05. Thus, it’s obvious that by the decrease of mistakes’ number, the marks have increased.

After that, in unit 2, the population was given the EWEE related to the second unit. The pupils will accomplish the first drafts and they will give them to the teacher who will indicate the mistakes areas and ask them to correct them in the second draft. The given marks are secretly put and taken by the teacher to be compared later with the other results. The obtained results are displayed in figure 2:

![Figure 2: The First and Second Drafts' Mistakes and Marks in Unit 2.](image2)

As the figure displayed in the first draft the pupils have made M1 (past tense problems) 72 times but in the second drafts, they made M1 (past tense) 33 times; The same thing for all the mistakes, it’s obvious in figure 2 that the number of all the mistakes (M1-M10) in the first draft has diminished in the second draft. Moreover, concerning their marks and as figure 2 demonstrated 7 pupils have taken 1/05 as a lower mark in the first draft, however only 1 pupil has taken it in the second draft. And 9 pupils have taken 1,5/05 in the EWEE, but in the second draft their number has decreased to 6 pupils only; and most interestingly a new mark has appeared in EWEE of unit2 that is 3/05 as the best mark. In the first draft only one pupil has taken it, however in the second draft, the number of pupils who has improved increased to 04. Unlike the EWEE of unit1 where the best mark was 2,5/05, the best mark in unit 2 has improved to 03/05, which depict that pupils have progressed in their productions.

Later, in unit 3, the subjects were handled the EWEE related to the unit, then their products were assessed by the teacher two times at least; the results found are displayed in figure 3:
Figure 3: The First and Second Drafts’ Mistakes and Marks in Unit 3.

Figure 3 demonstrates that the number of common mistakes in the 120 copies was in a continuous reduction or decrease. Most importantly, marks also have greatly changed. 9 learners had interestingly improved and had 3.5, in addition a new good level has been reached where 4 pupils had 3.5/05, the fact that ensures the improvement of pupils in writing ability. In unit 4, after the pupils are handed the exam, the teacher will revise the first draft using the proofreading abbreviations and symbols, and then he will give them their papers back for revision and rewriting of the second drafts. The results are displayed as follows in figure 4:

Figure 4: The First and Second Drafts’ Mistakes and Marks in Unit 4.

It’s obvious in figure 4 that the numbers of mistakes are in a persistent decrease. Furthermore, this decrease in mistakes’ number has generated an increase in marks. As figure 4 shows 7 pupils have got the best mark that is 4/05. It’s inevitable that pupils have improved their ability in writing skill. Later, and so as to ensure this progress in writing, the teacher decided to use a sort of summative assessment (a posttest) as a final component of the portfolio. The post test was administered to pupils as an Experimental BAC Exam and by following the steps of portfolio assessment method, the teacher has founded the following results in figure 5.

Figure 5: The Pupils’ Mistakes and Marks of Final Products (Posttest)

Figure 5 demonstrated that the number of common mistakes (M1…M10) was diminished in the pupils’ copies and the average of mistakes was 7.2 in 120 works. Also, figure 5 displayed a notable improvement in marks: pupils have largely improved their products and taken (2/2.5) out of 5. Indeed, in the posttest results the progress of third year pupil’s in English writing is definitely depicted and so is the effect of portfolio strategy on the writing performance.
By comparing the mistakes founded first in the Pretest and the ones founded in the post administration, we notice that the number of mistakes has greatly diminished: As an illustration, M1 was founded 101 times in the pretest but it has reduced to 41 times in the posttest. In the other hand, the marks have positively increased as figure displayed in the pretest the majority of pupils have taken average marks and a lot of pupils (15) have taken good marks (03/03,5), and 9 pupils among 30 have taken the best marks.

From all the figures above the number of mistakes is in a sustained decrease from the first drafts to the second drafts, and along the study’s duration from the first unit until the fourth unit; in fact, the graph below confirms this downturn of mistakes’ number in pupils’ products; contrary to the pupils’ marks that are in an ongoing betterment from the first to the last unit and from the first drafts to the revised ones, there is a noticeable contrastive relationship between number of mistakes and the obtained marks, when the pupils become aware of their mistakes, they try to improve their level and hence take better marks.

Concerning the first process within the SQ which is “Planning” the obtained results are as follows:

<table>
<thead>
<tr>
<th>Planning Questions</th>
<th>Always</th>
<th>Sometimes</th>
<th>Never</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 I think about what I write.</td>
<td>0</td>
<td>2</td>
<td>28</td>
</tr>
<tr>
<td>2 I think about whom I am writing for.</td>
<td>0</td>
<td>0</td>
<td>30</td>
</tr>
<tr>
<td>3 I prepare an outline /plan before I write.</td>
<td>0</td>
<td>0</td>
<td>30</td>
</tr>
<tr>
<td>4 I generate reason-questions about the topic (why).</td>
<td>0</td>
<td>0</td>
<td>30</td>
</tr>
<tr>
<td>5 I write a list of ideas about the topic.</td>
<td>0</td>
<td>1</td>
<td>29</td>
</tr>
<tr>
<td>6 I try to collect information about the theme if (possible)</td>
<td>0</td>
<td>3</td>
<td>27</td>
</tr>
<tr>
<td>Total=</td>
<td>0</td>
<td>6</td>
<td>174</td>
</tr>
<tr>
<td>Percentage (%)=100<em>Total/(30</em>nbr questions)</td>
<td>0</td>
<td>3</td>
<td>97</td>
</tr>
</tbody>
</table>

It’s obvious from the findings above that nearly the whole subjects (28) who represent 97% of the sample do not think about the topic or the reader; they do not prepare any outline or gather any ideas before they write. That means they just jet down words and phrases freely, without any thinking or organization. From the first section we can conclude that the pre-writing process is not used by the learners, and hence, it’s totally neglected.
Table 2 – Drafting Process

<table>
<thead>
<tr>
<th>Drafting Questions</th>
<th>Always</th>
<th>Sometimes</th>
<th>Never</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 I use draft</td>
<td>0</td>
<td>5</td>
<td>25</td>
</tr>
<tr>
<td>2 I describe my plan in a draft.</td>
<td>0</td>
<td>0</td>
<td>30</td>
</tr>
<tr>
<td>3 While writing drafts, I focus on the meaning of ideas.</td>
<td>0</td>
<td>1</td>
<td>29</td>
</tr>
<tr>
<td>4 I don’t care about grammatical mistakes while writing drafts.</td>
<td>0</td>
<td>3</td>
<td>27</td>
</tr>
<tr>
<td>5 I don’t worry about mechanics (punctuation, capitalization, and spelling) when I write drafts.</td>
<td>0</td>
<td>2</td>
<td>28</td>
</tr>
<tr>
<td>6 I focus on content when making a draft.</td>
<td>0</td>
<td>1</td>
<td>29</td>
</tr>
<tr>
<td>Total=∑</td>
<td>0</td>
<td>12</td>
<td>168</td>
</tr>
<tr>
<td>Percentage (%)=100<em>Total/(30</em>nbr questions)</td>
<td>0</td>
<td>7</td>
<td>93</td>
</tr>
</tbody>
</table>

The obtained results above demonstrate that, and even when they write drafts, they don’t focus on grammar and mechanics in drafting that means they ignore the significance of this stage. However, according to the results; One pupil only focus on the content while using a draft. Hence, drafting as a stage also was not used when writing.

Table 3 – Revising Process:

<table>
<thead>
<tr>
<th>Revising Questions</th>
<th>Always</th>
<th>Sometimes</th>
<th>Never</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 I reread the draft so as to see if it makes sense.</td>
<td>0</td>
<td>0</td>
<td>30</td>
</tr>
<tr>
<td>2 I revise the theme of the draft.</td>
<td>0</td>
<td>3</td>
<td>27</td>
</tr>
<tr>
<td>3 I revise the order of ideas in the draft.</td>
<td>0</td>
<td>2</td>
<td>28</td>
</tr>
<tr>
<td>Total=∑</td>
<td>0</td>
<td>5</td>
<td>85</td>
</tr>
<tr>
<td>Percentage (%)=100<em>Total/(30</em>nbr questions)</td>
<td>0</td>
<td>6</td>
<td>94</td>
</tr>
</tbody>
</table>

According to the table above all the pupils 94% do not reread their works neither to check the content nor the coherence of ideas. Also, they do not prefer to exchange drafts with peers nor asking for their opinions.

Table 4 – Editing Process

<table>
<thead>
<tr>
<th>Editing Questions</th>
<th>Always</th>
<th>Sometimes</th>
<th>Never</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 I do self-editing.</td>
<td>0</td>
<td>2</td>
<td>28</td>
</tr>
<tr>
<td>2 I edit the draft for grammatical mistakes.</td>
<td>0</td>
<td>0</td>
<td>30</td>
</tr>
<tr>
<td>3 I edit the draft for spelling.</td>
<td>0</td>
<td>0</td>
<td>30</td>
</tr>
<tr>
<td>4 I revise the draft for capitalization.</td>
<td>0</td>
<td>2</td>
<td>28</td>
</tr>
<tr>
<td>5 I revise the draft for punctuation.</td>
<td>0</td>
<td>2</td>
<td>28</td>
</tr>
<tr>
<td>6 I rewrite the draft after finishing its revision.</td>
<td>0</td>
<td>0</td>
<td>30</td>
</tr>
<tr>
<td>Total=∑</td>
<td>0</td>
<td>6</td>
<td>174</td>
</tr>
<tr>
<td>Percentage (%)=100<em>Total/(30</em>nbr questions)</td>
<td>0</td>
<td>3</td>
<td>97</td>
</tr>
</tbody>
</table>

Furthermore, as it is displayed in the table, 97% of the learners do not edit their works individually, and they do not revise their works for grammatical, spelling, capitalization and punctuation mistakes.

The Post self reporting questionnaire’s results:
At the end of the research the SRQ was given to the pupils again to check their use of processes while writing.

Table 5 – Planning Process (Posttest)

<table>
<thead>
<tr>
<th>Planning Questions</th>
<th>Always</th>
<th>Sometimes</th>
<th>Never</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 I think about what I write.</td>
<td>23</td>
<td>6</td>
<td>1</td>
</tr>
<tr>
<td>2 I think about whom I am writing for.</td>
<td>27</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>3 I prepare an outline /plan before I write.</td>
<td>26</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>4 I generate reason-questions about the topic (why).</td>
<td>27</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>5 I write a list of ideas about the topic.</td>
<td>29</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>6 I try to collect information about the theme if (possible)</td>
<td>26</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>Total=∑</td>
<td>158</td>
<td>19</td>
<td>3</td>
</tr>
<tr>
<td>Percentage (%)=100<em>Total/(30</em>nbr questions)</td>
<td>88</td>
<td>11</td>
<td>2</td>
</tr>
</tbody>
</table>
As the table above demonstrates, the majority of pupils 88% responded always to the use of planning strategies. Nearly the majority of subjects thanks to the portfolio practice use to think about the theme before they write and prepare an outline that gather ideas about the topic to facilitate later writing. That means, they finally understand the significance of planning in writing process.

Table 6 – Drafting Process (Posttest)

<table>
<thead>
<tr>
<th>Drafting Questions</th>
<th>Always</th>
<th>Sometimes</th>
<th>Never</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 I use draft</td>
<td>30</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2 I describe my plan in a draft.</td>
<td>25</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>3 While writing drafts, I focus on the meaning of ideas.</td>
<td>24</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>4 I don’t worry about grammatical mistakes while writing drafts.</td>
<td>26</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>5 I don’t care about mechanics (punctuation, capitalization, and spelling) when I write drafts.</td>
<td>24</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>6 I focus on content when making a draft.</td>
<td>27</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Total=∑</td>
<td>156</td>
<td>19</td>
<td>4</td>
</tr>
<tr>
<td>Percentage (%)=100×Total/(30×nbr questions)</td>
<td>78</td>
<td>11</td>
<td>2</td>
</tr>
</tbody>
</table>

The results above displayed that 78% of subjects start using drafts; they first describe their plans in drafting papers where they only focus on content and don’t care too much of grammar and mechanics. The results indicate that the learners use well drafting strategies.

Table 7 – Planning Process (Posttest)

<table>
<thead>
<tr>
<th>Revising Questions</th>
<th>Always</th>
<th>Sometimes</th>
<th>Never</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 I reread the draft so as to see if it makes sense.</td>
<td>26</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>2 I revise the theme of the draft.</td>
<td>25</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>3 I revise the order of ideas in the draft.</td>
<td>23</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>Total=∑</td>
<td>74</td>
<td>10</td>
<td>6</td>
</tr>
<tr>
<td>Percentage (%)=100×Total/(30×nbr questions)</td>
<td>82</td>
<td>11</td>
<td>7</td>
</tr>
</tbody>
</table>

It is obvious that the majority (82%) of pupils revise their drafts; they reread their compositions to check the theme besides the order of ideas in the paragraph, as well as the correctness (mistakes of grammar, spelling, and punctuation). The process that can improve their products.

Table 8 – Editing Process (Posttest)

<table>
<thead>
<tr>
<th>Editing Questions</th>
<th>Always</th>
<th>Sometimes</th>
<th>Never</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 I do self-editing.</td>
<td>28</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>2 I edit the draft for grammatical mistakes.</td>
<td>27</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>3 I edit the draft for spelling.</td>
<td>26</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>4 I revise for capitalization.</td>
<td>30</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>5 I revise for punctuation.</td>
<td>30</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>6 I rewrite the draft after finishing its revision.</td>
<td>24</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Total=∑</td>
<td>165</td>
<td>9</td>
<td>6</td>
</tr>
<tr>
<td>Percentage (%)=100×Total/(30×nbr questions)</td>
<td>92</td>
<td>5</td>
<td>3</td>
</tr>
</tbody>
</table>

Finally, 92% of learners edit their works as the findings show; most of them do self editing. In fact, they edit their drafts for grammatical, spelling, capitalization, and punctuation mistakes so as to assure good marks for their products.

5. Conclusion

Portfolio assessment method affect learners’ English writing proficiency by emphasizing efforts on writing
products/outcomes as well as writing processes. Also, the portfolio assessment sample is proved to be a successful instructional strategy as well as an evaluation method. Using portfolio is acceptable for EFL third year secondary learners especially for writing instruction since it permits learners to communicate more with their teacher.

As a matter of fact, the teacher uses portfolios to analyze pupils’ progress and to improve their writing product skills. For that reason, we recommend assessment to be a formative ongoing process providing feedback to learners as they improve toward an objective. As we recommend the use the portfolio assessment as a complementary to traditional tests, since opportunities ought to be given for our learners to practice reflection during classroom time.

References

Macro Economical Tendencies for Sport Sponsorship Development

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Abstract

Organization of sports policy priorities and responsibilities are very different in all Member States, with implications on the flow of financial resources to the lowest level, public financing and sport sponsorship. Sports sponsors return on investment generates benefits for the economy as a result of increased activity on sports events, infrastructure development as well as for employment, quality of life or state and city image formation, creating soft power prospects, generating state competitiveness, more revenue from sports tourism, leisure and other sales sectors. All interested parties are funding sport directly and indirectly. For example, companies pay corporate taxes, which generate income to government, which can invest in the sport. However, the government can also define a fiscal framework that is conducive to private companies investing in the sport, such as tax relief. The goal of the article is to reveal the problems of sports funding system on the theoretical basis for sport sponsorship integration. Results indicate, that sports sector in the EU countries limited by the legal framework and the tax burden when the tax ratio is the demand and supply elasticities regulator. On the other hand, a decrease in costs for sporting events or activities of the organization to obtain more funding for sport, modeling macroeconomic legal and tax environment, can provide more opportunities for return on investment for sponsors within the larger media publicity contracts, licensing business expansion, thus generating more sales for sponsors, ensuring higher tax collection in the budget, the growing GDP and social capital development.

Keywords: sponsorship, finance, taxes, sports funding, economics.

1. Introduction

More and more scientists choose to analyze the economic contribution of the sports industry and other economic effects of the sports industry (Balciunas et al 2014), because the redistribution of public finance systems development and the need of investment growth from private entities becomes a regular challenge for sports sector (Čingienė, 2013). "Money attracts money": this conclusion is supported by the fact that clubs that attract private funding sources, not only their contributions, as well as those who receive public funding: income from government sources, makes a strong incentive to private sources of financing (Eurostrategies, 2011). Although the importance and recognition of sports came only in recent decades, everyone understands that sport affects both as urban and national image as well as economy.

Sponsorship is one of the sports sector' components, without which sport would be existing only fragmentally, as sponsorship is one of the largest sources of funds in sport (IEG.; 2012; Jensen & Cobbs 2014). Sport sponsorship and its activation can be reasonably attributed as a key tool for business results (O'Reilly & Homing, 2013), and its influence is an important for sport sector and the country's sports and economy.

The total market in the context of the entire still raises questions as to whether the commercial organizations – sponsors - shareholders consider and understand the sponsorship as an investment (use of resources, with the intention to increase future production output or income), or is it only a faith for better results in business for management and marketing teams, which is not properly communicated to the fundamental interested parties (Tsiotsou, 2011).

Sponsorship volumes between companies and their profitability is one of the main factors that determine the severity of the tax burden, the implementation of competition for producers to sell their products at the lowest price. The way to reduce the price and demand stimulation is possible. They take the tax burden themself on the expense of profits, but only prosperous businesses have an opportunity in such a way to regulate demand (Abuselidze, 2012).
In this case, when the tax burden is raised only by prosperous, it is likely a large capital companies, the small and medium-sized businesses overcome with more barriers to integrate into the sports industry, enhance the generation of competitiveness of mutual benefit. For this reason, it can be assumed, it becomes a closed cycle for sports sponsorship phenomenon, declined in demand, on the one hand, due to increasing competition between the sports objects, which are needing the resources to organize activities, but the problems appear due to the decreasing amount of sponsors that can ensure those resources, because of unattractive tax policy of the country.

It is likely that the developed economies (such as the EU countries), with high labor and capital productivity, there are more possibilities to adjust the fees and the assessment of achievements, to identify the conditions that create preconditions for achieving competitive growth and an appropriate level of social environment. The tax burden of communication with the indicators characterizing the long-term social environment and economic growth, identification and communication between disclosure and assessment is a key concern; Research in this area is pretty sketchy (Stankevicius 2014).

Research in the 27 EU countries, and the data indicates that the private small clubs and amateur sporting events funding (through sponsorship, grants or donations) must be promoted both - during economic crisis and when the economic crisis is over (Eurostrategies, 2011).

However, trends in macro economic indicators, such as legal and financial environment in terms of objectives for sponsorship of sports in different economic phases, different sports, participation and spectator sports are not presented or analyzed. The goal is to reveal the problems of sports funding system on the theoretical basis for sport sponsorship integration.

2. Methods

Theoretical framework.
Analysis and systemizing of scientific articles and secondary research data.

3. Analysis

Amateur sport is largely dependent on local government funding; the financial difficulties faced by the local authorities, may lead to a cyclical shrinking of state subsidies, which may pose a threat to some amateur clubs viability (Eurostrategies, 2011). Therefore, investments of sponsors can contribute to the local and national sports development, as the following core areas on which sponsors usually devote their investments.

According to Schwarz & Hunter (2008) sports sponsorship investments are classified into 6 categories for:
1. the governing bodies of the sport;
2. sports teams;
3. sportsmen;
4. broadcasting and media;
5. sports facilities (stadiums, arenas);
6. sports events.

Sponsors, while achieving their organizations goals, actually contribute to the quality of life of the city, the country or region, because sports or recreational event or activity, frequently would not be possible for a variety of reasons: the tax burden, the fragmentation / fashion of popularity, the lack of the entrepreneurial and commercial experience of the organizers.

All interested parties are funding sport directly and indirectly. For example, companies pay corporate taxes, which generate income to government, which can invest in the sport. However, the government can also define a fiscal framework that is conducive to private companies investing in the sport, such as tax relief.

Typically, a country that wants to organize large sporting events have to pay the owner the event fees for the rights and bear the costs for the smooth conducting of the event: both organizational and infrastructural (Balciunas et al 2014). Then it becomes especially important to support tax incentives to attract sponsors, because otherwise the fiscal burden lays on the city and the country’s population.

Thus, sponsors’ money for elite sports, filtered, for example, through the purchase of entry-level of the media rights can fall into the forms of various projects. Meanwhile, sports sponsorship’ money flowing horizontally, that is, between the sport disciplines, if infiltrated into the development of infrastructure and development projects, indirectly, affects grassroots sports and sports in general, as well as public welfare development. Changing ways and models of sponsorship create new priorities and a greater emphasis on corporate social responsibility, environmental aspects and
social projects (Eurostrategies, 2011). It can be said that sponsors provide regeneration for sports entities and objects in various fields of their operations: databases and software updates, training, marketing, skill development, addiction prevention, health programs and so on.

4. Results and Discussion

In EU final report for grassroots sports financing (2011), Lithuania was found at a top 3 countries mostly generating revenues from sponsorship, including Cyprus and Slovenia. From the 5 most popular sports in 27 EU researched countries Lithuania was the one, that basketball was the most popular sports discipline, then football, which generates most of the sponsorship investments in Europe.

But the research indicated, that being the most popular discipline in Lithuania, basketball appears to have reduction in sponsorship revenues. Other analyzed research data presented by Baltic Research (2013) indicates that, only about one of five (18%) of sponsors respondents positively assessed the current legal framework of the sponsorship in Lithuania. Meanwhile, more than two-thirds of respondents (68%) believe that Lithuania does not yet have a favorable legal environment for sponsorship services. More than one in ten had no opinion on the matter.

Differences in business and the non-for-profit sector's opinion on what should be done to the legal environment becomes more favorable. Non-for-profit sector believe that it is appropriate to give more tax breaks to donors, to improve the legal framework and simplify support procedures.

Business sector primarily emphasizes the need to improve the legal framework, the second identifies the higher tax relief, the third - the support for the simplification of procedures (Baltic Surveys, 2013).

But sports sponsorship phenomenon in Lithuania is treated not as a business sector in achieving goals, the creation of competitive advantages, but only internal motivation without understanding the phenomenon of the economic value of the state economy. Leisure industry, where private investment can solve the problems of the tax burden, is severely restricted by government control in sports sponsorship sector. Baltic studies (2013) indicate that government, is maximizing the control of all areas of life, including charity / sponsorship actions. More than two-thirds of entrepreneurs (67%) believe that this control of government is totally the main brake for development of sponsorship activities. A similar number of non-for-profit organizations also tend to think so (62%) (Baltic Surveys, 2013).

It should be noted while modeling attractiveness of legal and tax aspects, that development of viability of the sports sector and its costs usually come of the following financial sources (Eurostrategies, 2011):

- membership fees and other costs of households;
- the economic value of voluntary labor contribution;
- public sector funding at the national, regional and local levels;
- income from fees and charges, lotteries, betting and gambling operators;
- income from sponsors and charities;
- revenues from media rights.

That's why it must be taken into account, that these aspects can be related together and can be combined all of them in the models.

In addition, the changing nature of business categories of sponsors are related to the emergence of new technologies, what makes new suggestions for rethinking of financial and tax models for sponsorship.

As for example, recent trend resulting activation of digital, mobile and on-line media as sponsored sites and social media, such as Twitter and Facebook. The most commonly used activation of sponsorship are examples as follows: advertising and public relations, as well as internal communication, real-time ongoing promotion, hospitality, direct marketing, examples of demonstration during the event, sales promotion and B2B communication. Activation scale often depends on the popularity of sport in a given country (O'Reilly & Horning 2013).

5. Conclusions

Thus, it can be assumed that the sports sponsorship sustainable funding should be balanced in such a way that the sponsors' commercial benefits would be rational ratio equal to the benefit of the society in both vertical and horizontal level.

Secondary data analysis proves that Lithuanian businessmen approach to sponsorship is associated at low level with the receipt of benefits and creation of added value for the economy of the country, as a common international practice. Meanwhile, the state breaks from the sport sector financial support, leaving the sector to deal commercially, but
limits the tax liabilities.

Most businesses have the negative perception of the current legal framework of the charity / sponsorship in the Lithuania as well as tax incentives. Excessive state control acts as a brake for sports sponsorship.

The tax burden does not influence only budget revenues, but investments, demand and supply, prices. The tax ratio is clearly identifiable on the demand and supply elasticities. No reductions of the benefits for sponsors, as the legal framework for the case, and tax incentives should support the positive effects on demand and supply of sport sponsorship, because the current tax burden attributable to sporting events, activities and organizers moved on the population, while could be transformed to sponsors. However, legislative and control levers are needed to ensure the balance of tax incentives and tax burdens in the sports sponsorship process to generate economic benefits.

References

The Perception and Attitudes of Teachers Towards Class Sizes in Secondary Schools

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Abstract

This study aimed to examine the perception of teachers to teaching large and poorly resourced classes in Albanian secondary schools. Moreover, the study further investigated the influence of experience and qualification of teachers’ perception on this issue. A qualitative study was conducted on a sample of Albanian teachers to investigate on issues related to functions and disadvantages of smaller classes. Findings indicated that the Albanian teachers perceived class size as important factors to facilitate classroom management, teaching effectiveness, student-teacher interactions, and teachers’ workloads. Still, the main concern remains with the fact that a reduction in class size will result in an increase in teaching staff, which could bring teacher quality down. This uncertainty in teacher quality makes the process of identifying or negative impacts on student performance more difficult.

Keywords: teacher, perception, class size, quality

1. Introduction

Albania’s education system faces the challenges of a new philosophy of life, free market economy and European integration, where the achievement of European standards, faces the delicate problems that require solutions. Present and future developments, reforms in pre-university education, have the tendency of internal development, aiming at the integration of the Albanian society in regional and European developments.

One of the most important reforms of the last years is the quality of the teaching process. Since 1993, pre-university curriculum and teaching-learning process have been and remain subject to continuous improvements. Outdated curriculum frameworks, content not relevant to development trends, methods somewhat archaic and ineffective teaching, remain a challenge in the development of a comprehensive reform and functional quality of education. Student outcomes represent one of the main indicators of the quality and performance of the education system, especially linked with the target to equip students with knowledge and skills to face the challenges and demands of the time by them. International Program for Student Assessment (PISA11), which constitutes one of the most prestigious international studies to measure student achievement is initially implemented in 2001, showed that results were relatively weak. The student/teacher ratio is still far from the levels of the OECD, or 18/1 for preschool education 16/1 to secondary school (According to the preliminary report - Reform of pre-university educational system).

Migration of population from rural to urban areas has increased the capacity in cities and suburban areas schools (up to 50 students per class). In contrast, in some rural areas the ratio student/teacher is very low and poor transport infrastructure does not allow concentration of schools.

At the lower secondary level, class sizes differ significantly among OECD countries and in other G20 countries. Class size continues to be at the forefront of the educational and political agenda for schools, school districts, school boards, education policy makers, parents and other stakeholders. Indeed, class size is a factor that may influence parents’ choice of a school over another. Smaller class sizes are generally perceived as allowing teachers to spend more
time with each student and less time in classroom management, thereby providing better instruction tailored to the students’ individual needs, and ensuring higher performance. In this respect, class size may be viewed as an indicator of the quality of a school system. At the lower secondary level and among all OECD countries with comparable data, the average class size varies from 20 students or fewer in Denmark, Estonia, Finland, Iceland, Luxembourg, Slovenia, Switzerland (public institutions) and the United Kingdom, to more than 34 students in Korea. The contrast is even more striking with other G20 countries which provided data (i.e. Argentina, Brazil, China, Indonesia and the Russian Federation); in China, for instance, the number of students per class reaches the 50 students mark (see Indicator D2 in OECD, 2012). It is worth noting that classes tend to be smaller in primary education, the number of students per class growing by two or more students between the primary and the lower secondary level. This trend has intensified between 2000 and 2010, particularly among countries that traditionally reported bigger class sizes, such as Japan and Korea. (OECD, 2012)

In Albania the structure of the educational system comprises: preschool education; basic education (lower secondary education, special education); upper secondary education (high school, vocational education, socio-cultural education); higher education; adult education. Guideline no. 44 dated 16.10.2014 for some amendments to the guidance of the Ministry of Education and Sport, no. 21, dated 23.07.2010 "On rates of teaching and educational work and the number of students per classroom in pre-university education institutions" under "V" section. Number of students per classroom in pre-university education institutions”, point 2 becomes “basic education”.

- Preparatory Class is formed by 25 children.
- First Class is formed by 26-30 students.
- Classes II-V are formed by 30-35 students.

Point 3 is: “lower secondary education"

- Classes are formed by 30-35 students.
- Point 4 becomes "upper secondary education"

- Classes are formed by 30-35 students.

Class size is one of many factors to consider when choosing or estimates a school, but the small size of the class is not the only factor, which ensure a good education. The quality of teaching, school management, school size, parental involvement and other factors are important to take in consideration too.

Since the quality of education depends on the size of the class we will focus our study on the perception of teachers in relation to the functions and disadvantages of classes with large numbers of students.

2. Methodology

The methodology used on this study is semi-structured interviews. Interviews were conducted with 35 teachers, of whom 7 math teacher, language and literature teacher 7, 7 teacher of chemistry biology, 7 teachers of foreign languages, 7 teachers of history and geography teaching in lower secondary education in the period from September to November 2016. Meetings with them lasted from 30 to 40 minutes.

All personal interviews are conducted with the consent of the respondent and it was intended for teachers to express themselves on issues that lay down interviews. Questions were built in such a way to give a better idea about the impressions and attitudes of teachers on class size.

3. Results and Discussions

Our findings will be divided into two groups: the benefits and disadvantages associated with teachers and benefits and disadvantages related to students.

Teacher-related benefits of smaller classes.

On relation of teachers-related benefits on working in small classes, answers of teachers are listed as follows:

- There is a greater involvement of students in the classroom.
- Effective communication between teachers and students.
- An easy identification of the problems of students.
- More cooperation between teachers and students.
- More involvement.
- Faster rhythm.
- Fewer behavioral problems.
- Teacher is less stressed.
It is important to note that in every interview to mention at least one benefit related with the teaching in small classes. This fact alone shows that the majority of teachers believe that there are real benefits on teaching in classes that are smaller in size. It is interesting to note that some of these benefits are in the interest of the teachers on an individual level, such as dealing with less behavioral problems, less stressed or have less work.

Teachers say that teaching in smaller classes improve student-teacher relationship, strengthens the connection between a teacher and his/her student, making the experience much more enjoyable and meaningful to all participants. Having a small number of students in a given class makes it possible for teachers to become familiar with the students on a personal level. Precisely this feeling of familiarity helps students feel safe and beneficial in their education, which ultimately helps them to perform better in the classroom.

Another benefit of teaching in small classes is that students are more engaged in lessons, activities, projects, work groups, etc.

"From my experience, students pay more attention, try harder and perform better when they are interested in what they are learning" - says 42 – year - old English teacher.

Another teacher with 30 years experience in education, says that teachers should “expect from students to participate in the learning process and take responsibility to reach the goal in the classroom”.

Last benefit related with the teacher that I would like to discuss concerns the assessment of student work. As every teacher knows, evaluation of the students takes time, especially when it comes to assess writing assignments. One teacher said "If my role is to teach, I can’t be effective when I do not have enough time to do my work. The fact is that providing a positive feedback on working with students is a difficult and stressful job".

Having smaller classes, teachers will feel less stressed, have fewer students to answer and more time to do this. This means that the quality of assessment and student performance will improve, which will result in student performance improvement.

Other benefits revealed on interviews related with teacher are:

- Better discussions, more meaningful.
- Better communication, more effective between teachers and students.
- Quicker identification of students with problems.
- Contributing more to class discussions.
- More opportunities for teachers to cope with problems.
- Instruction specified, personalized, designed to fit the individual needs of students.
- Quicker pace of instruction.
- Less behavior problems and classroom management.
- Teacher is less stressed / less work in class.

Students benefits from smaller classes

- Students understand better lessons.
- Teaching is based more on projects.
- More individual instruction.
- More collaborative learning.
- More extension of concentration.
- More self-confidence.
- More responsibility.
- More self-assurance.
- More effort.

Besides the benefit of teachers in smaller classes even the students can benefit as well. In fact, the benefits related to students are as important as the benefits associated with teachers. Teachers have the idea that small size classes affect students and their performance in different ways.

At almost the majority of interviews teachers claimed that individual instruction is probably the main benefit that students receive in smaller classes. For example, the increase in the amount of time that a teacher has to guide individual his or her students may result in understanding improvement, more effective communication, increased of self-representation, increased effort in class, a larger accountability and a quick improvement in learning. Biology teacher says, "Having the opportunity to deal with each student has made it possible for some students to reach further on their education, compared with those students who do not receive individual attention".

In addition, having smaller classes can strengthen the sense of community in a class. By creating a learning environment that helps students feel welcome, it is very useful for the performance of students in that class. The reason for creating a community is so important is because it allows students to feel more confidential and open to others, which
ultimately makes the learning experience more enjoyable for the participants. Geography teacher, 52, says "A class with a strong sense of community is a very happy environment to participate. Furthermore, students who are happier and like the atmosphere of the class, engage more in the classroom".

Other benefits related with students found out on the interviews are:

- More opportunities for students to a project based learning.
- Collaborative learning opportunities.
- More attention.
- More safety when working in the laboratory.
- More choices for students.

Consequences for teacher related with smaller classes are.

- Lack of competition.
- Lack of discussion.
- Less group activities.
- Lack of diversity of students.

In interviews I have included a question that asks participants to list all the consequences associated with teaching in smaller classes. Of course, the main consequence associated with the small size class is likely to be a lack of diversity of students. In this case, the term "diversity" means to refer to the variation of students. This includes learning style of students, perspectives and personalities. The risk of having a lack of diversity of students is that classes can be static flat, and in some cases, boring. The reason for this is that there aren’t so many ideas, views, and opinions to be shared / or discussed in class. Eventually, this could lead that discussions in class are not as important or meaningful for the students, this is something that no teacher wants.

History teacher in her interview claimed that, “It happens sometimes in my smaller classes, where we arrive at that point in the discussion where there is nothing left to say”. In fact, the small size of the class may impose restrictions on discussions, which can create uneas situation among teachers and students. Another factor contributing to the lack of meaningful discussions has to do with those students who are shy to contribute to discussions. Another teacher described a common scenario, where a student may be hesitant to share his / her thoughts with a group of people, even if the group is small and the members know each other. In cases like these, is “the fear of giving the wrong answers”. This can inhibit the valuable discussions. It is therefore understandable that a disadvantage of having smaller classes may be the lack of conversations.

Other consequences found out on interviews that affect teacher are:

- Lack of competition among students.
- Few opportunities for large group activities.
- Groups that are “too connected” may not pay attention to the task.

Consequences for students in smaller classes according to interviews.

- Lack of competition.
- Timidity.
- Diverse personalities.
- Lack of responsibility.
- Little variation in classroom.
- Quick rhythm.

4. Conclusions

Participants clearly gave many thoughts and considerations in their responses. Resulting consequences due to the smaller size class listed in the interviews included disadvantages such as lack of diversity of students, meaningful discussion, timidity, lack of competition, etc.

Although these are all valid concerns related to teaching and learning in smaller classes, the study showed that the benefits exceed the disadvantages. Benefits include teachers and students more individualized instructions, more attention to students, improved relations student-teacher engagement and growing interest in classroom learning and meaningful assessment, possibility of analysis.

Reducing class sizes will help improve the efficiency and quality of teachers. However, teachers with fewer students per classroom are able to guide their instruction more often, which will help to enhance the performance of students. Also, the reduction of class size has the potential to help students to achieve more and to a higher level.

Finally having fewer students, schools encourage their teaching staff to prepare capable students. Considering all,
by reducing the size of classes in schools has great potential to improve the quality of teaching and teacher effectiveness and student achievement.

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Education at a Glance, 2012-OECD


MAS, Udhëzimi Nr 44, datë 16.10.2014.


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Logit Analysis for Predicting the Bankruptcy of Albanian Retail Firms

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Abstract

The logit analysis is one of the more recent and advanced techniques, used in social sciences to model discrete results. The basis of this analysis is the theory of discrete choice. This theory has to do with the sense of discrete behavioral responses of individuals’ actions and market economy the government when faced with two or more results. First, we have analyzed the theoretical and practical characteristics of the logit model and its application in various economic fields. Second, we have examined a sample of 30 retail firms who are active in the period 2010-2012 – 30 companies had had their shares permanently suspended or delisted because of a default. According to the characteristics of commercial businesses, in our study are taken into account many financial ratios, to be representative of the financial situation of these businesses. In this study, we concluded that from the 22 financial ratios taken in consideration only 8 are statistically important. As in many other studies carried out previously for the phenomenon of bankruptcy prediction was confirmed that the financial statements received from the financial statements of businesses serve to forecast this phenomenon. Logit analysis recorded an improvement in the reliability and accuracy of forecasting the phenomenon of bankruptcy compared with multivariate discriminatory analysis. Logit analysis is more reliable because it requires the assumption of normal distribution of variables, which is one of the basic assumptions of the multivariate discriminatory analysis.

Keywords: Logit, bankruptcy prediction models, financial ratio, accuracy

1. Introduction

Logit analysis is one of the more recent and advanced techniques, used in social sciences to model discrete results. The basis of this analysis is the theory of discrete choice. This theory has to do with the sense of discrete behavioral responses of individuals’ actions and market economy the government when faced with two or more results.

So the theoretical basis of this model is the theory of consumer behavior in microeconomics. Logit analysis assumes that current reactions are drawings, sketches, extracts from distribution multinominal selected with probabilities based on observed values of individual characteristics and their alternatives.

These types of models are considered as random models. Logit analysis classifies companies’ bankrupt and not bankrupt logit based on their scoring and a border point separating the pattern1.

Logit value for a given company compared with the dividing border point, and if the value is greater logit, then it is more likely that the bankrupt company, and vice versa if the value is smaller logit.

This technique assumes that the dependent variable in the model is dikotom. The function that benefits from this model to predict the bankruptcy is:

\[ P_1 (Xi) = \frac{1}{1 + \exp \left( B0 + B1X1 + B2X2 + \ldots + BnXn \right)} = \frac{1}{1 + \exp \left( D_i \right)} \]

Where: \( P_1 (Xi) \) = probability of bankruptcy.

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Bj = coefficient of attribute j where j = 1 ... n.
Xij = value attribute j (with j = 1... n) for firm i., independent variables, financial reports
Di = value "logit" of the firm.

Logit analysis recorded an improvement in the reliability and accuracy of forecasting the phenomenon of bankruptcy compared with shumëvariable discriminatory analysis. Logit analysis is more robust and reliable because it requires the assumption of normal distribution of variables, which is one of the basic assumptions of the analysis shumëvariable discriminatory.

Logit analysis does not provide a score a point and difficult to interpret as the analysis of multiple discrimination, but a probability which is between 0 and 1. A probability near 0 indicates a low chance to fail and a probability close to 1 indicates a higher probability to fail.

Logit analysis can be viewed and the importance of a single financial report in the model, while the analysis of multiple discrimination can not be tested the statistical significance of the coefficients calculated in the model.

2. Literature Review

Logit analysis can be used two or more dummy variables as the Ohlson model that will be addressed below. This model does not require "equality between companies", i.e., the same number of companies bankrupt and not bankrupt. But attention should be paid to the completeness of the data, if the data are incomplete for companies, this would lead to diversion or extreme values. The model results will not be accurate and reliable whether there multikolinearitet between variables.

Among the studies that were based on logit analysis mentioned Begley, Ming and Satts (1996), Berger, Ofek and Swary (1996), Dichev (1998), Zavgren (1985) etc. According Stickney (1996) during 1980-1990 has been the tendency of researchers to use logit analysis of a discriminatory than multiple analyses.

The first researcher who has been used Ohlson logit analysis in 1980. In his model Ohlson included 105 companies bankrupt and non-bankrupt company in 2058. By these companies amounted financial reports for the years 1970-1976

Probability function was:

\[ P(Y = 1) = \frac{1}{1 + e^{-Y}} \]

where:

- Y = -1.3-0.4X1+6.0X2-1.4X3+0.1X4-2.4X5-1.8X6+0.3X7-1.7X8-0.5X9
- X1 = log (total assets / price level index)
- X2 = total liabilities / total assets
- X3 = working capital / total assets
- X4 = liabilities Short / active Short
- X5 = 1 if total assets exceed liabilities, 0 otherwise
- X6 = net income / total assets
- X7 = funds obtained from operations / total assets
- X8 = 1 if net income is negative for the past two years, 0 otherwise
- X9 = change in net income
- Y = risk index or index-O

The accuracy of prediction of this model was 96.4%, an indicator that made this one of the most successful and most used in further studies. Ohlson concluded that the most important factors in predicting the phenomenon of bankruptcy were:

a. Company Size
b. Capital Structure
c. Company Performance
d. Company liquidity indicators

The higher the index-O was the higher risk bankruptcy. Ohlson finds that a border point dividing the value 0.038 minimizes the amount of errors of the first kind and the second kind. A first type of error happens if the index indicator-O is smaller than dividing border points, but in fact the company is bankrupt. If the indicator-O is greater than dividing border points, but in fact the company is not bankrupt, this is the second type of error.
3. Research Metodology

This study on the phenomenon of bankruptcy forecast differs significantly from existing research. Almost all the data used in the current research are extended in some industries, which have made it difficult to identify the causes of bankruptcy because they can vary from one industry another. This study selected only one industry to avoid generalizations of results between industries. The focus of this study focus on one sector of the economy, the commercial sector, in order to formulate reasons why trading units go into bankruptcy based on their business operations.

In all economies, the distribution sector provides an important link and the evolving dynamic between producers and consumers. Trade sector usually provides a significant contribution to the economy wide employment - often being the second largest national economy while simultaneously providing significant contributions and increasing the GDP of a country. During the past three decades this industry is seen as a dynamic and innovative. But also it is seen as one of the industries with the highest rates of bankruptcy.

Even in the district of Elbasan from data published by Instat until the end of 2014 the commercial sector occupies 42.7% of the economy, are trading unit 3354, a total of 7859 active units. From these units the number of which has gone into bankruptcy it is 529 units closed. Most of the units sold, approximately 62% are trading unit. Given this it is necessary to be tailored models that enable prediction of the phenomenon of bankruptcy for this sector of the economy and in the district of Elbasan, because this circle is the focus of this study and can be available easily base database.

4. Sample Selection

The data used in this study are quantitative data obtained from financial statements of commercial entities that are registered with the National Registration Center offices in the city of Elbasan. The financial statements have been downloaded from the website of the National Registration Center, but also through their insurance accounting offices operating in the district of Elbasan, and accounting services to offer these units. Initially gathered financial statements of 55 commercial units currently operate, they are active, or otherwise meet the conditions of their consistency.

National Registration Center publications do not specify the location of an item if it is bankrupt or not, but simply a status of active or inactive unit. According to national accounting standards compilation of financial statements for an entity carried out in accordance with the principle of continuity if the following conditions are met:

1. There is no intention to liquidate unit
2. No order ceases trading activity
3. There is no real alternative to do so

From this sample data they were eliminated units that have extreme values of financial reports compared with other units, and each unit of bankrupt was paired with the unit continuously with size similar assets, and the same year, thus creating a database for 30 units and 30 units on an ongoing basis to consider bankruptcy. However matching procedure tends to be arbitrary (Ohlson 1980). According to Ohlson model it would be more meaningful if variables, ie financial reports as predictors included in the study, rather than simply for reasons of correspondence between companies.

5. Variables of the Model

After being selected enterprises on which the study will be conducted next step is the selection of variables to be included in the econometric model. Because of the limitations in the provision of data on units in the study used only financial data that can be obtained from the financial statements of businesses. According Dimitras et al. (1996) the majority of statistical models use only annual financial information in the form of financial reports for forecasting the phenomenon of bankruptcy. Reasons for the use of financial reports are that they represent reliable information, objective and sustainable financial situation of businesses. In a study conducted by Mossman, 1998, it was concluded that the financial reports are often used in predicting the phenomenon of bankruptcy better than market data.

In our study are taken into account 22 financial reports are thought to be representative of the financial situation of these units. The dependent variable in the model that will be built is the dichotomy variable, dummy variable. This variable takes two values 0 and 1, is determined by the condition of the units, on a continuing basis and bankruptcy.

These financial reports are divided into four groups. Financial reports R1, R2, R3, R4, R5, R6, are grouped as liquidity reports. Financial Reports R7, R8, R9, R10, R11, R12 and R13 are grouped as acrual reports. Financial reports R14, R15, R16, R17, R18, R19 and R20 are grouped structure reports. Financial reports R21 and R22 are representatives of profitability reports. Financial ratios are calculated for three consecutive years, 2010, 2011 and 2012.
as a going concern as well as units for units regarded as bankrupt. The study analyzes three consecutive years in order
to determine the time that the accuracy of forecasting the phenomenon of bankruptcy is higher; ie a year before the
bankruptcy, insolvency two years or three years before bankruptcy.

6. Hypotheses

In this study it is intended to rise on the basis of analysis models and techniques discussed in the literature and to assess
the accuracy of forecasting the phenomenon of bankruptcy for commercial units. Hypotheses raised in this study are:

H01: Model built on multiple discriminatory analyses to forecast the phenomenon of bankruptcy for commercial
units in the district of Elbasan is not statistically significant.

H02: Model built on the logit analysis to forecast the phenomenon of bankruptcy for commercial units in the district
of Elbasan is not statistically significant.

H03: There is no difference in classification predictive ability of the phenomenon of bankruptcy between model built
on multiple and discriminatory analysis model built on logit analysis for commercial units in the district of Elbasan. And the
alternative hypothesis which focuses the study is:

H3: There are differences in the predictive ability of the phenomenon of bankruptcy sorting between model built on
multiple and discriminatory analysis model built on logit analysis for commercial units in the district of Elbasan.

7. Data Analysis in the Logistic Regression Model

Another analysis that will be used to build the model of forecasting the phenomenon of bankruptcy is logit analysis. One
of the advantages of using it is that this analysis is not based on the assumption of normal distribution of variables.
Because in general the financial reports are not normally distributed, and some of them are correlated with each other, for
the issuance of financial reports used indicator used in some financial reports, this analysis is adequate and model
building on this study. Initially, Mann Whitney U test is done to test which of 22 independent variables have higher
discriminatory ability between units of bankrupt and non-bankrupt units. Mann-Whitney U test is a nonparametric test that
is used to compare differences between two independent groups when the dependent variable is sequential or
continuous, but not normally distributed. Below are the results of this test for a year before the bankruptcy variables.

| Source: Author calculators |

<table>
<thead>
<tr>
<th>Testi Mann-Whitney U test</th>
<th>R1</th>
<th>R2</th>
<th>R3</th>
<th>R4</th>
<th>R5</th>
<th>R6</th>
<th>R7</th>
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<tbody>
<tr>
<td>Mann-Whitney U</td>
<td>435.000</td>
<td>445.000</td>
<td>396.000</td>
<td>424.000</td>
<td>395.000</td>
<td>393.000</td>
<td>335.000</td>
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<tr>
<td>Wilcoxon W</td>
<td>900.000</td>
<td>910.000</td>
<td>861.000</td>
<td>889.000</td>
<td>860.000</td>
<td>858.000</td>
<td>800.000</td>
</tr>
<tr>
<td>Z</td>
<td>-.222</td>
<td>-.074</td>
<td>-.798</td>
<td>-.384</td>
<td>-.813</td>
<td>-.843</td>
<td>-.170</td>
</tr>
<tr>
<td>Asymp.Sig.(2-tailed)</td>
<td>.824</td>
<td>.941</td>
<td>.425</td>
<td>.701</td>
<td>.416</td>
<td>.399</td>
<td>.089</td>
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<table>
<thead>
<tr>
<th>Testi Mann-Whitney U test</th>
<th>R8</th>
<th>R9</th>
<th>R10</th>
<th>R11</th>
<th>R12</th>
<th>R13</th>
<th>R14</th>
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<tbody>
<tr>
<td>Mann-Whitney U</td>
<td>368.000</td>
<td>259.000</td>
<td>362.000</td>
<td>154.500</td>
<td>275.000</td>
<td>378.000</td>
<td>327.000</td>
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<tr>
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<td>833.000</td>
<td>724.000</td>
<td>827.000</td>
<td>619.500</td>
<td>740.000</td>
<td>813.000</td>
<td>792.000</td>
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<tr>
<td>Z</td>
<td>-.123</td>
<td>-.282</td>
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<td>-.369</td>
<td>-.587</td>
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<td>-.181</td>
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<td>Asymp.Sig.(2-tailed)</td>
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<td>.005*</td>
<td>.000*</td>
<td>.000*</td>
<td>.010*</td>
<td>.387</td>
<td>.069</td>
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</table>

<table>
<thead>
<tr>
<th>Testi Mann-Whitney U test</th>
<th>R15</th>
<th>R16</th>
<th>R17</th>
<th>R18</th>
<th>R19</th>
<th>R20</th>
<th>R21</th>
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<tbody>
<tr>
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<td>409.000</td>
<td>429.000</td>
<td>265.000</td>
<td>447.000</td>
<td>425.000</td>
<td>275.000</td>
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<td>Wilcoxon W</td>
<td>874.000</td>
<td>894.000</td>
<td>730.000</td>
<td>912.000</td>
<td>890.000</td>
<td>740.000</td>
<td>789.000</td>
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<td>Z</td>
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<td>-.310</td>
<td>-.273</td>
<td>-.044</td>
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<td>-.258</td>
<td>-.106</td>
</tr>
<tr>
<td>Asymp.Sig.(2-tailed)</td>
<td>.544</td>
<td>.756</td>
<td>.006*</td>
<td>.965</td>
<td>.686</td>
<td>.010*</td>
<td>.022*</td>
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</table>

| Testi Mann-Whitney U test | R22
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<tr>
<td>Mann-Whitney U</td>
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<tr>
<td>Wilcoxon W</td>
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<tr>
<td>Z</td>
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<td>Asymp. Sig. (2-tailed)</td>
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Logistic regression function obtained by logit analysis model built according to the classification of commercial units in the unit of bankrupt and non-bankrupt units a year before the phenomenon of bankruptcy is:

\[ \log(y)_{\text{tr}} = 2.064 + 0.066R_2 + 0.233R_7 - 0.913 R_{11} - 0.023 R_{15} - 1.205 R_{21} \]

### Statistical significance of variables

<table>
<thead>
<tr>
<th></th>
<th>B</th>
<th>S.E.</th>
<th>Wald</th>
<th>df</th>
<th>Sig.</th>
<th>Exp(B)</th>
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</thead>
<tbody>
<tr>
<td>R2</td>
<td>0.066</td>
<td>0.164</td>
<td>0.162</td>
<td>1</td>
<td>0.688</td>
<td>1.068</td>
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<tr>
<td>R7</td>
<td>0.233</td>
<td>0.298</td>
<td>0.614</td>
<td>1</td>
<td>0.433</td>
<td>1.262</td>
</tr>
<tr>
<td>R11</td>
<td>-0.913</td>
<td>0.25</td>
<td>13.393</td>
<td>1</td>
<td>0</td>
<td>0.401</td>
</tr>
<tr>
<td>R21</td>
<td>-1.205</td>
<td>1.154</td>
<td>1.089</td>
<td>1</td>
<td>0.297</td>
<td>0.3</td>
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<tr>
<td>R15</td>
<td>-0.023</td>
<td>0.059</td>
<td>0.149</td>
<td>1</td>
<td>0.699</td>
<td>0.978</td>
</tr>
<tr>
<td>Konstante</td>
<td>2.064</td>
<td>0.875</td>
<td>5.562</td>
<td>1</td>
<td>0.018</td>
<td>7.875</td>
</tr>
</tbody>
</table>

### Source: Author calculator

8. **Conclusions**

After we compared the predictive ability of the models, back to testing the hypothesis raised at the beginning of the study. For the first and second hypothesis, both models are evaluated by statistical tests. As seen during the construction of models, both models were statistically significant, they were so statistically valid, statistical indicator p (sig) = 0.000 For the third hypothesis testing used a test-t, given that the number of units in the study is small. In sum is the final hypothesis:

Ho3: the percentage classification accuracy in discriminating multiple model = the percentage accuracy in classification logit model

HA3: the percentage accuracy in classification model of multiple discrimination ≠ the percentage accuracy in classification logit model

Using SPSS 21 statistical program was compared to calculate the actual value of the critical value t, and with a 95% confidence level, the hypothesis of equality of percentage of forecast models accuracy rejected. So it is concluded that the constructed models have different abilities predictive phenomenon of bankruptcy.

For the fourth hypothesis testing studied functions obtained from each of the models. As noted from the survey results that hypothesis falls below because these functions contain financial statements that have coefficients and their corresponding sign positive or negative, indicating their ability predictive classification of the phenomenon of bankruptcy for commercial units in district Elbasan.

Liquidity ratios are important indicators of the financial position of the entity and have high skill in predicting the phenomena of their bankruptcy. According to the model otherwise the quick ratio or acid test resulted in higher classification capability that the liquidity of reports. Quick ratio is a financial indicator that is calculated as the ratio of the difference between the current assets inventory, the current liabilities of the unit.

The second important report on the classification of the unit function is turnover ratio of total assets. This indicator is calculated as the ratio of net sales to total assets of the company. He shows how successful a trading unit in the use of total assets for generating income from the sale.

In this report includes all assets as circulating and stable, inventory, accounts receivable, and any other active current, as well as equipment, machinery, vehicles, buildings, land, etc... The lower this ratio compared with previous years or compared with industry data, the lower are trading unit sales. Head of trading unit must analyze all asset classes to determine which of the assets or stable circulation causes reduction of this indicator.

Commercial units tend to have a higher value of this ratio due to the pricing policy, positioning in the market at competitive prices. A high turnover ratio of total assets is expected to have a high return on assets (ROA) and low risk of bankruptcy for commercial units. A high turnover ratio of total assets bring economic growth rate, ie the ratio of profitability stimulates indicator that determines the level of ROA model Du Pont (Liesz, 2002).

Determining the classification of trading on bankrupt entities and is not bankrupt and turnover ratio of receivable accounts. It is calculated as the ratio of net sales on receivables unit. By this indicator measured the ability in which trading unit manages to collect the money from sales made with subsequent collection of his clients.

The calculation is performed on the assumption uniformity of sales, and cash collections during the year. A long period of collection means a commercial loan use at high levels, resulting in liquidity problems, causing financial problems this way trading units. This indicator is an important signal to the phenomenon of bankruptcy and commercial units.
especially since the bulk of their sales receipts later performed.

Higher probabilities of insolvency events are characteristic of commercial units with long periods of collection of accounts receivable. This result derived from the study is consistent with theories discussed in various literatures. Long periods of collection customers bring higher value of accounts receivable in the financial, commercial unit needs additional sources of financing of its activities, we extend the operating cycle, causing a negative impact on cash flows. This brings the growth of insolvency of trading unit, directing it toward bankruptcy.

Another report determining the classification of trading on bankrupt entities and is not bankrupt the debt ratio which is calculated as total liabilities to total equity unit. This report shows that the unit çpjesë assets financed with own resources and çpjesë financed with resources borrowed. The debt ratio is a key indicator for judging the financial position of the entity, and the entity’s ability to repay its obligations. He is known as the financial leverage ratio.

A high ratio of financial leverage is an indication that the unit may not have enough liquiditetete for repayment of its obligations. But on the other hand a low use of financial leverage is not an indication that the unit is using the advantages of increased profits that can bring financial leverage. The higher the financial leverage of the units, the higher is the probability of the phenomenon of bankruptcy. So this report is positively associated with the phenomenon of bankruptcy.

The latest report determining the classification of commercial units in bankrupt and not bankrupt by logistic regression function is the ratio of return on business assets, ROA. This ratio is calculated as total net profit of the unit on its total assets. ROA ratio shows the rate of return for a monetary unit invested in the assets of the unit. A high value of this report is indicative of a good financial situation healthy unit. Usually this ratio is higher for older units, well positioned in the market, rather than new units, newly established in the market. This is one of the financial ratios included in the model and the Altman Z-Score. A negative value of ROA is a signal that the unit is not successful trading and may go bankrupt. So the higher the ROA be financial ratio, the lower is the risk of bankruptcy for the trading unit.

By studying literature suggested as appropriate to use financial report ROA in predicting the phenomenon of bankruptcy compared with ROE financial report. If trading unit has negative equity and negative profits, in case of loss, these values mathematically provide a positive ROE ratio, while the ROA does not happen because the unit can not be active with negative value.

The five financial ratios mentioned above are decisive for the classification of commercial units in the unit of bankrupt and non-bankrupt unit by logistic regression model and a year before the bankruptcy phenomenon. But as noted above these are not the only financial reports that analysts should focus on the success of an entity. But their combination of accuracy in this study gave the highest ratings to selected units in the study. To judge about the situation financier of an entity must be taken into account and other financial reports, they are indicators of the financial performance of the unit. Combining these functions discriminatory financial reports in previous years, although it gives lower classification accuracy, the signal is likely that the entity could go into bankruptcy.

References


Best Practices for Motivation and their Implementation in the Greek Public Sector for Increasing Efficiency

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Abstract

The contemporary socio-economic conditions and the constantly increasing requirements for higher growth rates, shape the eternal need for improvement of the administrative function of the public sector. The current problem of the Greek public administration, questions the productivity of human resources. This problem tends to distend excessively in today’s “memorandum era”, because of the unexpected pay cuts, the stagnation of the grade promotions and the all in all work disappointment caused by the economic crises. An extremely useful management answer to this problem is given by the science of organizational behavior, through the theory of the instigation of the personnel. However, in the case of the Greek public administration, this theory loses part of its capacity, since it cannot provide financial incentives (because of its existing budgetary restrictions). Consequently, this analysis is focused on the improvement of productivity in human recourses based on non-financial incentives, which do not affect directly the public economy. The main mission of this study is to investigate the instigation methods adapted by the Greek public administration, for the improvement of the public sector’s performance. The methodological practice that will be used for the documentation of the above case, is the comparative benchmarking between public and private sector, following the already used instigation model suggested by the business management. During the study, the optimal motivation practices used by the private sector will be found, analyzed and then applied to the public sector. The main aim of this study is to increase the efficiency of the public sector, supplying it with useful modern business tools for the general functional improvement of the public administration.

Keywords: Motivation, Public Administration, Public Servants, Efficiency

1. Introduction

In the recent years, the constantly increasing problems the public-sector faces, demonstrate the need for a change. Immoderate bureaucracy, corruptness, mismanagement, low efficiency and introversion are only some of the problems the public sector must solve. The predominant operational rationality insists that Government and the well-developed
private sector, must join hands. The functional improvement of the public sector constituted one of the most central management matters of the 20th century, since it is directly connected with the socio-economic growth.

Greece presents an exceptionally unlimber and over-loaded public sector, with dominant characteristics its inefficiency, high levels of bureaucracy and misconduct. The State administration must improve the public sector using essential programs of management development, so that it will be capable of following both the international developments and its national mission. One of the current problems the Greek public sector faces is about the productivity of human resources. This problem tends to distend excessively in today’s "memorandum era", because of the unexpected pay cuts, the stagnation of the grade promotions and the all in all work disappointment.

This study will attempt to develop individual tools from the organizational behavior science, which are used by the private sector and they can be very useful to the public sector as well. This approach will focus on the precious tool of instigation, without paying attention to any financial incentives (reflecting on the budgetary restrictions Greece faces).

2. The Theory of Instigation Serving as A Wheel for the Increase of Productivity

A particularly critical factor for the right management of the personnel, constitutes the power of management to convince its employees to practice their duties in the desirable efficiency level (Denardtetal, 2009). This practice can be achieved, when management can determine the suitable system of incentives (Roseetal, 1999). The significance of instigation according to V. Berlson and G. Steiner, is reported in "an internal situation that activates and directs the human behavior towards the main objectives". The instigation aims to activate a desirable activity with the exchange of satisfaction gained from the fulfilling of one, or more than one, necessities. In professional level, the need satisfaction can be reported in the increase of economic rewards, other benefits, improvement of grading position, hierarchical evolution, bigger prospects, reduction of pressure or worktime, improvement of the social status, enrichment of individual skills etc.

The incentives used for the motivation of employees, were included in an abundance of theories. The most important models developed, are distinguished in the following two categories. The first category includes the theories looking for the content of instigation. Some of the most known theories include A. Maslow’s studies about the hierarchy of necessities, E. Mayo’s about human relationships, F. Hersberg’s and others. The second category includes the theories which show the process of instigation. These theories develop the instigation system of the personnel and the emerged relationships. The most representative theories are those of Porter, Lawler, Vroom and others (Gomez-Mejia et al, 2015; Noe et al, 2009).

Now, it is crucial to mention certain instigation techniques used by the operational management (Kreitner, 2009), which set an example for the public sector; These include:

a. Relation between efficiency and remuneration. Under this practice both high efficiency and work effort of the employee, are recognized and rewarded with various benefits, such as:
   - Financial incentives. The remuneration increase is the most popular and efficient type of incentives. The price incentive serves as a recognition of the employee’s efforts and is related to the incentives of safety, success, prestige, social recognition etc. Financial incentives are provided in relation to productivity, the achievement of predetermined goals, the qualitative transaction of duties, the permanent attendance at the working place, the participation in the process of improvement and the general behavior.
   - Common Incentives The common incentives aim to support the collective effort of employees, preventing any competitive action caused by individual incentives. At this type of incentives, the main attempt is the connection between productivity and total result of the organism.
   - Participation Incentives in Corporate Governance. In this case, management places the employee in the position of the director, identifying the employee’s interest with that of the organization. One popular strategy to follow is the distribution of shares to the personnel, so that the productive disposal of the employees will follow the company’s course.

b. Participation in Decision-making. A modern management system of incentives includes the opinions of the employees in the final decision-making process. This system aims to increase personnel’s sense of responsibility and improve its total efficiency (Bourantas, 2002). The system’s individual practices of achievement are supported by autonomous/semi-autonomous work teams and by quality circles.
   - At the range of the autonomous/semi – autonomous working teams, the work analysis is based on the team and not on the individual. Namely, every work task is considered as a unique project that is assigned to all the employees, causing an endogenous interaction. At the same time, responsibility and power are allocated to all the members of the team, so that a spirit of collegiality is cultivated.
The Quality Circles, are circles of voluntary participation from part of the organization’s personnel, aiming to detect problems or activating opportunities for partnership affairs, via conferences. Some of the individual goals set by the quality circles, include the quality upgrade, the increase of productivity, the improvement of the service level, the improvement of work conditions, the communication development, the improvement of organizational structures, the reformation of control systems etc. Through this system, the employees acquire a powerful incentive for participation in the corporate joints, while at the same time, a complementary management support is provided in the management sector, increasing the administration’s efficiency.

c. Designing appropriate work positions. It is a fact that one of the most important criteria for a work choice, concentrates at the work position’s profile (content and basic characteristic). Consequently, the profits of a well-designed work position, constitute powerful incentives for work efficiency. According to the model of Hackman and Oldham, the crucial elements that a work position must contain, so that a beneficial instigation of the personnel will be achieved, include variety and importance of its duties (pointing here the sense of self-esteem and creativity), development prospects, autonomy (strengthening the sense of responsibility) and feedback. These characteristics, can increase the personnel’s efficiency, providing a powerful incentive for productivity and professional consequence.

d. Leaders Behavior. The motivation capability of the prevailing leaders, plays an exceptionally important role. As a “leader”, is comprehended the hierarchical superior, who inter alia owes to manage his subordinates, so that both productivity and personnel’s satisfaction are achieved. The leader serves a double role, first as the final representative of the system of incentives set by the business administration, and second as the natural leader who must inspire his/her personnel so it will function at the desirable efficiency. The leadership of the superior and his capability to fairly divide the total amount of work into individual responsibilities, will shape the disposal of the personnel so that it will implement efficiently its duties. At the same time, leader’s behavior towards the team members, who shape the final outcome, is of a great importance. Consequently, there must be a very careful look at the leader’s attitude, since his/her duty is to inspire the employees to make a greater effort for the best outcome.

e. The Benchmarking of Outcomes as an Instigation Practice. This system of incentives applies to standardized results per group of people or individual, evaluating the employees’ effort, using as benchmark the predetermined model. In this way, the group of people/individual get to know the main goal and the criterion of evaluation, while the business allocates an explicit picture about the performance of the personnel. In the administration and the personnel’s interest, the participation of the employees is pursued during the process of defining the incentives. Consequently, the goals should be possible to achieve and the personnel must not feel any pressure. The administration is obliged to determine the personnel’s actual production capacity, pointing to the exclusion of delusions caused by unfeasible outcomes. Based on this motivation system, which is included in the theories of “Management By Objectives” and “Efficiency Management”, the instigation of the personnel is attempted and there is also an engagement for execution of the anticipated objectives. Through this process, the tasks and responsibilities of the personnel are classified, there is an increase in human resource’s productivity, a comprehension of the business structures, a highly effective co-ordination and support in the remaining management operations (Aspridis, 2013).

It should be mentioned that for the efficient instigation of the personnel, a great number of sciences such as psychology, sociology and anthropology along with the organizational behavior theory (which constitutes a combination from a variety of sciences), and the individual techniques that affect the employees’ senses, come together in order to improve the efficiency level of the personnel (Aspridis, 2012). Following the example of the private companies, which follow the above techniques, public bodies could upgrade the way they function, improving their level of efficiency.

3. The Development of the Public Servants’ Instigation Tools Via the Comparative Analysis, Using Methods of The Private Sector

The comparative analysis of the instigation methods among public and private sector, both shows obvious differences and individual convergence elements, which, through the right choice of policies, can support the public sector, approaching the efficiency levels of the private sector. In this analysis, important differences that discriminate public from private sector, (such as legislative restrictions, public sector’s privileges, private sector’s profit parameter, etc.), must be included.

The following results of individual researches, which focus on the comparative analysis of instigation methods...
between public and private sector, aim to highlight the main differences found in the focus points of instigation policies. Based on the survey conclusions of Frank Sue and Lewis Gregory, public servants pay more attention on the work safety in the public sector, compared to the private employees (Frank et al, 2004). The main interest of public servants, contrary to that of the private employees, serves the society and the public interest without ensuring any promotions.

According to Buelens and Van der Broeck’s research, private employees give far more value on the economic rewards (Buelens et al, 2007). The economic rewards constitute a powerful productivity incentive for private employees, mostly for senior management, while public servants do not relate productivity with financial incentives. Based on this research, public servants are influenced to a great degree by internal incentives, like the sense of duty and self-fulfillment. Public servants show more preference in safe and consistent working environments, with a warm and harmonious atmosphere based on reciprocity and respect. The research constitutes that the differences in individuals’ instigation method are mostly based on their working field and less on demographic elements. The internal incentives, mostly the ones that have nothing to do with economic rewards, are more valuable to the public servants.

Despite the low productivity level of the Greek public sector, public administration does not follow any clear instigation policy. The working elements about the professional life of public servants, does not show any essential productivity incentive. It is a fact that work efficiency is not connected to any grading, wage or other incentive. Consequently, there is no reason to increase work intensity, so that the qualitative work process is based on the personnel’s self-conscientiousness. According to Bourantas et al (1999), in which the defining factors of work efficiency are described, the human resources gap between public and private sector, is clearly presented. This study used a sample of 1.150 employees working at different Ministries, Public Organisms, Public and Private Enterprises (Bourantas et al, 1999). According to the article, some factors affecting the existing instigation gap, except that efficiency and economic rewards are not related, are included:

- In the characteristics of the work content, mainly in the variety and importance of duties, in the autonomy of implementation, in information about the outcomes, in the confusion and conflict about roles, policies and processes.
- In the general lack between the efforts – efficiency – remuneration connection.
- In the general atmosphere of the public administration, with unrecognized efforts, no stability in efficiency levels, and political intervention.
- In the quality of leadership by directors of all hierarchical levels and mainly in the operational levels of remunerations and orientation of energies in order to achieve the objectives.

At this point, before any technical upgrade on the methods of instigation of the personnel, a very crucial problem should be solved. This problem includes the assessment of public service’s efficiency, and it mostly focuses on the individual departments and personnel. The assessment’s issue is quite difficult and at the same time of great importance, since it constitutes part of public servants’ productivity level and relates to the effectiveness of the public sector. The absence of reliable assessment of public servants, impedes the identification of weaknesses and the rational management of the human resources. During the past, ineffectual and unworthy administrative legislations lead to quite many reformation efforts about the assessment of public servants (Academy Athens, 1998). Consequently, the main concern of public administration, must be the recording analysis of the personnel’s existing productivity. In addition, the regions that need improvement are detected, and the formation of a management strategy of human resources in formed, targeting on the total upgrade of the personnel. All the tools of human resources management, including the system of intakes, remunerations, developments, evaluations, transfers and the system of education, should be modified in order to respond on the needs of flexibility and adaptability without ignoring the existing budgetary restrictions (Katsimiradou et al, 2012). The assessment will present the real picture of the personnel and reveal the problematic focus points.

Following the solution of the above issue, the administration will be capable of using specialized business management tools, in order to improve efficiency levels. The instigation technique, mostly used in the private sector (high levels of success), offers to the public administration, a powerful system of incentives, supporting the increase of productivity. Based on the above analysis, the public servant does not show any need, demand, or work enhancement and therefore he is presented as incurious towards the implementation of his/her duties. The instigation of the personnel constitutes a very important management problem, related to the productivity of human resources. Connecting efficiency incentives with financial and grading ones, involve great improvement in the productivity of employees. The two basic disincentives related to the work concentration of the employees constitute the static salaries and the employees’ hierarchical evolvement. The previous two disincentives, could develop in a positive way the already existing system, offering to the employees an alternative chance to increase their remuneration and upgrade their professional career.

Nowadays, the exploitation of financial incentives is a very difficult process, since there are budgetary restrictions
that prevent the use of economic compensations for the improvement of productivity. Consequently, it is obligatory to exploit different types of incentives, as follows (Gomez-Mejia et al., 2015; Noe et al., 2009):

- The common incentives, which aim to strengthen the teamwork spirit missing from the public sector.
- The participation incentives in decision-making, which encourage the reduce of work alienation experienced by the public employees, as being part of a giant problematic State apparatus productivity process. At the same time, State Administration could attain a supporting management tool used from the nearest to the existing problem appropriate department.
- The design incentives for adapted work positions, which promote the unique skills of the personnel, create prospects of development and increase the employees' satisfaction offering them suitable work positions. It's a fact that due to the existing recruitment system, public servants rarely occupy work position which correspond to their skills and potentials.
- The incentives formed by the results of benchmarking. This type of incentives reflects the lack of an essential evaluation system in the public sector. The benchmarking of the results, define the standards of improvement. One typical example is the case of the new public servants, who initially work very professionally, but since their efforts are not recognized and they do not receive any other benefits, soon give up.

A research carried out by OECD, presented the tendencies that concern labor costs in public sector based on efficiency (Performance-Related Pay), and examined a) the financial reward offered to every individual or group of employees based on their productive potential and b) the resulting productivity development (in the website: www.oecd.org). This research, supports the policy where remuneration is performance related, a policy recently growing in the public administration sector of the countries of OECD. At the recent past, the countries of OECD increased their employees' salary based on how many years they worked for the company and not proportionally to their efficiency level. The policy change came due to the need for reformation of the existing instigation techniques, the focus on the administrative financial reward and the recognition of the work effort and devotion. The new system of payment based on the efficiency level, leads to the increase of competitiveness, using as role model the private sector. The first countries that adapted this rewarding system, were the governments of Canada, Denmark. Holland, New Zealand, Sweden, United Kingdom and USA, followed by an abundance of other countries. About two thirds of OECD countries have in some degree adapted for their public services, payment based on the efficiency system. The countries of Denmark, Finland, Korea, New Zealand, Switzerland and United Kingdom have made this policy system official. The countries of Canada, Ireland, Italy and Norway have applied this system in a managerial level, while the countries of Ireland, Norway and France are still in an experimental level (at a ministry level). Some of the current tendencies include:

- The standardized systems where payment is related to efficiency, which are developed into decentralized systems in countries like Denmark, New Zealand, United Kingdom and USA.
- The expansion of this rewarding system, from the superior administrative executives – to the personnel.
- The current trend encouraging many countries to focus on togetherness and collegiality.

This particular rewarding policy can operate as a very useful instigation tool or even as a wheel for a) the establishment of more flexible work methods, b) the promotion of efficient methods of complete tasks and staff management and c) after the incorporation of new technologies resulting in renovated means of work. Some new elements define future management trends, as follows:

- Significance should be given in the validity of the assessment process of performance, since it constitutes the main core of the rewarding system.
- Attention should be given in the exploitation of this system, so that it will function additionally to the remaining management methods of the personnel.
- Both the culture of each organization and the culture of each country should be valued before the planning of the rewarding policy, where payment is related to efficiency.
- There should be prevention of any resulting problem through the coordination of the personnel, the forecasting of expenses etc.
- Remunerations based on efficiency, should correspond to how the human resources management is distributed for regulation.

At this point it should be stressed that a system of financial incentives which is based on the employees' efficiency level, it does not necessarily mean that it will increase the labor cost. An income redistribution policy that will reward the more productive employees, is more likely to happen, supporting the meritocratic staff evaluation, focusing on the quality and the efficiency of the provided services. The performance improvement of the public sector will be benefited as well.

A very popular instigation method, helps the personnel of a public organization to embrace the main operational
vision, changing a common objective to an individual one. In order to encourage this policy, instigation practices and advanced communication methods are combined so that the employees will be convinced about the importance to participate in the achievement of a high public interest and a common objective both very useful for the entire group and each individual.

Another tool of the operational management, very helpful to the instigation process, is the “leadership” practice. Public administration is a multi-level hierarchical system, the executive members of which, progressing based on their age. The structure of this bureaucratic system promotes a big number of bureaucratic executives - who are mostly interested in completing their personal tasks rather than completing the common duties of the department. The executives do not consider as their duty the development of their subordinates, showing no interest either for the education and training of their personnel nor for their encouragement and their psychological support, resulting to a management discontinuity in the organism. Though, it’s a fact that in public sector the superior administrative executives are unable to function either as managers or as leaders. Asking to such an executive, who has not even realized his/her administrative tasks, to act as a leader, would be at least an exaggeration. The increased added value the public administration would have, in case its executives were also leaders, is very important to be mentioned, since it would create prospects of a) implementation of public policies in the most effective way, b) exploitation of the employees in the most productive way c) enrichment of the operations of the organism with the use of new, innovative practices etc. The creation of future leaders is an important process both for public and private sector, but the public sector has not realized it yet. The development of leaders along with an applied pithy policy of incentives, can both be very helpful for the productivity of human resources and the improvement of the total efficiency level of public administration.

4. Conclusions

Greece, which is bound by memorandum obligations, is called to improve the levels of productivity of its civil servants, under the budgetary restrictions caused by economic crisis. The motivation of human resources in the public sector, constitutes a very difficult and at the same time exceptionally important task, which can lead to particularly high levels of efficiency. The motivation of employees in the public sector, along with many other parameters, such as the socio-economic conditions, the culture and customs in each country, every country’s constitutional system or even the broader sense of an entire State (Vandenabeele, 2007), constitutes a multidimensional process (taking into account the peculiar nature of the State). The private sector example is used as a specific “guide”, including the most optimal practices suggested to the public sector, covering the emerging void of administrative expertise that derives from public bureaucracy. The extremely insufficient evaluation system, the budgetary restrictions and the absence of working interest, perhaps constitute the most basic problems of the personnel’s productivity in the Greek public administration. However, the very peculiar nature of these specific problems can direct the state administration into the right direction, presenting the suitable motivation policies which can lead to the improvement of the employees’ productivity.

The public administration could strengthen its operational force, applying different motivation methods, as follows:

- One modern, meritocratic and efficient evaluation system that will benefit the best businessmen, offering them hierarchy and salary incentives (Performance Related Pay – without any increase, but rather a reallocation of the operating costs), which can greatly motivate the Greek personnel.
- Redesigning the work positions, can help as a valuable evaluation of the active and inactive employees, by modernizing the existing organizational structure so that the human resources will be better managed.
- The participation of employees in the decision-making process, serving as an opportunity for those regulating the administrative problems (first line), suggesting solutions to support the given inefficient central administration.
- Using common incentives for team work focusing on the arise of future leaders.
- Applying channels of communication for the promotion of a new culture in the work of civil servants, based on which the promotion of the public interest will be very important, developing a common conscience. Another indicative factor is the State’s functional improvement, which involves the improvement of the personal position for both the employees and all the Greek citizens.

Even though, Greece is on an extremely difficult position, it pledges to succeed extraordinary administrative changes, by improving its personnel’s productivity level (reformation of the public sector). The highly developed private sector and a better functioning of the public administration, can be examples for the public sector helping it to cover the lack administrative expertise, strengthening the Greek economy.
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The Demographic Situation in Fieri Region

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Abstract
The population in the Fier region during the transition period went through a lot of changes. Such changes were accompanied by economic, social and political processes which were inevitably marked by the intra-regional specifications of the region. According the statistics, the population in this region after the year of 1990 experienced a decrease of about 1.3 % compared with the previous period. This situation is due to two reasons: the decrease in natural growth (reduced by over 3 times), and the impact of internal migration from the county mainly to the capital city of Albania but also as a result of emigration abroad. The greatest impact is a result of the reduction which is linked with a decrease in the birth rate coefficient from 24.3 ‰ (1989) to 10.1 ‰ in 2001 to 14.5 ‰ at present. Changes identified in the density of the county population. The average population density has fallen to163 h/km² in (2011) from 202 h/km²(1989). Population in the county is on average older than it was 22 years ago. The old population (+ 65 years), has increased to 12.1% from 7.1% which was in 2001, and the reduction of the new age (1-15 years old), is greater than the increase of population over 65 years old. During its evolution, the population in this county presents differences along spatial distribution according settlements city - village, district and municipalities. The phenomenon as analyzed according to the division between the two kinds of settlements urban-rural show that the increase in urban population is more than its natural growth and the opposite is true for the village population mainly due to the urbanization phenomenon.

Keywords: Natural growth, rate of birth, average annual growth, migration, settlement.

1. Introduction
After the year 1990, population in the Fier county experienced many changes which had a strong effect on both its quantitative and qualitative indicators. This paper tries to analyse and highlight the changes and trends observed in the quantitative dimension (the general number of population in the county), in the light of new socio-economic and political circumstances, which dictated the development of the Albanian society, at the end of 1980. The Fier county consists of three districts: Fier (the county seat), Lushnje and Mallakaster.

2. The Numerical Evolution of the Population in the Fier County During the Time Period under Discussion
The demographic situation in this region after 1989 is inextricably related to a host of factors, such as, geographic, political, economic, social and demographic factors etc.

According to the statistics after 1990, the population in the Fier region has increased by 1.3 times compared with the year 1989.

Table 1: The population in the Fier region (resident population), 1989-2011, in %.

<table>
<thead>
<tr>
<th>Units</th>
<th>1989</th>
<th>2001</th>
<th>a.a.g.1989-2001</th>
<th>2011</th>
<th>a.a.g.1 2001-2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nr. of pop.</td>
<td>381532</td>
<td>483269</td>
<td>2.0</td>
<td>494116</td>
<td>0.2</td>
</tr>
<tr>
<td>Urban area</td>
<td>101600</td>
<td>187126</td>
<td>5.2</td>
<td>202375</td>
<td>0.8</td>
</tr>
<tr>
<td>Rural area</td>
<td>279932</td>
<td>296143</td>
<td>0.5</td>
<td>291741</td>
<td>0.1</td>
</tr>
</tbody>
</table>


1 Annual average growth
Figure 1. The evolution of the (resident) population in the Fier region (1989-2011)

When this increase (by about 1.3 times) is compared with the previous statistical time period (1950-1989) we see that the increase in population is lower, at a time when the population according to the 1989 census was 3 times bigger than in the year 1950.

As a result of this situation the natural growth rate has decreased due to factors such as, the internal migration from the county to other wealthier areas primarily the capital city but also emigration abroad. In order to assess the consequences of the decrease in the natural growth rate we refer to the statistics in the following table. The natural growth rate coefficient in the year 2011 is under 6.0‰ (5.8‰) which is lower when compared with 19.5‰ that was in the year 1989. The statistics shows that this indicator during the previous period of 22 years has decreased by more than 3 times. This big decrease in birth rate coefficient from 24.3 % (1989) and 14.5 % (2001) to 10.1 % nowadays has contributed the most to the reduction in this indicator.

Table 2. The natural growth rate of population in the Fier county (1989-2011), in ‰

<table>
<thead>
<tr>
<th>Units</th>
<th>1989</th>
<th>2001</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N.G.2</td>
<td>K.F.3</td>
<td>K.M.4</td>
</tr>
<tr>
<td>County</td>
<td>19.5</td>
<td>24.3</td>
<td>4.9</td>
</tr>
<tr>
<td>Fier district</td>
<td>19.0</td>
<td>24</td>
<td>5</td>
</tr>
<tr>
<td>Lushnje district</td>
<td>20.0</td>
<td>24.7</td>
<td>4.7</td>
</tr>
<tr>
<td>Mallakastër distr.</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>


Table 3. The mechanical population growth rate of resident population of the Fier region (1989-2011), in ‰

<table>
<thead>
<tr>
<th>Units</th>
<th>1989</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>M.G5</td>
<td>K.M.6</td>
</tr>
<tr>
<td>Region</td>
<td>4.3</td>
<td>9.2</td>
</tr>
<tr>
<td>Fier</td>
<td>5.7</td>
<td>10.0</td>
</tr>
<tr>
<td>Lushnje</td>
<td>1.8</td>
<td>7.7</td>
</tr>
<tr>
<td>Mallakastër</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>


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2 Natural growth
3 Fertility Coefficient
4 Mortality Coefficient
5 Net Migration
6 Coefficient of immigration
7 Coefficient of migration
Statistics regarding the coefficient of migration balance is an important factor in the analysis of population decrease in the county, after 1989.

3. The Evolution of Population in Fier Region as Seen from the Spatial Viewpoint

3.1 The evolution of population in Fier region according to the type of settlement (urban - rural).

The reality observed taking into account the type of settlement is that urban population has increased at a faster pace than the natural growth rate whereas the opposite is true for the village.

According to the statistics it can be said that the general population until 2001 has increased 18.7% whereas the urban population has increased 21.4% compared with 1989. After this year, during the last two censuses population has decreased in the urban area of the county too by 0.02% on average per year compared with an increase of 1.6% in the previous period (1989-2001).

![Figure 2: The population of Fier county according to the districts (1989-2011)](source)

**Source:** Vjetari statistikor i RPS të Shqipërisë 1989, Tiranë, 1990; INSTAT Popullsia e Shqipërisë në vitin 2001, REPOBA Qarku Fier, Tiranë 2001; INSTAT Republika e Shqipërisë. Censusi i Popullsisë dhe Banesave, FIER 2011

3.2 Population in Fier region based on the type of settlement (urban - rural)

The rural population has decreased by 33.2% (after 22 years), at an average of 3.2% per year (r.m.v. -3.2%), which means that people have migrated more outside the county than towards its urban area (of the county), at a time when the urban population itself experienced a decrease (2001-2011).

3.3 The evolution of the population in Fier region according to the districts.

By analyzing the tendency of the general number of population of the county, according to the districts, it can be seen that only the populations of two districts Fier and Lushnjë went through an increase. The Mallakastër district is negatively affected by an increasingly negative net migration rate coefficient.

![Figure 3: The population of Fier according to the districts](source)

**Source:** INSTAT Popullsia e Shqipërisë në vitin 2001 REPOBA Qarku Fier, Tiranë 2001
3.4 According to the former municipalities

Changes can also be seen according to the municipalities. Based on the trend of variation which the population underwent according to the municipalities, we see that there is a decrease in population in all the municipalities although at different intensity when the last two censuses are compared. The biggest decrease in population is felt in: Levan now a subdivision of the Fier municipality (-3390 h.), Cakran also now a subdivision of the Fier municipality (3077 h.) and Qëndër again a subdivision of the Fier municipality (2523 h.). This category of former municipalities is followed by those in which the population decrease varies from 1200 b – 2260 b, where 50.0% of the former municipalities of the county belong to this category. Other former municipalities in which the decrease in population varies from 385 h. – 1200 h. constitute only 34.0%.

Figure 4. The map of population number in Fieri region
Source: INSTAT Republika e Shqipërisë. Censusi i Popullsisë dhe Banesave, FIER 2011, Accrued by A.Dhromaj


Population density and the rate of development of a region are important indicators of the socio-economic structure and of the demographic policy pursued by the local government as part of its ongoing effort to maintain and regulate societal issues as well as wealth distribution.

The territorial distribution of the population is a lengthy and complex historical process, shaped by such factors as, the geographic, natural, socio-economic, demographic, etc.,.

Fier county with an area of 1910 square km constitutes about 7.0% of the entire area of The Republic of Albania and 11.1% of the Albanian population lives there, (2011), with an average population density 162.5 h/square km. This fact is a clear sign of the high population density in the Fier county, compared with the average population density of The Republic of Albania 97.0 h/square km, this makes Fier the third most densely populated county in Albania.

Table 4. The population density of the region by districts

<table>
<thead>
<tr>
<th>Year</th>
<th>Girka</th>
<th>Lushnje</th>
<th>Maleshe</th>
<th>Feri</th>
<th>Lushnje</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>200.5</td>
<td>202.2</td>
<td>97.6</td>
<td>200.5</td>
<td>202.2</td>
</tr>
<tr>
<td>2002</td>
<td>200.2</td>
<td>209.7</td>
<td>139.8</td>
<td>200.2</td>
<td>209.7</td>
</tr>
<tr>
<td>2003</td>
<td>200.1</td>
<td>208.4</td>
<td>105.5</td>
<td>200.1</td>
<td>208.4</td>
</tr>
</tbody>
</table>

The population is not evenly distributed, judging by the spatial distribution of villages, districts and municipalities, etc.

- 60.0% of the county population resides in the countryside and occupies 84.4% of the area of the county, whereas about 40.0% of the populations live in the cities.

Table 5. The population distribution in Fier region (urban - rural), in (%)

<table>
<thead>
<tr>
<th>Units</th>
<th>Years</th>
<th>1989 Surface</th>
<th>Pop.</th>
<th>2001 Surface</th>
<th>Pop.</th>
<th>2011 Surface</th>
<th>Pop.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Region</td>
<td></td>
<td>100.0</td>
<td>100</td>
<td>100.0</td>
<td>100</td>
<td>100.0</td>
<td>100</td>
</tr>
<tr>
<td>Urban area</td>
<td></td>
<td>15.6</td>
<td>26.62</td>
<td>15.6</td>
<td>32.3</td>
<td>15.6</td>
<td>39.8</td>
</tr>
<tr>
<td>Rural area</td>
<td></td>
<td>84.4</td>
<td>73.37</td>
<td>84.4</td>
<td>67.7</td>
<td>84.4</td>
<td>60.2</td>
</tr>
</tbody>
</table>


After 1990, population shows a marked tendency to concentrate on the cities.

- According to the districts, 62.0% of the urban population of the county lives the city of Fier, (the biggest administrative centre of the county also the county seat) and less than (6.2%), in the district of Mallakastër. This is directly linked with the migration of the population mainly to Fier, but also to Tirana, Durres, but also abroad.

- According to the municipalities, judging by the population rate there are differences as shown in the maps below which show population density in Fier region. 18 former communes which constitute 50.0% of the total number of former communes in the Fier region, have a lower population density than the average density of rural population of the county (114 h/square km²), at a time when the other half of the former communes have a population density above the average density of the former communes of the county.

![Map of population density in Fier region](image)

Source: INSTAT Popullsia e Shqipërisë në vitin 2011 REPOBA Qarku Fier, Tiranë 2011

The disparities present in the distribution of the population throughout the county area are a clear sign that the local and central government should adopt a different approach in a bid to narrow the differences between the population and the rate of development.
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INSTAT Republika e Shqipërisë. Censusi i Popullsisë dhe Banesave, FIER 2011
Vjetari statistikor i RPS të Shqipërisë 1989, Tiranë, 1990
Academic Achievements of Adolescents and Family Functioning

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Abstract

This study is focused on academic achievement of adolescents and their relationship with family functioning. The study aims to reveal through several research methods the functioning of family ties (cohesion and flexibility) and the type of adolescents’ families, their academic achievements, as well as the demographic characteristics of families based on their categorization by type of functioning. To realize the goals of the study were conducted measurements of family functioning in order to determine the type of functioning and through semi-structured interviews and conversations were revealed characteristics of families by type of functioning. The study sample consists of adolescents (N=32) and their parents (N=27). It was found that the gender of the adolescent, being a resident for the last 15 years in the capital versus new arrivals, education of parents, the density of the apartment and the economic situation have positive correlation with family functioning, which in turn is positively related to family support in the aid in learning and academic achievement of adolescents. The study also found that low levels of family cohesion and family functioning are related mostly with newcome families in the capital these last 15 years. The study found that these families have much more difficulties and challenges to face compared to resident families. The author makes recommendations for further studies on families during the migration processes.

Keywords: family functioning, family cohesion, family flexibility, demographic characteristics, academic achievement

1. Introduction

Albania is a country that has invested and strived for years to achieve the objectives in all areas of country development in order to join Europe. Achievements in the field of education are among the most challenging objectives to be realized considering that the country has inherited from the communist past many gaps in terms of educational infrastructure and human resources. Educational achievements of students constitute a way to measure the achievements of the objectives in the field of education as they are key indicators of the performance of an educational system. On the other hand, adolescents’ academic achievements are vital for the future of young people because any decision taken by them and their families for further education is based precisely on these results (Kashahu, 2016). In addition, according to Hanushek and Woessmann (2012), they have a special importance because based on scientific certificates, they affect the country’s economic future. According to Masten & Obradovic (2006) progress in school is the main task for the adolescent. Consequently, adolescence is a period where young people need support, especially from their family, which constitutes the most important microenvironment for the adolescent (Bronfenbrenner, 1976).

In key strategic and political documents, the academic achievement of Albanian students is viewed with concern. "Programme for International Student Assessment (PISA 2000), showed that the results are relatively weak" (SKAP, 2009, p 10). Similarly, the World Bank report for Albania (2011, p. 11) stated that in the Standardized Test of Pisa 2009,
Albania had the lowest assessment in Europe in math and reading achievements, being ranked last. The statistical office, near REDT\(^1\), reports data which show that the results of learning in core subjects such as mathematics and language indicate decrease rather than improvements. Specifically, during the academic year, 2013-2014 the achievements of students in grade 9 of grade schools of Tirana in the subject of native language were as follows: the annual average grade 7.6 and the average grade in the leaving examination 8. It turns out that in this subject 38% of students had low annual achievements. In the academic year 2014-2015, the annual average grade in native language was 7.5 and in the leaving exam 7.8. However, there is also a growing number of students that failed to pass the exam of this subject from 1.1 to 2.3.

Regarding academic achievements in mathematics during the school year 2013-2014, the annual average grade in mathematics is 6.8 and at the leaving exam is 6.76. The students who had low annual achievements in this subject constitute 55.7% of the total number of students. A year later, the annual average grade in mathematics was 6.8 and at the leaving exam 7.3, marking a slight increase in the average grade of leaving exam, but on the other hand an increase in the number of students who failed to pass the exam in mathematics from 1.2 to 2.3. The above mentioned facts prove the concrete need of the country for proper scientific studies to better understand the factors that affect academic achievements of Albanian students.

In fact, the academic achievement of adolescents have attracted the attention of researchers in the field of education throughout the world, turning them into the principal object of their studies (Allen, 2007; Blankstein, 2010; Huston, & Bentley, 2010; Catsambis, 2002; Conger & Donnellan, 2007; Epstein et al., 2011; Fan & Chen, 2001; Hill & Chao, 2009; Hong & Ho, 2005; Jeynes, 2005; Lacour & Tissington, 2011; Patrikakou, 2004; Sanders, 2006; Seginer, 2006; Spera. Although it is understood and appreciated the importance of family and its contribution at the achievement of children, there are rare studies that deepen understanding on family functioning dynamics and linking it with children's performance (Kashahu, 2015), while there is not a lack of the studies which measure the level of family involvement in education and the impact of parental activity in their children's school achievement (Huston, & Bentley 2010; Davis-Kean, 2005; Eppler & Weir, 2009; Fan & Chen, 2001; Henderson & Mapp, 2002; Sheldon & Epstein, 2005).

The relationship between SES and academic growth is the most studied one. SES of adolescents family was found to be the most important factor in predicting their academic achievements by the OECD report (2011). In this report, Albania is classified in the list of countries economically disadvantaged and therefore the academic achievements are considered at risk for Albanian students (Kashahu, 2013). However, research on indicators that influence academic achievements is not limited to one of the SES factors such as economic incomes, even though they are very important, but they expand the view with studies of family environment factors, like environment where interactions occur between the child and parent (Bronfenbrenner & Morris, 1998) that according to the researchers Lacour & Tissington, (2011) affect academic achievement in particular during adolescence. Parental education is another indicator connected with the students achievements and especially their mothers education (Huston & Bentley, 2010; Kashahu, 2013). Davis-Kean (2005) explain that highly educated parents establish realistic but high expectations for their children and are more involved in the activities of learning at home. Researchers Conger & Donnellan (2007) support the argument of Huston & Bentley (2010), adding that the level of parents education affects the growth of their social status, and both serve to increase the intellectual and human resources to deepen more in knowledge and to gain skills and habits that help learning.

Whereas in 2005, the researcher Gutman, Mcloyd & Tokoyawa brought up new findings related to family factors and academic achievements, such as unemployment and high density of apartment, which according to the authors is negatively associated with high educational achievements. Five years later the researcher Marteleto (2010), reaffirms the negative relationship between school achievement and high density of apartment and family members as well. These findings of Marteleto are supported by other studies that confirm that life in an overcrowded house (more than one person per room) creates stress and difficulties in children's performance (Antoniu et al., 2013; Evans, Ricciuti, Hope, Schoo, Bradley, Corwyn et al., 2010; Kashahu, 2013). In crowded environments conditions are unlikely to help students do their homework due to lack of space and tranquility (Kashahu, 2013). On the other hand, in these conditions it is very hard to be accomplished the monitoring of children by parents and the building of good learning habits (Brown & Low, 2008).

According to Amato & Fowler (2002), warm emotional relationship between parent and adolescent is a significant predictor of their academic achievements, as the young benefits in many forms of family interaction (Crosnoe & Elder, 2004). Talking about family interaction are clearly taken into account the dimensions of interaction that are related to

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\(^1\) Regional Education Directorate of Tirana is one of the most important departments in Albania because the city of Tirana has the highest density of population in the country. According to INSTAT (2013) about one third of the population of Albania resides in Tirana region.
family functioning (the family cohesion, flexibility and communication between family members). If we refer to emotional ties between parents and adolescents, the positive perception of young people on the family cohesion creates in their eyes a supportive family, that is near them emotionally in every situation. When adolescents perceive their families as functional and they do have personal freedom in decision-making, the academic performance increases (Crosnoe & Elder, 2004; Bernard, 1991).

2. Theoretical Framework

During the last three decades, different models of researchers have been focused on the development dynamics of family functioning, making efforts to connect research, theory and practice, (Olson, Russell, and Sprenkle, 1989). Circumplex Model of family, created by these researchers, established the possibility to further develop theoretical framework of family development through research studies. This theoretical framework assesses how the family works through three dimensions of family life; cohesion, flexibility (adaptability) and communication (Olson and Gorall, 2003). This study is based on the theoretical framework of Circumplex Model.

Within the Circumplex Model, some of the specific concepts or variables that can be used to diagnose and measure the family cohesion dimensions are: emotional bonding, boundaries, coalitions, time, space, friends, decision-making and interests and recreation (Olson, Russell, and Sprenkle, 2014:9). Assessment of the above factors helps in determining the level of family cohesion. Families with low cohesion are characterized by the concept of "emotional breakdown" while families with high cohesion have as a basic quality "solid relationship" or families with "high consensus". (Olson, 1993) There are four levels of cohesion ranging from disengaged (very low) to separated (low to moderate) to connected (moderate to high) to enmeshed (very high) It is hypothesized that the central or balanced levels of cohesion (separated and connected) make for optimal family functioning. The extremes or unbalanced levels (disengaged or enmeshed) are generally seen as problematic for relationships over the long term. In the model's balanced area of cohesion (separated and connected), individuals are able to experience and balance these two extremes and are also able to be both independent from and connected to their families. (Olson, Russell, and Sprenkle, 2014:9).

Adaptability (flexibility) is the ability to adapt, the ability to change that the family system has on the functioning of family roles, relationships, rules established for maintaining the relationship in response to stress (Olson, 1993). The four levels of flexibility range from rigid (very low) to structured (low to moderate) to flexible (moderate to high) to chaotic (very high) As with cohesion, it is hypothesized that central or balanced levels of flexibility (structured and flexible) are more conducive to good marital and family functioning, with the extremes (rigid and chaotic) being the most problematic for families as they move through the their life cycle. (Olson, Russell, and Sprenkle, 2014:12). It was concluded that excessive flexibility leads to a chaotic family, while low flexibility leads to a very rigid relationship. (Olson,1993). Healthy family functioning is exhibited not only in terms of physical and emotional proximity, but also in terms of flexibility as a members’ competence to adjust their relationships through patterns of communication, and to understand decision-making processes, relationship rules and role expectations (Olson, 2000).

As a starting point for this research were the results of a doctoral study not yet published (Kashahu, 2013) whose measurements were carried out three years ago, where it turns out that the functioning of metropolitan families is mainly extreme and the level of cohesion is too low, being a determining factor of the extreme functioning. There are few scientific research studies focused on the relationship between family functioning and academic achievements, (Antoniou, Dalla, Kashahu, Karaj, Michailidis dhe Georgiadi, 2013; Kashahu, 2012, 2013; Kashahu dhe Karaj, 2012), but even more rare are studies on the effects that demographic characteristics have on the dimensions of family functioning (Antoniou, Dalla, Kashahu, Karaj, Michailidis dhe Georgiadi, 2013). The study aims: a) to identify the level of family functioning (cohesion and flexibility) and family type for each adolescent; b) to examine the family's functioning (cohesion and flexibility) and type of adolescents family, their academic achievements, as well as c) to determine the demographic characteristics of families based on the categorization of families according to the type of functioning.

3. Methodology

To meet the goals of this study were used combined methods with the aim of having comprehensive findings. Measurements were conducted specifically about family functioning and qualitative methods were used to collect data through semi-structured individual interviews and free conversations with adolescents and parents.
3.1 The participants

Participants in this study were adolescents (N=32) and their parents (N=27). The sample was selected with the technique of stratified random sampling (Matthewes & Ross, 2010, p 166-68). Adolescents sample consisted of 14 girls and 18 boys aged 14-15 years. The girls group was composed of three girls with families that had been residents of the city of Tirana for a long time and 11 girls whose families had arrived in Tirana in the last 15 years. While the group of boys consisted of four adolescents, residents in Tirana for many years and 14 boys whose families had arrived in Tirana in the past 15 years. Mainly, the adolescents coming in recent years were from the villages and towns of Kukës Dibra, Elbasan, Berat, Korca, Gjirokastra and Fier regions.

Also in this study participated 27 parents, even though initially it was scheduled to interview 32 parents, a parent for each adolescent interviewed. Parents belonged to the age group 37 to 62 years out of which 12 were males and 15 females. Regarding gender, were interviewed 12 males and 15 females. From the group of fathers that were interviewed only two were residents in Tirana and 10 of them belonged to the group of newcomers from towns and villages of Kukes, Dibra, Elbasan, Berat, Korca, Gjirokastra and Fier. With regard to the group of mothers, 3 of them were residents in Tirana and 12 belonged to the group of newcomers. Concerning the employment of parents interviewed, 3 in 4 fathers resulted employed, whereas nearly half of the mothers were unemployed or working with seasonal work.

3.2 Measurements

To measure the level of family cohesion and flexibility and to determine the family type was used a self-report inventory (Olson, Portner, Bell, & Filsinger, 1982) which was administered to 32 adolescents. This inventory was previously used in a doctoral study with a sample of 714 adolescents, where factorial analysis were in compliance with the original scale and reliability of the instrument for both subscales was high. This inventory consists of 30 item in Likert scale, where 1 means that what is described there never happens in the family, while 5 means that what is described occurs more often. There are 16 items measuring the cohesion and 14 items measuring the flexibility. Along with the functioning of the family inventory was completed an inventory of SES of adolescent family were it was taken into the consideration: the origin of the family (resident, or newcomer in Tirana), education of both parents, employment, kind of job, family structure, density of apartment and family income level. Also, records were taken by the class registers about the grades of mother tongue and mathematics, and the average grade of the main subjects of every adolescent which subsequently were confirmed by them.

The semi-structured interviews with adolescents and their parents aimed to discover the experience of metropolitan family dynamics associated with its functioning, which helps to understand what kind of demographic features have the families that are not cohesive versus those that show balanced levels of family cohesion or families with balanced functioning versus those with extreme functioning. Their structures were based on the theory indicators of Circumplex Model (Olson, Russell, and Sprenkle, 2014:9-25). More specifically, the interviews structure was oriented in terms of cohesion by indicators such as a) emotional connection (How do you support each other and how close to each other do you feel in your family? Does your child ask for your help in learning and how do you support him/her? Do you need help for the lessons? How do your parents support you), b) family boundaries and the decision making (Who do you discuss your problems with? Do you consider the family opinion when you take your decisions?) and c) time, space, friends, interests and recreation (How do you organize your free time and with whom do you spend it?).

Indicators of flexibility dimension were: a) security, (Do you feel free to express your opinion in your family?); b) leadership, (Are children’s opinions taken into consideration when making decisions in the family?); c) roles (How do you share the family tasks?); and d) rules (How you set rules in your family? Are they clear and is it possible to change them any time?)

3.3 Procedures of data collection and data processing

Data for this study were collected during April-June 2014. Six schools were randomly selected (two schools from down town area, two from the first urban ring of the city and two from the city suburbs) and from each school were selected 3-4 ninth grade students, who were asked to fill the family functioning inventory and the one of the SES. Then, were realized interviews with students and their parents. The Inventory of family functioning was processed manually, based on manual processing (Olson, 1992). For the convenience of analysis of passing grades data (there was no failing grades in this sample) were grouped into three levels namely, low level 5-6, the average level of 7-8 and the high level 9-10. Once it was determined the level of cohesion, flexibility and family functioning, were analyzed their relations with indicators of
SES, and academic achievement of adolescents. Semi-structured interviews were analyzed thematically by using the technique of labeling and coding which enabled the interpretation of these data.

4. **Results**

4.1 **General demographic and social data of adolescents**

From the analysis of data results that one in four adolescents belong to families resident in Tirana, while three-quarters of them come from families that have arrived in the capital over the past 15 years from districts of Kukës, Dibra, Elbasan, Berat, Korca, Gjirokastra and Fier. Most of the children come from families with both parents. The density of the sample’s apartment turns out to be high. It was reported by adolescents that about 1 in 5 students has his room. Table 1 contains comprehensive data separated by the students’ gender.

**Table 1. Absolute frequencies of family origin, structure and density of the apartment on the basis of gender**

<table>
<thead>
<tr>
<th>Gender</th>
<th>Family origin</th>
<th>Family structure</th>
<th>Apartment density</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Residents</td>
<td>Coming last 15 years</td>
<td>Families with both parents</td>
</tr>
<tr>
<td>1. Females</td>
<td>3</td>
<td>11</td>
<td>14</td>
</tr>
<tr>
<td>2. Males</td>
<td>4</td>
<td>14</td>
<td>18</td>
</tr>
<tr>
<td>Total</td>
<td>7</td>
<td>25</td>
<td>31</td>
</tr>
</tbody>
</table>

The educational level of the adolescent’s mothers and fathers interviewed were as it is shown below in Table 2. Most students have parents with secondary education. Approximately a quarter of parents have finished the 8-year school and one in five children have parents with university education and postgraduate education.

**Table 2. Absolute frequencies of parental educational level on the basis of gender**

<table>
<thead>
<tr>
<th>Gender</th>
<th>Parents education level</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mothers</td>
</tr>
<tr>
<td>1. Females</td>
<td>3 8 2 1</td>
</tr>
<tr>
<td>2. Males</td>
<td>5 8 3 2</td>
</tr>
<tr>
<td>Total</td>
<td>8 16 5 3</td>
</tr>
</tbody>
</table>

Note. 1= 8-years school education, 2= high school, 3= university, 4= postgraduate

Nearly half of adolescents’ mothers in this sample are unemployed. Whereas regarding their fathers, very few of them are unemployed, but it is noticed that those employed do hard work with long hours that surpass 10 hours per day. About a quarter of them are obliged to have two jobs. More than half of the parents work in the service sector. The level of the family income of adolescents divided by gender is presented in Table 3.

**Table 3. Frequency of financial position on the basis of adolescents gender**

<table>
<thead>
<tr>
<th>Gender</th>
<th>Financial situation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>1. Females</td>
<td>5 5 2 1 1</td>
</tr>
<tr>
<td>2. Males</td>
<td>6 7 3 2 0</td>
</tr>
<tr>
<td>Total</td>
<td>11 12 5 3 1</td>
</tr>
</tbody>
</table>

Note. 1=under 40 000, 2=40 0001to 60 000, 3=600001 to 90 000, 4= 90 001 until 120 000, 5=over 120 001leke

4.2 **The level of family functioning (cohesion and flexibility) and type of adolescents’ family**

The first aim of this study was to identify through inventory of family functioning (Olson, Portner, Bell, & Filsinger, 1982)

² They have a personal room at the apartment
³ Shares the room
the level of family functioning (cohesion and flexibility) and type of adolescents family. According to reports by adolescents results that most of the families of adolescents who participated in this study are classified into low levels of family cohesion. Regarding flexibility, families result to be structured and flexible. The data were classified based on gender in order to have a more complete picture. In Table 4 we notice small differences between genders in terms of cohesion, where girls seem to perceive their families as more cohesive than boys, but boys perceive families as less flexible than girls.

Table 4. Absolute frequencies of family functioning on the basis of gender

<table>
<thead>
<tr>
<th></th>
<th>Female</th>
<th>Male</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Family cohesion</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Entirely disengaged</td>
<td>9</td>
<td>14</td>
<td>23</td>
</tr>
<tr>
<td>2. Divided</td>
<td>3</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>3. Connected</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>4. Entirely connected</td>
<td>1</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td><strong>Family flexibility</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Rigid</td>
<td>0</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>2. Structured</td>
<td>5</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>3. Flexible</td>
<td>8</td>
<td>7</td>
<td>15</td>
</tr>
<tr>
<td>4. Caotic</td>
<td>1</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td><strong>Family functioning</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Extrem functioning</td>
<td>9</td>
<td>13</td>
<td>22</td>
</tr>
<tr>
<td>2. Medium functioning</td>
<td>4</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>3. Balanced functioning</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

4.3 The impact of family functioning on adolescents academic achievements

Adolescents participating in this study have the following achievements,, as described below in Table 5 which shows in detail student achievement in mathematics and mother tongue, the average grade in the most important subjects and gender.

Table 5. Frequences of academic achievements on the basis of adolescents gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Level of achievements in Math</th>
<th>Level of achievements in Language</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>H^4</td>
<td>M^5</td>
<td>L^6</td>
</tr>
<tr>
<td>1. Females</td>
<td>5</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>2. Males</td>
<td>2</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Total</td>
<td>7</td>
<td>13</td>
<td>12</td>
</tr>
</tbody>
</table>

The grouping of data after completing the inventory of family functioning showed that academic achievements are related to family functioning level. More specifically, there is no case of high achievement in mathematics to be classified at the level of entirely separated of the family cohesion, while it is observed that students with average and low scores belongs to this category. In the subject of the mother tongue, more than half of students with high results are classified into high levels of family cohesion. Even in terms of average grade, the students with average and low ratings are those who claim to be completely disconnected emotionally from their families. In terms of family flexibility, even though there is a wide distribution of values compared to the case of family cohesion, it is observed that students with high scores are classified into high levels of flexibility (structured and flexible family) both for the achievements in mathematics and mother tongue as well as in terms of average grade.

Likewise, concerning the values of family functioning, more than half of the students with high scores in all cases (academic achievements in mathematics, mother tongue, and average grade) are classified in the category of medium and balanced family functioning. On the other hand students with low scores in all cases (academic achievements in

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^4 High level of achievements (grades 9 and 10)  
^5 Medium level of achievements (grades 7 and 8)  
^6 Low level of achievements (grades 5 and 6)
mathematics, mother tongue, and average grade) are mainly classified into the category of extreme family functioning. Table 6 presents us with detailed data.

Table 6. Frequencies of academic achievements on the basis of adolescents gender

<table>
<thead>
<tr>
<th>Family functioning</th>
<th>Level of achievements</th>
<th>Math</th>
<th>Language</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family cohesion</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Entirely disengaged</td>
<td>H M L</td>
<td>11</td>
<td>12</td>
<td>8</td>
</tr>
<tr>
<td>2. Divided</td>
<td>6 x x</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>3. Connected</td>
<td>5 1 x</td>
<td>6</td>
<td>x 1</td>
<td>5</td>
</tr>
<tr>
<td>4. Entirely connected</td>
<td>x 1</td>
<td>x</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>7 13 12</td>
<td>10</td>
<td>14 8</td>
<td>9</td>
</tr>
<tr>
<td>Family flexibility</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Rigid</td>
<td>x 1 2</td>
<td>x</td>
<td>1 2</td>
<td>x 1</td>
</tr>
<tr>
<td>2. Structured</td>
<td>3 3</td>
<td>4 5 1</td>
<td>4 4 2</td>
<td>10</td>
</tr>
<tr>
<td>3. Flexible</td>
<td>7 5</td>
<td>5 7 3</td>
<td>5 7 3</td>
<td>15</td>
</tr>
<tr>
<td>4. Chaotic</td>
<td>x 2 2</td>
<td>x</td>
<td>2 2</td>
<td>x 2</td>
</tr>
<tr>
<td>Total</td>
<td>7 13 12</td>
<td>10</td>
<td>14 8</td>
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<td>2 11 9</td>
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<td>5 2 1</td>
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<td>2</td>
<td>x 2 x</td>
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<td>10</td>
<td>14 8</td>
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</table>

4.4 Demographic characteristics and differences in family functioning of adolescents

To understand the impact of demographic characteristics of the family in its functioning was made a division of the data collected through interviews and conversations with adolescents and their parents, based on the findings concerning the dimensions of family functioning.

4.4.1 Families with extreme functioning

The majority of this category is composed of families that have arrived these last 15 years in the capital. It is noticed a low status of parents’ education and low social status. The majority of unemployed parents belong to this category and in most cases, only one parent is employed. These families are characterized by low level of financial incomes, high density of their dwelling and the highest number of children compared to the other two groups. According to the data of the interviews and conversations with both parents and adolescents, these families are characterized by lack of family peace, stress associated with the lack of security for the future and difficult living conditions (they live mainly in rented flats with improper conditions at suburban areas of Tirana).

It is interesting to mention the fact that even though a significant number of teenagers that have arrived in Tirana in the past 15 years were interviewed in urban schools in the center and district schools of Tirana ring, they were residing in suburban neighborhoods. These students travelled each day organized by minibus to attend school. During discussions it was revealed that parents made efforts to integrate their children and send them to attend quality schools in Tirana, arguing that the main reason of their removal from the cities of origin was mainly connected with their employment and education of children. Although their parents made sacrifices, considering the financial bill associated with the attendance of school away from the apartment, from interviews and conversations is revealed that in the majority of the cases they do not provide support and assistance in lessons. In most cases this assistance is not given because of their low level of education, lack of financial ability for non-direct support (attendance of courses, not part of the school) for the the creation of conditions of learning at home, but also because of their workload.

According to adolescents reporting but also from their parents reporting, it is noticed that this type of family is characterized by emotional distance among family members where it is evident that these families have a very low level

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7 In the city of Tirana there is a high concentration of population and therefore schools are 10 minutes away on foot from the dwellings of children.
of family cohesion. The level of flexibility is presented with scattered values, but what draws attention is that all the cases of rigid families belong to this type of functioning. However, we must emphasize that in terms of indicators of family flexibility such as; safety, leadership, roles, and rules in the family, this group is no different from the other two groups.

To detect family emotional ties within this category were addressed these questions for parents and teenagers:

How do you support each other and how close to each other do you feel in your family? Does your child ask for your help in learning and how do you support him/her? Do you need help for the lessons? How do your parents support you? Thematic analysis of interviews with parents showed that even though most parents consider very important the family's need for support, especially when family members face difficulties, declare that they do not provide this support for various reasons. Fathers mainly said they have no time since they have to work long hours to meet the economic needs of the family. Even those parents who are employed say it is very difficult for them to keep their job and therefore try to do other jobs part time in order to provide for their families in a difficult moment.

Here is what a parent explains:

"I would like so much to help my daughter for her lesson in school, but when I come back from work she is asleep. I do two different jobs per day because I'm afraid that one of the positions could close and if it so...... I have the other one that's not that good, but just to feed the kids. Tirana is too expensive and we don't have any support here. During weekends I try to help her in the lessons, but you know what?! The lessons are more difficult than they were in our time. I've been very good at math, and my average grade in this subject in high school was 9, even though we didn't have the financial means and couldn't attend university. But these lessons now..... ouch.. I can't understand anything at all!!!." (male 43-years old)

On the other hand adolescents also report other types of problems with their parents apart from the fact that they are unable to help children because of the difficulties presented by the curricula. Adolescents say that their parents are worried all the time and focused on their work and problems. When someone has a problem the family tries to solve it or help each other at weekends or days off. Here's what a boy says.

"I needed mom to come at school in order to speak with math teacher, but during the working days you can't even mention leaving work early because she's afraid of being fired. She had to work two Sundays in a row in order to have a free day to come and meet the teacher".

In order to discover the family bounders and decision-making within the family these questions were addressed to parents and adolescents: Who do discuss your problems with? Do you consider the family opinion when you take your decisions?

From the analysis of data collected through interviews and conversations with parents and adolescents results that the majority of parents report that when decisions are related with their family, they talk with partners and take their opinion, but in most cases they make decisions themselves. There are very few parents who report (only 2) that when the decisions are related to their children they get their opinion as well. It is noted that mothers who do not work usually leave decisions in the hands of husbands. It is observed, however, that family decisions are taken by men even when problems are discussed in the family.

Concerning adolescents reports, they indicate that they mostly discuss their problems with siblings and close friends. Youngsters show some reason why they do this. Firstly, they show that their parents are too busy and stressed by their jobs and for this reason it is difficult to find a suitable moment to make a proper conversation. Secondly, they show fear of punishment for expressing their views openly. Thirdly, almost half of young people think that their parents do not understand them and it is better to talk to people outside the family.

Here it is an expression from a girl:

"There is a guy in my class who is very peevish, harassing me all the time, sometimes he kick me and sometimes rips my books and notebooks. Few days ago he threw corrector ink in my pants. I have complained so many times to the teacher, but the teacher does not deal with him and he not even listens to her at all. I wanted to talk to my mom, but you can't find a moment when she is calm. She starts working early in the morning and she is always tired. One Sunday I thought to talk with her, but something came out and she left the apartment. Even if I spoke to her she would make me guilty. In fact she doesn't want me to wear those jeans at school. I talked to a friend and she suggested to ask the teacher at least to change my desk".

To understand more about the way this category interacts in the free time, in common residential spaces, with friends, and during recreation, we addressed to both parents and young people these questions: How do you organize
your time free and who do you spend it with? By grouping the data of parents and adolescents, results that family spends very little time together. Often parents do not have the day off neither Saturday nor Sunday. Even when they have a day off parents use it to do the shopping for the week and for family chores. In these conditions, during the weekend, children spend their leisure time communicating with friends on social networks and watching movies or listening to music. They say that they want to invite their friends home, but can not do so because their homes are not as they should be and do not have the right conditions for inviting friends.

Low level of income does not give families the opportunity to go outdoors for recreational activities. Less than a third of parents report that spending time together often turns into dialogues of requests and accountability. Approximately there is the same number of young people who think that when parents stay at home they ask their children to do housework and study. Also, young people report that it is exactly at weekends or days off that their parents quarrel the most. According to them it is mainly related to economic reasons, or to the time that spouses, mostly men, spend outside the family, but there are not few the cases when spouses quarrel because of the interference of other persons of the family (parents or brothers and sisters of the couple) in couple’s problems. In some cases the extended family becomes a barrier for the family to spend nice time together. T. B, a 50 year old father of three, who lives with his parents, thinks that it is impossible to relax and find peace in the family. In his opinion, free time is spent better away from the family.

"Where to stay in our house? There are so many people and one can not even chat. Even when I have time and come home early, my wife starts saying we need money for this and for that or we need to visit him or her. Kids with their things (...). Elders with their illnesses... You get crazy. When I leave work a little early, I meet with friends to play billiards or for a drink and a game of cards...”

From youth reports we found out that fathers often spend their free time with friends rather than with their family. Here is what an adolescent says:

"Dad comes home very late every day. He can not stand being home with us when we do our homework and mom prepares food for tomorrow. This makes mom very angry and she is all the time in bad humor. She is worried that my dad spends money, not because she expects something from him. He only does shopping time after time ..."

What is even more disturbing emerges from free conversations with mothers who indicate that their husbands spend a great deal of time and money in gambling or sports betting. So many conflicts arise within the family, which in these conditions loses incomes, harmony, tranquility and attention to children. Apparently this is a tendency to make quick profits without efforts in a society where it is hard to find a job, but even if you find one, you could hardly keep it. Furthermore, in Albania you are not always paid properly for your job. People can work all day long and not be able to provide even the basic living needs.

However, almost one in five parents shows that they try to plan their weekend in order to stay together with the family and have fun. B. XH. the mother of two teenage children says:

"When the weather is good it is easier. We go out for a coffee and time flies away. On Friday, after finishing the housework I do the shopping. I try to buy things that kids like. We gather around the television and watch a movie together, but the boy often wants to go out with friends and wants money. When I can’t give him any money he says: "(...)

It is always the same story with you! You buy us some lollipops and put us in front of the TV as if we were babies.

4.4.2 Families with medium functioning

Based on the analysis of data collected from interviews and conversations, medium functioning families are mainly resident families. Four out of the six resident families have nuclear structure. Whereas concerning the two other families, one is an extended family and the other is one-parent family due to divorce. Two of the families that have moved to Tirana these last 15 years, part of this group, are both nuclear. These families are mainly characterized by the high level of parents education, with both parents employed, but also with a satisfactory social status. If you see the professional status of these two families, one belongs to the high officials of the state and the other one to the business sphere. The economic status of these families results in much higher levels compared to families with extreme functioning. Mostly, families of this group have their own flat, only in one case the family has rented the flat. Mainly, these are families with two children, who in most of the cases have their own room. The parents of these families give much value to the connection between family members, and therefore plan their activities by creating space for both their professional life and family life which are programmed very carefully.
What stands out in most of the cases concerning the level of cohesion of these families is that they belong to the divided and connected level which make up medium levels of cohesion and in only one case it results to be fully connected, more specifically this is the family with divorced parents. Families are connected emotionally which shows that they constantly support each other and feel connected with their family members. Also, parents seem to take special care and devote time to support children in their lessons, and also do their utmost to create conditions for learning not only at home but also supporting their children with private tutors, especially for mathematics and foreign languages. Children of these families attend sports clubs, swimming, dancing and in two cases they take lessons in both drawing and music. Families appear in family boundaries and open decision making. Problems are discussed and usually are taken joint decisions. It is obvious that these families spend time together and give special attention to time spent together. Family members communicate with each other’s friends and have common interests. Usually families use weekends to spend some qualitative time with each other and family friends. Here’s what a 42 years old mother of two says about the weekend:

“Every night after we finish what we have to do, we sit together in the living room to watch television together, discuss problems and talk about the way we spent the day. Also we share ideas and plan the routine for tomorrow. However, the weekend is very important for us. It is the most beautiful moment as we have a lot of time to spend together. We often invite our friends or children’s friends for Saturday’s lunch or go out for coffee and rarely for lunch”

The levels of flexibility of these families are mainly medium. These families are characterized by security to express their opinions, where children have their place in decision making. In terms of roles and responsibilities in the family, even though they are separated, the family has the flexibility to react when certain conditions arise. Teenage B.L says about her family.

“Even though mum is our cook, yesterday I cooked. I did not make anything special. Salad and pasta. Mom and dad went to see our aunt because her husband had surgery and I did not leave the little brother without lunch.”

Family rules in this group are clear. Although they may change in specific cases, the children of these families and parents know their limits.

“On Friday I went home late. I know that my parents are very strict about this, but my close friend turned 15 and so... Mommy and Daddy knew that I would be late, but I exaggerated and they told me off”. (K.M. male 14 years)

“I want like my friends to dress (...) or hang out with friends, but in our family it is clear what you can do and what you can not do.” (L.D. female 14 years)

4.4.3 Families with balanced functioning

In this sample were identified only two families with balanced functioning. Both of them belong to resident families. Families in this category have similar characteristics to families with medium functioning but differ by the very large commitment of fathers in supporting children’s learning and their devotion to the family, ranging from communication and shared decision-making to the devision of duties and responsibilities in the family as well as the time both parents devote to the family. In both cases parents show devotion to free time, creating conditions for mutual entertainment.

“Mom was making lunch on Saturday. Dad went out to help a friend who also is a family friend, when suddenly both dad and his friend with his family showed up. They have a girl and a boy, just like us. They had taken with them meatballs and steaks along with the grill for the barbecue. Mom put the food in a bowl and we took it with us. We also took a couple of blankets from those that we used when we were kids. They sent us to Dajti. We played with the ball all together. Oh god how fun it was!” (S.K. female 15 years)

5. Conclusions

In this sample academic achievements’ of adolescents showed positive correlation with levels of family functioning). Families with balanced and medium levels of functioning (cohesion and flexibility) have children with higher achievement. This means that teenagers who claim that their family has the following characteristics: a) high social and economic status; b) residing in the capital for many decades; c) high educational level of the parents; d) devotion of both parents to family, but in particular fathers’ devotion; e) parents that are very clear in their goals, and balanced concerning the ratio
job/family; f) parents good at planning time with family and g) fathers’ commitment in supporting children’s learning, have higher achievements and belong to families with balanced functioning.

Meanwhile, adolescents who belong to families with medium levels of functioning, mainly, have average results, to very good results. These families are characterized by: a) middle and high socio-economic status; b) resident in the capital for more than 15 years; c) medium to high educational level of the parents; d) mainly reside in their homes and some of the children have personal rooms; e) in general, their children feel supported by family members, and they have academic support (through programs and courses) as well. Also in these families is evident the monitoring of their children; f) tendency to talk with family members about their problems; g) appreciation of the connection between family members, which leads to the planning of their activities by creating space for their professional life and family life which the results to be programmed carefully. Family members communicate with each other's friends and common interests. Usually families use the weekend to spend qualitative time with the family where family friends are also present.

Whereas families of adolescents that according to their reporting resulted in extreme levels of functioning have children with low and average results. Characteristics of these families are: a) low social and economic status; b) families arrived in the past 15 years in the capital; c) low and medium educational level of parents; d) mainly reside in houses (rented or obtained on loan) in suburban areas with high density dwelling; e) higher number of children compared to the other groups; f) poor emotional connection with each other; g) lack of the feeling of support from family members; i) lack of support in lessons and their monitoring; j) tendency to talk about their problems with people outside the family; k) emphasized lack of sharing time with family; l) the transmission of tension and stress of parents to children in that little time they spend with them; and m) lack of organization of leisure time.

On the other hand, the way the family functions indicated connection to SES which is related not only to levels of family functioning but also determines the way of interaction between family members. More specifically, families with high educational status are more likely to be employed in positions that are not only of high status but also well paid. In itself it means an increase of economic welfare, but not only. Of course, a person who has a good social position, in some cases has more free time, but even when this free time is missing, educational level is one of the factors that affects a good and qualitative organization of time that family spends together. Also, the financial opportunity has an impact in some aspects that increase the qualitative time such as: moves on weekends, invitation of friends home for lunch or dinner, or attendance of social life of the city. It is the qualitative time spent with family members that favors the emotional connection between them. Likewise, favorable economic situations enable the realization of the individual needs of family members, despite emotional interdependence.

In a study conducted by Bërxolli (2005) is emphasized the fact that after the change of political system in Albania, after the 1990s, more than 40% of the population has migrated within the country. In the past two decades, Tirana is a city that has suffered the largest demographic growth (INSTAT, 2011a) and the main cause of this migration is undoubtedly related to the high level of poverty, which forces families to move from one settlement to another. However, the 2005 study conducted by the UNDP, estimated that 80% of families that have migrated within the country live in extreme poverty. What stands out in this study is the fact that families that have arrived in Tirana the last 15 years (in this sample) not only belong to families with low incomes, but appear mainly with extreme functioning and it is these families who have children with low academic achievement. This is connected with the fact that migrant families face great difficulties and try to cope with the difficulties that displacement brings with it. In most cases they devote most of the time to work which is seen as the main point of reference in order to survive. In these conditions, little or no time is left to fulfill parental obligations, where I would mention attention to progress in school or emotional support parent-child. The hard life of the migrants, even when the migration happens within the country is mentioned by Davin (1999), who assesses the internal migration comparable to external migration not only in the legal aspect, but also in terms of the difficulties they face and the results they have both in economic and social terms.

Furthermore, concern for academic achievements at the age of adolescence is fully justified since there is scientific evidence that achievements in adolescence are the basis for further personal progress (Nelson & Phelps 1966), but also their countries’ progress (Hanushek, & Woessmann 2008; Hanushek, & Woessmann 2011). This study is another scientific evidence that helps to understand the important role of the family and its dynamics in children’s education. It is certified that family functioning, in particular, family cohesion, as one of the most important dimensions of the family, has been on the focus of EU policies. This attitude is embodied in the resolution of the year 2010 (2010) of the Parliamentary Assembly of the Council of Europe, which says: “Investing in family cohesion as a development factor in times of crisis” (p. 4 of the draft recommendation). This call is addressed to the governments of member states to assess in their national policies, specific policies for the family. In draft A of the "Resolution for the Family," of European Parliamentary Assembly, in paragraph 6, family policies are considered very important not only from the social point of view, but also from the aspect of financial benefits.
This is why governments EU countries are required to be alert regarding the impact of social policies in the support of families. For this are provided some directives, one of which is recommendation 6.8 which strongly urged governments to focus on disadvantaged children and dysfunctional families; as it is judged that there is increased risk of poverty for children coming from these families. "From studies, -adds the resolution - the increased risk of poverty among children in single-parent families is found to be reinforced by disadvantage at school, as well as poorer health and housing outcomes. These children are more likely to be exposed to risks that jeopardise their educational achievement, which then affect their future prospects "(p. 3) :

6. Recommendations

At the national level it is recommended the development of a document concerning Cross-Cutting Policies for the healthy functioning of the family and its social support, which will help families to better realize their responsibilities and increase the opportunity for a balanced family functioning. At the local level would be reasonable to ask the cooperation and interaction between structures that support families such as the gender officials network in municipalities, and districts as well as shools which are closer to children and know better their dynamics. At school level, we suggest working with multidisciplinary teams to identify healthy families (with medium level functioning) and those with extreme functioning (not only using instruments for measuring the dimensions of family functioning, but also by systematically analysing academic achievements, as this study showed that they have positive relationship with family cohesion and family functioning) which will enable support for families in the right time.

In Tirana there are many families that come from towns and villages across the country, thus it is necessary to help students to realize different adaptations according to their needs. It is suggested that psychologists should help the pedagogical staff increase the culture of effective communication. Supporting students and their families with psycho-education would be a good way to help in achieving higher academic results. Also if families which present signs of dysfunctions were identified in time, it would be easier and more effective to help with assistance and institutional interaction.

This study has various limitations as well. As a research which is qualitative in its nature it can not make generalizations. It aims to extend opportunities to better understand the variables associated with students’ achievement, but also the relation of family functioning and interactional variables with these achievements. Furthermore, this qualitative study gives ideas about other studies of this nature. More specifically are recommended further studies such as: a) Study of cultural and contextual factors that influence the levels of family functioning, particularly of family cohesion; b) Study of the impact of the time of living in the host city on the integration of migratory families and the factors that play a role in the integration; and c) In-depth study of the phenomenon of migration in Albania and the connection of migratory contexts with family functioning and children's progress at school.

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Monetary Programming in Albania

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Abstract

The development of every country is supported in formulation and implementation of macroeconomic program. Policies are formulated to correct disequilibrium between aggregate supply and demand, misbalances shown in the balance of payments, price increase and low increase of national product. An important part of this process is monetary programming as a main duty for the Bank of Albania. The object of this article is to prove the indicator that can be easily monitored to follow up the operational actions of the Bank of Albania aiming the achievement of main objective. On the economic analysis presented on this article we explain if the monetary aggregates could be used as operational objectives. Friedman (1998) suggests that timing and relations with main objectives are key elements for monetary aggregates. McCallum (1999) that the identification of monetary aggregates is added value on the framework of monetary policy formulation. Econometric analysis consists on the models realized to explain and test the relations of the monetary aggregates with macroeconomic indicators. Models are drafted based on three hypothesis. Other objectives of this study are related to brief analyses on the monetary policies compiled and realized from the Bank of Albania. Also through regression analysis we will show the relations of monetary aggregates and their impact on macroeconomic indicators, such as Gross Domestic Product and Consumer Prices Index.

Keywords: monetary aggregates, Gross Domestic Product (GDP), inflation.

1. Objectives of the Study

Increasing the GDP and lowering inflation rates has proved to direct most of the developed and less developed economies toward sustainable strengthening of economic growth. Price stability is the main objective of almost all central banks on monetary conditions that are support this growth. The Bank of Albania follows, in short term, main and intermediary objectives in order to achieve its final objective – price stability – which is set on longer term.

During last 25 years Albania had two periods with high inflation rate with two digits, while since 2007 the inflation level is stabilized to around 3 percent. Inflation is measured with consumers price for a basket of articles that represent family consumption on goods and services.

Monetary programming as important part of financial programming is an important tool used on economic forecasting (ex ante) aiming to give reference levels and control points for policymakers. General orientation given from International Monetary Fund, Bank for International Settlements in Basel and other international organizations are applied considering differences on the financial system of each country – including transition economies.

The framework of monetary programming includes and is realized through:
- Main objectives (inflation control, economic growth, stable Balance of Payments);
- Intermediary targets (growth of money supply);
- Operational benchmarks (reserve money) controlled with monetary policy instruments.

This study aims to give contribution on the continuous refining on the use of monetary programming of the Bank of Albania. Main objective of the study is to prove, which is the best indicator that should be monitored to control the operations of central bank. These operations are organized to ensure the financial stability of the country and the achievement of its main objective – price stability.

Other objectives of this study are related to brief analyses on the monetary policies compiled and realized from the
Bank of Albania. Also through regression analysis we will show the relations of monetary aggregates and their impact on macroeconomic indicators, such as Gross Domestic Product and Consumer Prices Index.

2. Hypothesis and Research Questions

Econometric analysis consists on the models realized to explain and test the relations of the monetary aggregates with macroeconomic indicators. Models are drafted based on three hypothesis(assumptions).

First: the relative change of aggregate M1, M2 and M3 are depended on the relative changes of GDP and Inflation.
Second: Absolute changes of M1, M2 and M3 are depended on the absolute changes of GDP and Inflation.
Third: The level of monetary aggregates is depended from the level of GDP and inflation for the same time period.

3. Methodology, Models and Data Analysis

On the economic analysis presented on this paper we explain if the monetary aggregates could be used as operational objectives. Friedman (1998) suggests that timing and relations with main objectives are key elements for monetary aggregates. McCallum (1999) that the identification of monetary aggregates is added value on the framework of monetary policy formulation. The information used in this article includes 80 quarterly observations from 1st quarter of 1995 till 4th quarter 2014.

The Gross Domestic Product is not measured officially on quarterly bases. The estimations of International Monetary Fund and statistics published from the Institute of Statistics – INSTAT. Official rate of inflation in Albania is measured on monthly and annual basis with the Consumer Price Index from INSTAT. The inflation target is published from the Bank of Albania and quarterly level is calculated as average of monthly indexes.

Monetary aggregates in Albania are:

\[ M1 = \text{Currency Outside the Banks + Demand Deposits in ALL} \]
\[ M2 = M1 + \text{Time and Savings deposits in ALL} \]
\[ M3 = M2 + \text{Time and Demand Deposits in Foreign Exchange.} \]

The indicators performance is graphically presented on the levels given each quarter from Q1-1995 till Q4- 2014 (80 observations).

The compilation of monetary program involves a lot of preparatory work that includes the recent development of main sectors of an economy: fiscal, monetary, real and relations with other countries. Institutions that prepare and publish the statistics of our economy are:

- The Bank of Albania for monetary sector and the balance of payments,
- The Ministry of Finance for fiscal sector and accounts of government,
- The Institute of Statistics (INSTAT) for real sector.

Most of the information for real sector is prepared also in other ministries or public entities. As mentioned the real sector statistics have problems, while institutional coordination is not yet in good basis.

The indicators of monetary program are economic or financial variables that help the central bank to assess economic conditions and to project future inflation. Indicators are an important element in policy making because inform the central bank on actual economic conditions and necessitate for corrective actions.

One of the problems on the assessment of macroeconomic relations in Albania is the lack of information (or incorrect data), especially in national account statistics.

The determination of proper role for monetary aggregates is an important issue for the Bank of Albania in the context of inflation targeting strategy. Several studies on this role deal with experiences of other central banks in policy-making in order to prove the relations between aggregates and inflation.

The econometric models are treated as an instrument that examines the link among money (monetary aggregates) prices and gross domestic product.

Hallman (1989, 1991) presented a linear regression model based on the quantitative theory of money that determines long term price equilibrium. This model was presented for big economies with independent monetary policy. In 1994 Kool and Tatooz adopted models for small economies with fixed foreign exchange regimes.

On the econometric analyses presented in this paper the monetary aggregates will be considered as prospective objectives for the Bank of Albania operations. Friedman highlights in 1998 that time and relations with final objectives are key elements for monetary indicators. McCallum (1999) suggests that identification and use of monetary aggregates are value added to the monetary policy formulation criteria.
The performance of indicators is presented in graphs with growth level counted as observed quarters – first quarter of 1995 written as number one, while number 80 is the last quarter of 2014:
- Gross Domestic Product (G) graph shows a uniform growing trend, reflecting counting and reporting problems mentioned earlier.
- Inflation (I) graph shows fluctuations mostly due to the fall of pyramid schemes during 1998 – 1999,
- M1 graph shows seasonal and monetary balance movements of currency in circulation and demand deposits of commercial banks
M2 and M3 graphs show the stable growing tendency of deposits in the banking system.

Graph 1. Levels of GDP, Inflation, M1, M2, M3 Aggregates
Source: Bank of Albania statistics for indicators of GDP, Inflation, M1, M2, M3 Aggregates

The methods used are:
- Statistics for average and graphs
- Econometric modeling with e-views

The econometric analysis consists on the models prepared to explain and test the relations of monetary aggregates with macroeconomic indicators (GDP and Inflation).

3.1 To test first hypothesis are prepared model for M1

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R-squared: 0.925264
Adjusted R-squared: 0.923298
S.E. of regression: 0.154656
Akaike info criterion: 0.857941
Scharz criterion: 0.767962
F-statistic: 470.4591
Prob(F-statistic): 0.000000
Model:

\[ \text{LOG}(M1) = -7.43387 + 1.40362 \times \text{LOG}(G) + 0.51023 \times \text{LOG}(I) + \epsilon \]

Model for M1 passes the basis tests. The parameters are important as it is shown from probability (less than 0.05). In general the model is significant. Almost 93% on the variance of relative change in M1 is defined from relative change of G and I. The difference is defined from other random or unconsidered factors. The model with relative change of M1 verifies that for every percentage unit increase of G, there is 1.4 % unit increase in M1, while for 1 % increase of inflation is expected to be 0.5 % increase on M1.

### 3.2 The second hypothesis

The focus for this hypothesis are the absolute changes of aggregates from one quarter to the other, given as D(M1). Factors that affect on absolute addition of dependent variables are considered:

- Absolute addition (change) of Inflation D(I) and
- Absolute addition (change) of Gross Domestic Product D(G) on the same quarter.

<table>
<thead>
<tr>
<th>Dependent Variable: D(M1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Method: Least Squares</td>
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<tr>
<td>Sample(adjusted): 79</td>
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<td>Included observations: 78 after adjusting endpoints</td>
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<tr>
<th>Variable</th>
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<th>Std. Error</th>
<th>t-Statistic</th>
<th>Prob.</th>
</tr>
</thead>
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<tr>
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<td>0.0106</td>
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<tr>
<td>D(G)</td>
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<tr>
<td>D(I)</td>
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<td>84.28319</td>
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</table>

R-squared 0.138674 Mean dependent var 3590.628
Adjusted R-squared 0.115706 S.D. dependent var 11394.58
S.E. of regression 8.61E+09 Akaike info criterion 21.43440
Sum squared resid 8.61E+09 Schurz criterion 21.52504
Log likelihood -832.9416 F-statistic 6.037537
Durbin-Watson stat 2.015458 Prob(F-statistic) 0.003705

The model is:

\[ \text{D(M1)} = 3196.404942 + 0.1577873032 \times \text{D(G)} + 57.36023856 \times \text{D(I)} \]

The model results significant: addition of G in a quarter affects the addition of M1 at the same quarter. This is not for inflation. Absolute change (addition) of G has effect on the addition of M1. The determination degree of D(M1) from D(G) is statistically important, but at low level.

### 3.3 Model prepared to test third hypothesis.

<table>
<thead>
<tr>
<th>Dependent Variable: M1</th>
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<tbody>
<tr>
<td>Method: Least Squares</td>
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<td>Sample(adjusted): 179</td>
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<td>Included observations: 79 after adjusting endpoints</td>
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<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>Std. Error</th>
<th>t-Statistic</th>
<th>Prob.</th>
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<tbody>
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<td>-8.074777</td>
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<tr>
<td>G</td>
<td>1.214055</td>
<td>0.039072</td>
<td>31.07220</td>
<td>0.0000</td>
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<tr>
<td>I</td>
<td>559.7940</td>
<td>111.0049</td>
<td>5.042965</td>
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</table>

R-squared 0.927033 Mean dependent var 178624.6
Adjusted R-squared 0.925113 S.D. dependent var 84214.01
S.E. of regression 23045.61 Akaike info criterion 22.96557
Sum squared resid 4.04E+10 Schwarz criterion 23.05555
Log likelihood -904.1401 F-statistic 482.7832
Durbin-Watson stat 1.794945 Prob(F-statistic) 0.000000
The model:

\[
M1 = -121671.1985 + 1.21405522 \times G + 559.7940312 \times I
\]

It is verified that the M1 level on a certain period is significantly depended from the GDP and I level on the same period of time. If GDP increases with 1 ALL, with constant inflation, M1 is expected to grow with 1.2 ALL at the same period. If inflation increases with 1%, it is expected that M1 increases with 559 ALL at the same period (with constant GDP).

4. Main Findings

Money supply defined through monetary aggregates has correlations with macroeconomic indicators such as Gross Domestic Product (GDP) and inflation measured with Consumer Price Index.

The economic development requires funds continuously helped from banking system intermediation. Steady GDP increase is achieved with financial stability and slight price changes.

The coordination of politics starts from the phase of drafting the financial programming. In this context money as the most important payments instrument has as an anchor the monetary programming prepared from the Bank of Albania.

Price stability objective requires that daily activities of the central bank should be oriented from operational objectives that have impact on financial system liquidity.

The use of statistical data and econometric models realized with these data, verifies which is the strongest correlation among the indicators that could be employed on forecasting models that could serve to the Bank of Albania.

The verification of hypothesis of the econometric models has interpreted the degree of correlation verified and tested for variables.

The first hypothesis tries to verify that relative changes of M1, M2 and M3 are depended from the relative changes of GDP (G) and Inflation (I). M1 model is verified from basic tests with significant importance of the probability less then 0.05. 93% of the variance in relative change of M1 is defined from relative change of G and I. In this model each % increase of G gives 1.4% increase on M1, while for 1% increase of inflation, M1 increases by 0.5%.

M3 model is statistically accepted with explanation on variance of 95% where relative changes of M3 are defined from the relative change of G and I. In this model is verified 1.9% increase on M3 for every 1% increase in G, while 1% increase of Inflation is transmitted with 0.33% increase on M3.

With these tests are verified our first hypotheses.

The second hypothesis raised on absolute changes of M1, M2 and M3 that are depended from absolute changes of G and I. Several tests made show that absolute change of M2 and M3 are not proved from changes of G and I in the same quarter. For this reason is employed a model that verifies the impact of G from the previous one, two and three quarters.

The model seems to transmit the problems with the quality of GDP reporting and even with no strong correlation (koef $R^2 = 0.47$) it is proved as significant model.

The third hypothesis, absolute level of aggregates in a quarter, are depended from the level of GDP of the same period, and also from the GDP level one and two periods before, as well as inflation one period before. There is a correlational relation of the first level on M1 of this quarter with M1 of previous quarter and Inflation on the same quarter. If the GDP increases with 1 ALL this quarter, M1 increases by 1.2 ALL the same quarter. If Inflation increases with 1% on quarter, it is expected that M1 increases by 559 monetary units the same quarter (with constant GDP).

The models realized for the correlations of M1 from GDP and Inflation, and also for M1 one quarter before prove to be significant hypothesis is accepted with 99% of the variance that explains the factors included in the model.

The Bank of Albania in its activity is working to achieve main objective given as price stability. It manages liquidity in the banking system considering not only transmission mechanism, but also the financial stability of the banking system. Regular reports are given to the Parliament and to the public for the efforts and evaluations organized on the basis of test stress analysis. A continuous coordination with the banking system, other institutions and public transparency works on maintaining stable situation in our banking system.

Banking system could be working on normal time for an economy, but crises and difficult situations are taken into consideration as these could harm the financial stability of every banking system. There are several indicators that are used in stress tests and scenarios can be employed with the changes: on foreign exchange rates, on foreign exchange open positions, on interest rates or other factors that influence results of banking performance and reduce the capital levels.

The financial stability of Albanian banking system is analyzed in this dissertation using a regression model with
independent variables such as: level of credit to economy (KRE) of the previous quarter, real exchange rate (KR) and Gross Domestic Product (GDP) of previous two quarters. The model counts their impact on the Non Performing Loans (NPL) given as dependent variable. The results of the model show that 1% increase on the exchange rate of a quarter have an impact of 5.66% on the NPL of next quarter. Also 1% increase on the lending to economy (measured as loans to GDP) have an impact of 3.82% increase on Nonperforming Loans.

The results of scenarios show that for the worst historical levels where the lending and GDP are at their minimum level, Nonperforming Loans could be increased by 194.6%.

This shows that Albanian economy cannot afford difficult situations, where banking system stability seems to be in trouble with big problems in financial intermediation.

5. Recommendations

Policy making process in Albania should be organized from a joint-committee with the active participation of main institutions that draft, project and exercise fiscal, monetary and economic policies.

Econometric analysis of monetary and macroeconomic indicators must be an alternative instrument for the Bank of Albania aiming the achievement of its main objectives.

Econometric models are a powerful instrument which verifies the level of resistance for Albanian banking system. Different factors can influence the stress level on banking system, but recently non-performing loans and problems of Greek economy are becoming an obstacle to the economic recovery and credit demand.

The Albanian banking system should resolve non-performing loans without the government intervention. Private banks have capacities and sufficient collateral to have a solution.

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Osmani, Myslym,(2010). Ekonometri (me zbatime). Tiranë.
The Use of Econometric Analysis for Interest Rate Risk, the Impact of GDP and Inflation Factor in Deposit Interest (the Case of Albania)

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Prof. Asoc. Maksim Meço
Prof. Asoc. Skënder Uku
PHD. Albana Gjoni

Faculty of Economy and Agribusiness, Agricultural University of Tirana, Tirana, Albania

Abstract

The risk, is an economic concept that gives the impression of a negative impact, unexpected event, condition upon which we can not influence. But it is important to distinguish between risk and danger as both are possible events in the future, but with different effects in conditions that can be affected. Not only the individual economic life, but also businesses have faced different financial and business risks and its analysis is study object for many commercial units. Exposure to risk has affected in a way that many businesses and financial institutions should take the appropriate measures to protect against this exposure through the use of needed techniques for running it. Banks use different techniques in the management of risk, especially the risk of interest rates and that most used is funds GAP, as a technique, the size of which indicates the risk that bank the bear from changing interest rates and that is reflected in the net interest income. Which are the causes of this interest rate risk? Banks play a vital role in economic growth and in countries development, mainly through diversification of risk for themselves and other economic agents. Interest rate risk is one of the most important financial risks that bank faces. Interest rate risk is the possibility that changes in interest rates affect the interest income and the market value of assets of any investor. A large part of the income derived from net interest income, which comes as the difference between some asset items with the balance sheet liability items of the bank. Fluctuations in interest rates affect the interest rate and the value of the bank, making the management of interest rate risk to be vital to the success of a bank. Based on some basic concepts of risk theory, such as the target in terms of risk, event risk, the probability attached as well as the impact of event risk target, our paper aims to review the risk of interest rates as well as its main direction methods. Special attention was given in this paper to factors that influence the interest rate on deposits as well as assessing the impact of these factors on interest rate, by using an econometric model. The goal is the study of the dependence of the interest rate on deposits from GDP and the inflation rate. For the realization of this paper we have used the program Eviews through which it is established and is proven main hypotheses: if you change the level of GDP, exchange rates ALL / EUR and the rate of inflation, then the level of interest rates on deposits will be adapt to this change. Expressed in other words, the level of deposit interest rates, is depending on GDP, exchange rates ALL / EUR and the rate of inflation.

Keywords: risk, interest rate, deposit, econometric analysis

1. Introduction

Interest rates constitute one of the most important channels of monetary policy transmission. The functioning of the transmission channel depends on macroeconomic conditions and financial structures of the country. Entering the currency physical euro and the replacement or the close relationship of the national currency of some countries in the region with the euro is strengthening more the tendency for integration in the region and the European Union, the trade development by enabling strong links in the level of interest rates in these countries. As it knowns interest rates, are constantly changing. They are depending on the conditions of the monetary and the financial market, who themselves are depended by all economic activity of the, the intervention of the monetary and financial in authorities money and capital
markets, as well as changing conditions in the international financial and monetary markets. The risk that comes from changing the interest rate includes at the same time the bank’s income as well as the economic value of its assets, resources and items out of balance sheet.

Otherwise we can say that is the risk of lower earnings due to movements in interest rates. Interest rates have the power to influence people's lives: how willing are people to save and how much interest have businesses to invest. Affecting economic decisions that different people undertake, they serve as a determining factor for investment in the overall level of the economy. When interest rates decline, investment will increase as a result of lowering the borrowing cost. In this case, people rush to buy a house, a car, and in this way they feel more optimistic about the future. To understand the economic forces that affect the volatility of interest rates, we should first give a definition of them. The interest rate is a price, and like any other price it relates to an exchange or transfer of a commodity or service between a buyer and a seller. This special type of exchange is a credit or loan which includes a lender and a borrower.

Borrower has the advantage of immediately usage of the received funds, while the lender submits these funds by being temporarily removed their use. Because these lender sacrifice immediate use of the funds, they require an additional compensation above the money borrowed amount. This fee is called interest or otherwise, the price that a borrower pays for the utilization of funds to lenders. Expressed simply, the interest rates are the price of borrowing. This paper applies to a better understanding of the problem related to the interest rate. Referring to the above is understandable that even in the case of the banking sector in Albania are doing studies to highlight the issues linked with the interest rates risk by various macro factors, which contribute to a better clarification and addressing of this topic. From this problem we can arise and test many hypothesis. The new focus that this paper address is the econometric problem by drawing the appropriate conclusions and recommendations.

2. Objectives

The objective of the paper is to create a better understanding of the problems related to the interest rate in the banking system in Albania and also to analyses the factors that affect interest rate.

3. Methods

3.1 The lending activity of the banking system 2015-2016

Outstanding loans of the banking sector has increased during the first half of the year supported by the expansion of credit to businesses in local currency. The process of clearing balances of loan loss has continued, but with slower rhythms than in 2015. At the end of the period, the first half of the loan balance stood at 597.4 billion, were 2% higher compared to the end of 2015. During the period, are deleted from the banks balance sheets 5.9 billion lek -loans classified as "loss". If the lost loan would not have been deleted, the increase in outstanding loans during the period would be 3%. In annual terms, driven by the process of deleting the lost loans, outstanding loans marks a contraction of 0.3% at the end of the period. Corrected value for the deleted loans, the annual growth of outstanding loans were 3.1%. Due to the considerable weight of foreign currency loans, the performance of the lek exchange rate affects the nominal value of loans reported in local currency. To calculate the surplus at the end of June 2016, the performance of the exchange rate has impacted negatively in the reported value of the loan, mainly due to the depreciation of the euro against the local currency. Excluding this effect, the balance of the loan period would be extended by 2.3%.

The downward trend of interest rates on the loan, especially for ALL has supported the performance of the new loan. In June 2016, the weighted average interest rates on new whole, marked 6.42%, unchanged from the December 2015 level reflecting the reduction in base rate, the weighted average rate in domestic credit score 7.3%, down 0.4% during the period. The interest rate on new loans in euros and US dollars, marked respectively 5.3% and 5.5%.

According to the sectors, the main contribution to the progress of new loans during the period, was given by business sector. In fact, during the period, the business benefited 79% of new loans, while individuals about 21%. The new credit to the business sector has narrowed by 12.6%, mainly due to the contraction of "overdraft" credit, which occupies the major share in new business loans (about 50%). Meanwhile, in annual terms, new credit to businesses grew slightly by 0.5%, driven by significant growth with 48% of new loans for "investments in equipment purchases," which accounts about 19% of the total. The new credit to households has shown also positive performance during the period, compared with a year ago. By currency maturity, the main contribution to the performance of the loan period was given by credit in Lek for the long and medium term. The new credit in Lek occupies 52% of the total and continues the upward trend of recent years, increasing by 14.3% during the period. In terms of maturity, new short credit represents 54% of the
3.2 Depository activity of the banking system 2015-2016

In the first half of the year, the deposits value was approximately 1,100 billion, was virtually the same as the end of 2015, but about 2% higher compared to a year ago. The average annual growth rate of deposits has slowed significantly and stays down the long-term average. The deposits structure and the annual growth rate continues to be dominated by foreign currency deposits, which grew by an average of 5.4%. The decline in interest rates was accompanied by shrinkage of deposits and significant increase in weight and level accounts.

Foreign currency deposits have strengthened contribution to the growth of deposits in the banking sector. During the period, average annual growth in foreign currency deposits recorded 5.4%, while deposits in domestic currency fell by 0.4%. As a result, at the end of the period, foreign currency deposits represented 52% of total deposits. If the value of foreign currency deposits exclude the effect of changes in exchange rates, annual growth in foreign currency deposits at the end of June 2016 would be 5.9%, while the total deposits 2.4%. Viability of deposits in the period, contributed to the growth of deposits of households and business deposits decline.

Household deposits, which account about 85% of banking sector deposits, increased 1.5% on average during the first half, going down the annual average 33 of three years (2.6%). Business deposits recorded a decrease of 4.5% from their level in December 2015, although remain above 8.6% of their value with a year ago. Compared with a year ago, between individual’s deposits in domestic and foreign currency, and businesses in domestic and foreign currency, the fastest growth was marked by business deposits in foreign currency, while individual deposits in ALL marked the big decline. At the end of the period, foreign currency deposits account about 50% of individual deposits and about 63% of the business deposit. Current accounts and deposits have different contribution to the performance of the deposits value. The value of current accounts near to the banking sector rose further during the period being in the end of its approximately 31.2% higher than a year ago. On the other hand, deposits fell in value during the period, both in weight (of total deposits), while they prevail in deposits value of banking sector.

Compared with the end of the year, deposits fell by 22.7 billion or 3.2%, and their share went down to 63% of total deposits. According to business size, deposits have been increased for the group of medium banks, but have declined to groups of large and small banks. For large banks, deposits have fallen by 1%, but these banks manage 69% of the deposit sector. Movements of deposits for the group of medium banks (increased by 11%) and the group of small banks (decreased by 25%) are caused mainly by the reclassification of a bank by small-sized bank.

During the period, the banking sector has had a new influx of new term deposits (new resettlement and placement) to about 274.7 billion. Within the structure of deposits, there is a slight shift towards longer maturities. According to currency, the influx of new deposits in domestic currency fell by 21.5%, in US dollar it fell by 35%, while the euro it rose by about 6%. During the period, the average interest rates on new deposits in Lek-term downward trend has continued, scoring 0, 14%, while for major currencies have been around 0.1%.

4. Econometric Analysis

In our paper we aim to analyze the interest rate risk for the banking system. The undertaken way in this case has been in the construction of econometric models and their regression analysis. “Econometric Model is a theory, a hypothesis or a set of hypotheses by which are analyzed the economic phenomena and can be predictions with them." Secondary data were obtained from sources such as the Bank of Albania’s Institute of Statistics, Ministry of Finance. The data are in the form of time series, get to Albania from 2001 to 2015. Time series used must be such as to fit to the data series indicators of interest rate represent a form quite suitable for econometric analysis, especially in conditions where the available data pertaining to the full period. Regarding other macroeconomic factors or on the assets and liabilities structure of banks are seeking different data sources with the aim of gathering accurate information in the form of time series published, so that the latter can be used for regression model. Consequently multifactorial regression model was applied only to an annual time series which appear official and public information to the Bank of Albania and the Institute of Statistics (INSTAT).

Processing of data and hypotheses testing is made by econometric program called eviews.

Construction of the economic models is based on the pursuit of some econometric analysis steps.

1) Formulation of models and hypotheses or economic theory.

In our focus is the risk of interest rates based on the assumption that basic interest rate in accordance with a specified period "t" depends on factors such as: gross Domestic Product GDP, the rate of interest on loans,
deposit interest rate, inflation, exchange rate ALL / EUR. Our assumption is made on the basis of the theory that all these factors affect the risk of interest rates and analytically we have proved that this hypothesis is true (by building models).

2) After having settled on economic theory, we have specified the mathematical models suitable for ideal economic models that are formulated above. Considering that in our theory we were based on interest rates, then the most appropriate model for this theory is linear regression model.

\[
Y = C(1)+C(2)*X1+C(3)*X2+C(4)*X3 + C(5)*X4+C(6)*X5 \\
I = C(1)+C(2)*GDP+C(3)*IK+C(4)* ID+C(5)*IN+C(6)*KK
\]

Where:
- \(I\) = Base interest rate
- \(GDP\) = Increase of gross domestic product
- \(IK\) = Credit interest rate
- \(ID\) = Deposit interest rate
- \(IN\) = Inflation
- \(KK\) = Exchange rate All/euro

The dependent variable is the base rate measured by new disbursements on an annual basis, disbursed by the Bank of Albania for the period 2001-2015.

Identification of risk factors in determining the interest rate:

Considering that the interest rate risk for the Albanian banking system is due to the volatility of the basic interest rate, then the analysis of the factors affecting this indicator meets the first step of the process mentioned above. Following this issue are identified and analyzed the determinants that affect the level of interest rate risk for the banking system. In this issue the treatment is limited to theoretical aspects and analysis of the cause-effect link of the determinants identified factors. In other words is represented an econometric analysis of macroeconomic factors.

Basic interest rate, also known as the price of keeping the money, is the rate settled by the Bank of Albania to keep inflation within the target band. This rate plays the main instrument, used to transmit monetary policy signals in the economy. The base interest rate is applied by the Bank of Albania in the weekly auctions of repurchase agreements (repo) and reverse repurchase agreements (reverse repo-t). Currently, in our country the key interest rate is at 1.25%. Repo and reverse repo-t are instruments used by the Bank of Albania to manage the liquidity of the banking system. The base interest rate serves as a guideline for the level of interest rates in the economy. This rate determines the rate of interest on deposits and loans of the Bank of Albania overnight. Also, it affects the interest rate on the interbank market, Lek deposits at commercial banks and treasury bills, and credit extended in domestic economy.

- **a. Economic growth**
  It is considered as the main indicator of the welfare level in economy. This indicator shows whether the economy is growing or falling. It is the basic indicator of a country which affects the majority of other macroeconomic indicators. The impact of this factor in the interest rate indicator is undisputed because of its impact on various factors, especially in:
  - Economic growth affects the level of individuals and businesses welfare which is forwarded to the request for new investment or about their investment behavior.
  - Economic growth affects the perception of domestic and foreign investors who forwarded it to the level of investment in the country, money circulation.

  This concept is measured by the GDP variable which appears as an independent variable expressed as a percentage, from the perspective of the sign or the impact type is expected to have a negative correlation with the rate of interest, since affects the welfare of the country.

- **b. Loans interest rate**
  Independent variable which directly affects the volatility of the interest rates, is the main determinant of this indicator. It influences when the movements in market interest rates on borrowing and lending are not align perfectly, creating the revenue risk. It is expected to have a positive relationship with the base interest rate.

- **c. Deposits interest rate**
  Independent variable affects directly in key interest rates, also as loans rates even this norm exert an influence on the income risk that is the interest rates risk element, is expected to have a positive relationship with the basic interest rate, ie how much volatile this rate, more variable is the basic rate and consequently is increase the risk level.

- **d. Inflation rate**
  A durable inflation maintains the balances within the economy but a high inflation intends the decrease of the money purchasing power of and its devaluation. Well, it would cause the risk of inconsistency between the
magnitude of the change in asset and liabilities prices. Independent variable, is expected to have a positive correlation with the interest rates, as normally the inflation increase is associated with interest rate rising.

e. Exchange rate

The volatility of the exchange rate, particularly in economies where foreign currencies are used not only in foreign trade but also for domestic transactions, affects the basic interest rate in two perspectives: first fluctuation of the exchange rate affects the competitiveness of the economy towards foreign trade partners, which affects the level of import-export, through impact of exchange rate risk.

It is expected to have a negative correlation with the interest rate, an increase of the exchange rate will mean local currency devaluation and consequently leads to interest rates increase to compensate the losses.

4.1 Raised hypotheses

To achieve the objectives and the beginning of econometric analysis first is important to make the establishment of hypotheses that should be tested. Raised hypotheses related with the interest rate risk in the banking sector in Albania are as follows:

H0: GDP interest rate for the loan, the interest rates for deposits, inflation and exchange rate are not important factors in the basic interest rates in the Albanian banking sector.

H1: GDP, interest rate for the loan, the interest rates for deposits, inflation and exchange rate are important factors in the basic interest rates in the Albanian banking sector.

5. Results and Discussion

The purpose of this paper is to highlight the importance of factors affecting the volatility of interest rates in Albania, consequently, this reflects the impact or the existence of interest rate risk. This constitutes the main hypothesis of this paper. The scale of the problem formulation is not high, although it would rely on appropriate theoretical approach to justify the links between concepts, we have not identified any Albanian author refer to this issue. The method that we judge as the most appropriate for achieving the goal is the econometric modeling, and we will use a multi-linear regression model. The model evaluation will be through the Eviews programme.

\[ I = 41.5 - 1.9 \times GDP + 1.5 \times NK + 0.47 \times ND + 0.45 \times IN - 0.3 \times K.K \]

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<th>Table. 1: Econometric model</th>
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<th>Std. Error</th>
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<td>0.543351</td>
<td>S.D. dependent var</td>
<td>1.756598</td>
<td></td>
</tr>
<tr>
<td>S.E. of regression</td>
<td>1.187035</td>
<td>Akaike info criterion</td>
<td>3.483245</td>
<td></td>
</tr>
<tr>
<td>Sum squared resid</td>
<td>7.045257</td>
<td>Schwarz criterion</td>
<td>3.70279</td>
<td></td>
</tr>
<tr>
<td>Log likelihood</td>
<td>-13.15785</td>
<td>F-statistic</td>
<td>3.379736</td>
<td></td>
</tr>
<tr>
<td>Durbin-Watson stat</td>
<td>1.912791</td>
<td>Prob(F-statistic)</td>
<td>0.003739</td>
<td></td>
</tr>
</tbody>
</table>

Before we do the analysis of the results we see that for the validity coefficients, the coefficients of the regression C2, C3, C6, respectively at factors GDP, rate it interesit credit, exchange rates with 95% certainty are statistically significant because they have probabilities less than 0.05.
While coefficients C4, C5 near factors at the deposit interest rate, inflation, resulting insignificant because they have probabilities greater than 0.05 per 95% certainty. Consequently, we can say that the whole model is not important therefore is not considered a good model for analyzing the factors. For this we try a new model by eliminating insignificant coefficients.

**H0:** (Coefficients C2, C3, C4, C5, C6) are not important  
**H1:** (Coefficients C2, C3, C4, C5, C6) are important  

The best econometric model:

\[ I = 24.7 - 1.4^*GDP + 1.7^*Nk - 0.2^*Kk \]

**Table 2.**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Method</th>
<th>Date</th>
<th>Sample</th>
<th>Included observations</th>
</tr>
</thead>
<tbody>
<tr>
<td>INTERES</td>
<td>Least squares</td>
<td>30/10/16</td>
<td>11</td>
<td>11</td>
</tr>
</tbody>
</table>

**DEPENDENT: INTERES**  
**METHOD: Least squares**  
**DATE: 30/10/16  Time: 22:00**  
**SAMPLE: 1 11**  
**INCLUDED OBSERVATIONS: 11**

INTERES = C(1) + C(2)^*RRITJEGDP + C(3)^*NORMEKREDI + C(4)^*KURSKEMBIMI

<table>
<thead>
<tr>
<th>Coefficient</th>
<th>Std. Error</th>
<th>t-Statistic</th>
<th>Prob.</th>
</tr>
</thead>
<tbody>
<tr>
<td>C(1)</td>
<td>24.73273</td>
<td>17.48883</td>
<td>1.414202</td>
</tr>
<tr>
<td>C(2)</td>
<td>-1.453669</td>
<td>0.427889</td>
<td>-3.397305</td>
</tr>
<tr>
<td>C(3)</td>
<td>1.748760</td>
<td>0.485813</td>
<td>3.599654</td>
</tr>
<tr>
<td>C(4)</td>
<td>-0.237295</td>
<td>0.108104</td>
<td>-2.195058</td>
</tr>
</tbody>
</table>

R-squared 0.877418  
Mean dependent var 9.081818

**5.1 Results interpretation**

C1 = 24.73 is the term free, and it has no economic significance.  
C2 = (-1.4) is partial regression coefficient of GDP factor, if GDP increases by 1% interest rate is expected to be reduced by 1.4%, if other factors remain unchanged.  
C3 = 1.7 it shows if the loan interest rate increases by 1%, the interest rate is expected to rise by 1.7% if other factors remain unchanged.  
C4 = (-0.2 it indicates whether the exchange rate ALL / Euro increased by 1 unit is expected to lower interest rates by 0.23% if other factors remain unchanged.

R² = 87% is the determination coefficient, ie 87% of the total variation of the interest rate is determined by the variation in GDP growth, interest rates on loans and exchange rate.

**5.2 Hypothesis on partial regression coefficients**

H0: (Coefficients C2, C3, C4 are not important)  
H1: (Coefficients C2, C3, C4 are important)  

For the regression coefficient C2 GDP factor we conclude that is statistically important with 95% certainty because it has the probability less than 0.05 (5% level of uncertainty).  
For the regression coefficient C3 as interest rate loan factor with 95% security we conclude that is statistically important because it has the probability less than 0.05 (5% level of uncertainty) Whereas for the regression coefficient C4 we conclude 90% is statistically significant because it has the probability less than 0.1 (10% uncertainty level).  

In addition to above tests it is also important the model testing in general, so the influence of independent factors on the dependent variable. In other words it is important to test whether the chosen model describes correctly or sufficiently the connection between the involved variables. When from coefficients estimation of partial regression results that they are all important, it has no doubt that their influence so the model would appear important, but if some of the
independent variables result important and some others not important, it is not clear if their joint impact is significant or not.

H0: The raised model is not statistically significant (coefficients are all equal to zero, \( C_i = 0 \) for every \( i = 1,2,3 \ldots n \))

The raised model is statistically significant (coefficients are all equal to zero, \( C_i = 0 \) for every \( i = 1,2,3 \ldots n \))

With 95% certainty we can say that the whole model is statistically significant because the probability (F-statistic) = 0.00689 is less than 0.05 (level of uncertainty). Even after performing other tests on the model validity (test of normality, heteroskedasticity, autocorrelation), it appears a good model.

### 6. Conclusion and Recommendations

- Banks should clearly define the individuals and / or responsible committees for managing the risk of interest rate and ensure that there is appropriate segregation of duties in key elements of the management risk process to avoid potential interest conflicts.
- Banks should establish and enforce limitations and practices that maintain exposures to interest rate risk at levels that consistent with their internal policies.
- Interest rate risk will be materialize in the case of an interest rate increase, which, due to the negative gap will soon affects the bank costs activity, compared with its earnings.
- This risk has also a indirectly component related to the negative effect of increasing the interest rate to borrowers who have a loan with a variable interest rate. Even in this case, it is necessary for banks to assess quantitatively the impact of adverse scenarios and act to reduce exposure.
- Consistently fall of interest rates is accompanied by contraction of deposits and significant increase in weight and accounts level.
- An accurate and in time management information system, it is essential to manage the risk exposure to interest rates, and to inform the management and to support compliance with internal policies approved.
- The results of the analysis E-views express a negative correlation between GDP growth and the basic interest rate, economic growth affects in lower interest rate.
- There is a positive correlation between loan interest rate and the basic interest rate, it represents the highest impact of this rate.
- There is a negative correlation between the exchange rate and interest rate if the exchange ALL / EUR increased by one unit, this leads to devaluation of the national currency (ALL), and as a result will increase interest rates in order to compensate the loss from impairment.
- Factors that have influence with high volatility in interest rates are the interest rates of loans and GDP growth.

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Cakrani E, 2014, kursi reali kembimit dhe ndikimi i tij ne ekonomi, rasti i Shqiperise.
Vika I, Tanku A, Gjermeni M, (2007). Roli i kursit te Kembimit ne shenjestrimin e inflacuinit, si veprohet?
Appendix

Heteroskedasticity test (test White)

A regression analysis is that the dispersion of the error term to be constant. If the model will be available then we know that the error term average should be 0 and the average squared deviation of each error term value with the average should be constant. To see if the error term has constant dispersion it means that the error term is not defined or about a trend among the remaining factors and the dependent variable.

White Heteroskedasticity Test:

| Test Equation: Dependent Variable: RESID^2 |
|------------------------------------------|----------------------------------|
| Method: Least Squares                    |
| Date: 31/10/16 Time: 03:26               |
| Sample: 11                               |
| Included observations: 11                |

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>Std. Error</th>
<th>t-Statistic</th>
<th>Prob.</th>
</tr>
</thead>
<tbody>
<tr>
<td>C</td>
<td>416.6761</td>
<td>686.9843</td>
<td>0.606820</td>
<td>0.5767</td>
</tr>
<tr>
<td>GDP disc</td>
<td>2.900946</td>
<td>3.080352</td>
<td>0.941758</td>
<td>0.3996</td>
</tr>
<tr>
<td>GDP^2</td>
<td>-0.187669</td>
<td>0.272387</td>
<td>-0.688981</td>
<td>0.5287</td>
</tr>
<tr>
<td>INTKREDIVE</td>
<td>-6.759320</td>
<td>20.91214</td>
<td>-0.323225</td>
<td>0.7627</td>
</tr>
<tr>
<td>INTKREDIVE^2</td>
<td>0.229196</td>
<td>0.859460</td>
<td>0.266674</td>
<td>0.8029</td>
</tr>
<tr>
<td>KURSI</td>
<td>-6.001805</td>
<td>11.56754</td>
<td>-0.518849</td>
<td>0.6312</td>
</tr>
<tr>
<td>KURSI^2</td>
<td>0.023829</td>
<td>0.044264</td>
<td>0.538347</td>
<td>0.6189</td>
</tr>
</tbody>
</table>

R-squared: 0.344839  Mean dependent var: 0.910956
Adjusted R-squared: -0.637903  S.D. dependent var: 1.206494
S.E. of regression: 1.548115  Akaike info criterion: 3.973080
Sum squared resid: 9.586644  Schwarz criterion: 4.226296
Log likelihood: -14.85194  F-statistic: 0.350356
Durbin-Watson stat: 2.503256  Prob(F-statistic): 0.878397

Since the prob = 0.704634 > 0.05 then the basic hypothesis about the lack of heteros is not rejected. We know that White's test has Hi-Squared distribution = 11 * 0.344839 = 3.784
We see that the actual value is less than critical, which means that the basic hypothesis is not rejected, then in the model does not exist heteros.
From the assessment of test Heteroskedasticity we see that probability is 0.704634, and is greater than 0.05, so Ho is accepted. So we have not heteroskedasticity. We see how the model in general through the Fisher criterion results to us insignificant, since the probability of the actual value is very high 0.878397 < 0.05, what means that the first hypothesis stands. Since the model is not significant, this means that the error term which in this case is presented to us as dependent variable is not depending from these factors, they are not connected between them.
So we have not heteroskedasticty, and the model is unimportant

Test Reset:

Ramsey RESET Test:

| Test Equation: Dependent Variable: INTERES |
|-------------------------------------------|----------------------------------|
| Method: Least Squares                    |
| Date: 31/10/16 Time: 03:30               |
| Sample: 11                               |
| Included observations: 11                |

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>Std. Error</th>
<th>t-Statistic</th>
<th>Prob.</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP disc</td>
<td>-5.317835</td>
<td>2.989461</td>
<td>-1.778861</td>
<td>0.1185</td>
</tr>
<tr>
<td>INTKREDIVE</td>
<td>9.968754</td>
<td>5.514812</td>
<td>1.807648</td>
<td>0.1136</td>
</tr>
<tr>
<td>KURSI</td>
<td>-0.560935</td>
<td>0.327903</td>
<td>-1.712240</td>
<td>0.1306</td>
</tr>
<tr>
<td>FITTED^2</td>
<td>-0.218514</td>
<td>0.151763</td>
<td>-1.439839</td>
<td>0.1931</td>
</tr>
</tbody>
</table>

R-squared: 0.749455  Mean dependent var: 9.081818
Adjusted R-squared: 0.642078  S.D. dependent var: 1.756598
S.E. of regression: 1.050912  Akaike info criterion: 3.212481
Sum squared resid: 7.730912  Schwarz criterion: 3.357170
Log likelihood: -11.30909  F-statistic: 6.829635
Durbin-Watson stat: 2.503256  Prob(F-statistic): 0.878397

H0: Hub is not important.
H1 Hub is important.

It is shown that: Fact < Fcritic so H0 stands
RESET test says more factorial linear model is a good specified model. So it is not necessary to enter new variables in the model, we have a good model.
Management of Risk in Microbusiness

Arjola Kaza

European University of Tirana

Abstract

Good risk management is all about making the right decisions on how much risk should be taken, and how to handle the remaining risk. Done right, risk linked to given services is limited. It can be assessed using quantitative methods in order to identify the factors that influence it. Risk management is important in creating new growth opportunities and alleviating of poverty by way of job creation. Microfinance is even more important in this regard as it usually serves segments of population that are otherwise excluded from these services. It is a hard line to toe as serving a public interest role generally runs counter to the point of a business, namely generating profits. Every business has to at least be able to generate enough income to remain viable. In the microfinance world, that means that attention to detail has to be even more focused. Natural disasters or armed conflicts can’t always be foreseen, however preparations on handling the outcomes of these events can be made well in advance. Careful and repeated screening and monitoring is needed to provide successful operations. Good risk calculation is based on solid information on new market opportunities as well as existing operations. Periodic evaluations and improvements can ensure a healthy financial situation and solid growth. Promoting a culture that encourages good risk management is proving to be quite a challenge.

Keywords: risk, financial situation, management, microbusiness

1. Introduction

Managers of businesses of all sizes face risk every day. Risk can come in many forms, some forms of it can be reduced or even eliminated by taking the proper precautions. Others are much more complex and therefore difficult to predict, hence a lot more effort should be dedicated to at least reduce them as much as feasible (METE 2007). Operational risk is the risk a business takes to carry out the operation itself. If there no demand for the product or service the company thinks to provide, the business will fail. That is not enough however. Other very important considerations are whether said company is able to produce it, and at market price or cheaper than its competitors. Distribution, advertising and sales are all important components that carry risks. If advertising is not properly done, or the budget for it is over or under what it should be, profit will suffer. If distribution doesn’t work correctly, despite having a ready market and demand for the product, it will still fail (Duffin 2009). This paper aims to provide a detailed overview of all the possible risks in SME-s and most importantly what can be done to manage them.

When a company grows, new risks arise (Ammann 2001). Is there going to be a market to absorb the additional output? Is the company going to be able to hire enough additional staff with the right set of skills to take the company to the next level? Is the production capability of the company high enough to accommodate the growth?

These are all risks that a business manager can anticipate, and be prepared for by hiring the right people for the job and by encouraging the right company culture. These are the basic risks a manager will face, that can only be reduced, not entirely eliminated. Other kinds of risks are totally out of the control of the decision makers, however, with the right tools and the right strategies can be totally planned for. In this category are included natural disasters like: earthquakes, flooding, fire etc. The strategy for hedging against natural disasters is usually insurance policies. They increase the overhead but seriously decrease uncertainty (Siddiqi 2005).

There are other risks as well, that cannot be predicted or totally prepared for such as: war, world economic crisis, emergence of new technologies that turn the business obsolete. These kinds of risks are harder to hedge for smaller businesses and much easier for bigger ones. That’s because bigger businesses are usually global in today’s world. They can diversify, both in their products and their business location. Microbusinesses on the other hand have a much harder time to cope with these kinds of risks because they are constrained to their local economy and location.

The ability of the management of Small and Medium Scale Enterprises (SMEs) to identify the risks that the companies face, and their ability to take the proper measures could mean success or failure (COM 2016). As such it is very important for every business organization regardless of size to take its risk management seriously. Businesses that...
fail to face problems in performance, and take no action to reduce or eliminate their exposure to risk, will likely fail at some point. The practice of risk management includes various tools such as proper book-keeping, insurance coverage against loss from natural disasters or malicious intents, and attention to both the world market and the local one. Predictable risk should be taken care of by proper management. Unpredictable ones can be taken care of by insurance coverage. Although the burden of insurance premiums would seem to be difficult for micro-businesses, it is actually worth the effort. This is because a natural disaster could easily wipe out entirely a micro-business, while it would only be an inconvenience to a bigger one.

Risk is a combination of the probability that some (dangerous) event will occur, and the consequences of it, if it actually occurs (Labodova, 2004). Two variables are identified: the probability of the risk event, and the magnitude of the event (meaning the outcome for the business if said event actually took place). So in essence, risk is the chance of an event happening that will have negative impact on the set goals.

On a broad perspective, a company faces two kinds of risks: systematic (undiversifiable risk), and unsystematic (or diversifiable risk). Systematic risks are the ones that every company in any industry or economy faces. A good example would be global economic condition, global inflation, recession, declining GDP and deteriorating of foreign reserves levels. These kinds of risks (also called pure risks), can’t be handled by the right decisions of the management of a business. Unsystematic risks on the other hand, are unique to each company. They depend on the products or services provided, the industry in which said company operates, and are highly susceptible to the managerial decisions made. The latter decisions are usually taken care of by diversification whereas systematic risks are largely uncontrollable. A business will face risk at all stages of progress, start-up growth and exit. Starting a business is in itself a huge bet, and according to data, this is the stage that most businesses fail at. Requirements for micro-loans in microbusiness sector are high and they are undergoing a further rising due to the orientation of policies to a developed and competitive agriculture, facts these that have led to the increase of the production, to the orientation of farms towards commerciality, to the increase of exports, the increase of quantity and of the variety of processing of agricultural-livestock products during the recent years (IMF 2016). Despite the positive developments the banking system in Albania after 20 years now, lacks the financial courage and interest to increase lending in agriculture. Microfinance, with its institutions, as part of the system is the best, the fastest and the longest term choice for the agribusiness in Albania. Microfinance has the opportunity to identify areas in which there are insufficient services or financial products for this category of customers, it can identify potential of institutional partnership, aiming the decline of the cost of services or finding more efficient ways of providing them. The increase of lending capacity, the diversity of financial products and services, information and aggressive promotion of microfinance institutions, must definitely precede the development of agriculture, the expansion and growth of agribusinesses. Microfinance institutions should be consistent, reliable and supportive or at least they must have a clear perspective and future legal status. Diversifying the portfolio of services and cooperation with banking institutions helps the microfinance institutions to take advantage of banking technology and bank each product in terms of services (Bank of Albania 2016). Microfinance institutions should require their future in the responsible microfinance, in the minimization of risk, the advantages of products, diversification of loan products, transparency in providing product, promotion of small SME loans, etc. The government may be involved in microfinance by building a regulatory framework for supervision and the legal regulation of these institutions. Special laws are also needed when they mobilize deposits by the public. Central Bank can support microfinance with promotional activities as pilot projects, researches, publication and collection of data, qualifications, etc. It is already a requirement of time and a great challenge also for rural areas to create the Rural Bank, a bank, that will be subject of all the laws of banking system. This bank will fill that institutional and lending gap in the rural sector, by giving a boost not only to the objective of alleviating poverty, but even to the social and economic development of this sector (INSTAT 216)

Growth is also tricky. Even though it seems like it shouldn’t be, sometimes moving to a higher level brings a much higher risk factor. This is because businesses seldom know how to deal with the new reality and take measures to improve their inefficiencies either too late or not at all. The exit strategy is also important. Getting out while on top is a well-known and seldom used practice.

Risk is unavoidable for any entrepreneur, therefore necessary for starting a business and growing. What is also necessary is a thorough and periodical performance examination. Thinking for too long may hamper the ability of a business to change, improve and progress, but not thinking in-depth about the next steps could have severe consequences. Therefore a delicate balance must be kept. Entrepreneurs by their very nature are less risk averse than other people. Successful ones are cherished and encouraged, because, in addition to being bold, they are individuals that think ahead as well, and quickly, or they wouldn’t be successful (World Bank 2016).

Risk Management is a term usually linked to major corporations, but it would help Medium and Small businesses just as much or more. Being that small businesses are historically the biggest employers in economies, both Western
developed economies and less developed ones – how small business do is generally how an economy does. We have seen politicians from all sides of the political discussion talk about the importance small businesses have on the Albanian economy and how important it is to support them, but very little has been done to-date (AEDA 2016). With the Justice Reform entrepreneurs and businesses across the country would feel much more encouraged to try and compete for a bigger piece of the pie as less corruption would mean an even plain field for the best managed companies to succeed.

2. Conclusion

In conclusion SME-s can flourish by using proper managerial tools both in decision-making and in risk-reducing measures (such as insurance policies), and if the New Justice Reform would actually be implemented, it would allow the best companies to rise to the top and become slowly global players just like other businesses from countries all over the world).

The importance of risk management can hardly be overemphasized. SME-s are becoming more and more aware of the importance of risk management. This is because we are living in a less stable economic and political environment.

A strong risk management has always been a challenge for many SME-s. They all share the same doubt: ‘How much should be spent to prevent a disaster that might never happen? SME-s are often afraid of taking on debt, meaning investing in strategies that can prevent risk. Nevertheless an investment in risk management is crucial. It is vitally important for each small and medium enterprise to develop a strong and solid risk management programme.

In achieving this, companies should start by pointing out their most serious threats to their revenues and profits, and making a clear distinction between those that are mainly downside risks and those that are mainly variable risks. SME-s should try to maintain proper accounting, in order to handle the risk effectively. Having a safe risk management strategy goes a long way toward the success of an enterprise. On the other hand insurance companies should make SME-s aware of the importance of insurance policy in order to manage risk.

One cannot be innovative without taking risk. New business owners enter the market with new and innovative ideas or products which aim at making something better or making something new. But the smaller the business, the more likely it is that its survival will largely depend on effective risk management.

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Institute of Statistics INSTAT http://www.instat.co.al
World Bank: http://www.worldbank.org
Comparative Analysis on Privatization (Restitution & Compensation) Process of Property between Albania versus Southeastern, Eastern and Central European Countries as Romania, Poland and the Czech Republic

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Abstract

European Union from decades has been facing a struggle regarding the enlargement process and many question marks have been raised if enlargement would be beneficial for the Union itself and potential candidates that come from Eastern, southeastern and central Europe. Albania is one of the states, part of this process and a set of requirements have been given to Albania to fulfill and be qualified for the next step. Albania itself due to a non-well administration of post – communism from its political parties and leaders is still facing obstacles to integration. Therefore, one of the main obstacles that I will raise as an issue in this paper, part of my PhD research is a comparative analysis on the matter of property between Albania and other countries, specifically Romania, the Czech Republic and Poland. Countries that have been under the same regime, suffered more or less similar consequences of expropriations, but in years have found the ways to solve it and have different economic developments. Albania has good practices to follow with similar precedents on property that can be helpful toward integration road, depending on the will of its leaders and decision makers. Transition is still present in Albania and political climate it is not stable regarding many issues and reforms that have to be undertaken. The road has been difficult due to many factors, but what is important to emphasize is the fact that challenges help to improve, therefore Albania with international assistance and most important with its own will and political determinacy, must be on the right track to European Union.

Keywords: European Union, compensation, property rights, restitution, comparative

“Private property was the original source of freedom. It still is its main bulwark”. Walter Lippmann

1. Introduction

The issue of property rights in Albania started after the withdrawal of German army from Albanian territories. There were different types of property seizure, but according the Constitution of the Socialist Popular Republic of Albania private property does not exist, so the state become the legitimate owner of the seized land. After the ’90s the rules acknowledged that the right to have private property is a fundamental human right. Also, the Constitution of 1998 legitimates private property. Many laws since the 90’s have tried to make restitution or compensation, but the overlapping laws and procedures made the restitution and compensation complex.

Romania as well, is part of the same philosophy where communist regime and its Constitution of ’48 expropriated industrial property, residential property and agriculture lands. Romanian framework for restitution and compensation has its own challenges but has found mechanisms how to solve the majority of the issue.

The case of the Czech Republic is very interesting to be studied, specifically the right of property. The Czech Republic is a country which has experienced a three-dimensional transition, apart from overcoming the socialist regime to a market economy, was faced also with a regional economy toward national economy and EU membership as an independent state.

Even though Poland has a communist past, shares more values as: political values, economic values and social
ones with countries of Western Europe. However, even Poland which is affiliated more with Western couldn’t escape the consequences of communism since it still deals with issues of property rights. In transition the economy is nor centralized (socialist) either capitalist (genuine democratic).

2. Literature Review

Privatization process in post-communist countries it is a very complex and complicated process. Privatization came as a result of the failure of communist. To overcome economic crises, the economy had to change from state (centralized) economy to market economy (laisse faire) to fulfill the society requirements. Privatization was obligation of states to make arrangements through a legal process, where state property would get transformed to private property, to be more productive and competitive for the new democratic regime. (Gordon: 1993). It has been very hard to find solutions to the privatization process. There hasn’t been a unique model to apply, but each country has applied and adopted a model that would feet to their own the economic, legal and social circumstances.

As land privatization models have been used: shares giving to employs of the venture, distribution of shares to the people, selling of shares to investors and return of the property to prior landowners, land that was taken by force from the communist regime without compensating them. (Bennet: 2004) As mentioned above, depending on the specifications of the country, comes into implementation also the model of privatization, but to achieve bigger success each case has to have a clear legal framework, social consensus, good political will, transparency.

3. Methodology

This scientific work is based mainly on a comparative analysis between Albania and other Balkan Countries. Trying to bring a clear description of the similarities and contrast in hoping to extract thoughts to contribute in my best toward minor solutions or paths for solutions to the property rights issue which has become a burden to integration and to citizens itself. Each country has its own specifications although come from a similar regime. Analyzing mainly the challenges of each country (Albania, Romania, the Czech Republic and Poland) regarding property and how each of them tried to find ways to solve the issue is very interesting, because even though more or less the same past, the interest to solve the issue holds different priorities in each country. The priorities are related to economic capacities, political determination, social cohesion and most of all the democratic spirit the systems have.

4. Analysis Content

4.1 Albania

Albania belongs to states with a history of communist totalitarianism, where private property is liquidated and where the property belongs to the state. The state is the sole owner and employer.

In 1991 the newly elected parliament renewal of private property and reactivated the register of immovable property. Particularly important was the land law of 1991 under which agricultural lands were divided among those working and their families (about two-thirds of the population, in total). All former cooperatives were distributed as part of this process, although the details of implementation varied from province to province. (De Waal: 2005)

With the advent of democracy, the transformation of the economy took place even more chaotic than the political system. Through this law, the Albanian state creates a violation of human rights, depriving the legitimate owner from his property.

Albanian Constitution of 1998 in Art. 41- The right of private property is guaranteed. Art 42- The freedom, property and rights recognized by the Constitution and by law may not be infringed without a fair legal process. Then, laws as 7501, of 1991, "On land", agricultural lands were divided among those who worked on them, law 7652, of 1992, "On privatization of public housing," housing ownership passed to people who had them in use. Law 7698, of 1993, "On the restitution and compensation of property to former owners", provided a basis for further privatization in the city.

In 1993 they approved legal norms for property restitution and compensation. This law, made possible further privatizations. For agricultural areas came the principle "compensation instead of return". Then other laws give the possibility for legalization of informal areas, and create opportunities for continued occupancy of land illegally. Ineffective implementation law forced more and more population to question the authority of the state and law.

Land nationalized during the communist government, was not distributed on the basis of state law as in the south and north. In the south the implementation of land reform undertaken by the coalition government of 1991, as happened in Dropull didn’t take into account any previous ownership.
Law no. 9404, dated 29.10.2004 "On the legalization and urbanization of informal areas", trying to regularize illegal buildings, according to a declaration process managed by the local government!

Law no. 9482, of 2006, "On the legalization, urbanization and integration of illegal constructions, replaces the law of 2004 and seeks to regularize illegal dwellings and buildings built before May 2006, subject to a declaration process managed by (ALUIZNI). (European Commission:2003)

In Albania politics have used this issue in their favor. That’s why even the legal framework has changed in continuity, trying to please individuals to gain more electorate and the changing of staffs every time new government would come in place made confusion, inefficiency and delay of the process. (Frangakis: 2008)

4.2 Romania

In Romania the law for land restitution was approved in 1991. Through this law came possible liquidation of collective farms, returning their lands that were taken from the communism to almost 3.700 families. With the reform more than 10 hectares were distributed to families but this specific law didn’t manage the distribution of the 30% of the agricultural land. In ’97 a new restitution of land was distributed, approximately 50 hectare workable land 30 hectare of agricultural land. Distribution of land came into life as a necessity. )). (European Commission: 1999)

According to this law, land has to be given back to the legitimate owners when it is possible, in the case where compensation in land was not possible, there should be a financial compensation. Distribution of land must be registered and accompanied with documents that verify the ownership of the land. In Romania over 800.000 hectare of ex-agricultural lands continues to be on states ownership. Land that was transformed into state land during world wars, as reclamation land and nobody had the right to inherit them by law. (Constantin: 2005)

Also, the Romanian Constitution prohibits by law foreigners to have rights of owning land. Legislation on foreign investments allows foreign companies to buy land for business, but only through a Romanian juridical person. Land market in Romania has started to work properly only after 1998, but is penalized by very high notarial tariffs and the right to pre-emption, where co-owners and neighbors or the tenant of the agricultural land has the right to buy it first if the land is put in the market to be sold. Romania has as strategy to prevent banks to own agricultural land and become big land owners that can bring land speculations. Therefore, law of 1998 prevents banks from being owners of land, lands gained as a result of bank executing requests.

Administrative programs of government regarding land, programs designed also according requirements of EU for membership is as follow:

1. Land registration: In order to be member of EU, as a condition Romania through landowners had to register the land. Due to historic events, Romania has been divided between Austro Hungarian and Ottoman Empire, therefore still suffers the lack of a unified registration system. At the moment are into force two different registration systems, “the book of land” and “inscription –transcription”. Law of 1996 of cadaster for real estate is the fundamental legal act that adjusts land registration. A law that gives the right to the use of the book land. The book of land in the other hand has as a flaw the fact of the inability of gathering information in the offices of land book, therefore the information relies on local units of national cadastral offices. There is no security on the book of land, since in the law is not excluded the abolition of the land of book by court decision. So, people interested on land can’t rely on the book of land because registration rights can be broken down and there is no certainty in the process.

2. Consolidating programs: Very small and not in the same location properties hinder the achievement of an EU level of living. (Cartwright: 2000) In Romania farmers have almost 2-3 hectare of land, 50% of which is uncultivated due to the bad quality of the earth. Farmers have found solution to overcome this problem, only by creating family farmers associations, which creates more security and grow investments.

3. Plan and use of land: Many countries are dealing with policies of making government part of converting agricultural lands into nonagricultural use. Agricultural land in Romania is given to owners only when they are able to work on it and have knowledge on how to cultivate it. To convert the land is very expensive, but there is the option to do so.

4. Cohesive politics and land administration: Land administration has got two levels, the national and the local level. Until 2001 Romania didn’t apply the law of restitution of property for urban buildings. Similar to Albania, after the fall of the regime of Nicolae Ceauşescu, laws on restitution of land taken during world wars and communism were in contradiction and created a massive confusion. In 2001 came into force law nr.10 “restitution of private property”, restitution of property for the period of 1945 1989 (Decision 1/28 September 1998)
Timing was short for the complainant to apply for the property. Notification system was not functional, in this way many people living abroad would not catch in time the information. The government decided that citizens that have “sold the property” to the government during the communism for immigration reasons would not be compensated. In 2005 the government approved law No. 247, to improve the process of return of property, in the same time this law had as a goal to improve and simplify procedures, new deadlines for applications for return of property and imposing fines for whoever would infringe the process. Through this law the government achieved to eliminate some of the shortcomings of the previous legal framework for the return of the property, allowing the return of land in which a building was on construction through compensation, a procedure that in the previous law was not foreseen.

Law No. 247 of 2005 was a law that changed most of the framework for the return of property, one of them eliminating deadlines on documents submission once and forever which support the complainant's allegations regarding ownership by allowing the plaintiff submitting new documents obtained and ownership certificate until the case is resolved. There was created a fund of E4 billion, which would be used to compensate former landlords, the property of which could not be returned. (Luca: World Bank 2005) Payments for property that cannot be returned will be given in the form of shares in an investment fund composed of 114 companies where, 97% of the stock is owned by the state.

4.3 The Czech Republic

The Czech Republic launched a structural and institutional reform, privatization of state enterprises, reform of the enterprise sector, financial sector, pensions and tax system reform, similar to Albania.

The Czech Republic chose the course of a gradual transition, while Albania followed shock therapy. From a planned economy to a market economy, the Czech Republic made a transition from regional to national economy, experience different from Albania.

The Czech Republic inherited an ownership structure of the enterprises that was special because was based on self-rule, while Albania entered into transition with a structure dominated by state ownership. Countries like Albania were accompanied by drastic economic consequences, decrease of the overall product, social instability and rising unemployment.

The Czech Republic had the highest rate of growth among EU candidate countries, also positive social and political developments. Gradual policy has proved effectivity and efficiency for the Czech Republic.

The issue of compensation of property is a sensitive and complex issue. As well as in other post-communist countries that have passed or are still in transition, the issue is among the most frequent issues where politics gets involved for own benefits.

It is worth emphasizing that the European Court of Human Rights in a decision dated July 8, 1986, case X, held that Article 1 of Protocol No. 1 does not guarantee a right to full compensation in all circumstances, while legitimate targets such as "public interest", economic reform or social justice, can justify a compensation with a value of less than market value.

4.4 Poland

In Poland is a different situation, where the right of property ownership complies with the rule of law. Poland is the only country in post-communist block that does not have a law that provides return or restitution of private property. The legislation does not quote any provision for return or compensation. The only way to ask for a lost property is by individual request to the court, where in most cases limited compensation is offered.

In 2011, a statement of the Prime Minister clarified the situation of the Polish state due to economic difficulties, the compensation of property unfairly seized; even the minimum compensation from the state is unaffordable.

In early 1990s, property restitution and compensation has been an issue. With the establishment of the democratic system, Poland has undertaken measures in favor of the former owners. According to the legal framework, the seized properties must be returned to the former owners and a broad majority voted in favor, although the financial burden was too high.

Real reforms have made possible to pass to privatization and economic liberalization. The regime change brought changes in land ownership. International standards for human rights affecting property rights. Article 1, Protocol 1 of the European Convention provides the right to peaceful enjoyment of possessions and prohibits deprivation of possession unless they are in the general interest. In addition, any other deprivation of property is self-extinction of legal rights of the owner.
5. Conclusions

All countries come from a communist regime. None of the laws at first was addressed at former owners. There was lack of political vision and frequent changes of the legal framework. Also, there was lack of administrative bodies and bureaucracy of the process.

In Albania international law on human rights takes precedence over national legislation, missing documents /human resources not available to speed up the process, the change of political power affects the institutional bodies to ensure property restitution, there does not exist a property fund for compensation, partial fund from the state is accorded

Romania differently from Albania has a higher capacity to pay for compensation, Romania as well beside distribution in kind, made compensation in cash and with shares, Romania didn’t compensate former owners that left the country during communism and sold the land to the government, eliminated deadlines for documentation to claim property.

Czech Republic is the country that mostly had a European influence and that passed a gradual transition, which basically helped to solve many issues in a positive way for the country and its citizens. European Court of Human Rights decision does not cover and guarantees restitution in kind or compensation at all circumstances, meaning that compensation it’s limited due to circumstances and can even be less than the market value.

In the meantime, Poland does not have a law that provides restitution in kind or compensation, but each person has to make individual request or complaint if has pretense to property. As an over all, beside the lack of funds for restitution Poland is allied with the former owners and European convention that protect property rights.

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Myth and History in the “The Three-Arched Bridge” and “The Bridge on the Drina” of Ismail Kadare and Ivo Andric

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Abstract

In this paper, we will make a comparative study between the novels “The Three-Arched Bridge” (1978) authored by the Albanian writer Ismail Kadare (1936-) and “The Bridge on the Drina” (1945), authored by Bosnian writer Ivo Andric (1892-1974) by elaborating on how myth and history, two key components of these two literary works are two different starting points to them; Kadare begins with the Myth and views History through it, for Andric, history is the starting point whereas myth of sacrifice in the bridge, and the bridge itself is just a structural knot which makes in one the story of four centuries of Bosnia’s history. Myth, it is greatest meeting point of these two authors, while history (power, money, etc.), will be pointed out as the issue these two authors have different perspectives, in accordance with their cultural and literary background, and what is more important, in accordance with their artistic genius.

1. Introduction

Comparative studies on contemporary Balkan literature today, have as their primary objects important texts of Balkan authors that serve as a starting point to study how the Balkans is perceived and and how are the regional archetypes described. The comparative approach to important works of authors from Albania, Bulgaria, Greece, Romania, and the countries of former Yugoslavia has urged constantly researchers to conduct comparative studies intended to elaborate upon the relationship between literary and cultural texts and how they serve as meeting points among oral and written narration, uncertainty of memory facing modernity and post modernism to the point where each of them become one up to the point where it becomes impossible to distinguish, as the Greek word “Mythistorema” means in the sense of the narrative of the history of a myth. Whenever it is done a comparative study of important Balkan authors, the comparison between Kadare and Andric in general, (“Chronicle in Stone” and “Chronicles of Travnik”), novels “The Three-Arched Bridge” and “The Bridge on the Drina” in particular, it is intriguing and challenging for scholars of comparative literature.

Ivo Andrić (1892-1975) was a novelist, poet and short story writer who won the Nobel Prize in Literature in 1961. His writings dealt mainly with life in his native Bosnia under ottoman rule. Nobel committee awarded him the prize for “the epic force with which he has traced themes and depicted human destinies drawn from his country's history”.1 Ismail Kadare, (1936-) a Nobel candidate for decades, winner of the first Man Booker International Prize, he is Albania’s best poet and novelist and is acclaimed worldwide as one of the most important writers of our time. Translations of his novels have published in more than forty countries. Kadare is among the most important European writers today, famous for literary mythical and historical tales, for creating with his works “An eternal Albania” and for the search of idioms to characterize Albania’s European classical past and its late totalitarianism.

2. Pre-literary Genesis of the Two Novels

Both of these works utilize the metaphor of Albania and Bosnia as a bridge between East and West, and refer to the pan Balkan myth of immurement of the female body in a bridge, a myth that exists in many versions in the Balkans, and that raises a number of questions for study, especially if we consider the traces of this myth in other mythologies such as Greek and Indian.

Andric’s novel was written after World War II and was published in 1945, together with two other novels, “The Chronicles of Travnik” and “Misses”, part of a trilogy, two of which are chronicles of Bosnia and its history where the author describes the life of a region made up of different nationalities and religions, an area in which East and West clashed for centuries. Kadare’s novel was published in 1978 as part of a collection of novels (a triptych and an interlude),

under the common title “The Three-Arched Bridge” in 1978. Legend of immurement was mentioned in another triptych novel “Twilight of Eastern gods”, as one of the most beautiful legends of Albania, together with the legend of “bessa”. While the legend of bessa (the fulfilled promise) was transformed into a literary work in the novel “Who brought Doruntina?” the legend of immurement became a novel with the title “The Three-Arched Bridge”.

Kadare’s great attraction after legend of immurement, was shown also in the book of essays “Autobiography of people in verses”, a book in which the author meditates on authorship or co-authorship of the people of Balkans (mainly of Albanian people) in creating the treasury of Balkan legends and folklore by arguing against the Slavic claims of authorship, which he opposes, bringing arguments pro the Albanian authorship of these legends, among which, Kadare distinguishes the legend of immurement (Castle of Shkodra) and the Legend of the Word of Honor (Besa), (Constantine and Doruntina). According to Kadare “Both served to world literature to create poems, plays and novels in several languages. It is known that Goethe was astounded when he heard them from Vuk Karadžić while for the Legend of Immurement Jacob Grimm wrote that “It is one of the most moving songs of all peoples and all times”.2

This legend according to Kadare is Albanian because: The historian Marin Barleti writes at the beginning of the sixteenth century that he read the legend in the chronicles written in the language of the natives; in no other region of the Balkans, this legend is faces as densely as in Albanian territories or populated by Albanians; the motive of bessa encountered in the ballad, a motive that is one of the most powerful acts of the drama constitutes the main difference and according to Kadare “In the Slavic version, which claims to be especially called a mother variant, in the verse “Two brothers broke the bessa,” the words “vjeru pogazio” makes no sense in the context of the ballad. This because the words “vjeru pogazio” are a mistranslation of the words “broke the bessa” of the Albanian ballad, where the word bessa, which lacks its genuine counterpart in Serbo-Croat language, is mistakenly substituted the word faith (religion), a word with which it has no relation. Such a borrowing is of one of the key moments of the drama is in favor of the thesis that the original variant in this case is the Albanian and the Slavic”.3

According to Kadare “Legend of immurement is, first of all, as it name and subject indicate, a legend of masonry. The ballad is constructed as a shocking, vibrant narration, something that is expressed impressively in the verses: As I shudder at the wall /May this bridge shudder, verses found only in Greek and Albanian variants. Only the mason rhapsodists who knew the secret of “building”, continues Kadare his argument for this legend in “The Autobiography of People in Verses” written in the 1970’s,”might have noticed that the bridges, even stone buildings, the same as any other building, have a slight vibration. Only the mason rhapsodists can create such a powerful poetic image, which establishes a direct relationship between the vibration of the body of the woman in the agony of dying and the eternal vibration of the bridge. Vibrations of the body agony of the sacrificed woman pass into the bridge not simply as a curse, much less as a wish, they pass to it, first of all as a reality. And this static aspect of the bridge could be known only by the building rhapsodes. Without this vibration; this poem would be just a repetition of the well known routine of sacrifice of different epochs and nations. Exactly this material and simultaneously spiritual vibration that alloy of the living body of the sacrificed human being and the stone that mud and concrete, that mixer (vibrator) conceived and maintained erected this immortal legend”.4

At “The Three-Arched Bridge” Kadare returns to these arguments through his characters. In Chapter XXX, monk Gjon in his conversation with a collector of tales and popular traditions narrates:

“Although all insist it is theirs, our monks said that it [the ballad] was born here, and this, not because the event really happened in this country, but because only to Albanian the meaning of bessa has taken such a grave connotation”.5

Again, later in this chapter of the novel we read:

“I wanted to tell him that, the same as in the case of the first legend, even here the motive of bessa, proved according to our monks, ballad’s Albanian authorship, but in his his face one could notice was, I do not know how to say, a fatal hustle, that pushed me to speak quickly. This was the time to explain him that namely the words “they broke the bessa” in the Slavic variant of the ballad was “vjeru pogazio” which meant they lost faith, words that do not make sense in the Slavic variant and this is because they are a mistranslation of Albanian word “bessa” with “faith, religion”; but he did not let me do that”. He was has holding my hand and with a whispering voice, as if he was asking me to discover a secret, asked

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5 Ismail Kadare, Three Arched Bridge, [Ura me tri harqe] (Onufri Publishing House: 2004), Tirana, pp. 75.
On the other hand, Andric's novel at its pre literary form, according to scholars who studied his life and work think that its starting point is encountered in his PhD thesis entitled "Development of spiritual life in Bosnia under the influence of the Ottoman regime" a defended in 1924 in Graz, Austria. This thesis in German helps us to understand his research of human existence through Bosnia's history, something which later was transformed into a literary work. The scientific research and the literary works have many things in common: the epic tone, the feeling that events occur more often than they do, the ability to summarize the story in confined local spaces, by giving to the a general human value, the deep seeds of hatred and conflicts between Muslims (Bosniaks), Turks, Serbs, Croats, Jews at the regional level, and the conflicts of the war-battered Europe in a wider dimension.

All the roots of Andric's literary motifs can be found as historical arguments of a history paper which are then transformed into an epic novel. "The Bridge on the Drina" itself was firstly published as a fifty-page novel titled "The Bridge on Zepa" which deals with various aspects of the topic of immurement and constitutes an earlier form of the authorial prior creative process. Regarding the novel's form of "The Three-Arched Bridge" it was conceived at the beginning by Kadare in the form of a file, where parts of the chronicle would be combined with various documents, technical calculations, drawings of the project, pieces of tourists' conversations later on its feet, the biography of British aviator who hit with a bomb during the last war, pieces of the old ballad, etc., etc. According to the author, out of the first file of "The Bridge" were saved a few things: a sketch of it, as well as tourist's conversations, but not a thousand years later, as he thought, but immediately after the establishment of arcs.7

3. Converges into Myth

The main converges of "The Three-Arched Bridge" are obvious in the first chapters of the novel "The Bridge on the Drina". In Andric's novel, each chapter or story is in a way related to the bridge. It is the focal point of the town of Visegrad, and the most important events are related to it. Such a structural choice contributes to the literary work, which describes the development of a series of historical events. The transference of the chronicle in four centuries is not homogeneous. The first major event for inhabitants of Visegrad is the bridge construction in the middle of the sixteenth century which is described in details in the first three chapters. The first three chapters are the chapters where we see the biggest converges between the two novels. Here it is described construction of the bridge over the Drina while Kadare describes the construction of the three arched bridge.

The atmosphere of chaos that such an enterprise brings about is reflected in the entire Visegrad while to Kadare, despite a physical disorder there is also a spiritual disturbance to local residents, whose spokeswoman becomes Ajkuna, an old woman who embodies popular mentality throughout the whole novel.

In Andric's novel, local people are forced to work there either through employment or by force, while at the end there are gossips that master Rade has exploited them by profiting from their work. In Kadare's novel, the start of the bridge construction is dominated by legend tones; the construction company realizes the scene of the collapse of a "passerby" because of the epilepsy, and spread the interpretation of this event as a divine sign from the Almighty, that the bridge ought to be constructed as soon as possible. This popular belief was utilized by them for economic profit to achieve a goal that will make another company go bankrupt. In Andric's novel the construction of the bridge is opposed by Radislav from Unishteja, a small village just above the town, a village whose people had embraced Islam and felt oppressed and isolated. He summits secret gatherings and opposes the construction of the Visegrad Bridge. Radislav tries to make it collapse at night while it is spread the version that villa (the river's spirit) destroy at night what was built during the day and does not want to allow the construction of the Drina bridge. Words are spread that the construction will never be finished due to the villa.

In both novels, during the building process of the bridge, after the spread of legends that the bridge construction was opposed by the spirit of the river, the first damages are noticed. In "The Bridge on the Drina", after much effort, the defector is caught and publicly executed, in the eyes of the entire population of the town. His scroll in hell by ottomans is transformed into an epic novel. "The Bridge on the Drina" itself was firstly published as a fifty-page novel titled "The Bridge on Zepa" which deals with various aspects of the topic of immurement and constitutes an earlier form of the authorial prior creative process. Regarding the novel's form of "The Three-Arched Bridge" it was conceived at the

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6 Ibid, pp.76.
7 Ismail Kadare, Invitation to the Studio [Ftesë në studio] (Onufri Publishing House: 2004), pp. 64.
economy play a primary role in explaining the conflict. Bridge builders had paid initially a lunatic and a traveling fortune teller, to pronounce the proposal of building the bridge, and the company “Passage-boats and pontoons” pay two itinerant bards, to spread the idea of its destruction. The fight between two companies is a fight for economic profit.

“The Three-Arched Bridge” in Arbëria is built in the wake of the onslaught of the Ottomans in the Balkans and more than a union bridge, it is a bridge that separates two civilizations, a bridge between Europe and Asia through which Asia would conquer and alienate Europe. Myth of the bridge permeates the subsequent events, it is the main axis, and messages that come from the sacrifice in the bridge and “calamity” it foretells are a proclamation through which History of Arbëria (Albania) is decoded while it is opposite to the Asian apocalypse that risks its being.

In “The Bridge on the Drina”, traditions and legends are associated with the construction of the bridge, fantasy and reality, truth and dream, are combined in an inextricable strange intrigue. After the third chapter, it is recounted how the bridge was built and Andric gets away from myth in order to penetrate deep into history. Bridge in Visegrad is a bridge between Muslim Turkey and Christian Europe, a yarn through which Andric knits the chronicles of Bosnia’s history. This is the point where the spyglasses of the two storytellers reflect different perceptions of history.

Meanwhile, “The Three-Arched Bridge” constantly relies on myth. The bridge itself becomes the greatest myth and the monk Gjon together with residents of the principality speculate about its positive effects as a link between East and West and the devastating effects as well, grim intuitions invade residents living in its shadow. The text formulated as a double coding, as a real chronicle written in an old Albanian dialect. The ancient ritual of sacrifice, immurement of the human being at the foundations of an edifice or a bridge, has all the features of a symbol. Ismail Kadare returns to this topos not to explain it to the end, not to reveal, but to charge it with other strata of meaning.

The novel has also an allegorical dimension, which focusses on the author’s idea that the country’s fate is determined by geographical location. The country has always been a bridgehead, “a three arched bridge”, each arch established by foreigners during the long Roman, Byzantine and Turkish occupations. The immured mason symbolizes the persecuted Albanian people. The medieval conflict between the Byzantines and Ottomans resembles the antagonism between the Soviet Union and China over Albania.

4. The Bridge as a Witness of History and History Itself

The building of the bridge in the novel “The Bridge on the Drina” is related to History. Its genesis is linked to the abduction of a local boy due to the from the right of blood” by the Ottomans who conquered Bosnia and kidnapped Bosnian boys in order to send them to Istanbul, where this kidnapped boy, now in the service of the Ottomans, the Grand Vizier Mehmed Pasha Sokolovic decides to build a bridge in memory of his childhood in Bosnia while he never returns to the land of his ancestors, as he lives in the service of the sultan as Vizier until prosaically dies from stabbing murder of a vagrant dervish. Ottoman Empire has already conquered Bosnia. The author refers to Bosnians as “Turks” and the establishment of the bridge is considered as a bridge that connects the inhabitants of Visegrad (city on the border with Serbia) divided by the river Drina.

The bridge is a magnificent witness, which does not change anything deep in history. In addition, the bridge was built after the Ottoman conquest, by a resident of the village, who became a janissary and after that a Vizier. Bridge, more than a symbol of pain and suffering is “a symbol of the merger of two different worlds, that eastern and western ones, which followed and confronted each other in this land. Initially crushed by the Ottomans, who ruled for half a millennium by violating Bosnian freedom without considering the economic problems of this land; subject to the Austrians, bearer of a feeble, corrupted and corrupting moral, the inhabitants of Visegrad adapted to this instability of the time maintaining a personal ethos and, at the same time, welcoming the values and ways of life that one or the other invaders carried with them.

Namely this “adaptation”, this assimilation is that dark omen that the narrator gets across while in “The Three-Arched Bridge”, adaptation is seen as the beginning of a devastating havoc in the soul of “Arbëria”, the essence of her being. In Andric’s novel the bridge is not the history, but a witness to it, and the main focus is not the bridge but the story of the people in the town where the bridge is being built. The population of the town is various, but in this case Andric chooses to emphasize the coherence of the whole to contrast with the insignificance of the individual human life within a broader perspective of life which itself is full of ups and downs. At this level, the bridge is a symbolic structural knot.

In Kadare’s novel the bridge is constantly associated with the omen feeling of a threat. This therat is related to the 500 years conquer of Albania by Ottomans, a threat that risks the Albanian identity. Somethuing that is reflected in the

Distributed narration of the monk Gjon. For Kadare the bridge is the history itself. It is a dramatic fact with strange protrusions, a real political and economic earthquake. Due to this perception, the novel is focused on its essential idea, an independent Albania, but fragile, divided and economically backward, which witnesses the approach Asian forces toward its borders.

5. Conclusions

In this brief study, we analyzed some of the convergences between the two novels of two important Balkan and European authors, the novel “Three-Arched Bridge” of Ismail Kadare and “Bridge on the Drina” of Nobel laureate Ivo Andric. The myth of sacrifice existed as a literary motive since ancient Greek literature, sacrifice of Iphigenia, daughter of Agamemnon, before the start of the campaign of Troy and its modern interpretations thereof, inspired various Balkan writers among which the two great writers Kadare and Andric.

We referred to the origin of these novels of Kadare and Andric to highlight the opposite starting points at the genesis of their creation. Kadare starts his creative adventure from and creates “Three-Arched Bridge”, a novel in which an essay argument turns into an aesthetic, literary one, in order to deduce that Kadare, aware of the existence of Andric’s novel, has has as an authorial aim to materialize a different literary work, a novel that is almost thoroughly based on a myth that radiates through the novel as a necklace of multiple interpretations and dual meanings. All converges between these two novels deal with only the way how these two writers use myth in service of the literary function.

Kadare uses myth as the main pillar of the novel edifice, folk tales of oral heritage serve as a way of interpreting history, while Andric, uses myth only as a starting point and connecting knot of facts, events and important phenomena that characterize the life of development of Bosnian people. Myth, being the main convergence point, announced the novels’ titles, is the primary literary motif but the approach to myth is as well the aspect which makes the two novels simultaneously different.

This different approach in Andric’s novel after the first three chapters, in the seventeenth and eighteenth century, a time with no major events affecting the life of the town of Visegrad, are included in a single chapter; the nineteenth century is given in ten chapters, and the years 1900-1914, the remainder of the novel, in nine further chapters. Such a scheme makes possible to describe the key events affecting the life of the town in details and also suggest awareness of the history being removed completely from myth and referring to only miracle of engineering and physical bridge, already stripped of the mythical significance which is replaced by the historical significance. Put in the words of one scholar of these two European literatures great writers “by approaching the same myth, quite differently, “Kadare and Andric share a sharp sense of imagination, in which the Balkan bridge connects the future and the present to the human sacrifices.”

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The Advances of Information Technology to the Telecommunication Sector: The Case of Albtelecom

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Abstract

Telecommunications in general and mobile telecommunication especially, act as a key infrastructure factor for economic development of a country. Its role has become increasingly important with the growth of electronic business. Enterprise Resource Planning (ERP) represents a contemporary phenomenon in the use of information technology by many telecommunication companies worldwide and also in Albania. The purpose of this study is to assess the impact of privatization of the Albanian Telecom, namely ALBtelecom focusing on the added business value of the integrated enterprise system, adopted after the company was privatized. Hence, we analyze Systems, Applications and Products (SAP), which is one of the most frequently selected ERP software. SAP constitutes important topic for research, due to its great potential for strategic, managerial, financial, technical and human benefits, not to mention the associated risks. We measure the business performance of ALBtelecom in ERP environment comparing side-by-side the time before and after implementation using ratio analysis, for the period spanning from 2007 to 2012. We aim to show the importance of information got through financial statements and more deeply through financial ratios which enable shareholders and all stakeholders to better understand the company progress. The findings outline complexity, but in general they indicate significant improvement of ALBtelecom performance.

Keywords: Telecommunications, ALBtelecom, ERP, SAP, ratio analysis

1. Introduction

The telecommunication market structure for European countries, until the mid-1990’s, was monopolistic and all the telecommunication companies were state-owned. After the launch of the European telecommunication policy in 1987, by end of 1990s, the Europe telecommunication market has undergone dynamic changes, driven by liberalization, competition, privatization and globalization. That led to an important price decrease, improvement of service quality and a wide range of technological developments. Telecommunications now can be considered as the road toward modern trade, not to mention the changes in the humans’ everyday life. In order to be more competitive as much as possible, the firms try to take advantage of what new technology offers and one of that is the implementation of Enterprise Resource Planning (ERP). The ERP systems are now prevailing platforms in most enterprises all over the world. They are an enduring part of the IT landscape and remain to be a large part of organizational IT infrastructure. ERP can be defined as customizable, standard application software which includes integrated business solutions for the core processes and the main administrative of an enterprise.1 If we take into consideration the significant investment and the huge costs involved in ERP implementations, the impact of this system on the business performance is an important subject to be examined.

The purpose of this study is to provide the impact of the integrated enterprise system adopted after ALBtelecom was privatized. Hence, we analyze Systems, Applications and Products (SAP), which is one of the most frequently selected ERP software. SAP constitutes important topic for research, due to its great potential for strategic, managerial,

1 Measuring the Performance of ERP Software– a Balanced Scorecard Approach Michael Rosemann, Jens Wiese
financial, technical and human benefits, not to mention the associated risks.

This research study is organized as follows: The next part provides a literature review highlighting mixed and in some cases even controversial findings. It also describes the main objectives and methodology applied. Section 2 introduces briefly ALBtelecom as one of the major Albanian communication networks. Section 3 analyzes the data with regard to ERP investment for the time period considered and presents the empirical results of this study. This section about the ALBtelecom financial performance, which is shown using ratio analysis. The contents of this analysis and the statements attaching to it, strive to achieve better understanding of role of ERP implementation and also of corporate transparency. The final part draws the conclusions and recommendations and discusses the implications of our research findings.

The study provides comparative knowledge for current and potential investors, for various stakeholders and for scholars as well, since they will get a better idea about the significance of the ERP environment and its impact on the business success.

1.1 Literature review

With regard to the main objective of our research, we conduct a literature review in order to make use of diverse studies that examine a range of business performance dimensions. The main aspects observed in these studies are costs, benefits and risks involved in ERP implementation and usage for many enterprises. They reveal different and in some cases controversial results. Some of the studies find important to analyze both financial and non-financial aspects, as ERP implementation also affect organizational and operational excellence which may not be immediately reflected on cost reductions. Other studies assess mainly the financial performance of ERP adopting organizations. Therefore we report here their findings classifying them based on the research focus as far as several business performance dimensions are concerned.

For instance, Poston and Grabski (2001) measured the profitability of an ERP adopter company comparing with the profitability before systems’ adoption and found no connection between ERP implementation and profitability. Hunton et al (2003) reported that there is no difference in the financial performance comparing the time before and after ERP adoption. These results are consistent with the findings of Poston and Grabski (2001). Velcu (2005) used some significant profitability and asset utilization ratios to compare the financial performance of successful ERP adopters with less successful ones. The findings showed no considerable difference between these two groups as far as Return on Investment (ROI) and Return on Assets (ROA) were considered. However, the successful firms resulted to have better efficiency than the less successful ones in terms of Assets Turnover and Capital Turnover within two years after ERP has been implemented.

Nikolaou and Bhattacharya (2008) tested the impact of Post-Implementation Review (PIR) showing a significant improvement for firms that employ PIR activities as far as ROI, ROS, gross margin and the employee efficiency ratios are concerned. Also Liu et al. (2008) reported in their study no financial benefits in the three years observed after implementation.

There are also studies that provide positive impact (Sudzina et al. 2011) on the financial figures of ERP adopters.

While some research studies focus mainly on the financial benefits, there are also many other studies that follow different approaches. Stefanou (2001) argued that the adoption of ERP systems, which leads to changes in organizational structure and in business processes have a broad range of benefits, directly and indirectly, related to the whole performance of the enterprises. For instance, the cost reductions, occurred not from the use of the system per se, but from the simplification and re-engineering of business processes as a result of ERP implementation, can be considered as a source of competitive advantage. The implementation may also affect only specific organizational functions such as costing, auditing or human resources. On the other hand, Beard and Sumner (2004) argued that the business costs are not reduced due to the adoption of ERP systems.

Moreover, Ignatadis and Nandhkumar (2007) showed in their study that ERP adoption led to a decrease in organizational flexibility. Madapusi and D’ Souza (2012) reported the impact of ERP systems on operational performance. They divided their research objective into several modules such as financials, sales and distribution or human resources. They concluded that each module affected the business performance separately. Some of them have significant influence and the others less. Additionally they reported that the more modules are included in ERP implementation, the better the performance could be. Powel et al. (2013) followed a multiple-case-study approach and evaluated the functionality provided by ERP software in order to support production.

As we can saw from above, there are many and in some cases contradictory results reported in literature by several researchers during the last years. Stefanou (2001) pretends that this inconsistency of the findings with regard to
the impact of ERP implementation is attributed to the fact that this subject is very complex. At the end, we made use of these very useful reports and defined the main indicators where our study should be mainly focused on, in order to come up with findings related to our research question.

1.2 Methodology and data

This study covers telecommunications, which is one of the most common industries that make use of ERP systems. We select ALBtelecom an important component of Albanian telecommunication industry. Considering the fact that this company was previously state owned, we intend to show the impact of technology and systems advancement such as SAP software, implemented after privatization. We follow an approach with respect to the company vision “to be the most preferred data service provider for the best customer experience”, mission and its values. We focus our data analysis on financial benefits of the company and try to provide evidence on this key area. The period chosen for this part of study is from January 2010 to December 2012. The main intent of using this time period is to compare the performance of the company before, during and after SAP implementation. In order to examine the financial performance we use the quantitative ratio analysis based on annual financial statements of ALBtelecom. The study intends to capture similarities, differences, patterns and trends in ALBtelecom activities and movements and analyses the significance of SAP software on the company prosperity. In short, we examine if the company has realized tangible or intangible business benefits as a result of SAP implementation. It is an empirical question designed to determine if the variations observed in our findings provide evidence on this significant issue.

The primary data used is the information provided by many ALBtelecom employees, members of different departments who made a great contribution to this study. The information is collected through the periodic interviews with all of them, but also through several materials made available to us. We have also prepared a question pool which is responded by the IT manager. In the main part of the study where we evaluate the financial performance of ALBtelecom through ratio analysis, we referred to the annual statistics published by National Business Center.

1.3 Research question

According to the main objectives presented, this research study aims at responding to the following question: What are the relevant outcomes generated by the implementation of SAP system in one of major Albanian telecommunication companies

2. The Overview of ALBtelecom

2.1 ALBtelecom before the privatization

The today’s ALBtelecom was founded just after the creation of the Temporary Albanian Government, in 1912, after the declaration of Independence of the Albanian State. This government, having acknowledged the importance of interconnection for the essential needs of the new state, population, economy and external communication, took steps to organize the Post-telegraphic service. Albanian telecom prior to the 1990s was a structure of Albanian Post Telegraph Telecommunication (PTT), but since February 5, 1992, it was established as a separate legal entity and has been turning a profit since 1996. It carried international traffic and national long distance on exclusive rights basis. In addition to the primary services it also provides local network and telegraph services, leased lines, data transmission, private network and telex services.

2.2 Privatization Period

Privatization of the company was initially scheduled to begin in Q4 of 1999 but the war in Kosovo raised emergency problems even in Albania therefore the privatization was postponed. On June 19, 2007, the Albanian government finalized two-year long privatization negotiations. The deal also included Eagle Mobile, the third mobile telephony license, which by that time was not yet operational. On October 1st, 2007, the CETEL Company (Ankara), member of ÇALIK Holding, headquartered in Istanbul, and in consortium with Turk Telekom, officially became the owner of the fixed

telephony giant ALBtelecom, and of the third mobile operator in Albania, Eagle Mobile. The goal of the privatization of this company was to develop and enhance the quality of telecommunications, as well as to provide a new cutting edge and up-to-date technology.  

2.3 ALBtelecom after privatization

ALBtelecom’s main priority is customer care and the application of technological innovations. ALBtelecom’s objective is to provide contemporary services for the Albanian citizens, and to transform Albania into the main center of information technology and telecommunications in the region. By the end of 2012, the company has invested about €150 million on the replacement or expansion of the network, to increase the capacities across the country, on the preparation of infrastructure, on the latest technology services, as well as to improve the service infrastructure. ALBtelecom provides and adapts the ideal solutions for the business sector and entrepreneurship in the country, starting from professionals, medium and large businesses, public and private sector. The network of its shops all around Albania, which continues to expand, is more than 150. Even today, the company carries out on-going investments for the expansion of the network, in order to further increase the capacity all around Albania, for the implementation of the latest technological services infrastructure.

2.4 Implementation of SAP at ALBtelecom

SAP stands for Systems, Applications and Products and it is a type of ERP that allows a company to manage databases and different processes from a single system. The main reason for selecting SAP among other providers was its best functional fit to the company. The software is highly advanced and the options that it offers enable the users to operate effectively and efficiently. The strategic objectives of ALBtelecom by implementing the SAP were to offer to its current and potential customers better services and products in a faster and more comfortable way, to create more revenue stream, to keep and even increase the market share and to decrease the OPEX. Another important reason is the flow of information that SAP facilitates by collecting data from various levels of the organization offering management insights into key performance indicators (KPI) in real time and helps them during the decision-making process. Moreover, by implementing SAP, ALBtelecom adopted the same system with its parent company.

The SAP implementation in ALBtelecom started in April 2009 and went live in January 2010. The full implementation duration was 8 months, which was not considered as a long time since the company had realistic expectations to achieve ERP success. The company followed a proper strategy and developed a data migration plan well before duration in order not to experience a problem such as data issues that could be a reason for schedule overages. The project was on-schedule and did not exceed its initial estimated timeline due to full dedicated SAP team and the guidance of ERP consultants.

3. Data Analysis

The following are some interesting findings achieved through data elaboration tracked down to demonstrate how a valuable source such as SAP and the effects after its implementation can be channeled into decision-making. In this section, we are going to compare the company’s performance before and after the SAP adoption. As we mentioned before, the company was privatized in October 2007 and the SAP went live in January 2010. Based on these facts, the period considered here is 2007 until 2012. The merger of ALBtelecom with Eagle Mobile in one single company, occurred in February 2013, and its impact on the company performance will be subject for a further research.

3.1 Assessment of financial performance using ratio analysis

A ratio analysis is a quantitative analysis based on the data contained in the line items of financial statements. It is considered as a cornerstone of fundamental analysis. The figures held in balance sheet, income statement or cash flow statement are calculated using different formulas. We used ratio analysis to assess the impact of SAP system implementation by evaluating various aspects of company’s operating and financial performance such as liquidity or profitability. We examined the upward and downward trends over the time and then explained the patterns related to

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3 www.albtelecom.al
them. As we have mentioned also at the beginning, the main aim our study is to check whether some of the performance dimensions are improving or deteriorating. The data is held from National Business Center and it provides a great statistical significance.

Profitability Ratios: Profitability ratios are a class of financial metrics that are used to assess a business's ability to generate earnings as compared to its expenses and other relevant costs incurred during a specific period of time. For most of these ratios, having a higher value relative to a competitor's ratio or the same ratio from a previous period is indicative that the company is doing well. Since the absolute numbers shown in the income statement do not have increased significance, we made use of margin analysis to determine the true profitability of ALBtelecom. These ratios help us to measure the ability of the company to generate revenues and manage costs and expenses.

- **Gross profit margin:** Gross profit margin is a financial metric used to assess a firm’s financial health by revealing the proportion of money left over from revenues after accounting for the cost of goods sold.\(^6\)

\[
\text{Gross profit margin} = \frac{\text{Gross profit (Net sales-COGS)}}{\text{Net sales (Revenue)}}
\]

Comments: In general, the gross profit margin should be stable, but the company has been undergone a drastic change such as a privatization in 2007 and the ERP-SAP implementation in 2010 which affected a lot the costs of goods sold. The main aim of analyzing the gross profit margin is to detect the positive or negative trends in company’s earnings. In 2010, this ratio differs substantially from the previous years due to the decrease in COGS. After that, the gross profit margin has not fluctuated much from one period to another. Finally, we can come up with the conclusion that the positive trend and the consistency can be interpreted (translated) into a positive investment quality.

- **Net profit margin:** Net margin is the ratio of net profits to revenues for a company or business segment - typically expressed as a percentage – that shows how much of each dollar earned by the company is translated into profits.\(^7\)

\[
\text{Net profit margin} = \frac{\text{Net income (Earnings available for common stockholders)}}{\text{Net sales (Revenue)}}
\]

Comments: The net profit margin intends to be a measure of overall company success. The results of this measurement reveal the amount of profit ALBtelecom has extracted from its total revenues. This ratio is very effective to compare the past performance of the company with the performance after ERP adoption. The improved net profit margin and the positive trend over the years indicate that ALBtelecom prices its services and goods properly and it exercises good cost control. Our findings show that despite the falling tariffs due to the competition between telecom companies and market liberalization, the company achieved to keep revenues constant and to lower expenses. The use of SAP is one of the most important factor that helped managers to reduce the spending budgets and improve net profit margin.

- **Return on total assets (ROA):** ROA measures the net income produced by invested capital. The higher ROA the better is.

\[
\text{ROA} = \frac{\text{Net income (Earnings available for common stockholders)}}{\text{Average total assets}}
\]

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\(^4\) [http://www.investopedia.com/terms/p/profitabilityratios.asp]
\(^5\) [http://www.investopedia.com/terms/p/profitabilityratios.asp]
\(^6\) [http://www.investopedia.com/terms/g/gross_profit_margin.asp]
\(^7\) [http://www.investopedia.com/terms/n/net_margin.asp]
Comments: We calculated the ROA by comparing net profit to the average total assets for the respective years. However, we analyzed these two parameters separately, in order to come to a better conclusion. The figures show that after privatization the total assets have been increased until 2009. Starting from 2010 until 2012, they have gradually decreased while the net profit has increased particularly in 2012 by 193%. Due to this fact, we could state that the management is making wise choices in allocating its resources.

After the SAP adoption, ALTelecom has been performing better at converting the capital used to purchase assets into net income or profit. In other words, the company is earning more return on less investment.

- **Return on equity (ROE):** Return on equity (ROE) is the amount of net income returned as a percentage of shareholders equity.\(^8\) The formula for ROE is as follows:

\[
\text{ROE} = \frac{\text{Net income}}{\text{Average shareholders' equity}}
\]

Comments: There are several ways on the formula used to calculate the ROE. We came up to our results by dividing the net profit by average shareholders’ equity. We analyzed the ROE by breaking down its main components. After 2009, the amount of equity reported in financial statements of 2010-2012 has been slightly raised. As we mentioned above, the net income has also increased as a higher portion compared to equity, rising ROE from 5% in 2009 to 13% in 2012. The higher ROE indicates that management is deploying effectively the shareholders’ capital and that the company is able to generate profit without the need of additional capital. It is important to emphasize that ROE has not been boosted artificially, in spite of increased equity and lower level of debt.

- **Liquidity Ratios:** A class of financial metrics that is used to determine a company’s ability to pay off its short-terms debts obligations.\(^10\)

  - **Current ratio:**

    This ratio gives an idea of the company’s ability to pay back its short-term liabilities (debt and payables) with its short-term assets (cash, receivables, or inventory).\(^11\)

\[
\text{Current ratio} = \frac{\text{Current assets}}{\text{Current liabilities}}
\]

Comments: A higher current ratio shows the capability of the company to pay its obligations, as it has a larger proportion of asset value relative to the value of its liabilities.\(^12\) Current ratio in 2007 was lower and has been improved until 2009.

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\(^8\) [http://www.investopedia.com/terms/r/returnonequity.asp](http://www.investopedia.com/terms/r/returnonequity.asp)


\(^10\) [Investopedia www.investopedia.com](http://www.investopedia.com)


\(^12\) [http://www.investopedia.com/terms/c/currentratio.asp](http://www.investopedia.com/terms/c/currentratio.asp)
Starting from 2010 it has declined from 2.86 to 1.01 and in 2011 and 2012 this ratio has been below 1, which in general it is not considered as a good sign. However, the company is expecting large investment returns (among them also from SAP implementation) after the debts are due, so it will likely stave off its debt.

To better assess how the company’s short-term assets are allocated, more specific ratios than the current ratio are needed to be further analyzed.

- **Quick ratio:** That indicator defines the ability of a firm to cover its current liabilities with its short-term assets, without considering its inventory.

\[
\text{Quick ratio} = \frac{\text{Short term investments} + \text{Cash} + \text{Account receivable}}{\text{Current liabilities}}
\]

\[
\text{Quick ratio} = \frac{\text{Current assets} - \text{Inventories} - \text{Prepaid expenses}}{\text{Current liabilities}}
\]

Comments: The higher the quick ratio, the better the company's liquidity position. Also known as the “acid-test ratio” or “quick assets ratio”.\(^{13}\) Starting from 2010, we calculated the quick ratio by simply subtracting inventory and current prepaid assets from total current assets and dividing then by current liabilities. We see that by year 2007 to 2009 the quick ratio has been increased, that means that the liquidity of ALBtelecom improved after privatization. Starting from 2010, the ratio decreases so does the liquidity of company, which might have raised the concern of creditors to be paid back on time.

- **Cash Asset Ratio:** This ratio is also used to measure a firm's ability to pay its short-term obligations. It is the most commonly used, because it shows a much more accurate picture of a firm's liquidity by considering only cash and marketable securities.

\[
\text{Cash asset ratio} = \frac{\text{Cash} + \text{Marketable securities}}{\text{Current liabilities}}
\]

Comments: In contrast to current and quick ratios, cash asset ratio decreased from 2007 to 2009. The speedy cash increase in 2010 influenced the improvement of this ratio. However, being below the 1, this ratio indicates that there is insufficient cash on hand to pay off short-term debt.

In conclusion, we include current, quick and cash asset ratios as the most common ratios used in calculating liquidity, although some analysts consider only the cash and equivalents as the most liquid assets to cover the short-term obligations in an emergency. Starting from 2010, the increase of short-term liabilities over the years has led to the decrease of liquidity. However, we are going to analyze other ratios to better evaluate financing, since the company has realistic prospects of future earnings against which have been borrowed.

**Asset Utilization Ratios:** Accounting ratios that measure a firm’s ability to manage effectively its assets. An increase in asset utilization indicates that company is being more efficient with assets it has.

- **Inventory turnover:** It shows how many times company’s inventory is sold and replaced over a period.\(^{14}\)

\[
\text{Inventory turnover} = \frac{\text{Cost of goods sold}}{\text{Average inventory}}
\]

The days sales of inventory value, or DSI, is a financial measure of a company’s performance that gives investors an idea of how long it takes a company to turn its inventory (including goods that are a work in progress, if applicable) into sales. Generally, a lower (shorter) DSI is preferred, but it is important to note that the average DSI varies from one industry to

\(^{13}\)http://www.investopedia.com/terms/q/quickratio.asp

\(^{14}\)http://www.investopedia.com/terms/i/inventoryturnover.asp
another.\textsuperscript{15}

$$\textit{Average age of inventory} = \frac{\text{Days' sales inventory}}{\text{Inventory turnover}}$$

Comments: Comparing 2009 with 2010 and 2011 while the Costs of Goods Sold (COGS) fell gradually from year to year, an increase in inventories led to a decrease in inventory turnover and to a longer DSI. After that, from 2012 until 2014 the COSG increased and so did the average inventory bringing the DSI shorter. Taking into consideration the fact that there is a high demand in telecom sector and the prices fall rapidly, a low inventory ratio is not preferred. It may increase the storage costs and decrease the opportunities for higher profit. Inventory ratio is the best indicator to show the poorly managed inventory by ALBtelecom while DSI goes one step further and puts those figures in daily base. Both ratios provide us a great picture of company’s inventory management and overall efficiency.

\begin{itemize}
  \item Receivables turnover: An accounting measure used to quantify a firm's effectiveness in extending credit and in collecting debts on that credit.\textsuperscript{16}
  \end{itemize}

$$\textit{Accounts receivable turnover} = \frac{\text{Net sales}}{\text{Average accounts receivable}}$$

\begin{itemize}
  \item Average collection period: The average collection period is the approximate amount of time that it takes for a business to receive payments owed, in terms of receivables, from its customers and clients.\textsuperscript{17}
  \end{itemize}

$$\textit{Average collection period} = \frac{\text{365 days}}{\text{Acc receivable turnover}}$$

Comments: A long collection period means that ALBtelecom clients are too slow in paying bills. After privatization, ALBtelecom allows its clients to still have access for a longer time (generally three months) even when they do not pay their bills on time. However, the implementation of SAP resulted to a lower average collection period, since the system provides strong collecting process, a better control over the payments and fraud and a dedicated money collection team work closely to this issue.

According to the results obtained, we can conclude that ALBtelecom possesses a lower average collection period compared to the time before SAP adoption, since it manages more efficiently the credit issued to the customers and it takes shorter time to collect on that credit.

\begin{itemize}
  \item Total asset turnover: Asset turnover ratio is the ratio of the value of a company’s sales or revenues generated relative to the value of its assets.\textsuperscript{18} In general, the higher the total asset turnover ratio, the better the company’s performs in deploying its assets to increase sales and generate revenues.
  \end{itemize}

$$\textit{Total assets turnover} = \frac{\text{Net sales}}{\text{Average total assets}}$$

\textsuperscript{15}http://www.investopedia.com/terms/d/dsi.asp
\textsuperscript{16}http://www.investopedia.com/terms/r/receivableturnoverratio.asp
\textsuperscript{17}http://www.investopedia.com/terms/a/average_collection_period.asp
\textsuperscript{18}http://www.investopedia.com/terms/a/assetturnover.asp
Comments: This ratio decreased during the first two years after SAP was implemented due to the decline in the level of sales, but increased again in the recent years. Taking into account the price fall in telecommunication products and services, this ratio implies the ALBtelecom efficiency in using its assets to generate revenues.

Debt Ratios: The last series of ratios in our analysis are debt ratios. These ratios give users a general idea of the company’s overall debt load as well as its mix of equity and debt. Debt ratios can be used to determine the overall level of financial risk a company and its shareholders face.19

**Debt-to-equity (D/E) ratio:** The D/E ratio indicates how much debt a company is using to finance its assets relative to the amount of value represented in shareholders’ equity.20

\[
\text{Debt to equity} = \frac{\text{Long-term debt}}{\text{Stockholders' equity}}
\]

Comments: We made use of this ratio to measure the financial leverage of ALBtelecom, by dividing total liabilities by equity. As we can see from the results, ALBtelecom has been able to keep this ratio declining from 0.82 in 2009 to 0.38 in 2012.

**Debt ratio:** A financial ratio that measures the extent of a company’s leverage.21

\[
\text{Debt ratio} = \frac{\text{Total liabilities}}{\text{Total assets}}
\]

Comments: This ratio also gives a general idea of the company’s financial leverage as does the debt-to-equity ratio examined above. We can interpret as the proportion of the assets financed through borrowing. In general, a higher ratio implies greater financial risks, but a debt level of around 45% it is easy to be managed by ALBtelecom since the cash flows are stable.

**Times interest earned (Interest coverage):** Times interest earned (TIE) is a metric used to measure a company's ability to meet its debt obligations.22

\[
\text{Times interest earned} = \frac{\text{Earnings before interest and taxes (EBIT)}}{\text{Interest expense}}
\]

19http://www.investopedia.com/university/ratios/debt/
20http://www.investopedia.com/terms/d/debtequityratio.asp
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22http://www.investopedia.com/terms/t/tie.asp
Comments: This ratio is a good indicator that shows how many times the company covers its interest expense on a pretax basis. Comparing 2009 with 2012, the figures almost doubled, since the earnings level increased while the debt level decreased.

4. Concluding Remarks

Definitely, the world is moving at a very fast speed toward the wireless information society. The new technology improves considerably the way we live.

The high demand in the Albanian telecommunication market is a well-known fact. In the past ALBtelecom could not meet the demand for fixed telephony causing long waiting lines. The main reason was the lack of investment in the infrastructure. Mobile operators took full advantage of this situation offering mobile telephony for all. However, the barriers to enter in the market are very high.

Starting from 2000 until now, the telecommunication sector in Albania has been significantly improved. Main factors for this improvement are the consumer needs for these kinds of services and the technology development. Privatization of ALBtelecom brought a more efficient use of all sources. The main aim behind privatization was the development and enhancement of telecommunication services’ quality by making use of up-to-date technology.

After the privatization, the company has carried out a large amount of investments mainly on the replacement and enhancement of infrastructure and network, as well as on the information systems. The implementation of SAP software can be considered as the largest investment made by ALBtelecom so far. The company anticipated boosting of the customer satisfaction, but also future revenue growth was expected from all new investments.

In this study we focused more on financial performance, taking into account an array of ratios that are widely used in the literature and demonstrate the overall performance of a firm. In this research we selected ALBtelecom as a case study, in order to analyze closely the issues the company has confronted after privatization. Hence, we looked for the motive why ALBtelecom has implemented an ERP system. We found out that the main reasons for implementing the SAP software were the improvement of company performance and provision of better customer service and care. According to the information collected through the interviews and also based on the question pool, there are numerous benefits realized after the implementation. Based on our findings we also agree with their statements. Some of the benefits worth to be mentioned are; availability of information, improved data reliability, improved customer care, reduced operating or reduced labor costs.

According to the company intentions when it adopted the ERP system, we focused our data analysis mainly on assessment of financial performance using ratio analysis. After calculating and analyzing the main profitability, liquidity, asset utilization and debt ratios, in general we found evidence of a positive relation between the SAP implementation and financial performance of the company for the time period considered. The ERP implementation should be set on the predefined objectives and measurements. The company has not undertaken any post-implementation cost-benefit analysis yet. However, based on the results obtained through profitability ratios, we state that the company achieved to find balances between SAP investments costs and benefits gained. Moreover, we came up with the conclusion that the positive trends and the consistency can be translated into positive investment quality. Spend budget reductions occurred after SAP implementations but there is no clear evidence that the company achieved any competitive advantage through cost reductions induced by the ERP system alone. On the other hand, starting from 2010 the liquidity of the company has decreased raising the concern of creditors. However, many other factors or happenings can affect a company performance during and after implementation of an ERP system. According to the facts provided in the interview with the Head of Finance Directorate, the financial position of ALBtelecom is affected a lot by the global crisis. Also she emphasized that liberalization of international traffic, occurred in 2011 had a great impact at ALBtelecom that year’s annual revenues but also during the following years. Another important factor is the tough competition between the telecommunication companies.

To conclude we state that, despite the fact that the cost of SAP investment was very high, (around two million Euros,) the ERP adoption has impacted positively in the entire company performance.
5. Recommendations

Apparently the competition will be tougher in the future. Therefore differentiation in the company performance is vital. We recommend ALBtelecom to increase the customer service, since this is a crucial element toward success. Regarding the topic with respect to our research study, we recommend ALBtelecom to pursue and assess the performance of SAP project using well defined indicators in order to analyze the success of this giant project. We suggest the company to measure periodically the finance performance in order to check whether the trends of most important ratios are improving or deteriorating.

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Patterns of Constrains in Access to Finance for SMEs in the Western Balkans Region

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Abstract

What is the best model for growth and if we have it, what is the best way to implement it? These are fundamental questions in economic growth theory. Even when the same economic model is implemented in different counties the results we get are not always the same. This is so because there are many more factors influencing the model at the time when the ceteris paribus condition is removed. In order to get a glimpse of these other factors that may make a country perform better or worse than others the best approach is to make a comparison between them. Using four categories for classifying and measuring credit-constrained status for firms, this study is focusing on comparing constrains patterns in access to finance between countries in the Western Balkans region. For the analysis are used data from the World Bank-Enterprise Survey. We found that financial constrains are one of the top constrains for SMEs in the region. Also the level of integration doesn’t seem to influence the financial constrains level. For some of the countries in our analysis the perception does not reflect their comparable constrain level. Size, as expected, results negatively correlated with financial constrains and this pattern is consistent for all countries. And at last the financial deepening doesn’t seem to influence on easing financial constrains for any of the groups. This study is not focused in explaining the difference in the SMEs financial constrains patterns. The aim is to identify the best performing models and to set a track for further studies which will seek to understand the factors which characterize those countries whose models seem to have worked better.

Keywords: Financial constraints, Western Balkans, access to finance, SME, Enterprise Survey

1. Introduction

What is the best model for economic growth and development? This is the question haunting every economist. Even when the same economic model is implemented in different counties the results we get are not always the same. This is so because there are many more factors influencing the model at the time when the ceteris paribus condition is removed. In order to get a glimpse at these other factors that may make a country perform better or worse than another the best approach is to make a comparison between different models and/or their implementation. The best way to do that is to compare countries that share similar characteristics and backgrounds. This is usually found within same regions. This study focus is on the Western Balkan region because of the similar historical and economical background of these countries and also because all of these countries aspire to join the European Union, the economic model and legislation which they are trying to implement is similar. The definition Western Balkans comes from European Union institutions and includes the south-east European area composed of non-member states of the EU. Western Balkans is a neologism coined to describe the countries of "ex-Yugoslavia (minus Slovenia) and Albania"(Pond, 2016). Thus, the region would include: Croatia (now an EU member), Serbia, Bosnia and Herzegovina, Montenegro, Kosovo, Macedonia and Albania. Even though Bulgaria is not part of the Western Balkan countries, because of the similar background and also because Bulgaria is being a member state of the European Union since 2007, we decided to include it in our analysis. We expect that this will give a way to gauge EU integration effect on easing business constrains.

Several data and statistics show that developing countries even when they share the same geographic region and/or historical and economical background they face different constrains and they experience different growth rates. This study focuses on constrains that enterprises, more specifically Small and Medium Enterprises (SME), face which may influence the rate of their growth. Because of the important role that SMEs play in the economy, they have been the subject of many studies and researches. One of the reasons that SMEs are considered so important is the fact that they usually are the larger employer in a country. This is confirmed in many different studies and statistical databases. According to World Bank (SMEs Finance, 2015) in emerging countries, most formal jobs are with SMEs, which create 4 out of 5 new positions. The European Commission for example considers SMEs as a key to ensuring economic growth, innovation, job creation, and social integration in the EU (Entrepreneurship and SMEs, n.d.).
Even though there is no unanimously accepted definition about how to classify SME, the classification based on the number of persons employed is the most commonly used one, especially in the statistical context. By this criterion the large group of SMEs usually refers to companies with less than 250 employees. This group accounts for about 99.8 percent of the enterprises in almost every European country and employees between 53 % of the working force in United Kingdom and 86% of the working force in Greece (Eurostat, 2016). The numbers are within the same patterns for the Balkan region too, where SMEs account for 98.7 to 99.9 % of all enterprises and their employment rate varies from 60.3% in Albania to highest 80.7% in Kosovo (EIB, Synthesis Report, 2016).

This study objective is to compare similarities and discrepancies between the patterns every country in our analyses developed on several SMEs indicators. The focus is on financial constrains that SMEs face. Based on World Bank Enterprise Survey data we divided the firms into four credit constrained groups and analyzed them by size and in relation to macro level financial development indicators.

This study is not focused in explaining the difference in the SMEs financial constrains patterns. The aim is to identify the best performing models and to set a track for further studies which will seek to understand the factors which characterize those countries whose models seem to have work better.

2. Methodology and Data

This paper methodological approach is based on a descriptive analysis of compared data on SMEs financial constrains patterns for several countries of the Western Balkan region. Row data are taken from the Enterprises Survey conducted by the World Bank. This is a firm-level survey of a representative sample of an economy’s private sector. The survey covers a broad range of business environment topics including access to finance, corruption, competition, infrastructure, performance measures, etc. (World Bank Enterprise Survey, 2013). It implements a global methodology which makes the data between different countries comparable to each-other. The Enterprise Surveys implemented in Eastern Europe and Central Asia is jointly conducted by the World Bank and the European Bank for Reconstruction and Development (EBRD) and is also known as Business Environment and Enterprise Performance Survey (BEEPS). BEEPS is being answered by business owners and top managers which gives more accuracy to the collected data. Based on the model proposed by Kutchev et. al. (2014), we focused on the finance section of the Enterprise Survey to construct four groups that measure the extent firms were credit constrained. The first group includes firms that are classified as Fully Credit Constrained (FCC). They meet the following conditions: they applied for a loan and were rejected or did not even bother to apply for one even though they needed external financing because of terms and conditions. The second group includes firms classified as Partially Credit Constrained (PCC) who by definition have used external sources of finance during previous fiscal year and/or have an outstanding loan at the time of the survey and did not applied for a loan even though they needed one, or applied but were rejected. The third group is called Maybe Credit Constrained (MCC) and includes firms that used external sources of finance during the previous fiscal year and that was obtained from an approved bank loan. They are classified under this category because we do not have information if they were partially rationed on the terms and conditions of their external finance. The last group is that of Non Credit Constrained (NCC) and includes firms that did not apply for a loan during the previous fiscal year because they were having enough capital for the firm’s needs. By grouping firm responses on these four categories we will look into the different patterns shown in each country and will try to analyze the factors influencing this behavior. Another regrouping is done based on SMEs size using the size classification used in the survey which defines micro enterprises those with less than 5 employed persons, small ones those with more than 5 and less than 19, medium enterprises those with more than 20 and less than 99 and large enterprises those with more than 100 employees. For comparing macroeconomic financial development influence on SMEs credit constrains within a country, data from the World Bank Financial Development Indicators database were used. More specifically the Domestic Credit Provided to Private Sector as a ratio to GDP. This indicator measures the financial deepening in a country.

3. Analysis

We begin our analysis by looking at the main constrains reported from the different countries in our analysis. Based on the responses given to the question about the main constrains a firm faces we notice that the perception of the biggest constrains perceived by firms differs by countries. By arranging the top 5 answers given in every country in a matrix as is shown in figure 1, we can see that the most common perceived constrains are: Practices of the Informal Sector, which is a top constrain for four out of eight countries in our analysis and also present in the top 5 constrains of three more countries; Tax Rates is top constrain for two out of eight and present in the top 5 of five more; and Access to Finance is
among the most mentioned constrains being present in the top 5 of seven out of eight countries and ranking at number two for four of them and number three for three of them.

<table>
<thead>
<tr>
<th></th>
<th>ALB</th>
<th>SRB</th>
<th>BIH</th>
<th>FYRM</th>
<th>KOS</th>
<th>BUL</th>
<th>CRO</th>
<th>MNE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Informal sector</td>
<td>Political instability</td>
<td>Political instability</td>
<td>Informal sector</td>
<td>Informal sector</td>
<td>Tax rates</td>
<td>Tax rates</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Electricity</td>
<td>Tax rates</td>
<td>Access to Finance</td>
<td>Access to Finance</td>
<td>Access to Finance</td>
<td>Political instability</td>
<td>Access to Finance</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Access to finance</td>
<td>Corruption</td>
<td>Tax rates</td>
<td>Political instability</td>
<td>Corruption</td>
<td>Corruption</td>
<td>Access to Finance</td>
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</tr>
<tr>
<td>4</td>
<td>Tax admin.</td>
<td>Informal sector</td>
<td>Corruption</td>
<td>Tax rates</td>
<td>Customs</td>
<td>Tax rates</td>
<td>Political instability</td>
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<tr>
<td>5</td>
<td>Tax rates</td>
<td>Access to finance</td>
<td>Customs</td>
<td>workforce</td>
<td>Electricity</td>
<td>Labor regulations</td>
<td>Labor regulations</td>
<td></td>
</tr>
</tbody>
</table>

Figure 1.

Source: BEEPS, table build by author

Observing each country separately we notice that Albania ranks access to finance as third most important constrain, right after Informal sector and electricity. Serbia ranks it as fifth, right after political instability, taxes, corruption, and informal sector. For Bosnia and Herzegovina access to finance is the second most important constrain after political instability, followed by taxes and corruption. Macedonia also ranks access to finance in second place right next to practices of the informal sector. Kosovo perception is same as Macedonia regarding the first two, differing in the third constrain which for Kosovo is corruption. Bulgaria differs from the other countries in the region by ranking access to finance in the six place leaving the first places to practices of the informal sector, political instability, corruption, taxes and labor regulation. In Croatia access to finance is reported as the second most important constrain after tax rates, while for Montenegro tax rates and informal sector practices are topping the list leaving access to finance at number three.

Figure 2.

Source: BEEPS, charts build by author

Using the responses given in the finance section of the BEEPS we sorted the data in order to get the four groups defined in Kutchev et. al. (2013). These indicators give a measure to the extent firms were credit constrained. In contrast to the results reported in the first part of the analysis, the indicators used here are based on actual results and not on the perceptions of the interviewers. By defining the weight that each group holds in the respective country, in order to have a base of comparison between the different countries in our analysis we used the data to build Figure 2.

What’s obvious by looking at the chart is that Albania has a larger share of NCCs compared with the other countries while having a smaller portion of MCCs, this means that 72% of the enterprises didn’t need any external finance and only 9% did get a bank loan. The pattern we see in the case of Albania differs from that of the other countries which are showing for the group of NCCs an interval of 37% for Serbia to 57% for FYR of Macedonia, and an interval, for the group of MCC, of 18% for Bulgaria to 38% for Serbia. But if we look at these two groups together, which represents the non-credit constrained part, we can notice that the patterns are much similar with smaller differences. While comparing the patterns of the remaining two groups, we notice that the most credit constrained firms are in Montenegro with 23% for the FCC and 18% for the PCC and the less credit constrained firms are reported in Bosnia and Herzegovina with respectively 9% for the FFC and PCC groups.

Comparing this results with the perception that firms reported about their biggest constrains we find that even though Montenegro results with the biggest credit constrains, firms rated it in third place after tax rates and practices of the informal sector. While in Bosnia and Herzegovina despite their actual credit constrains are comparably the lowest in
the region their perception ranks this constrain in second place. Bulgaria is having the second highest credit constrained group and still in the rating of the biggest constrains it make it to the top five.

In Figure 3\(^1\) we are looking at credit constrains patterns first within the country between firms of different sizes and then this patterns are compared with those of the other countries. In grouping the enterprises by size we used the employed person’s criteria used in the survey with intervals of: 0-5 employed persons for micro enterprises; 5 – 19 for small enterprises; 20 – 99 for medium; and 100 plus for large. For Albania, Kosovo and Croatia there are no data of micro enterprises. By the charts we can tell that size is negatively correlated with credit constrains. Small enterprises report more constrains and more of them fall into the groups of FCC and PCC. The size of this group diminishes as the enterprises grow in size. This pattern looks consistent for all the countries in our analysis (the only exception being FYRM which results with higher constrained large enterprises compared to medium ones) and also consistent with theory and literature (Beck et. al, 2006) which suggest that as firms grow bigger their ability to provide collateral increases thus making it easy on them to find financing.

As suggested by Kutchev et. al. (2013) we also tested our data against macro level variables looking for correlations suggesting influences on firm level indicators. For the purpose we used Domestic Credit Provided to the Private Sector as a ratio to GDP (DCPPS) as is reported by the World Bank, Financial Development Indicators database which is an indicator of financial development level of a country. We compared it against our four groups of financial constrained indicators. The results are presented in figure 4. We find that the level of domestic credit provided to the private sector is not having a significant effect on credit constrains with R squared of 0.12 and 0.14 for the FCC and PCC group respectively and with even lower ones for the MCC and NCC. Also as can be seen the trend lines suggests that more credit in the economy is not giving more access to finance to the constrained groups. This results even though not very common they are conforming with previous other studies results which suggest that financial development in some developing countries may result in negative effect on economical growth (Musta, 2016; Mehl et. al, 2005; Rioja and Valev, 2004).

4. Conclusions

SMEs play a very important role in a market economy and they are the backbone of economic growth. In the Balkan region SMEs are the biggest employer in the economy and they may be the cure for fighting the high youth unemployment rates. In order for this to happen the business environment must be welcoming and offering good growth odds and support on entrepreneurship initiatives. This study focus was on analyzing the biggest constrains that SMEs face and among them we account financial constrains as the biggest threat to entrepreneurship and SMEs growth and survival. We compared the different patterns of SMEs reported constrains in the Western Balkan Region to find that by perception, the unfair competition coming from practices of the informal sector are a bigger concern to SMEs followed by financial constrains which even though didn’t hit the top were consistent to all countries. By looking at the patterns of

\(^1\) Found in the annex
financial constrained enterprises when grouping them in four categories based on actual reported data we notice that Bosnia and Herzegovina is showing a better situation comparing to the other countries.

When compared by size, SMEs in almost all the countries showed a similar trend pattern suggesting that financial constrains are negatively related to the size. This is also commonly found in the literature where smaller firms are usually the one who have more difficulties to find external finance because they face more information asymmetries and thus having higher monitoring costs for lenders. All this translates in higher collateral demands and higher credit costs.

Also financial development measured by the amount of domestic credit given to the private sector as a ration of GDP didn’t show to have a influence on levitating access to credit constrains which suggest for underdeveloped financial system operating only on low risk lending which is confirmed by the less constrains patterns for bigger size firms.

Comparing Bulgaria and Croatia\(^2\) against the other non member states we do not find any improvement in their patterns which we can credit on their EU integration stage.

References


Anex.

Figure 3. Financial constrains of SMEs grouped by size

\(^2\) Member of EU since 2014, even though it was a member by the time the survey was made we suppose that the integration process was more advanced compared to the other countries.
The Migration of the Population in the South Albania: The Case of Gjirokastra Region

Associate Professor Valbona Duri

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**Abstract**

In Albania, after the year of 1990 (referred to as the transition), the society is facing with the new social phenomena in shape, but especially in the content. Such phenomena (by different researchers), are also observed in countries that have been in the same socio-economic system as our country (Eastern Europe). The emigration seems clear becomes determinant component of demographic regime in Albania country, because of political instability, economic and social difficulty, high level of unemployment, opening of the country with the world etc. This situation provoked and stimulated a great movement in our population in the 1990s. The study of the emigration dynamic has been very intensive in this part of east Europe. The international migration (especially to Greece), is one of the main impact factor to all socio-demographic evolution in Gjirokastra region. This research is focused on statistical evidences and analyses of the international migration from Gjirokastra region, after 1990: factors, dimensions, directions, motifs and typology of migrations (causes, distances, individual or familiar, etc.), consequences etc. International migration has been an illegal phenomenon, especially at the beginning. For a better evidence of this phenomena, it is seen and taken under researches and analyses in three dimensions: time (periods of time) and in space that is a more complex in form and content (seen according to communes and villages) and structural of the population (age, gender, ethnic group, education level and settlement). The research will be accompanied by some conclusions and suggestions, at the end. This region has been characterized by a deficit populating evolution, first of all, because of the migration phenomena.

**Keywords:** international migration, motives, typology, district, consequence.

1. **Introduction**

In the early 1990, Albanian society faced with new social phenomena, which have been noticed even in countries that took the same political and socio-economic direction like the ones in Eastern Europe. One of these phenomena was related to the immigration of Albanians, that although occurred early in our population and brought new features after 1990.

In the early 1990s, Albania found itself in a deep economic crisis with parameters that indicated the existence of a failing economy, making it difficult to fulfil the needs of its population. Political instability, difficult economic situation, high unemployment level etc. provoked and stimulated migration waves in our population in the 1990s (Dumani 1995). This immigration in our country since 1990 especially in the area part of this research study has made the phenomenon more complex and typical, influencing many aspects in demographic and socio-economic structure. The general scheme of immigration factors and external triggers can be summarized in many factors such are: economic, political, historical, etc.

**Picture 1.**

Immigration started as a protest against the former communist system (the embassy phenomenon), but seems to be an economic necessity and a way to freedom (King, 2003). Transition from a centralized economy to a market based
economy was accompanied by major economic and social difficulties (as the planned economy or market economy, lacking of confidence and insecurity for today and tomorrow). Such a situation served as the starting point for the creation and strengthening of thought to leave abroad, aspiring for a better life for themselves and their families. Examination of the dynamics of the immigration shows that in the early years it has been intense. As such, it served as a buffer in the deep discrepancy (inherited) between high surplus of natural population and limited employment opportunities.

Based on the research conducted in this context it turns out that for most of the villages in the region, in Gjirokastra and Permet, this process started at the beginning of 1991 when it encountered the greatest influx of immigrants to Greece. This process continued reaching another peak in 1997. After the events of 1997 which resulted in the total collapse of the state, a lack of peace and insecurity occurred in the country which gave rise to a massive leaving of people.

Immigration has been continuous reaching so high levels during the first years of 90s and after this period it has had a decrease. Despite later have not been tracks of massive exodus such were those of 1990, 1991 and 1997, the immigration never stopped.

According to the statistics of hosting countries immigration structure is evident the fact that round 84.0% of immigrants are settled in Greece. The reason is the geographic proximity, illegal possibilities to cross the border etc and after it moving to the Western European countries or far elsewhere taking the feature of a far immigration.

Immigration has been an illegal phenomenon and for a detailed study it became necessary to do a survey and data assessment taken from it.

2. The Dimensions of Immigration

Statistics show that immigration phenomenon involved some important parts of population of the region. According to INSTAT during the period 1989-2001, migrants that left the country consist in 11.0% of population in 1989, while immigrants consist in 25.3% of population in our region in 1989. According to the assessment of the survey’s data, situation result to be really critical. After 1990, round 50 % of population and 45.4% of families in 1989. It has a negative migrating rate for the mountainous communes of the region (with small surface of agricultural land round 0.27 ha/inhabitants, with problems in infrastructure etc).

The most affected communes who have a negative migratory balance are: Buz (-46.3 %), Lopes, Kurvelesh Suke, Desnice, etc, known as mountainous areas (with limited agricultural land 12:27 hackers, and problematic infrastructure, etc.).

After 1990, from the district of Gjirokastra has immigrated 55.7% of its total population and about 40.0% of families, while in Permet District has immigrated 42.6% of the population in 1989 and 44.2% of families in 1989.

Assessment of survey data show that in Tepelenë District, population is involved more in internal migration toward the metropolis areas such are Tirana, Saranda, Vlorë etc.

This phenomenon is noticed have high levels in those areas of the region where are present ethnic and cultural minorities of Greek and Vlahos population.

![Migration by communes](image)

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**Picture 2. Migration by communes**

Referring to the immigration reasons is made evident the following:

- Economic & Social. It is known that economic factors were migrating and primary phenomena and results comparatively with other factors. Unemployment large scale, insufficient income, the desire for a better life constitutes a brainstorm for migration. Assessments in this overview highlight that: 39.0% of the population has immigrated as the result of unemployment; 20.0% due to low income 16.0% have immigrated to secure a better future and 24.0% as the result of economic uncertainty. Among other factors we can mention family
reunion, education etc.

- According to organising way immigration play a small role in rapport to spontaneous and illegal which are more present nowadays.
- According to duration, in the territory that is part of this research study are noticed immigrants that aim to last for a long time where most of immigrants are living abroad for more than 20 years. Present are the temporary immigration and seasonal ones as phenomena faced in villages pretty close to Greek border. Such movements are due to agricultural processes in the neighbouring country. Weekly movements are another type of immigration when people move out of the settlements at the beginning of the week to Greek villages on the other side of the border being involved in construction sector and returning back home during weekend.
- Immigrant structure. In the analyses of immigration a great importance shows its structure according to the population age, gender, education level, settlements etc.

- Age structure of immigrants result to belong to a young age group of 15-45 years old. Consisting in 69.0%, immigrants. This is quite clear having in consideration the immigration has a selective feature (select the labour force age group). Young people have more tendencies to immigrate since the physical capital is decreased by aging. Meanwhile is known the fact that elderly have close relation with land, family and environment where they live. The following situation was that of increasing age average population in 38 years old and decreasing of active population 15-34 years old in 46.1%(2001)\(^1\) from 64.7%(1989) of general number of population.

![Age structure](image1)

**Picture 3. Age structure**

- According to the gender, male immigrants consist in 50.0% of those who left the country toward 46.4% female immigrants.

**Table no1. Immigration according to gender(%)**

<table>
<thead>
<tr>
<th>Years Units</th>
<th>'89-'94</th>
<th>'94-'99</th>
<th>'99-'04</th>
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<tr>
<td></td>
<td>M</td>
<td>F</td>
<td>M</td>
<td>F</td>
</tr>
<tr>
<td>Region</td>
<td>-43.5</td>
<td>-56.5</td>
<td>-59.4</td>
<td>-40.6</td>
</tr>
<tr>
<td>Urban area</td>
<td>57.4</td>
<td>42.6</td>
<td>60.0</td>
<td>40.0</td>
</tr>
<tr>
<td>Rural area</td>
<td>-52.5</td>
<td>-47.5</td>
<td>-56.0</td>
<td>-44.0</td>
</tr>
</tbody>
</table>

Statistics show more mobility of men compared to women both inside and outside the region. The low mobility of women is related to the immigration reasons that women are somewhat different, due to different social norms that affect them. However, gender differences have been narrowing. As a result of selective immigration feature coefficient of masculinity for the age group 20-24 was decreased with 9.2% in 1989.\(^3\)

- According to education level 26.0% of immigrants have completed primary and 8 years system of education, 53.0% have completed high school education 21.0% have completed university education.

A special attention deserve the immigration phenomenon of intellectual elite that differently from the massive immigration have involved young ages under 40 years old and many of them with families. These kind of

\(^1\) Data processing of Census in 1989 and 2001
\(^2\) Neto Migration
\(^3\) Data processing of Census in 1989 and 2001
movements decided in advance from their part and they do not have attention to come back home are considered as sustainable immigration.

Referring to civil status and numerical part of the family it is evident a small difference between the individual immigration and family immigration. Round 32.0% of the general number is consisted in families with 4-5 members followed from the families with up to 3 members that consist in 10.0%.

Assessment of survey data showed that rural population has more tendency to be involved in immigration movement than the urban population. Immigration coefficient in villages result to be 29.1‰ compared to 15.6‰ in the city.

According to the ethnicity more tendencies to immigrate have Greek minority and Vlahos minority and among them the latest one seem to have a higher tendency to immigrate this population have had circumstances that deprived them from integration in economic, social political and cultural life of the country.

The most wrong perception but the most common one is the point of view of immigration as a derivate of non efficient macro economic situation and the thought that immigration can be eliminated when the economy will be improved. Immigration based on its feature is a non stoppable phenomenon of human evolution. In such context introduction with it, studying of such phenomenon is really important in order to formulate proper social- economical policies that are necessary for the sustainable development.

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Vleresime nga anketeimi mbi emigrimin ne qarkun Gjirokaster.
External Motivation and Organizational Commitment at Educational Institution Employees

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Abstract

The school institution is the basis of education of younger generations. For this reason, academic services and educational institutions should be characterized by the professionalism of the staff and motivated. Companies/institutions are looking for more efficient ways to increase their productivity. Organizational commitment predicts many positive behaviors in the workplace, such as increased performance, productivity and efficiency. Due to this fact there is a growing interest to understand the relationship between motivation and commitment. Despite many researches on motivation and organizational commitment, the relations between different forms of motivation and organizational commitment in Albania have been studied very little. The aim of this study is to conduct research on the relationship between external motivation and organizational commitment. In this research is used the quantitative scientific research method. For data collection were used two questionnaires “Work Motivation Questionnaire” and the “Organizational Commitment Questionnaire”. In the end of this article are some of the result which shows a connection between motivation and commitment organizational and the importance of them in the development of student.

Keywords: organizational commitment, work motivation

1. Introduction

The rapid development has caused many companies and institutions to work harder by increasing the productivity and quality of products and services they provide. The term motivation is typically defined as an emotion, wish, need or impulse that acts in order to encourage the actions. It is something that comes internally but at the same time people are motivated by external urges, but this doesn’t contradict the idea that the motivational basis of an individual comes internally. The economy is changing too fast in today's society; competition worldwide continues to significantly grow. To increase the productivity, it is important to stimulate employees’ skills George. J.M & Jones, G.R. (2008). Thus the performance and productivity at work are typically determined by the motivation to work hard and high motivation means greater efforts and higher productivity Mathieu, J.E. & Zajac, D.M. (1990). Thus, we may say that motivation is the factor that pushes the employees to improve their performance and increase productivity Mitchell, T. R., & Daniels, D. (2003). To engage employees at work has a great importance on which affect a series of internal and external factors. Crucial element to enhance work performance is employees’ engagement Tung, L. R. 1981. Regarding this, researchers Brehm and Self (1989) have pointed out the importance of motivating factors, the size and intensity of motivation, where every internal or external motivating factor affects the level of motivation pleasure and it will affect directly in increasing its level. Motivation is defined as a process that consists of the direction, intensity and persistence of the individual to achieve a goal. Motivational process usually begins when someone recognizes an unsatisfied need. Afterwards a goal is set to be achieved and to satisfy the unmet need.

The purpose of this article is to contribute in terms of knowledge and provide a clear picture on motivation and external motivational factors and show the impact of educational institution employees on work commitment.

The objectives of this study are:

- To provide knowledge on motivation, external motivating factors and organizational commitment at work.
- To show the role of motivating factors and organizational commitment on educational institution employees.
- To show the dependence of teachers’ motivation in teaching regarding organizational commitment
- To show the impact of socio-demographic factors on motivation and commitment at work of the employees.

This study was conceived to be realized based on some research questions as following:

- What is the relationship between motivation and organizational commitment at work?
What is the relationship between external motivation and organizational commitment?
What is the impact of demographic factors (age, sex, year of work) in the external motivation of employees?
What is the impact of demographic factors (age, sex, year of work) to employees in organizational commitment?

2. Motivation and Its External Factors

Motivation is the driving force, encouraging the direct impact on productivity, the quality of the organization / institution.

Motivation in work is related to a set of factors that determine the behavior within the organization, the form, direction, intensity and duration of it. Understanding what motivates employees is the focus of many studies in the field of organizational psychology. Motivation can often be used as a tool to predict the behavior of individuals in the workplace varies between individuals and in combination with skills and environmental factors affects the behavior and performance of employees. Because motivation in the workplace has an important role in the behavior and performance of employees, it is the key for organizations to understand work environments, so as to encourage positive behaviors and discourage those that are not positive. Understanding what motivates employees is the focus of many studies in the field of organizational psychology. Motivation can often be used as a tool to predict the behavior of individuals in the workplace, and it greatly varies between individuals and in combination with skills and environmental factors affects the behavior and performance of employees. Thus, organizations that are able to implement evaluation systems establish reward mechanisms and find ways to negotiate between career goals and needs of company employees. While organizations which fail to notice the implications of employee motivation, experience a reduction in production and productivity followed by a loss of personnel, increased development costs and missing schedules.

Motivation is an issue that is influenced by many factors. No factor can guarantee motivation in the absence of other factors. It consists of two types of motivation; internal and external motivation. Regarding external motivation researcher has claimed that it is "the desire to expand efforts to get results outside of work such as bonuses or recognition" (Grant, 2008 f.49). External motivation is related to external stimuli such as salaries, bonuses and other kinds of tangible rewards.

3. Theoretical Approaches about Organizational Commitment

Organizational commitment of employees is an important phenomenon to achieve their performance in the places they work. A significant provider of their commitment is motivation which allows employees to spend energy, time in the organization / institution where they work. Studying this phenomenon along with motivation and performance is very important due to the fact that it is an important indicator element which indicates the desire, effectiveness, productivity at work, of employees and whole organization. Commitment basis includes those factors that are believed to contribute in the development of employee engagement. The basics of the different forms of engagement are similar regardless of engagement objective Meyer, J.P. & Herscovitch, L. (2001). Thus, the same bases are applied for the development of commitment to social focus and goals. However this does not mean that the specific conditions of previous events will be the same or the commitment nature of a goal will necessarily be the same as the engagement nature of social focus.

For example, employees may have a strong emotional commitment towards organization, because the company culture is in accordance with their personal values. However, their emotional commitment to a specific goal set by the organization (e.g., by reducing the length of service calls) may be weak, if they believe that the achievement is not in the best interest of the company.

4. Motivation and Organizational Commitment

Motivation works as a significant provider of employees' engagement to spend time and energy to the organization in which they are employed ( Mowday, Steers and Porter, 1979). Due to this fact, there is a growing interest in understanding the relationship between motivation and organizational commitment. One of the main benefits of including engagement within the model of motivation is that it helps identifying the mediation mechanisms explaining employee relations focuses on social behavior.

The results showed that professional development and rewards were positively connected with teachers’ commitment. Also the motivation types affect employees’ work commitment.
5. Methodology

The study was conducted in 4 schools in Elbasan. The participants' selection was conducted randomly being of different genders, ages and schools making the sample as much representative as possible. Schools participating in the study were in the urban area, 180 questionnaires were distributed. Participation in the study was voluntary and completely confidential. Regarding these issues, participants were informed before being included in the study. Once participants said they were willing to be involved in the study they completed two questionnaires. One of the questionnaires based on the measurement of motivation and the other based on the measurement of organizational commitment. The final sample with which they began the analysis was N = 120. In this sample (N = 68) were female and (N = 52) were male. The average age of participants ranged from 18 to 56 years, with annual average growth rate 1.94 and standard deviation (SD) = 0.79. Their work experience ranged from 6 months to 10 years with an average of 2.69 and (DS) = 1:09

5.1 Sample description

Population of this study are full-time teachers in public school system including elementary school teachers (1-6), teachers of lower secondary education, classes 6-9, and teachers of upper secondary education, classes 10-12, in the city of Elbasan. In this study, the main criteria of including teachers in the sample was for them to be pre-university teachers of the public school system employed full time and as exclusive criteria was excluding private school teachers.

Instrument: In this study is used "Members of Motivation at Work" by Robert P. Brady (2011), taken in a scientific journal. The revised instrument was developed by the author and is used in several studies in which has been explored employees' motivation at work. This instrument was taken from an internet site which was an open source and allowed the use of the instrument. Based on these dimensions division there are formed 2 subscales: internal and external motivation. For this study we have taken the subscale that measures the external motivation.

For the organizational commitment measurement, was used the Organizational Work Commitment questionnaire, which gives data regarding teacher engagement in the learning process by giving their approval to statements such as: I would be very / happy to spend the rest of my career in this institution, I owe much to my institution, or I don’t feel like “part of the family” in my institution etc. Assertions are coded answers in a way, where higher scores reflect the high employee engagement in the organization in which they work and lower results reflect a low employee commitment to the organization. Some of the statements are eliminated in order to avoid the same answer. Questions in this section are again measured by Likert scale (1- least agree to 5- totally agree).

5.2 Reliability

Reliability analysis was used to test the reliability of the data. Reliability indicates the stability of the measurement. The reliability analysis was conducted for two questionnaire and eight dimensions of the Motivation at Work questionnaire. The value of the reliability coefficient (alpha) or Cronbach’s alpha for the Motivation at Work instrument resulted 0.82 and for the Organizational Engagement instrument resulted 0.85.

5.3 Statistical analysis of data

Part of this process was making a database with the collected data and their processing and analysis. Processing and analysis was conducted through computer software packages SPSS 17.0 and Excel.

Data analysis was performed through descriptive analysis, the tables cross (Cross tabulations), tests of independence, correlates between variables, factorial analysis, constructing and reviewing the objectives and research questions placed on the study, analysis of variance (ANOVA), construction of multiple regression equation etc. So study on data analysis contains not only a descriptive analysis but also an analytical analysis.

6. The Result of Study

The aim of this study is to describe and analyze motivation, motivating factors by grouping these recent and external and internal needs, as well as connection to organizational commitment of the teachers in the educational institution of pre-university system in the public educational institutions in Elbasan.

Number one objective results- To see the relationship between motivation and organizational commitment of teachers in the institution
To examine the relationships that exist between the measured variables in this study, hypothesis correlation analysis was conducted between motivation and organizational commitment of employees of the school. The data below shows that between Motivation and Organizational Commitment was a positive correlation and that there was a statistically significant relationship but we can say that this relationship was not very strong, which resulted in Pearson correlation r = 0.23.

**Table 1. Correlations between Motivation and Organizational Commitment**

<table>
<thead>
<tr>
<th>Organisational commitment</th>
<th>Pearson Correlation</th>
<th>Organisational commitment</th>
<th>Motivation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>1</td>
<td>0.234(*)</td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>0.010</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>120</td>
<td>120</td>
<td></td>
</tr>
</tbody>
</table>

**Table 2. The relationship between external motivation and organizational commitment**

<table>
<thead>
<tr>
<th>Organisational commitment</th>
<th>Pearson Correlation</th>
<th>External motivation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>1</td>
<td>0.132</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>0.150</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>120</td>
<td>120</td>
</tr>
</tbody>
</table>

**Number two objective results** - Regarding the relationship that exists between internal and organizational commitment. In order to answer this objective and research question, based on the engagement dependence with types of motivation was used Pearson correlation. The table above shows that we have a Correlation relationship between organizational commitment and external motivation. We see that external motivation has not a strong statistical bond with organizational commitment but is important to say that there is a connection between them.

6.1 *T*-test analysis

To see if there are gender differences between men and women at the level of motivation and organizational commitment took the *T*-test analysis. Through *t*-test was specifically examined the variables relationship between female and male employees.

**Table 3. Averages, F and t for men and women regarding the level of motivation**

<table>
<thead>
<tr>
<th>Gender</th>
<th>Average</th>
<th>Standard deviation</th>
<th>Scale of freedom</th>
<th>t</th>
<th>F</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women</td>
<td>56.67</td>
<td>6.089</td>
<td>88</td>
<td>-0.86</td>
<td>3.38</td>
<td>0.37</td>
</tr>
<tr>
<td>Man</td>
<td>57.69</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

From *t*-test analysis results that there is no statistically significant difference between women and men in work motivation. *T*-test resulted statistically insignificant t = (88) = -0.86, p < 0.05, which means that female workers have the same level of motivation (average = 56.67, s = 6.08) as male workers (average = 57.69, s = 5.86). Despite of the change which resulted in the descriptive data (they proved that women had a higher level of motivation than that of men in percentage) this difference is not statistically significant.

**Table 4. Averages, F and t for men and women regarding organizational commitment level**

<table>
<thead>
<tr>
<th>Gender</th>
<th>Average</th>
<th>Standard deviation</th>
<th>Degrees of freedom</th>
<th>t</th>
<th>F</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women</td>
<td>56.61</td>
<td>8.80</td>
<td>118</td>
<td>-1.88</td>
<td>1.068</td>
<td>0.062</td>
</tr>
<tr>
<td>Man</td>
<td>59.92</td>
<td>10.35</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
From t-test analysis results that there is no statistically significant gender differences between men and women at the level of organizational commitment at work. T-test results us statistically insignificant $t(118) = -1.88$, $p < 0.05$, which means that female employees have the same level of organizational commitment (average = 56.61, $s = 8.80$) as male workers (average = 59.92, $s = 10.35$). Despite the change which resulted in the descriptive data (women were those who had organizational commitment at higher levels than males), this difference is not statistically significant.

7. Discussions

The aim of this study was to study the phenomenon of motivation and organizational commitment at educational institution employees' in the public schools of Elbasan city. "After collecting the needed data, the research and study questions were tested, the results were concluded and according to them were developed the discussions and recommendations. Below we will discuss the results of the study, will present the strong and weak points of the study, and in the end will be given recommendations. The results show that the major part of employees feel motivated at a moderate level in the institution in which they work with a value of 89.2% and 10.8% of them said they had a high motivation and none of the employees resulted with a low level of motivation.

Another phenomenon over which was investigated in this study, organizational engagement, also resulted to be prevalent among employees of the institution at a moderate level 78.3%, 5% of employees resulted that had a low level of organizational commitment, and 16.7% have a high level of organizational commitment. From the results obtained we can say that the employees of this institution are committed towards the institution, they have a strong desire to remain a member of this organization, have a sense of loyalty to the workplace and identify with the values and goals of the organization in they work. These results are positive for the institution.

7.1 Discussion regarding research questions

Research Question No.2 - What is the connection that exists between motivation and organizational commitment? From correlation analysis was found that between motivation and organizational commitment, the correlation was positive and statistically important, a result which is consistent with the findings of Warsi, Fatima and Sahibzada (2009) which in their study stated that motivation at work is a power strongly connected with organizational commitment among employees in the private sector of Pakistan. The relationship between motivation and organizational commitment resulted statistically insignificant where $r = 0.23$. These results conclude that between motivation and organizational commitment there isn’t a strong bond statistically, which means that higher results of employees’ motivation will not necessarily bring higher results in organizational commitment and conversely.

Results of a study conducted in Iran by researcher Alimohammadi and Jamali, (2013) showed that motivation at work has a significant positive impact upon organizational commitment of employees. The results of this research question, the difference between the foreign literature and Albanian context, it may be due to various causes. Motivation may not be significant predictor of organizational commitment and vice versa due to limited labor market in Albania. The high rate of unemployment in our country causes the employees to get engaged in their work place showing effort and loyalty by not risking the loss of their job. Being that workplaces are limited and labor market doesn’t offer many opportunities for employees to engage in the organization they work, even if they do not sufficiently motivated by motivating the organization’s policies.

Research Question No.2 - What is the relationship that exists between external motivation and organizational commitment?

From co relational analysis the resulted data were that external motivation has a positive relationship with organizational commitment, but the two variables don’t have any significant statistic bond with each other, where $r = 0.15$. From the results of this relationship can say that external motivation is not a strong predictor of organizational commitment and conversely. This result may be due to the fact that is shown from various studies that externally motivated employees when their organization does not offer exterior financial rewards, they tend leave this organization towards another one which offers higher rewards, showing low levels of loyalty to the organization. External motivation is not enough to keep an employee as a part of the organization. When someone is externally motivated, they are focused only on the rewards and not on work itself, the work for them is good enough just to get the reward "(Thomas, 2000, p. 131).

Research Question No.3 - Which is the relationship that exists between demographic variables (age, sex, years of work) and motivation?

From the conducted analysis, the received data from the employees who were part of the study resulted that there
was a difference between the level of motivation and gender. They proved that women had a higher level of motivation than men expressed in percentage. God in his research (2006) found that there is significant difference in the level of motivational factors at work between young workers and older ones in the United States. The level of motivation also differed with age of respondents. The collected data showed that people from 29-39 years, were the age group with the highest level of motivation compared to other age groups of employees who were part of the study. This result can be caused by various factors. One of the reasons is that young employees are more motivated to develop professionally in the workplace and to grow in their career.

Research Question No.4 - The relationship that exists between demographic variables (age, sex, years of work) and organizational engagement?

From the analysis resulted that women were the ones who had higher levels of organizational commitment than men. This results show that women put more effort, loyalty and support the values of their organization more compared to men. This result can come for various reasons. One of these reasons is the fact that women have always been considered as responsible, are those that are committed in the family, in society and it can also affect their commitment in their workplace.

Regarding the relation between age and organizational commitment, resulted that the age group which has a higher level of organizational commitment is the age group 29-39 years compared to other age groups. The explanation of this result may be that high commitment towards the institution, in this case a school, will reward them by professionally growing.

8. Conclusions and Recommendations

Results of this research will form an opportunity for other researchers to further investigate the influence of motivation in organizational commitment. It is important for leaders of the institution to provide a suitable environment to positively reinforce employees’ commitment. As resulted from this study, but even from previous studies, organizational motivation and commitment are positively correlated with each other. Organizations / institutions should enhance to increase positive relationship between these two variables, to achieve a positive effect on organizational commitment.

Ways to improve work motivation and organizational commitment can change the nature of work, organizations and from one person to another. Commitment increase will increase efficiency and will bring higher results which every organization wants.

To have engaged employees, it is important to get information about the motives of employees by developing functional conversations with them regarding motivational factors that can motivate them to do their job. When managers have a clear picture about the motivation of their employees, this information can serve in making decisions about the management of human resources. The ways to work with each of the employees would be more effective if they are based on factors which will affect the motivation of each of them.

Human resources department and managers of this institution should be very cautious and integrate their policies and external motivational factors.

Referring to these conclusions organizations should tend towards employees who contribute to others because it shows that employees are not only concerned about them, but are interested in other people and the organization in which they work.

Another aspect that the leaders of the institution should pay attention to is the training and development of employees. The institution must provide continuous trainings for its employees.

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Heuristics and Cognitive Biases: Can the Group Decision-Making Avoid Them?

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Abstract

Bad decisions can be the result of occasional or cognitive errors. Occasional errors are related to information content and its validity, or may refer to errors in understanding the problem or situation. Cognitive distortions are systematic errors, repeated constantly and unconsciously. These too may be the result of errors in information interpretation or related to its reliability and accuracy. Heuristics and cognitive biases affect the different stages of the decision-making process and have negative effects on human behavior and relationships, because they are not easily identifiable and preventable. However, the use of heuristics and cognitive biases makes easier the decision-making process. The current study tries to understand and formulate some final conclusions regarding the presence of the cognitive distortions in the decision-making process, comparing the individual level to the group level. The main reason for choosing this topic is the increased use of groups to make decisions due to the dynamic, uncertain and turbulent environment, the horizontal structure, the difficulty to establish universal rules which guide the decision-making and the higher complexity. So, the aim of the current paper is to understand if the group can be a valid tool to avoid or reduce the use of heuristics and cognitive biases.

Keywords: heuristics, cognitive biases, individual decision-making, group decision-making

1. Introduction

Due to bounded rationality, the decision-maker often uses the heuristics. Recalling Tversky and Kahneman (1974), the heuristics comprise a set of norms and rules that make easier the decision-making process. In some situations they are useful, because help the decision-maker to understand the complex and unclear information. However, the use of heuristics may also lead to systematic decision errors which are repeated unconsciously, called cognitive biases. These stem from the decision-maker’s tendency to make wrong judgments because of the cognitive processes. A cognitive process is a reasoning, an attribution of meaning, as the interpretation of a word or a complex concept. (Mariani, 2009). So, if heuristics mean the presence of critical judgments and allow rapid responses usually effective (Nisbett and Ross, 1980), cognitive biases are abstract prejudices, not based on real data and lead to bad decisions.

The question that arises is whether being member of a group accentuates or not the use and the effect of heuristics and cognitive biases. The answer to this question is precisely the objective of what is reported and discussed below, since such response becomes important in the conditions of the organizations orientation towards group decision-making. Among the main heuristics and cognitive biases that can influence the decision-making process, following are analyzed the overconfidence, the confirmation bias, the framing effect, the escalation of commitment, the availability, the illusion of control and the anchoring.

2. Aim of the Study and Research Questions

In the decision-making there are two systems of thinking. System 1 refers to the intuitive thinking, which is fast, automatic, easier and emotional. In contrast, System 2 refers to the logic thinking, which is slower, conscious and requires more commitment. In many situations, the intuitive system may be sufficient, in other cases is preferable the logical system. In fact, experience shows that executives or managers of different organizations often use the intuitive system. What should be noted is that even the most intelligent decision-maker can fail. The errors (heuristics and cognitive biases) are more likely to occur with the use of the intuitive system compared to the logical one.

The current study tries to understand and formulate some final conclusions regarding the presence of the cognitive distortions in the decision-making process, comparing the individual level to the group level. The main reason for choosing this topic is the increased use of groups to make decisions due to the dynamic, uncertain and turbulent environment, the horizontal structure, the difficulty to establish universal rules which guide the decision-making and the
higher complexity. So, the aim of the current paper is to understand if the group can be a valid tool to avoid or reduce the use of heuristics and cognitive biases.

To support the main purpose, the research questions are as follows:

1. Are there important differences between individuals and groups regarding the use of heuristics and cognitive biases?
2. Does the group avoid or reduce the presence of cognitive distortions?

3. Methodology

For this paper is adopted the literature based research methodology. So, the study starts bringing a general theoretical framework of some important heuristics and cognitive biases that can affect both the individual and group decision-making process. It continues trying to elaborate some final conclusions in order to understand if the groups accentuate, reduce or avoid such systematic errors.

This methodology assumes importance because analyzing and discussing on the theoretical basis of cognitive distortion, individual and group decision-making, we can:
- find new ideas for future researches;
- define different objects of investigation;
- elaborate appropriate research designs with the respective objectives and hypotheses to be tested.

4. Cognitive Distortions: Theoretical Approach

The self-confidence is necessary to achieve the desired results and can inspire respect and confidence in others, but overconfidence can become a barrier to the effective decision-making (Bazerman and Moore, 2009). The overconfidence bias may also occur within a group, when there are members overconfident that overestimate their abilities regarding the problem or situation for which the group has to decide. The member that appears self-confident orients other group members towards the acceptance of his point of view. All this stems from the fact that this kind of decision-maker presents himself as an expert and influences the judgments of the others. Arrogance can be a sign of overconfidence, but often this bias results from the polarization of the group, when the other members accept the opinion of the most extremist member (Bazerman and Moore, 2009). The decisions made under the effect of overconfidence have a higher degree of risk, precisely because of the higher demonstrated competences. Psychological studies have shown that the human being is characterized by overconfidence (Della Vigna, 2009). Thus, the individual is prone to overestimate his performance and the results achieved regarding activities that require the skills and knowledge that he has.

Overconfidence may be present in three forms (Moore and Healy, 2007): overestimation, overplacement and overprecision. We can talk about overestimation when the individual overestimates his abilities, the performance and the level of control. When the decision-maker assesses his skills and performance as better compared to those of others is the case of overplacement. When it comes to overprecision, the individual overestimates its accuracy in reasoning and making assessments.

Often the overconfidence is perceived as synonym of excessive optimism. According to Gervais and Odean (2001), the decision-maker is optimistic if he considers that the results of an alternative will be better than they actually are. But more than optimism, overconfidence is the overestimation of the personal convictions. The decision-maker can be sure that the alternative outcomes will not be good, and in this case he is overconfident, but not optimistic. The overconfidence and excessive optimism are not the same thing, but it should be underlined that excessive optimism is one of the conditions leading to overconfidence (Gervais and Odean, 2001).

Very often during the phase of information gathering, the decision-maker may give value to the information that supports the preferred alternative and ignores the information that contrasts or casts doubt on its effectiveness (Frey, 1986). If we talk about group decision-making, often the members before the group discussion, based on the personal information they have, tend to formulate opinions about the problem for which they have to decide. During and even after the discussion they remain faithful to the preliminary information and underestimate the new information to which they are exposed. In these conditions, the decision-maker becomes subject to the confirmation effect or the cognitive distortion of the preliminary hypothesis. This kind of bias may decrease the quality of the decisions and therefore becomes important to investigate the factors and the psychological processes that make it possible, both at the stage of information gathering and processing (Fischer, Greitemeyer and Frey, 2008).

The confirmation bias may also be studied in the context of the theory of cognitive dissonance elaborated by Festinger (1957), since this theory emphasizes that the decision-maker tries always to be consistent with himself. So, he
is always searching for plausible explanations for his inconsistencies, because they create a psychological discomfort (Amerio, Bosotti, and Amione, 1978; Larrick and Boles, 1995). For many researchers of the cognitive dissonance, it arises when the ideas and opinions of the decision-maker are very different from each other or from those of others. The question is what to do to reduce the dissonance. The dissonance can be reduced searching for information that increases the preference for the chosen alternative. But we must consider that the dissonance may arise even when the decision-maker is forced to make a choice that does not converge with the personal point of view. On the other hand, anxiety can be defeated if the individual becomes aware of being wrong, although often for the human nature is difficult to admit that he was wrong (Jonas et al., 2001). Schulz-Hardt et al. (2000) have concluded that the confirmation bias is not present only in the post-decision phase, but can also occur during the selection phase, when the decision-maker has a strong preference for the alternative. This converges with the results of other studies according to which a distorted assessment of alternatives and information may also occur before the decision is taken (Russo, Medvec and Meloy, 1996; Boiney, Kennedy and Nye, 1997).

Tversky and Kahneman (1981) with the prospect theory were the first who highlighted the framing effect. According to this theory the decisions are influenced by how the situations are structured. Consequently, the decisions for the same situation, but that is framed or contextualized differently, may not be the same. The framing effect often defines the attitude of the decision-maker toward risk. If the situation/problem is formulated accentuating the possible positive outcomes, the decision-maker is risk-averse and tends to choose the sure option. If the problem or situation is framed in a context that are accentuated the potential losses, the individual tends to be risk-seeking.

Tversky and Kahneman (1981) with “the problem of the Asian disease” try to illustrate how different formulations of the same problem lead to different choices. The United States are preparing for a new contagious disease from Asia, where 600 people risk their lives. To understand the framing effect were composed two groups. Each group was presented two alternative programs. So, for the first group the alternatives were as follows:

- **Program A**: 200 people will be saved;
- **Program B**: there is a probability of 1/3 that 600 people will be saved, and a 2/3 probability that no people will be saved.

The alternative programs for the second group were:

- **Program C**: 400 people will die;
- **Program D**: there is 1/3 probability that nobody will die, and 2/3 probability that 600 people will die.

It is evident that the programs A and B are equivalent respectively to C and D programs, but the answers were very different. The majority in the first group chose Program A, while the majority in the second group chose program D. This experiment shows that the same solutions, but presented in different ways have a different impact on the decision-making process. Thus, although in conditions of equivalent options, when the alternatives are formulated in positive or gain terms is chosen the certain options, but when the results are formulated in terms of losses is preferred the risky alternative (Bazerman and Moore, 2009).

Empirical studies have shown that the psychological mechanisms of framing depend on different social and cognitive variables. An important role can assume the information that the decision-maker has (Levin, Scheider and Gaeth, 1998) or the justification required of a choice (Miller and Fagley, 1991). The framing effect can be manifested in three forms (Schneider, Levin and Gaeth, 1995; Levin, Scheider and Gaeth, 1998). So, we have the risky choice framing that affects the attitude of the decision-maker toward risk. This form of framing is the form most closely associated with the term “framing”. Another form is the attribute framing, in which some characteristic of an object or event serves as the focus of the framing manipulation. A third type is the goal framing, in which the goal of an action or behavior is framed.

**Table 1: Types of framing**

<table>
<thead>
<tr>
<th>Frame type</th>
<th>What is framed</th>
<th>What is affected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risky choice</td>
<td>Set of options with different risk levels</td>
<td>Risk preference</td>
</tr>
<tr>
<td>Attribute</td>
<td>Object/event attributes or characteristics</td>
<td>Item evaluation</td>
</tr>
<tr>
<td>Goal</td>
<td>Consequence or implied goal of a behavior</td>
<td>Impact of persuasion</td>
</tr>
</tbody>
</table>

**Source:** Levin, Scheider and Gaeth, 1998, p.151

The bias of escalation of commitment refers to the tendency of insisting with ineffective decisions, even when it is impossible that the negative outcomes become positive. This is a cognitive bias widely studied by Staw (1981). In a research conducted on American organizations he came to the conclusion that for the most of them it was possible to
close the divisions which for years operated in loss after the responsible managers of the investments left their respective companies.

The conditions that favor the escalation of commitment may be different (Bazerman and Moore, 2009). Often, the favorable conditions may result from the framing effect. As discussed above, if the situations are framed in a positive way the decision-maker is risk-averse, but if they are framed in a negative way, he becomes risk-seeking and falls into the trap of escalation. Another cause can be the confirmation bias. So, if the decision-maker does not take into account the information regarding the negative consequences of the decision, he continues with the escalation. It can also be a cause of the bias of illusion of control, especially in the cases of long-term investments, pushing the decision-makers to continue until the end, interpreting the unexpected obstacles and results as temporary and controllable. The escalation of commitment can also be a consequence of loss aversion and effect of expectations (Mariani, 2009). Kahneman and Tversky (1979) have shown that the individual gives more weight to a loss than to a gain in a scale 2.5 to 1. So, to compensate a loss of €1.000 is needed a gain of €2.500. According to the effect of expectations, the decision-maker evaluates the results of its decision referring to expectations and not to the initial situation (Mariani, 2009). If he expects to earn €10.000 and gains only €7.000, the decision-maker perceives a loss of €3.000 instead of a gain of €7.000, and according to the bias of loss aversion, to compensate such loss he ought to gain €7.500.

Some researches to explain the escalation of commitment focus on the individual causes. Referring to the theory of self-justification of White (1993), when the individuals responsible for a project identify themselves with it, they continue to persist with the project demonstrating confidence in their decision-making skills, taking into account only the positive information and trying to justify the decisions made. We must emphasize that an individual remains faithful to the initial decision also to convey a good image of him. It is clear that turning back on the decisions made is an admission of failure, a difficult behavior to be faced within the organization. The decision-maker tends to save the face in the eyes of others, so it is more dangerous a loss of identity than a loss of money (Mariani, 2009, p.20).

Often happens that the decision-maker searches for links between the current problem/situation and problems/situations of the past. After he finds this correlation, the decision-maker tends to choose an option that is similar to the decision made in the past. The heuristic of availability occurs when we try to make judgments about a problem based on the presence or not of the problem in our memory (Tversky and Kahneman, 1973). The past decisions that were full of emotions and more specific will be more available compared to the decisions without emotions or that are remembered vaguely (Bazerman and Moore, 2009). This heuristic has been illustrated with an experiment by Tversky and Kahneman (1973) on the causes of death. The individuals had to assess whether it was increased the number of deaths by murder or suicide. Most of the participants chose the option of murder, because is more present in their mind, due to the higher weight that has in the media (Mariani, 2009). Moreover, the negative events are remembered more easily (Rozin and Royzman, 2001; Baumeister et al., 2001). Another interesting experiment conducted by Tversky and Kahneman (1973) consisted on asking the participants if in the English language are more common the words that start with the letter “k”, or words that have the letter “k” at third place. The majority of them answered that they are more frequently the words beginning with “k”, when in fact there are not. The responses of participants depended on the fact that it is much easier to recover from the memory words beginning with “k” rather than words which have the letter “k” in the third position.

The use of availability heuristic can facilitate the decision-making process in certain situations, or when a probabilistic assessment is needed. The availability heuristic may be a useful decision-making strategy, since our minds generally recall the frequent events more easily than rare events (Bazerman and Moore, 2009, p.7). However, not always the use of this heuristic leads to good decisions. It may be that a past event is easily remembered, but the information related to it is not so relevant to the current decision. The presence of a situation in the memory leads the decision-maker to consider different situations as similar and so it tends to decide in the same way. Another explanation could be found in the phenomenon of illusion of correlation of Chapman and Chapman (1969). It can happen that different events take place at the same time, but that does not mean they are related. So, we must consider all the characteristics of the events and not only those that lead to think that the events are similar. It may be that two or more problems are similar, but may have changed the contextual factors.

The cognitive distortion of illusion of control derives from the tendency of individuals or groups to believe that they have under control a problem or situation (Langer, 1975). Often the decision-maker is convinced that the negative consequences of the problems can be controlled due to its abilities. This is certainly overconfidence, since the factors that influence the decision-making process are different and the decision-maker is a human being unable to control everything. Under the influence of such bias, managers even when they are aware of the existence of a problem, do not worry and do nothing, overestimating their capabilities in controlling the problem (Jones and George, 2008). Everything is justified by the belief that everything is under control and there is no need to do anything, because the problem cannot
more than in the individual decision-making process (Frey, 1986). It is investigated as the anticipation of a group distortion (Janis, 1982; Nemeth and Rogers, 1996). In the group decision-making process the confirmation bias occurs avoiding overconfidence. Within a group there are more points of view, more criticism and counterarguments, it can be considered a useful tool to members have, the more they will be affected by overconfidence. However, regarding this we may object because as referring to the decision-making. In this context, an important role assumes the experience. The more experience the is composed of members who have worked previously with each other and have had more successes than failures or confirmation effect (Stasser, 1992; Soll and Klayman, 2004). Moreover, such distortion can occur even when the group view. So, the overconfidence within the group may be a result of the shared information bias (Schulz-Hardt et al., 2000), from the outside, or when the members search for information outside the group in order to confirm the initial point of view. This can happen when the group uses only the information that the members have, and does not gather other information from the outside, or when the members search for information outside the group in order to confirm the initial point of view. So, the overconfidence within the group may be a result of the shared information bias (Schulz-Hardt et al., 2000), or confirmation effect (Stasser, 1992; Soll and Klayman, 2004). Moreover, such distortion can occur even when the group is composed of members who have worked previously with each other and have had more successes than failures referring to the decision-making. In this context, an important role assumes the experience. The more experience the members have, the more they will be affected by overconfidence. However, regarding this we may object because as within a group there are more points of view, more criticism and counterarguments, it can be considered a useful tool to avoid overconfidence.

Discussing about the confirmation effect, some authors focus on the negative consequences of this cognitive distortion (Janis, 1982; Nemeth and Rogers, 1996). In the group decision-making process the confirmation bias occurs more than in the individual decision-making process (Frey, 1986). It is investigated as the anticipation of a group discussion, where participants expect to be part of a minority or majority, influences the information gathering. So, there is a tendency to not consider the conflicting information with the preferred alternative when the member of the group is expected to be the only one in minority during the discussion (Levine and Russo, 1995). Other studies have shown that the more the members of the group are accepted by others, the more they refer only to the information that supports their preferred alternative (Zdaniuk and Levine, 1996).

Larson, Christensen, Franz and Abbott (1998) referring to the information gathering and processing have shown that the groups during the debates make reference to the information that members possessed before the discussions, and so fail in data collection and processing that only one or few members of the group have access. Within a group the confirmation effect can also be emphasized by groupthinkin (Janis, 1982). But this has never been demonstrated by experiments or case studies (Esser, 1998). Another condition that favors the confirmation effect may also be the polarization. Vinokur and Burstein (1978) showed that the attitudes and the individual opinions tend to polarize in homogeneous groups, while the depolarization occurs in heterogeneous groups. The confirmation effect is stronger within groups where members have an individual preference for the same alternative. The higher the diversity of individual preferences of the group members, the less is the dependence from the information shared (Brodbeck et al., 2002). As Mariani (2009) argues, other conditions which favor the confirmation effect can be the higher costs and the limited time that accompany the group decision-making process. Other authors think differently. Groups can reduce the confirmation
effect because they can put together more knowledge, can gather more information and group members can highlight several others errors regarding the information processing (Huber, 1980).

Referring to the framing effect within a group we must underline that the conclusions of the different researches are contradictory. Neale, Bazerman, Northcraft and Alperson (1986) studied the influence of framing for individual and group risky choices. Their results confirmed the framing effect for individual decision-making, but they found a reduced framing effect in the group decision-making. Milch, Weber, Appelt, Handgraaf and Krantz (2009) found the framing effect for individual decision-making, but did not found it in the group decision-making process. Paese, Bieser and Tubbs (1993) have tried to study the same thing, but with different results. The framing effect was present in individual decisions, but was increased in the decision-making of homogeneous groups. More recently, Yaniv (2011) concluded that in homogeneous groups the framing effect is amplified, while in heterogeneous groups is reduced to zero.

White (1993) studied the escalation of commitment also at group level. To the participants were presented two projects, one with a sunk cost, the other not. Only 29% of the decision-makers who have received the description without sunk costs recommended the pursuit of the project. When the description includes sunk costs, 69% of the decision-makers preferred it as a project. But what happens at the group level? Only 26% of the groups recommended the project without sunk costs, while 86% recommended the project with sunk costs. Thus, the author argues that the escalation of commitment is higher when the decision is made by a group compared to the individual level. We may think that in the group decision-making, the escalation of commitment can be avoided, because sooner or later someone of the members will understand that the decision is not effective. Thus, the empirical evidences of Bazerman, Giuliani and Appelman (1984) have shown that groups fall less into the escalation of commitment, but if it happens this bias is more pronounced than at the individual level. Groups should exhibit escalation patterns similar to individuals to the extent that the group as a unit experiences dissonance (p.143). On the other hand, we must not forget that the group may be subject of the groupthinkin phenomenon. In this case, the members of the group will continue to support the initial decision, accentuating the escalation of commitment.

About the presence of the availability heuristic in the group decision-making, there are no researches to our knowledge that have compared the group and the individual level of decision-making. However, we believe that we must consider the experience of the members. The higher the experience of the group members regarding the decision-making, the greater is the tendency of the group to use the cognitive distortion of availability and to refer to the decisions made in the past.

Talking about the bias of illusion of control, it may be a result of overconfidence or vice versa (Moore and Healey, 2007). So, it can affect both the individual and group decision-making. Malmendier and Tate (2005) found that CEOs and top management are generally overconfident. As a result, we may think that the strategic level has the tendency to overestimate the ability of control and because of time limitations and the work volume does not base in deep analysis. According to this, it can be assumed that the illusion of control is manifested more in strategic decisions. On the other hand, perhaps in the group decision-making processes this distortion is more accentuated compared to individual processes, due to the distribution of responsibility between the members.

Let us now stop on the anchoring heuristic. With regard to group decision-making we can draw some conclusions. As reported above, the anchor stems from the confirmation effect (Epley and Gilovich, 2006). While groups are more affected by this cognitive distortion, then they should be suffering more the anchoring. Empirical evidences of Meub and Proegeer (2014) offer interesting results. The authors have focused in three different domains: the knowledge of the facts, the assessment of probabilities and price evaluation. It was found that the groups are able to reduce, but not eliminate, the anchoring for decisions that require a greater knowledge of the facts. No differences were found between individuals and groups in the remaining domains.

6. Conclusions

The use of heuristics and cognitive biases makes easier the decision-making process. Cognitive distortions become important because more and more the decision-maker has to face new problems or situations, often unclear and ought to conclude in the conditions of absence of information or at least of minimal information.

The current research, besides analyzing the main cognitive distortions, stops to discuss about their presence in the individual and group decision-making process, in a comparative analysis. Referring to the research questions we can say that there are important differences between the individual and the group regarding the use of cognitive distortions. We must emphasize that the results of previous researches are often contradictory, so it becomes impossible to determine whether the group is able or not to avoid or minimize the presence of heuristics and cognitive biases. This is because, as some previous evidences suggest, the characteristics of the group (type, composition, etc.) influence the use and effects of cognitive distortions.
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Creation of the Social Identity through the Dressing and the Representation of the Virtual Body in Virtual Internet Communities

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Abstract

An avatar is a gamer’s/participant’s virtual representation and manifestation in a 3D virtual world such as Second Life, World of Warcraft and others. Different appearances of avatars have different effects in the communication and behavior of the participants in virtual public spaces, as participants with more elaborate avatars had greater success in virtual social contacts than those who used avatars with a "simple" appearance. The process of creating an avatar is influenced by the virtual world’s social context where the participants act and react through their avatars. During the creation process the participants shape their avatars either like their actual appearance or nothing like it. The avatar’s appearance causes confirmatory social behaviors, as participants react subconsciously to the social imperatives underlying the expected behavior based on the digital image’s appearance. The appearance of the avatar affects the perception of the other participants with regards to the actual user behind the avatar, as their expectations of the social structures influence their behavior and they react to other avatars based on their digital appearance. So the reactions of others avatar constitute a behavioral response to the user of this avatar. Most users of virtual worlds create images that look like them, which lead to greater self-awareness of their body, and perceive their avatars as similar to their own reflection in the mirror. This permeates in the social interaction with an increased truthfulness in the representation of the individual characteristics of the participants, leading to effective contacts and interactions between users with more interpersonal confessions. Even digital worlds constitute a framework for experimentation in gender roles and a place for exploration of femininity and masculinity. It is really interesting that half of the female avatars used are actually male users.

Keywords: Dressing, Fashion, Gender, Virtual Worlds

1. Introduction

Digital virtual worlds provide space to groups of people who want entertainment or socialization. There are several different virtual worlds that offer games, others which simulate real life and others that offer training. Some well-known virtual worlds are Second Life, The Sims, the Dreamscape, the Maple Story, the World of Warcraft, etc. In Second Life, over 15 million users are connected and there are over 200 universities. It is used for online interactive discussion and social contacts, for observation and netnography, for simulation based training, as a virtual university classroom, as a conference room, etc (Jarmon, Lim, & Carpente, 2009).

In digital worlds, a participant is represented by a 3D digital image known as an "Avatar" and it constitutes the visible digital identity. The word "Avatar" is Sanskrit, and means the incarnated form of a god on earth and was adopted to describe the digital images of people in online worlds with their dressing and their appearance (Damer, 1997). Avatar is a symbolic artifact that announces the presence of the user in the virtual world and unlike the anonymous online identity; it presents the user's desired individual properties during online communication. However, it is unclear how the other participants perceive the claimed properties and how they affect their online behavior (Vasalou, Joinson, & Pitt, 2007).

Avatars permit concealment and anonymity of the users, but it is logical that the appearance and behavior of an Avatar reflects its user's conscious choices. Their available options in several virtual worlds allow users to select or build avatars that are either a realistic representation of themselves or a radically different one. But these avatars always reflect the personality and the character of their user and are created for a specific, desired version of the Self (Bailenson & Blascovich, 2011).

2. The Role of Avatars’ Appearance in Social Contacts Within Digitals Worlds

Social communication constitutes a key target - challenge within digital worlds, where people can "talk" with others and
exchange opinions. In these 3D worlds the communication between various connected users is in real time and in this way social relationships develop. Apart from the text chat, commands of feeling’s expressions are available for Avatars which give users the ability to use non-verbal forms of communication (Jones, 1998).

In real life, a person’s external appearance affects his/her social acceptance and socialization. The external appearance includes primarily dressing, shoes and personal accessories as well as body characteristics (body type, weight, height, hair and skin color). Also it includes body postures, facial expressions, behavior and the degree of confidence transmitted. During online communication, the expectations for the character of participants are determined by the appearance of their Avatar (Jacobson, 1999). In real life, people experiment with their appearance by changing clothes and/or hair color and/or other characteristics. In digital worlds everyone can be represented through his/her Avatar as he/she desires by changing characteristics that are not easy to change in the real world such as skin color, body shape, weight, height, etc. Even the appearance of the Avatar may indicate that he/she belongs to a group, as different groups use a uniform appearance (Manninen, 2003). For this reason users want to have a say in the construction, dressing, equipment and decoration of their Avatar. Thus the well - known digital worlds give this extra feature, and the users spend more time in selecting and improving their virtual appearance. Also for the formulation of experience, besides the general appearance of the Avatar, the level of details in which they presented plays a large role (Schroeder, 2002).

A survey of Banakou, Chorianopoulos and Anagnostou (2009) examined the consequences of the Avatar’s appearance in the user’s social interaction in virtual worlds. The conclusion was that the Avatar’s external appearance is crucial during social contacts with other users and that those who used more elaborate avatars had more successful social contacts than others with avatars bearing a simpler appearance. Specifically a user reported that he chooses to talk with other users whose Avatars have an equally groomed appearance with his/her, because he/she thought that this happens also in real life. Another player commented that in digital worlds there are groups with specific costume features (rappers, yuppies, etc.) and their users prefer to communicate mostly with member of their team as they do in real life (Banakou, Chorianopoulos and Anagnostou, 2009).

The appearance of avatars causes the user’s confirmatory behavior where someone reacts consciously to social imperatives that dictate how he/she should act in accordance with his/her appearance. This is the phenomenon where someone does so in accordance with the belief that the appearance of the Avatar indicates the expected behavior of his/her part. When the other users perceive an avatar as attractive they often approach it frequently and their conversations with it are warmer. Players would easily reduce interpersonal distance with attractive avatars and they made more revelations about themselves than through their interactions with avatars in strange appearance. Also users with taller Avatars exhibited more confidence in cases of negotiation, demanding more for themselves (Yee, Bailenson, & Ducheneaut, 2006).

Users, depending on the appearance of their Avatars, are divided into four categories: a) The Realistics who are the most in terms of numbers and create anthropomorphic avatars similar to their physical appearance having the same sex as in real life. b) The Idealized who create avatars that are considered more attractive than their physical appearance by changing their weight, height, etc. c) The Role-players who usually use several avatars simultaneously and they do not link exclusively to one character during their stay in the virtual world. d) The Fictionals who create a completely original, fictional character, usually not anthropomorphic (fairy, dragon, animal such as dog, cat, etc.). The users in digital worlds when choosing how to configure their avatars, they are influenced by the social context of the world they enter. Jennifer Wu in her survey (2013) asked users to choose avatars representing them in various scenarios. They chose the realistic female avatar frequently than an idealized female avatar in an interview simulation job and frequently chose the form of a dog in a scenario based on alternative universes. All the above show that in digital worlds, people believe that in differential social situations they are obliged to harmonize their Avatar’s appearance depending on the occasion (Wu, 2013).

3. The Role of the Avatar’s Appearance in the Formation of the Identity and Interaction with Real Body

The appearance of the Avatar affects the degree of the user’s comfort in the virtual world and affects his/her social interactions in a complex way. When he/she feels comfortable in the digital world and considers his/her Avatar as an extension of himself/herself, the sense of identity of this world is included in his/her true identity and completes it. When the participant feels that he/she is present in the digital world, he/she feels the Avatar of as an extension of him/her, so there is in this world and he/she thinks that the same happens with other users so he/she feels that coexists with them. Every user who creates an avatar, he/she does it because he/she has a need of an identity that either extend his/her offline identity, or build a new, completely independent one (Neustaedter & Fedorovskaya, 2009).
The adaptation and decoration of an Avatar is a way of individual expression, so, that users spend much time on it. In most digital spaces, like Dreamscape, offer «ready» prefabricated Avatars but if players only used the available ones then they would all have similar appearance. So, they adjust them in order to establish a unique identity which except of the aspect of personalization has also a social function, as these sophisticated Avatars are immediately recognizable and the other players remember them during the next few days. There were cases where users copy Avatars of other users but the digital community reacted strongly because this is considered a very serious offense in the digital world. The users' satisfaction depends on the extent that they can immerse themselves in the virtual world through their Avatar. They want to feel harmony being in the Avatar and the more this happens the more they identify themselves with their Avatar. This in turn is linked to the extent that they can create, view and execute the identity they wish. Most users agree that the creation of their first Avatar tries to express their presence in the digital area. During this stage they test various bodies, heads, color and accessories. Some of them do not feel comfortable with human bodies and heads and test these on of animals (cat, lion, dragon, etc.). In this way they try to gain more room to maneuver in the digital world, exempted from their human responsibilities as a defensive measure in order not to be 'reached' much by the other users until their intentions are clear. These processes are usually subconscious and users need some months to finally feel comfortable with human appearance which indicates that the appearance of the Avatar discloses aspects of the Self. The head is a basic piece that plays a significant role in the performance of the identity. Even the animal's head can create a sense of self and enable social connections, while simultaneously providing some detachment. When users become familiar with the digital world and gain friends, they start to use human heads. Then they verify that their interactions with others users are more substantial. Some users still use many heads depending on their mood or to experiment with the other user's reactions by studying how they affect their behavior and their level of comfort. Even objects and accessories like witch hats, helmets, crowns, etc. are used in an Avatar to present various aspects of the self.

One notable and curious aspect of this matter is that a number of users perceive their avatars as more real than their real body. They believe that in their Avatars they found a better version of themselves, where they feel more comfortable than in their actual bodies. Some of them experiment using various avatars and study the various types of their effects, as digital environments allow users to stand out of their digital selves and they can critically face conversations. These users are not particularly connected to their Avatars and they are interested to compare their online identities with the real ones. They are the most thoughtful of users who reflect the kind of self that they display and they perceive their Avatar as a tool for long-term exploration of the world and perhaps a mean of reconfiguration for themselves. Although the effective promotion of users is the active construction of their digital identity, they often report that their Avatars have some independence as they are outside their control and are virtually autonomous (Taylor, 2002).

Thus they admit that they cannot predict how their Avatar will behave in the different circumstances that will arise. In this case users express an awareness of the observation of the social construction of the identity and the body, which are possible due to the detachment from their Avatar. Especially in the digital world, the understanding of social context in digital image may be different from that which the user has predicted and the digital community can face the Avatar in a way that he/she has not predicted. This shows that identities and bodies have certain significance and are constructed from acceptance or challenge of the Avatars in a specific social context. Thus, the user concludes that the other users face him/her through how he/she presents himself/herself, which creates a change in him/her. The digital body competes with the physical body of the user which affects the ideal body (i.e. internalized representation of the body), and can significantly change. Avatars raise questions about what is the body, who we are and what we could be. Finally, role-playing provides users with significant benefits as they experience behaviors that they do not dare to apply in real life, they measure the reactions of other users to consider how they feel and to reject them or to use them in real life (Taylor, 2002).

4. The Game of Dressing Up in Digital Worlds

In virtual world games, such as The Sims, Ever Quest, City of Heroes and Second Life, dressing and fashion play an important role especially for the women but also for men players as the computer, by inserting a technological dimension, eliminates their feminine complexion. As a Dressing Up game defined a series of practices where a person pretends, believe or make the others to believe that he/she is someone different from the real self. He/she hides, forgets or temporarily separates his/her personality to pretend to be someone else (Caillois, 2001). The difference between the digital dressing and the real one is that the first exists in the digital's world software and each garment that is available is a conscious choice of the developers who made this world. The extent on which users can intervene and transform clothes also depends on software (Fron, Fullerton, Ford Morie, & Pearce, 2007).

According to the relationship between players, costumes and characters of the game distinguish two ways of
dressing: a) The user dresses his/her Avatar in a way that does not represent him/her and in which he/she has absolute power. b) The user displays his/her real self through the Avatar and his/her personal choice and configuration of the costume expresses an identity. Especially in role-playing games, players must choose a social class, gender and name. This membership in a group determines the appearance of player’s Avatar what it is permitted to wear and how his/her appearance may evolve in the game. In fiction games with medieval themes the dressing except from personal expression is a crucial component of the game that is organically linked to the performance of each character (Fron, Fullerton, Ford Morie, & Pearce, 2007).

5. Methods of Acquisition Clothes and the Role of Fashion in Virtual Worlds

The manner of dressing acquisition in the digital world significantly determines the development of each game. For example, in The Sims and There.com players can buy clothes from some auction pages within the game or from other fan made websites. In There.com it is possible for the user to try clothes so that other players judge them and express their opinion whether they like it or not. In World of Warcraft dressing is a key tool and clothes are acquired as spoils of war, or users can buy them from others. Players can construct clothes if they gather the necessary materials (linen, silk, etc). In There.com there is a comprehensive mechanism for dressing manufacturing and the players of this digital world award the best clothes. There are various levels - categories: the Explorer, the Hoverboarder, the Fashionistas, the Sosializers and any player who changes or buys clothes goes to a higher level. Players can design fashion items, but they must pay to expose them for sale in the game’s service website. In There.com they bypass restrictions on clothes combination, which the program of the game contained and while initially skirts were not available, players achieved to create them with different ways. When software was modified and they were in common use they were coveted and expensive. In Second Life and in There.com a user can donate or lend his/her clothes to someone else. From all the virtual games, The Sims promotes fashion more as shown by the many websites that sell clothes for The Sims characters, which are designed by players. For this reason it has gathered numerous female players. But also men players, like the women, perceive in The Sims fashion design as a productive game (Fron, Fullerton, Ford Morie, & Pearce, 2007).

In Second Life each participant can design, create clothes for his/her use, or open a store and sell them to other players using a virtual currency. The creators of this virtual world allow players to design anything they want and keep the intellectual property of their creations. There are software tools for the change of the Avatar’s appearance, but the digital natives introduced other tools also in order to construct the persona which they wish. Therefore imaginary species were created with horns, tails, strange hairstyles and a lot of hands or feet. Fancy clothes which the users of virtual worlds design could not exist in reality as the game can bring technology, such as animations, flashes, lighting, elaborate geometric patterns and other special effects. There are not extensive researches regarding the financial results of the digital fashion industry. Chung’s survey (2005) showed that players who are closely connected with their Avatars buy fashion and cosmetics more than the others. Also Tyler (2013) points out that those women players with ambiguous attitude towards their Avatar do not invest in digital fashion. Fashion is probably the sleeping economic giant in dressing up games of virtual worlds.

6. Participation in Digital Worlds from a Gender Perspective

It is estimated that women’s participation in role-play games are about 10 to 20%. Some of them choose the female warrior role, but others prefer stereotypical female roles as nurse, seamstress or herb therapist, experimenting with different personality types in the context of interdependence of the digital world. Women report enjoying these roles as those who are not dynamic in their real life show strength in the virtual world. Of course the same happens with male players. Those who suffer from social phobias can grow stronger in the framework of virtual games. Also women enjoy organizing events in virtual communities and pursue trading. Women are better fashion designers especially in Second Life and in There.com where they are much more than men designers and they enjoy social recognition and economic prosperity in the digital world (Taylor, 2003).

7. Gender Game Equality in Digital Worlds

These digital worlds allow for experimentation and the test of different gender roles in certain social contexts. Players can explore competition issues of gender, femininity and masculinity issues as they are better aware of who they are (Brunner, Bennett, & Honey, 1998). In digital worlds men and women experiment with extreme gender expressions and
there is no discomfort for gender, homosexuality and especially the last one is used by heterosexual men players. It is noteworthy that while around 50% of Avatars have female figure in role playing games only 10-20% of the players are women which means that more than half avatars - women are used by men, something that occurred in all age groups which is culminating in men from 22-35 years. The interpretations for this behavior are: a) In real life the boundaries of gender are very strict for men and thus they find an opportunity to experiment with gender roles in virtual worlds. b) In these digital environments women Avatars are treated more favorably. c) Men may perceive it as an alternative form of domination over the female body. d) In competition games between two players, the weak female Avatar, perhaps gives the advantage of surprise to the male user against an unsuspecting chauvinist opponent (Yee, 2003). Perhaps even men use female Avatars because they have more beautiful appearance. The digital world makes the dressing up game more acceptable socially for men. Some male players use female Avatars to design women's clothes because of the greater range of women's fashion choices in digital games. The cross – gender game gives new ways of individual expression. In There.com there is the peculiarity that players use their real voice for communication rather than text chat, like in the most virtual worlds. In general men users who have female avatars use their male voices and it is usual for female avatars to speak with a male voice. This of course creates a gender transparency and a particular culture in the game (Pearce, 2006).

As for the hyper sexualized dresses (eg leather bikini) with which female Avatars are presented in digital battles is a male (and not a female) structure that reveals the male fantasy of how they prefer women (Taylor, 2002). In digital places where the Avatar's dressing has no restriction fashion operates as a personal expression and method of exploration of social gender identity. Although some female players complain about the female Avatar's appearance with Barbie doll proportions but they do not lose the opportunity to modify the breast size, weight and age of their Avatar. Somebody would expect that women users would not want too sexualized Avatars but these in contrast dress their Avatars with sexier clothes than they often use for themselves in real life taking advantage of the anonymity of the digital worlds and the opportunity to showcase a perfect body expressing how they wanted to be in real life. Perhaps this is due to the sense of women's safety in these areas where sexual attacks are indirect and there is no physical hazard (Fron, Fullerton, Ford Morie, & Pearce, 2007).

8. On Anthropomorphic Avatars

The user's representation through an Avatar in digital worlds is based on the assumption that it must have human appearance or at least display human behavior. Usually some degree of anthropomorphism is used in the design of the Avatar (ie human characteristics and properties), under the assumption that this is conducive to social interaction. But more and more frequently users use non-human Avatars inspired by legends (dragons, vampires), mythology (Minotaur), the animal kingdom (butterflies, cats, dogs) even purely imaginary creatures which users do not expect them to act humanly. The interaction with these kinds of avatars may require new ways and manners but their identity can change and determine new ways of existence when interaction is based on non-human forms. The questions which arise (and which have not been investigated yet) are: what motivates people to want to represent themselves by such Avatars? Is there another deeply hidden self whom users feel safe to reveal in the anonymity of the digital world? Do they do this to get other users' attention? Even philosophical questions present for the performance of the self with such Avatars and how they affect the identity and behavior of the users. Non anthropomorphic Avatars challenge and expand the well known principles of communication and maybe create new ones. While other users know that there is a human being behind these Avatars and so their behavior will have human aspects the question established is whether all this affects the way of addressing the real body. In role-playing games people want new mental context, different from the everyday one and they impersonate a completely new person (persona). This in the real world occurs in some, institutionalized periodic activities (carnival, renaissance festivals, etc.). But, in the digital worlds such odds are constantly changing and perhaps they may change in a permanent manner the way one addresses the Self. Users of non-anthropomorphic Avatar can perform consistently a role and they develop the character directly in the virtual world. For example in Second Life there are fictional races (groups) with different ideologies and social structures and before the accession of an Avatar in a race, it must know the race's social interaction rules, permitted behaviors, actions, expressions and it must agree with them in a social contract which creates strong social responsibilities. The non anthropomorphic Avatars introduce new ways to build identities and new types of interactions, different from those of the real world. The identities that are created perhaps are fluid and chimerical but it seems that many users in the virtual world like to keep them.
9. Conclusion

The effect of the appearance of avatars is decisive for the outcome of social interaction and communication in digital worlds. The more elaborate and attractive Avatars are treated more favorably and achieve more and more substantial social contacts. Participants create avatars that look like their actual appearance or are completely different in the context of research, expansion and completion of their individual identity and this determines the kind of experience that they will accrue from the virtual world. The Avatar's appearance communicates to other users something from the self of the actual user, who he/she is and they help in the deeper awareness of the self. Virtual world experiences can reshape the user's feelings for their body. The online identities impact real life and the participants may feel their avatar as an extension of themselves or as something they do not like very much. The game of dressing up has deep roots in human culture and within the age of virtual worlds, it plays a very important role in its activities. The appearance and the clothes of Avatars can cross the gender boundaries, and they cover instinctive needs of the users to express hidden aspects of their personality. Generally Avatars are a means of exploration of the physical body but also of the personality that users idealize on the appearance of their Avatars. Finally, non-anthropomorphic avatars challenge and expand the boundaries of human behavior and expand interaction and communication capabilities.

References

Migrants Who Enter/Stay Irregularly in Albania

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Abstract

Immigration is quite a sensitive topic for the world nowadays and for Albania in particular its management is a challenge closely related to its efforts towards full integration in the EU. In 2016 Albania must meet clear legal and institutional standards as described in many EU founding treaties, directives and regulations, in the face of migratory flows from Greece and Macedonia, which created many difficulties related to the accommodation and selection/registration procedures. This paper will provide an analysis of the country’s capacities in handling the phenomenon and the key challenges it needs to address and manage. Primary data were collected from the following activities: meeting with immigration officials at various levels, brainstorming sessions focusing on the key legal and institutional issues; field assessment of procedure applications and periodical monitoring. Many immigrants come from EU borders (Greece) and non-EU borders (Macedonia), to use Albania as transit towards other EU countries such as Germany. This is valid for both asylum seeker fleeing wars and economic immigrants. There are also cases of human trafficking of people against their will and unaccompanied minors. Albanian institutions have been capable to provide adequate treatment of immigrants with the assistance of UN bodies and funds from the EU, in terms of screening and identification, as well as offering temporary humanitarian support (food, shelter and medical assistance). The role of State Police is crucial, in its collaboration with Frontex in complying with EU border and immigration rules. Albanian institutions have improved significantly in their handling of migratory flows, however, their capacity building needs support in key areas such as identification of types of immigrants (interpreters, motives, legal status) and their accommodation in adequate structures to prevent these flows continuing and not serve as a transit route.

1. Introduction

1.1 Treatment of migrants, who enter/stay irregularly in Albania

The Albania integrity road to European Union - a common goal of the Albanians- is complex and with many challenges. In order to make this road and these challenges real (which makes our wish, part of self integration), there serve those legal, practical and institutional parts, which are named “Acquis Communautaire” in the terminology of EU. This includes the appointed standards from Founding Treaties of EU to Directives, Regulations and other acts, which compose a live organism as well as stable, unified and diverse. Albania has made many steps to achieve these standards. There is a list of actions and acts to be taken. It is initiated with the Association and Stabilization Agreement with EU of 2013. In this agreement there are foreseen 8 priorities (priority areas) and one of these are asylum and migration. Fulfilling properly the priorities will provide the transition from EU candidate country phase to member country one. Albania, a country and a society historically generous, has offered its help for the persons in need in their countries. After signing the Refugees Convention, Albania conducted a legal framework and asylum system for this reason. Since 1992, Albanian Asylum system has initiated through signing and ratification the convention of 1951. The aim of this law is to identify and to set the duties as in the Convention (1951) and recognize certain rights for the refugees, asylum seekers and persons under additional custody (as are named in the law the persons under temporarily custody on humanitarian bases). Albania has made huge steps in

1See Council Directive 2001/55/EC of July 20th 2001 for the standards, giving temporarily custody in case of massive flux of displaced people and the measures for having a balance in the attempts among Member States in the admission of these persons and the confronting the consequences of this action.
the asylum and migration field. Being a country in developing process and having not awareness for increase the Albania role -as a country that send and (targeted by migrants) receive migrants from all over the world, including refugees- has made this field to not have the accurate attention and importance by the state authorities, society, media etc. Rules application, regarding the refugees and asylum seekers, is not in the required levels pursuant to international standards (especially the EU ones).

In the asylum migration system, the selection is a procedure aiming to offer humanitarian solution for the irregular foreigners, selected by State Police. Selection system is a connecting link that provide obligation respect by Convention (1951), Protocol (1967), Albanian legislation implementation, especially the Asylum Law and Selection Guideline. In the project framework of cooperation with UNHCR and Albanian Government financed by EU, until 2000, the selection was done by common interviewing groups, teams with representatives from state specialized bodies and different international agencies that have the liability for accomplishing correctly/pragmatically obligations that derive from legislation implementation and normative acts for this system, composed as below:

- State Police- referring and treating the cases at the beginning phase;
- DPSHR–DPSHR – treating the asylum seekers;
- UNHCR –UNHCR- assisting DPSHR with the treatment of asylum seekers/ directing the process;
- IOM –IOM- repatriation of the persons that want to return;
- OSBE – assisting in field and suggesting preliminary measures

Since October 2006, selection process has been in the State Police liability, currently implemented thoroughly by Police of Border and Migration. Selection procedures include the treatment of three categories:

1. Persons who leave their origin country because of fear and persecution and cannot return (asylum seekers);
2. Persons who leave their origin country because of their economic reasons (economic emigrant);
3. Persons who live their origin country involuntarily, for trafficking reasons and forced labor (human trafficking).

2. Literature Review

2.1 Unaccompanied minors

One of the big challenges that Albanian State is facing in the application accurately the selection procedure, is the fact that this procedure is conceived as a continual process that have to be kept always in high levels of implementing the international standards. Practically, the selection procedure requires that Police of Border and Migration identify in the administrative areas it covers, skillful translator for the most likely languages of countries of irregular immigrants. This identification shall be accompanied with a continual updating, since the interviewing of individuals caught in border or within the territory effects directly to their accurate treatment. Also, the category identification helps too, as well as respecting the procedural deadlines, which are part of the work and the internal organization of the police procedures.

From the part of Police of Border and Migration in cooperation with Directorate of Asylum are made attempts to identify translators of some languages and especially of the rare ones, in order to have them present during the selection procedures and to apply the international standards as well as for informing the immigrants regarding their rights. Also, the translators make clear the process. Therefore, this procedure requires that Police of Border shall be always updated with the latest news on events that can effects the increasing of migration flows to the RoA. In the article 33, first section of Convention “On Refugee Status” it is cited “No Contracting State shall expel or return (" refouler ") a refugee in any manner whatsoever to the frontiers of territories where his life or freedom would be threatened on account of his race, religion, nationality, membership of a particular social group or political opinion”. It is obvious that Convention affirms the important principle of the Non-Refoulement, making it the center of the obligations of Contracting States, guaranteeing and protecting the rights of the refugees and the asylum seekers. Since 1992, Republic of Albania has ratified the Convention “On the Status of Refugee”. Therefore, in accordance with the Article 122 of our Constitution, it is considered that this international agreement consists of a part of the legal internal system of Republic of Albania. Therefore, it is the obligation of each State body to respect rigorously the request derived from Convention “On the Status of Refugee”, including here the important principle “Non-Refoulement”, affirmed in the Article 33/1 in this Convention. Furthermore, considering that the principle of “Non-Refoulement” is understood or recognized indirectly even in the other citations of our Convention, where it can be distinguished among the others the articles as below:

1. Article 39/3, where is mentioned that “It is prohibited the collective expulsion of foreigners. The expulsion of foreign individuals is permitted as foreseen by law”;
2. Article 40, where is mentioned that “Foreigners have the right of shelter in the Republic of Albania according to
law", as well as:

3. Article 25, where is mentioned that "No one can be subject of torture, expulsion or cruel treatment, inhuman or humiliating".

This relates not only to the internal situation in neighbouring countries, but also the self knowledge of the asylum system and the treatment of foreigners in countries affected by wars or conflicts, external and internal, such as Iraq, Libya, Egypt, Afghanistan, Congo and Syria with over 2 million refugees fled the country, speak a lot about migratory flows towards more peaceful areas of the world, where the European Union stands. But not only that, the difficult economic situation and above all any standard treatment of irregular foreigners caught or found on Greek territory, is the primary reason for multiple flows of foreigners who can come to Albania. The events of 2016, the arrival of migratory flows near the Albanian border Greece, Italy, Macedonia has shown that even for the EU member states is a difficult managing massive flow as great as in reception, conducting the selection procedure, accommodation and implementation of standards previously adopted by member countries. Acceptance of German nationals who come from countries at war did have a large increase in the flow at the external border of the EU and difficulty in movement of these citizens in the countries of destination, or in the distribution of quotas adopted previously by member countries. Hungary for example, which does not allow passage of nationals of third countries outside the quota set (by placing military forces and set up metal fences to prevent the uncontrolled movement or decision of Austria for closing the border for several days and accepting only the citizens who struggle in countries like Syria, Iraq made that have an impact on all countries involved in this route, especially in Serbia and Macedonia. Facing the difficulty to identify the nationals of third countries and some of them by not seeking international protection in the first country of EU (in contradiction with the Convention in Dublin) but wanting to go to the countries of destination as e.g. Germany some of them try to go to EU countries, but another part is ready to use transit through Albania using other routes versus unacceptable possibility of returning to their country or in Greece.

3. Methods

Primary data were collected from the following activities: meeting with immigration officials at various levels, brainstorming sessions focusing on the key legal and institutional issues; field assessment of procedure applications and periodical monitoring.

4. Results and Discussion

Many immigrants come from EU borders (Greece) and non-EU borders (Macedonia), to use Albania as transit towards other EU countries such as Germany. This is valid for both asylum seeker fleeing wars and economic immigrants. There are also cases of human trafficking of people against their will and unaccompanied minors. Albanian institutions have been capable to provide adequate treatment of immigrants with the assistance of UN bodies and funds from the EU, in terms of screening and identification, as well as offering temporary humanitarian support (food, shelter and medical assistance). The role of State Police is crucial, in its collaboration with Frontex in complying with EU border and immigration rules.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
<th>Males</th>
<th>Females</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>331</td>
<td>294</td>
<td>37</td>
</tr>
<tr>
<td>2014</td>
<td>472</td>
<td>412</td>
<td>60</td>
</tr>
<tr>
<td>2015</td>
<td>299</td>
<td>278</td>
<td>21</td>
</tr>
<tr>
<td>2016</td>
<td>96</td>
<td>66</td>
<td>30</td>
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</tbody>
</table>

Foreign citizens selected as asylum seekers by Border and Migration Police and sent to the National Asylum Seekers Centre in Tirana.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>158</td>
</tr>
<tr>
<td>2014</td>
<td>298</td>
</tr>
<tr>
<td>2015</td>
<td>135</td>
</tr>
<tr>
<td>2016</td>
<td>172</td>
</tr>
</tbody>
</table>

These are citizens who have not requested international protection and in the Republic of Albania are at the irregular category. At this context, it is very important the training with knowledge of concepts such as third safe country and the changes that can be done, depending on the circumstances and developments, it is a very important advantage for achieving Albania goals on its way to integration. For a better identification with the support of ICITAP, an American
project for assisting the State Police is designed FER (Foreign Electronic Registry) which serves to identify and record entry and exit of foreign nationals caught illegally. This registry dramatically improves the work of border police and migration as well as a recording of people who are caught crossing the border illegally, or those seeking international protection (identification made by declarations freely, picture, fingerprint). This system is installed at all border crossing points, the Regional Border and Migration Directorate and General Directorate of Border and Migration. The main international sources for the implementation of the rights of migrants entering the country illegally are the reports of the Special Reporter of the UN and the UNHCR. In 2013, the Special Reporter on migrants, in addition to respecting the rights of migrants, stressed the need for adequate information and documenting the best cases of persons seeking protection in Albania. Special Reporter on migrants in Albania recommended that migrant children should not be subject to detention, or it can occur only in very exceptional cases, as a last resort and for a very short period of time. The Office of the UN High Commissioner for Refugees (UNHCR) has urged Albania to provide interpreters for people seeking protection in the country. The report by the High Commissioner UN Office on Human Rights, under paragraph 15 (b) of the annex to Council resolution on human rights 5/1 and paragraph 5 of the annex to Council resolution 16/21, Albania 13 February 2014. The main domestic source of statistics on foreign nationals trying to enter Albania improperly is the General Directorate of Border and Migration, Asylum Directorate of the Ministry of Internal Affairs. According to this source, about 18 percent of them, 471 of 2,618 were refused to enter in Albania for several reasons, such as lack of documents to prove identity, previous violation of residence rules in Albania, lack of financial support, not justifying the reason of entering the country, etc. Another national source of information for the treatment of migrants entering the country illegally is the Albanian Helsinki Committee. During the last years the Albanian Helsinki Committee conducted three investigative missions in Albania-Greece border checkpoints to monitor the treatment of foreigners entering the country illegally.

Monitoring reports through years are as follows:

- Usually irregular migrant women are treated by women police officers, which make about 50 percent of the police staff in Tirana International Airport and 25 percent of police officers in the port of Durres;
- Professional capacities of police officers which serve to irregular migrants have not increased;
- Police needs more specific training on the legislation on human rights and for protection procedures of irregular foreign migrants from maltreatment;
- There exists a good cooperation between Albanian and Greek police for the treatment of irregular migrants who cross the Albanian-Greek border.
- To be improved the manner and security elements regarding the permit of stay of foreign citizens in Albania.
- Albania should adopt a Strategy and an Action Plan on Migration, taking into consideration the implementation of the previous Strategy. It should be monitored closely the implementation process of the Strategy and of the Action Plan for the reintegration of the returnees;
- Strengthening of capacities for the management of migration;
- Improvement of reception premises such as in BCP as well as within the territory.
5. Conclusion and Recommendations

Albanian institutions have improved significantly in their handling of migratory flows, however, their capacity building needs support in key areas such as identification of types of immigrants (interpreters, motives, legal status) and their accommodation in adequate structures to prevent these flows continuing and not serve as a transit route.

- Data on foreigners in Albania put more emphasis on asylum-seekers, refugees and persons who enter the country irregularly and less so on migrant workers and their social, economic, political and cultural rights.

- The power of the Ministry of Social Welfare and Youth and its agencies in shaping migration policies and addressing migrant workers women rights in Albania has been reduced and the power of the Ministry of Internal Affairs and its institutions and agencies has been increased during the last years. The treatments of migrants and foreigners in Albania risk taking on the connotation of a public safety, public order and security
issue, rather than of a social economic, cultural and worker mobility issue.

- The legislation also requires certain financial and economic guarantees so that foreigners residing, working, studying or conducting other economic, social, humanitarian, religious, cultural or other legal activities in the country do not burden the welfare system.
- Albania has ratified and is successfully implementing the majority of international conventions on migrants workers. Although it is typical migrant-sending country, Albanian has almost complete legal framework on migrant workers.
- There are no legal provisions that directly address the migrants gender perspective and gender equality.
- The communication of Border and Migration police with foreigners entering the country irregularly needs to be improved through recruitment of personnel that speak foreign languages, offering courses for this purpose, or by hiring part-time persons who speak these languages, because provision of information in the native or in a language a migrant understands is an important human rights for foreigners entering Albania irregularly.
- The psychosocial service personnel across the country need additional specific training to be able to better address challenges of foreigners and migrant workers, particularly those deprived of their liberty.
- Medical doctors, nurses and hospital and healthcare personnel need additional specific training to be able to improve services of foreigners and migrant workers in the country by better understanding their respective health risks and health social determinants as well as the culture’s impact on health and illnesses.
- The Ombudsman should make direct reference to the protection of the rights of migrants in Albania, in addition to property, housing, consumer or environment rights, and their rights to address and require assistance and support from the institution.
- The Albanian Helsinki Committee should make direct reference to the protection of the rights of migrants in Albania, in addition to the rights of natives and Albanian emigrants in receiving countries, and their rights to address and require assistance and support from this institution.

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Analysis and Interpretation of Functional Connectivity of Per Capita Food Consumption in Albania

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Abstract

This paper presents the analytical model of per capita food consumption as the main determinant component of the measurement of food poverty level (extreme poverty). The model study the relation of per capita consumption depending on a set of explanatory variables that are thought to have a statistically significant impact and are defined as influential factors in extreme poverty. Albanian households spend a considered amount on food products. More than 50 % of the total consumption goes to buy food products. This percentage in 2012, is decreased compared 2002 and have almost one point percent difference compared with 2005 and 2008. Computation: SPSS, STATA

Keywords: Engel curve, food consumption expenditure, regressive, poverty

1. Poverty Measure

In Albania the poverty is measured through consumption. An individual is considered poor if its level of per capita expenditure falls below the minimum level needed to meet basic needs for food and non food items of this individual. Household consumption is considered to be measured more accurately than income due household hesitate to declare their income, income are influenced more from sezonality or high grey economy. The reference data used in the paper and the only source to measure poverty in Albania is based on Living Standard Measurement Survey. The latest data available are from LSMS 2012. The first LSMS is conducted on 2002 and it is used as a base year to deflate results for other survey years (2005, 2008 and 2012).

Evaluation of poverty based on a multidimensional definition of poverty and not only deprivation of income or consumption, poverty is also defined in connection with not appropriate a series of arrangement of social care that are unrelated with income, such as education, health, issuing authority, using of basic services and infrastructure. Poverty is monetary and non monetary. The monetary poverty is used the cost of basic needs methodology (Ravallion and Bidani, 1994). INSTAT 2014, explain the methodology which first calculates a food poverty line, estimated through minimum of calories and after added a value for non food components for basic necessities. Food costs are the main determinant component of extreme poverty. Thus if we distribute food costs, depending on per capita spending of aligning itself regress linear form but the values are collected in the first quintile-n spending.

**Extreme Poverty:** The food poverty line is the level of per capita expenditure per month, necessary for an individual to take the minimum amount of 2288 calories per day. Converted in money, the food poverty line or extreme poverty line was set at 3,047 ALL per month. The non food component of the poverty line was calculated disregarding, taking into consideration the percentage of non food expenditure of those households that spend for food consumption an amount approximately equivalent to the food poverty line. The poverty line has been set at 4,891 ALL per month at constant prices (2002)\(^1\).

Engel curve study the trend and the relationship between food expenditures and total income/expenditures. Engel curves were widely examined by using different econometric methods for different groups of goods.

2. The Engel Method of Measuring

In the empirical literature, the estimation of Engel curve has been applied across a wider set of applications, to quantify the total expenditure elasticity for different categories of commodities. The expenditures are calculated in household level so the household can be treated as a single entity and all members are assumed to possess unified preferences. The

\(^1\)http://siteresources.worldbank.org/PGLP/Resources/povertymanual_ch3.pdf
roles of income are constructed by model of expenditures as with this method also are calculated main indicators of poverty and inequality. Also the Engel curve estimates are made using consumption expenditures. Using expenditures instead of income is most common in developing countries. This happened because of grey economy, under reported, easy to declare and less sensitive and also less influenced by sezonality (Dawoud, Seham D. Z., 2013).

Engel curve tend to show the household budget shares allocation to the income or total food expenditures. Somehow it test the Engel law that poorer households spent a higher share of total expenditure to food..

In different literatures are presented different models to prove this conception (see Deaton and Muellbauer, 1980). For the models we will the general codification for when with \( Y_{ij} \) is coded depended variable (food consumption), \( X_{ij} \) for independent variable and \( \alpha \) and \( \beta \) parameter. Where “\( j \)” is the good and the term “\( i \)” is the household. To explain relationship between food and expenditures exist different methods used by different authors.

One method is linear relationship.

You (2003) used models in the study where food, transportation, cigarette and alcohol expenditures were examined with Engel functions. As food is a necessity (Engel’s law), its expenditures elasticity is less than one. But how should this elasticity vary with expenditures? Consider the linear Engel curve updated for our country in the form: food expenditure \( Y_{ij} \) (dependent variable), where \( \alpha \) and \( \beta \)are constants and \( M \) is income/consumption (or \( X_{ij} \) independent variable). This is the direct linear form of the food model.

The second model could be linear form but in this case as a dependet variable takeing into consideration the share of income/consumption goes for food or the food budget share \( W_{i} \) (that is, \( w = \text{food expenditure} = M \)). As \( w \) falls with income and as the slope coefficient \( \beta \) is a positive constant, the elasticity increases with income. Accordingly, the Engel curve implies that food becomes less of a necessity, or more of a luxury as the consumer becomes more affluent, which violates economic intuition (Theil 1983). When the food consumption elasticity has the tendency to vary over countries or over households, Lluch et al. (1977) found that this elasticity tend to fall as expenditures increased. Although the rise on the income/consumption elasticity appears to be a fundamental flaw, the linear Engel curve have been explained by the linear expenditures function (Stone 1954) and the Rotterdam demand model (Barten 1964, Theil 1965).

Working, (1943) and Leser, (1963), provides another form of the model that is more related with the household utility maximization, budget shares linearly to the logarithm of total household expenditures. \( W_{i} \) or \( Y_{ij} \) is the budget share on food or the dependent variable (the ratio of expenditure on food to the total household expenditure), \( X_{i} \) is the total household expenditure or dependent variable, \( \alpha \) and \( \beta \) are parameters to be estimated and \( \varepsilon_{ij} \) is an error term. An expression for the expenditure elasticity and the marginal budget share for good “\( j \)” can be derived from this equation. This model has been popular in cross-country demand studies but it suffers from the defect that for large changes in income, the budget share usually becomes negative or larger than unity, which is 1. The basic Working-Leser model has been extended to include other variables assumed to affect the budget shares allocated to the different types of goods (see Deaton, 1997).

Log-lin model form

Working (1943) and later Leser (1963) proposed the log-linear budget share supposing that better fitting this functional form. Houthakker (1957) analysed the income elasticities of 30 different countries for four different expenditure groups. Chesher and Rees (1987) estimated the income elasticity of different food demand with the supposition that price does not change during the period of the survey.

According toEngel’s law, the food budget share declines as income/consumption increases. In case that is less than 1 and is most likely to be positive (so that food is a normal good).

Another form is the double logarithmic (log-log) functional form is used to estimate expenditure elasticity. This functional type has proven to be the most appropriate way of estimating the expenditure elasticity of demand because of its simplicity and quite easy estimation and interpretation (Ahmed et al., 2012). Also, expenditure coefficient is the coefficient of elasticity and there is no need of calculation.

Dawoud, Seham D. Z.(2013) analyze trend of Engel curve of Egypt by log-log form. In the latter model, interests and the bargain power may differ among members and the composition of the household income is relevant in explaining expenditure decisions (Bourguignon and Chiappori, 1992; Browing et al, 1994 n.d.).
Table 1: Engel curve method

<table>
<thead>
<tr>
<th>No</th>
<th>Author</th>
<th>Function</th>
<th>Coefficient</th>
<th>p-value</th>
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<td>1</td>
<td>Lluch et al. (1977)</td>
<td>(Y = \alpha + \beta X + \epsilon)</td>
<td>(Y = 812 + 0.477 X + \epsilon)</td>
<td>&lt;5%</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>(Y = \alpha + \beta \ln X + \epsilon)</td>
<td>(Y = -34093.9 + 4358 \ln X + \epsilon)</td>
<td>&lt;5%</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>(Y = \alpha + \beta /X + \epsilon)</td>
<td>(Y = 8575 - 2.49 / X + \epsilon)</td>
<td>&lt;5%</td>
</tr>
<tr>
<td>4</td>
<td>Working (1943)</td>
<td>(\ln Y = \alpha + \beta X + \epsilon)</td>
<td>(\ln Y = 7.7 + 7.7 X + \epsilon)</td>
<td>&lt;5%</td>
</tr>
<tr>
<td>5</td>
<td>Dawoud, Seham D. Z. (2013)</td>
<td>(\ln Y = \alpha + \beta \ln \ln X + \epsilon)</td>
<td>(\ln Y = 0.92 + 0.82 \ln \ln X + \epsilon)</td>
<td>&lt;5%</td>
</tr>
<tr>
<td>6</td>
<td>Working (1943)</td>
<td>(\ln Y = \alpha + \beta \ln X + \epsilon)</td>
<td>(\ln Y = 9.127 + 5132.4 \ln X + \epsilon)</td>
<td>&lt;5%</td>
</tr>
<tr>
<td>7</td>
<td></td>
<td>(Y/X = \alpha + \beta X + \epsilon)</td>
<td>(Y/X = 0.656 - 8.06 X + \epsilon)</td>
<td>&lt;5%</td>
</tr>
<tr>
<td>8</td>
<td>Working, 1943, Leser, 1963</td>
<td>(Y/X = \alpha + \beta \ln X + \epsilon)</td>
<td>(Y/X = 1.35 - 0.084 \ln X + \epsilon)</td>
<td>&lt;5%</td>
</tr>
<tr>
<td>9</td>
<td></td>
<td>(Y/X = \alpha + \beta /X + \epsilon)</td>
<td>(Y/X = 494 + 493 / X + \epsilon)</td>
<td>&lt;5%</td>
</tr>
</tbody>
</table>

3. Trend on Food Consumption

The paper aims to study the relation of per capita consumption depending on different economic positions of individuals. The paper shows different methods and functions of relationship of food consumption with total expenditures. There are a set of explanatory variables that have a statistically significant impact and are defined as influential factors in extreme poverty.

Based on Instat (Maj 2014), the poverty is increased in 2012 compared with 2008. Normally if the poverty decrease by years, also the share of food will decrease. This means that individuals are better off and tried to spend more for non food products. This doesn’t happen from 2008 to 2012 where the poverty increased again (Table 3).

Table 2: The food and per capita consumption in 2012

<table>
<thead>
<tr>
<th>Variable</th>
<th>%</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total consumption</td>
<td>8.971</td>
<td>5,055</td>
</tr>
<tr>
<td>Food</td>
<td>58.4</td>
<td></td>
</tr>
</tbody>
</table>

Source: INSTAT (LSMS 2012)

The share of utilities has an increase trend by years. The share of education of real per capita consumption is also increased first three survey years. In 2012 is decreased by 0.2 point percent from 2008.

Table 3. Percentage of real consumption per capita by year

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>64.5</td>
<td>59.2</td>
<td>57.7</td>
<td>58.4</td>
</tr>
<tr>
<td>Non-food</td>
<td>19.4</td>
<td>24.5</td>
<td>22.7</td>
<td>20.0</td>
</tr>
<tr>
<td>Utilities</td>
<td>12.6</td>
<td>12.7</td>
<td>15.2</td>
<td>17.6</td>
</tr>
<tr>
<td>Education</td>
<td>2.3</td>
<td>2.7</td>
<td>3.8</td>
<td>3.4</td>
</tr>
<tr>
<td>Durables</td>
<td>1.2</td>
<td>0.9</td>
<td>0.5</td>
<td>0.6</td>
</tr>
</tbody>
</table>


According to Engel’s law, by the income (consumption) increase the propotion that households spend for necessary goods decrease and they tend to spent more for non food products and luxury goods. The poor households or less developed countries tried to spend more for food and necessary products.

We have considered food and utilities are necessary goods, and non food and durables are classified as luxury commodities. The marginal budget share estimates reveals that for a one lek increase in the household budget, on average and ceteris paribus, expenditure on food commodities rises by 0.58 Lek, on non food commodities by 0.20 of a lek, on durable goods by 0.6 of a Lek and on utilities by 0.18 of a lek.

The highest level of share food is for the Central region (60.7 %) and the lowest for Tirana.
Using Engel curve framework, represent a way to analyze household consumer behavior. It describes how consumer spending behavior varies with income/consumption level, supposing that the prices are held fixed (Cristinna Cattaneo). Studying the trends by quartiles of consumption, going from the level 1 to the level 5 the mean food consumption increased, while the share of food decreased. The ratio of Q5/Q1 per capita food consumption is about 3.2 times higher and the share of food consumption has around 10 point percentage differences from the first to the fifth quartile. This means that in the highest level of consumption, or the rich people tend to spent less on food.

Table 4: Share of consumption

<table>
<thead>
<tr>
<th></th>
<th>Food</th>
<th>Non-food</th>
<th>Utilities</th>
<th>Education</th>
<th>Durables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coastal</td>
<td>58.9</td>
<td>20.3</td>
<td>17.0</td>
<td>3.2</td>
<td>0.6</td>
</tr>
<tr>
<td>Central</td>
<td>60.7</td>
<td>18.5</td>
<td>16.7</td>
<td>3.5</td>
<td>0.6</td>
</tr>
<tr>
<td>Mountain</td>
<td>57.9</td>
<td>20.9</td>
<td>16.0</td>
<td>4.7</td>
<td>0.5</td>
</tr>
<tr>
<td>Tirana</td>
<td>52.7</td>
<td>22.4</td>
<td>21.0</td>
<td>3.1</td>
<td>0.7</td>
</tr>
<tr>
<td>Total</td>
<td>58.4</td>
<td>20.0</td>
<td>17.6</td>
<td>3.4</td>
<td>0.6</td>
</tr>
</tbody>
</table>

Source: INSTAT (LSMS 2012)

Corinna Manig,C. and Moneta,A. (2009) underline than as people become richer they get the opportunity of consuming more but also qualitatively better goods. Based on Engel’s law as households became wealthier, their budget share for food is on average decreasing.
Figure 3: Share of food consumption by region and percentile of total consumption

If we split consumption more, from 5 division to 10, the trend is the same. The per capita food and total consumption increased in the richest people but the trend on share on food decreased significantly and is more visible after the 8th percentile. The difference from the bottom to the top is considered higher.

Region of Tirana has the lowest figures of share of food by percentile of total consumption. To the poor individual they spent the highest percentage on food compared with others and this percentage is almost the same for all regions. The mountain trend is not as was expected, as this has been from years, poorer regions. This is not visible to the trend of consumption as the mountain is in a good position compared with Central and Coastal. Families isolated also have less per capita consumption, though this disadvantage may be disappearing. The definition of isolation here refers to families who are away from social services. Specifically in this case, we measure it with the distance (in miles) from the nearest school.

Capita consumption varies according to residence. The resident in the village or rural area has average less per capita consumption compared to the average per capita consumption of residents in the urban area. Testing if have a significance difference between urban and rural area we need to test $\beta$ that is equivalent with testing independent two separate regressions we have a significant difference between urban and rural areas. Among the demographic regions there are significant differences in terms of per capita consumption. The population in mountain regions compare with the other regions are much poor and also extreme poor. As the gender of head, the variable stratum\(^2\) we have excluded from the regression as it is not significant in statistically way at 5% level.

3.1 Regression Albanian trend of food consumption

In the table 1 we present analytically the theoretical concept of the connectivity of food consumption with the total consumption.

Figure 4: Share of Food consumption by total consumption

Figure 5: Share of Food consumption by Log total consumption

\(^2\) The Albania geographically is divided in four stratum: Coastal, Central, Mountain, Tirana
It was estimated the functions of the food shares to the total consumption and to the log of total consumption. The following figures (4 and 5), show the connectivity and the functional trend. It is estimated the corresponding coefficients to the total and logarithm of total expenditure in the estimated shares, which are reported. The estimates for the expenditure elasticity suggest that food is a necessary good. We have also to see with the other goods like non food and durables classified as luxury commodities or utilities considered also as necessary good. Analysis the cross country influencing factors in short run poverty we saw an increase of it. Economic and social changes that have accompanied this last years have a significant influence in increase of living standard and welfare of the households. There are a set of socio-economic factors that influence the consumption trend like: changes in wages, mobility of workers (migrations and emigrations) investment, change the workers structure, changes in household composition, changes on income source. These factors have had the positive effect in the decrease of poverty and well being of the households. Analyses these factors will have determinant role in decreasing the absolute poverty and extreme poverty and country development.

An important approach is studying the household composition, household size or number of children. Some countries use equivalent scale to give different weights on consumption children and adults. Based on Engel’s second law the food share is an inverse indicator of welfare across households of different sizes and compositions. Another approach is the Rothbarth method which separates the goods of adults by goods consumed by children. In this way measure the standard of living of the adults through calculate expenditure by adults goods. This not uses directly the equivalent scale method. In our consumer, we do not use the Rothbarth method or equivalent scale but per capita consumption that takes on the consideration only the household size. Using Rothbarth method is useful to separate the cost of children as are products that are not consumed by children. We will not go through this method, using equivalence scale. For the moment we will consider as useful the household size. Larger households tend to spend more of their budgets to food than do smaller ones, holding other factors constant. These type of households mostly are households with children.

Thus, according to Engel’s second law, the larger household should have a lower food share. But a decline in the food share with constant per capita expenditures can occur only if there is a decline in food spending per person. It is very unlikely that people who are better off would spend less on food, especially in less developed countries. The mean of per capita food consumption consumed on the household with one member is about \( \frac{1}{4} \) of the total (Figure 7).

Table 6: Food shares by household size

<table>
<thead>
<tr>
<th>Household size</th>
<th>sharefood</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td></td>
</tr>
<tr>
<td>8+</td>
<td></td>
</tr>
</tbody>
</table>

Table 7: The mean of per capita food consumption consumed by household size

<table>
<thead>
<tr>
<th>Household size</th>
<th>real food consumption per capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td></td>
</tr>
<tr>
<td>8+</td>
<td></td>
</tr>
</tbody>
</table>

Is expected that households that have the same adults but have a child (calculate child cost), the Engel curve will be up. Some researchers have used the equivalence scales from observed data on household consumption patterns. In this paper we are not going to analyze the different weights used based on household composition. It The differences in...
demand may reflect the preferences of the adults. Also the demand is influenced by other factors, that why is important trend in food to study with other households characteristics.

Figure 7: Food consumption of the poor

3.2 Regression of food expenditures

The analytical model is lin-log model using the Engel expenditure model.

\[ r_{food} = \beta_1 + \beta_2 \ln r_{cons} + u \]

Engel postulated that “the total expenditure that is devoted to food tends to increase in arithmetic progression as total expenditure increases in geometric progression.” So \( \beta_2 = \frac{\Delta Y}{\Delta \ln X} \) is change in \( r_{food} \) over relative change in \( X \).

\[ \frac{dY}{dX} = \beta_2 \left( \frac{1}{X} \right) \Rightarrow \beta_2 = \frac{dY}{dX} \frac{1}{X} \]

If relative change of \( X \) (\( \Delta X/X \) relative per capita total consumption) change with 1% or 0.01 the absolute change of per capita food consumption will increase with 0.01(\( \beta_2 \)), so with 45.16%. Coefficients are statistically significant for 5 % level.

\[ r_{food} = -35501.21 + 4516.29 \ln r_{cons} + u \]

\( \begin{array}{r|c|c}
TV & -157.68 & 180.67 \\
R^2 & 56.3% & \\
\end{array} \)

Some authors have analyzed also other influenced factors to per capita food consumption. (Cagayan, and Astar(2012) n.d.) analyzed the Engel Curve household food and clothing consumption in Turkey. Food costs are the main determinant component of extreme poverty. Thus if we distribute food costs, depending on per capita spending of aligning itself regress linear form but the values are collected in the first quintile-n spending. This graphical form best explains the trend that they should have.

3.3 Characteristic and significant determinants of being extreme poor

There are some characteristic that define the most important aspect of being in extreme poverty. Based on these factors we have taken in account as the determinant factors that influence the food per capita consumption (dependent). We have take in account per total consumption (Incons), size of the household (Hhsize), age of individuals (Age), average years of school (yearsch), the number of individuals that works per household (workingsum) and one variable dummy for the area (urbrural) code 1-urban and 0-rural (Table 8).

Table 8: Regression of influenced factors to the per capita food consumption

<table>
<thead>
<tr>
<th>Reg1</th>
<th>Reg2</th>
<th>Reg3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>rfood</td>
<td>Rfood/rcons</td>
</tr>
<tr>
<td>Beta</td>
<td>P-value</td>
<td>Beta</td>
</tr>
<tr>
<td>Cons</td>
<td>-35501.21</td>
<td>0.000</td>
</tr>
<tr>
<td>Lncons</td>
<td>4516.29</td>
<td>0.000</td>
</tr>
<tr>
<td>Lncons2</td>
<td>-0.112</td>
<td>0.001</td>
</tr>
<tr>
<td>Hhsize</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yearsch</td>
<td>-192.08</td>
<td>0.000</td>
</tr>
<tr>
<td>Urbrural</td>
<td>4.41</td>
<td>.000</td>
</tr>
<tr>
<td>Workingsum</td>
<td>-61.78</td>
<td>.000</td>
</tr>
<tr>
<td>585.6</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>-309.9</td>
<td>.000</td>
<td></td>
</tr>
</tbody>
</table>
(2008) $R_{food} = 3'867.4 + 0.309rcons - 320.9acthhsize + 90.62 workinsum + 8.44age - 36.24yearsch - 741.1urbrur$

$R^2 = 0.57$

(2012) $R_{food} = 107410 - 26803lncons + 1702lncons2 - 192.08acthhsize - 309.9 workinsum + 4.41age - 61.78yearsch + 585.6 urbrur$

$R^2 = 0.67$

Large households and the new one have lowest consumption. A household with children under the fifteen years old has averaged less consumption per capita. Instead, families with a greater number of adults rather than people dependent (as reflected by the variable "low ratio of dependence") have a per capita consumption significantly higher.

Individuals with higher education trend to decrease the food per capita consumption. This maybe is related with the fact that they tend to buy luxury goods. The increase the mean years of school with 1 year will decrease the per capita food consumption with 61.78 leks. Changes in the human capital and increase in the expenditures for education contributes to higher qualified work force and well paid.

Poverty varies by gender of head of household, but it’s not significant at 5% level so we have exclude as influential variable.

As the higher is the age also the higher will be per capita food consumption. From this regression we can produce also other results for the probability of being extreme poor. Maybe further can be produced a bivariate logistic regression using dichotomous dependent variable, 1- extreme poor and 0- non extreme poor.

4. Conclusion

The higher share of expenditures goes for food. With the increase of income/expenditures the share for food tends to be lower. Trends on food consumption depended by household composition and other household characteristics. When level of per capita expenditure per month, necessary for an individual to take the minimum amount of calories in one place by age and sex fall under the line of this necessity than this individual is Extreme Poor. The probability of being poor is complex and is closely related with households or national factors. The area is negatively related with the per capita food consumption.

So define the extreme poor with per capita food consumption and conclude that larger household in size, larger average years of school will decrease per capita food consumption. As larger is the number of individuals that works per households, increase of age will increased the per capita food consumption. The changes in social and economic factors this last years, changes in the market of goods and services have the main impact in the micro level. So individuals are less absolutely poor and extreme poor. This decrease year over years is related with market changes and will leave more money to spend for non food products.

The poverty is influencing from demographic factors, households characteristics and social conditions. Analyze the factors that influence individuals conditions is helpful for policy makers to eliminate the level of the people that leave in extreme poverty and achieving the Millennium Developing Goals.

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Diversity and Gender Parity in Nigeria: A Situation Analysis

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Abstract

Diversity as a subject has received increased interest in modern times and all and sundry appears to be speaking about it, there doesn’t appear to be much actual progress. Contemporary studies confirm that more novel problem-solving and superior decision-making arises when diverse views and perceptions are incorporated in a shared pool of knowledge. Consequently, ineffectiveness in diversifying work teams especially with respect to gender portends the risk of losing the war on talent. Nigeria’s population of about some 170.5 million people constitutes the largest population of any African country. Of the vast population, females constitute 49%; about 82.2 million females. Consequently, all discourses on Nigeria’s prospect should inevitably involve contemplation of females, their position and those obstacles they face in making the future. Generating a gender sensitive nation obliges deliberate, continuous effort. To sustain inclusion initiatives, gender diversity must be embedded into the fabric of the country. Progressive management is now more than a “one size fits all” approach; it demands a grasp and endorsement of the characteristic values and point of views individuals bring to the table. Women and men bring diverse, but homogeneously vital benefits to the national development. Subsequently, discerning leaders must promote their consciousness of the disparities and build an atmosphere where both are embraced and respected. Gender stereotyping is so entrenched in the Nigerian culture, it is frequently imperceptible. Discrimination commonly happens arising from ignorance rather than premeditated or malicious intent but knowledge obliterates ignorance and reduces stereotyping. Undoubtedly women are Nigeria’s unseen resource and advancing their cause increases productivity, encourage sustainable growth, peace and improved health. This study presents a situation analysis and examines the significant issues that require tackling in order to exploit the prospects of females. It emphasises the serious issues and depicts the seriousness and importance of the situation. It therefore calls attention to analysed behaviours and with a new awareness of gender differences with the aim of educating stakeholders, and training individual team members for inclusion and excellence.

Keywords: Diversity, Gender, Parity, Situation, Analysis

1. Introduction

Diversity involves dissimilarities or variations between individuals arising from ethnicity, age, race, belief, sexual alignment, socio-economic grouping, gender, and abilities/incapacities. It elevates important ethical concerns and social representative issue as well. Current competitive global milieu presents many significant tests to build competitive advantage by boosting competence, excellence, originality and sensitivity added to the management of a diverse citizenry. Diversity is crucial to exploit the talents of individual from varied backgrounds, because as Makower, Thomas and Schuler (1995) affirm, their dissimilarities deepen, expand and provide the competitive edge. Consequently, countries aiming for improved national development and the competitive edge must engage a variety of people and exploit them. Interestingly though while there has been talk about it, not much seems to be seen in terms of making legitimate progress by effectively ensuring gender balance in Nigeria irrespective of the fact that the last two decades at least, has witnessed various contributions in gender diversity seminars.

Contemporary studies like Ugwulebo (2011) and Halkias, et al. (2011) validate that more innovative problem-solving and superior decision-making occurs when diverse views and perceptions are included in a shared pool of knowledge. Consequently, countries that fail to diversify their leadership teams especially with respect to gender stand the risk of losing the war on talents. Generating a gender diverse national management team necessitates intentional, ongoing effort. To maintain inclusion ideas, diversity must be embedded into the fabric of a nation.

Progressive national leadership management is now beyond a “one size fits all” approach; it entails a comprehension and approval of the distinctive merits and outlooks individuals bring to the communal table. Women and
men bring diverse, but uniformly important assets to the nation. Consequently, developing countries like Nigeria must elevate their consciousness of the disparities and build an atmosphere where both genders are embraced and respected. Gender stereotyping is so entrenched in the Nigerian culture, it is frequently imperceptible. Discrimination commonly happens arising from ignorance rather than premeditated or malicious intent but knowledge obliterates ignorance and reduces stereotyping. This paper gives a situation analysis of gender parity in Nigeria and examines the significant issues that require tackling in order to exploit the prospects of females. It concentrates consideration on the dire issues and depicts the seriousness and importance of the situation. It therefore calls attention to analysed behaviours with a new awareness of gender differences with the aim of educating stakeholders, and training individual team members for inclusion and excellence.

2. Literature

2.1 Diversity

Cox, O'Neill and Quinn (2001) sees diversity as the differences in social and cultural identities amongst people existing together in a defined system. Loden and Rosener (2009) perceives it as the mass individual dissimilarities and similarities that exist between people. McKenna (2009) denotes it as discriminatory and non-inclusive behaviours with psychological foundations. Corbridge and Pilbeam (2010) delineates it as dealing with a person or group of people with a reduced consideration because of incapacity, race, religious conviction, age, sex or sexual alignment or by applying certain conditions or requirements that are more easily satisfied by one group than another. The International Labour Organization (ILO) (2006) distinguishes diversity as the demographic differences in the workforce of an organization or nation. Human beings come in assorted shapes, sizes, opinions and colours and this assortment symbolizes the core of diversity. Diversity necessitates nations assuming novel ways of managing and valuing it. Instead of pitting groups against each other, leaders must endeavour to identify the distinctive differences and contributions of each individual and group to national goals and objectives.

2.2 Gender Parity in Nigeria

Nigeria demonstrates extraordinary and disturbing depths of disparity. The British Council Nigeria (2012) reports that Nigeria is today catalogued as a lower middle-income nation. A major challenge currently facing the country involves creating viable employment generating development and reinforcing establishments, to support culpability and facilitate fair sharing of the profits of that development. The report adds that except inequity is addressed urgently, it possesses the prospect of breeding and aggravating disputes. British Council Nigeria also alludes to Filma (2008) which avows an association among gender inequity, additional systems of unfairness and clashes in the particular environment of the political economy of Nigeria. Furthermore, Caprioli (2005) and Melander (2005) and Iheduru (2006) all distinguish a link between gender egalitarianism and intense intrastate wars. This relationship underscores the significance of appreciating and tackling gender relations.

2.3 Components of Gender Gaps in Nigeria

According to the Gender in Nigeria Report (2013), the inability of majority of Nigerian women to add extra to family monetary earnings reduces their capacity to impact expending at domestic level and limits their capability to add to financial development. Hardly any rural or metropolitan women possess land, consequently finding it tougher to advance monetary assets. Moreover, women are less in formal sector employment, but are rather refined in the microenterprise segment.

Both in the terms of inputs they make to development and the advantages they receive from it, females in Nigeria remain the underclass and are deficient in equivalence of prospect. While education, class, ethnicity, kinship, marital status and religion frequently alleviate or complicate the result, the story is correct of all women in Nigeria. Nolte et al. (2010) contends that since 1999 and the political open-mindedness which permitted a superior grade of liberty of worship, the religious element has gained additional importance. An imperative element of the fight for gender parity as The British Council Nigeria (2012) quoting Edozie (2007) asserts is the environmental dissection between the North, with mostly Muslims, as against the South, with primarily but not wholly Christians.

Added to the North- South segregation (since the people in the industrial South are inclined to manifest better conditions than the ones living in the North) is the rural-urban segregation in all parts of the country. Reminiscent of most
of Africa, urban areas tend to be characterized by improved quality of life arising partly from insufficient investment in rural infrastructure and services; besides state capitals both in the North and the South seem to exhibit improved conditions compared to the smaller cities in their provinces.

2.3.1 Gender Disparities in Education

Nigeria is characterized by gender inequality in registration equally in the primary and secondary levels of education and this according to Dauda (2007) hinders it from garnering its demographic dividend. Primary school registration numbers have wavered a bit in the recent past. Dauda affirms that once the numbers achieved a pinnacle in 2010, they have since continued to be somewhat stagnant. UNESCO (2014) puts the current net attendance ratio at 61%. This is troubling since it still falls short of the EFA goal of putting all children of school age in school.

The British Council Nigeria (2013) also observes that Theoald et al., (2012) posits that Nigeria still has additional youngsters of primary school age who are unfortunately not in school compared to any other nation in the globe. Again the 2015 Nigeria Education Data Survey indicates that about 1.8 million kids (8.1% of kids aged 6-14) were out of school during the period of the study. Of this, almost 61% were girls. While the gender gap seems to be closing, the total registration proportion of girls remains ominously poorer when compared to that of boys. Also, girls’ finishing rates are usually lower than that of boys. UNESCO (2014) indicates that in some Northern States, confirmed girls’ finishing rates are as low as 7.8%. Mahdi (2011) asserts that a common causative social factor is that some parents have a predilection for their male children to attend school since daughters neither take over nor continue the family name. Hunt (2008) attributes the very low finishing rates to a permutation of factors like: parental condemnation of the secular curriculum; user costs; bullying and early marriage. Again, most girls who finish primary school do not proceed to secondary school. UNESCO (2015) puts the net enrolment rate for girls in the North at 22%. The British Council Nigeria (2012) Gender Equality Report avows that over 80% of females in eight of the Northern States are incapable of reading (compared with 54% for men). It also suggests for instance that in Jigawa State, 94% of women (42% of men) are not literate. The continued comparatively poor enrolment and elevated dropout rates is disheartening bearing in mind the significance of education for Nigeria’s future.

2.3.2 Gender Disparities in Political Participation

Virtually all segments of human development are characterized by an absence of gender equality. Despite the fact that women form approximately one half of the Nigerian populace, their involvement in democratic structures and procedures remain insignificant as a result of gender inequalities in the political arena. Governance has always been about power. It is the power or personality to dominate a group. Males have been in control of power and leadership in the world and rooted labels about females have barred females from occupying their lawful positions as equivalent companions. Nation building requires the effective and efficient mobilization of available human (irrespective of gender) and material resources. The male gender controls government thus holding the reins of power relations and exerting sole authority over resource allocation and control.

Melander (2005) contends that worldwide practice campaigns that better female governmental involvement is related to reduced degrees of intrastate and local wars and violence. The United Nations Economic Commission for Africa (UNECA) (2002) states that “……. If all people were allowed to share the opportunities available, development will be achieved at the most rapid rate possible. Women constitute the mass of persons on the electoral rolls during voting, exhibit considerable attendance at political campaigns, and meetings as enthusiasts and performers, but they are seldom duly registered members of political parties and they hold minority party posts or political positions. in Nigeria, women’s involvement in politics are limited by quite a few dynamics including: discriminatory socio-cultural practices; economic or financial factors: the violent nature of Nigerian politics; the part of socialization in the relegation of females; lack of educational opportunities which also constitutes a major hindrance to effective political participation by females. Badmus (2015) attests to the fact that in Nigeria’s 2015 General Elections, among the 52 million qualified enumerated voters, females made up about 32 million nonetheless only a mere 2.34% of them won elections. Women membership of political parties as shown in party registers in 2015 was 5%, party executives who were female was 7% while females who made it to party representatives were 8%. In this current and 8th National Assembly, there are only 7 females out of 109 Senators, 12 females out of the 360 House of Representative Members, 18 females out of the 990 State House of Assembly members, 143 females out of the 8810 Local government Councillors, and 11 females out of the 774 Local Government Chairmen. A similarly low drift is continual in appointive posts. Just 5 females were among the ministers and presidential advice-givers signed up in 2015; and of the 52 ambassadors merely 4 females made the list. The federal
government again engaged 750 people in 137 federal boards just 68 of whom were females. Only 11.3 per cent of cabinet members are women, there is only one elected female governor, 1.1 per cent women councillors, 1.2 per cent local government chairperson, 2.8 per cent senators and 3.3 per cent representation at the House of Representatives. While some modest improvement has been recorded, the percentage of women representation is far below the anticipated 30% representation of the Affirmation Action principles and the principles contained in the national policy for women. Okpara (2004) contends that a quick investigation of the pattern of women who contest elections expose that the greatest numbers of these women, either by objects of biological or marital indices enjoy dominant political connections with influential politicians. While some level of progress has been achieved so far in improving the social, cultural and material well-being of women, not much has been achieved in the area of political leadership. Consequently, politics is still a male dominated area and very few women have ventured to play active roles in politics.

2.3.3 Gender Disparities in Employment

The recent economic downturn in Nigeria added to the abyss between employment generation and the progression in the volume of job hunters have combined to aggravate the unemployment condition both for women and men. Nevertheless, a 2012 study by this author found that women countenance superior susceptibilities in the job market owing to factors like their comparative inadequacies in schooling and training, the inclination to guide females into particular occupations, the incessant substantial encumbrances arising from free domestic labour, having children and caring for the children, all of which limit the period and vigour left for pay-earning activities. UNDP (2014) posits that females have about 67% fewer chances compared to males of getting wage occupations and only about 30% of 10 females in Nigeria’s labour force are paid employees. Fapohunda (2012) notes that between 1970 and 2009; the formal sector involvement rates for females fell from 57 per cent to 53 per cent. 2.5 million females were retrenched from their jobs between 1985 and 2000 as upshots of the Structural Adjustment Programme. Although they were only 6 per cent of formal sector workers cut back, women accounted for 31 per cent of the cut back workers. Women had controlled the poorer strata of the social services sector, which encountered the fullest budget censors. Many of such retrenched women relocated to the informal sector. Fapohunda indicates that the non-agrarian informal segment today engages up to 25 per cent of the female workforce, customarily in petty trading and home-centred processing and manufacturing, which are characterised by poor access to approved means of credit or data. Moreover, these female employees never enjoy the gains of minimum pay and social security endowments and are obliged to cater for their own health and superannuation needs. Consequent on the decline of formal sector employments, the informal sector has developed into a “safe haven” for women due to its small capital requirements and simplicity of admission. For most females, involvement in the informal sector constitutes a subsistence tactic, even if they still encounter firm opposition from fresh players, including males who are unable to get formal sector work.

Overall, though, women’s poor access to inexpensive credit, materials, technical assistance and facilities inhibits them from growing their businesses. The informal area where females prevail is typified by little efficiency and camouflaged joblessness. The British Council Nigeria (2013) acknowledges that in Africa, Nigeria possesses one of the bottom ratios of female private enterprise because the greatest numbers of females are focused in unplanned, little-experience, small waged informal sector work. Moreover UNDP (2014) notes that only a mere 7.2% of females are owners of the properties they cultivate, a situation which reduces their ability to obtain credit and limits free enterprise and commercial actions.

2.3.4 Gender Disparities in Earnings

Gender wage disparities involve the comparative variances in the normal gross incomes of males and females in an economy. There is agreement that there are gender wage dissimilarities contrary to females and supportive of males. Equal pay law was announced in the Nigeria over four decades ago. Gender parity law was additionally strengthened by the 2007 Gender Equality Duty relating to all public bodies and aspects of the 2010 Equality Act. However, UNDP (2012) specifies that Nigeria’s gender wage gap constitutes one of the topmost globally and females are undersold in the better paid, more commanding places. Significant rural-urban differences in income distribution impact particularly on women, because as the British Council Nigeria Gender Impact Report (2014) indicates, 54 million out of Nigeria’s 80.2 million females dwell in and are employed in the countryside regions, where they offer 60-79% of the country workforce. World Bank (2009) submits that an assortment of impediments, such as procreative responsibilities, meagre access to creative assets, and difficulties concomitant with poor levels of education, collectively explain the observed gender disparities in income. Besides, a gender prejudice in allocation of income tax payments implies that female taxpayers are burdened
unequally. The substantial pay inequity between males and females in Nigeria reveals their unequal chances to make a living. The report again affirms that as Okpara (2004) opines, additional pay discrepancies can be attributed to workplace gender discrimination in both the private and public segments. The British Council Nigeria Gender Impact Report (2014) quotes Oyelere (2007) as indicating that in 2007 males got on average about N2,300 monthly more than females and the earnings gap increased at least US$23 monthly at this time. This comparison of the earnings of males and females with similar levels of education indicates that, females at all scholastic levels make less than their male colleagues and sometimes males with less education receive higher pays than more educated female colleagues. A conduit to female empowerment is training and employment. In Nigeria, it is obviously somewhat complex to improve earnings simply through scholastic criterions; structural barricades must move prior to education making a change for women. Morrison et al. (2007) emphasizes the price of inequity and contend that it is excellent economics to guarantee income uniformity amongst males and females.

2.3.5 Gender Disparities in Poverty

The British Council Nigeria (2013) affirms that irrespective of the substantial affluence and resources in the country, 54% of the inhabitants of Nigeria live in poverty. In Nigeria, the woman is employed in agriculture, informal income generating activities, health and education, all tasks essential to society's continued existence but many of them live in poverty. Fapohunda (2013) affirms that poverty takes a female face the female's particular poverty is a great deal more encompassing than the poverty of the male and this not only intimidates nationwide subsistence and well-being but constitutes is a challenge to sustainable development. The UNDP (2013) indicates that 70% of persons in poverty are females and adds that for Nigeria, returning to democratic rule in 1999 improved the country’s chances for development. Nonetheless remarkable progress has not occasioned employments besides a great deal of the prosperity engendered is controlled by a small number of persons with about 50% of the population grasping at just 10% of total national income. UNDP (2012) notes that between 1998 and 2011, inequity in Nigeria aggravated from 0.43 to 0.49. The nation was thus positioned in the midst of those with the utmost inequity levels globally. The poverty challenge in the nation is somewhat an element of extraordinary disparity that is evident in very disparate pay dispersal and discrepancies in access to rudimentary structure, training, teaching and employment prospects. Bearing in mind, the now recognized connection between female earnings and household results, the examination of gendered poverty brings up a probe into the number of children that can conceivably be elevated out of lack and indigence with the realization of gender equality. Obviously the price of gender inequity in Nigeria is significantly greater than frequently supposed.

3. Efforts at Achieving Gender Parity

The search for women recognition has always been misconstrued and misinterpreted to imply physical or biological equality but the contemporary thinking is not about that kind of equality but the equality of recognition given to every individual human-being as equal before God, the law, and human beings. Equal value must be attached to every individual’s contribution in society not considering their sexes.

The convention for the Elimination of every type of Discrimination against Women (CEDAW) was approved over thirty years ago by the United Nations General Assembly, and Nigeria was one of the countries that ratified it. The Convention obliges member nations to follow a regulation of removing by all means discrimination against women through very suitable methods and devoid of deferment, to re-affirm the parity of constitutional rights for females in the community and the household, take the plunge against societal foundations of female inequity and to eradicate laws, labels, traditional practice and preconceptions that harm women’s wellbeing.

Again, the Nigerian Constitution assures females’ parity with males. Section 17 (1) of the Constitution affirms that ‘the Federal Republic of Nigeria will be founded on the values of independence, egalitarianism and social fairness’. Nigerian citizens will not to be bestowed any privilege or benefit that is not conferred to other nationals of Nigeria of other national groups and, interalia, gender. As Olojede (2009) points out the motivating standard presumable from the Nigerian legitimate provisions is that of equal opportunity for men and women under the law. Officially, women are entitled to equivalent positions with men in policymaking institutions like boardrooms, legislature and managerial committees. In recent times, some attempts to re-emphasize and acknowledge the significant role of gender parity in national development have been made. These include the creation of the Women Affairs Ministries at both National and state basis and the inclusion of more women in past and current administrations, however quite a lot still needs to be done. Given their obvious prospects, women inclusion in the development process is a primary means of vibrant socio-economic change.
4. **Recommendations**

To enhance gender parity, male-centred structures must be diminished to guarantee equal access. Egalitarian standards must constitute the foundation of early socialization of children to break traditional attitudes and stereotypes. Females must contend alongside males for posts to manipulate civic rules regulations and laws in their support knowing that, control cannot be prearranged for them just like that. Funding agencies must encourage more collaborative research on diverse aspects of gender disparities to attain sincere egalitarianism between males and females in the rule procedure. The few women already in high positions must demonstrate positive role modelling and mentor younger ones. Research and training programmes and efforts in the area of women studies should be intensified while gender training and orientation must be promoted.

5. **Conclusion**

This paper presents a broad situational analysis of gender parity in Nigeria and considers development in significant aspects like: employment, education, earnings, poverty and political representation. It ascertains that females experience methodical drawbacks plus iniquitousness specifically more grievous for individuals in the more deprived states and zones of the nation. The country's 80.2 million females boast considerably poorer lifetime prospects compared not only to males but even other females in similar nations. Nevertheless women constitute Nigeria's concealed resource and empowering women and girls has the prospect of boosting national productivity now in addition to encouraging sustainable growth, peace and development. It consequently advocates plans and strategies aimed at improving the lifestyles of the females. Disparity hurts social unity and could intensify conflict, particularly when particular societal clusters are distinguished as being barred from chances. Conflict negatively affects women and girls, diminishing their freedom of movement and hindering their contribution to social, economic and political life.

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Melissopaynological Study of Albania’s Honey

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Abstract

A total of 30 samples of honey were collected from the beekeepers throughout different regions of Albania and analysed for their pollen grains content and control of botanical origin. Honey sediments obtained from honey samples were processed based on the method of basic fuchsine and acetolysis. Quantitative and qualitative analysis of pollen grains in honey was done based on the methodology given by Maurizio and the terms of the pollen grains frequencies approved by the International Commission for Bee Botany. 16 out of 30 samples of honey were polyfloral and the rest unifloral. The majority of monofloral honey was characterised by the presence of genus of Castanea, Arbutus and Erica pollen. The presence of few pollen grains of genus such as Tilia, Rubus and Artemisia, were identified in only one honey sample. It was concluded that the most preferable plants for the bees are those of the genus of Erica, Arbutus, Castanea, Artemisia, Tilia, Rubus, Lotus, Trifolium, Filipendula, Crepis, Thymus, Quercus, Rosa, Centaurea, Coronilla, Anchusa etc.

Honey samples collected from different regions of Albania were natural, pure and unprocessed termically.

Keywords: Pollen grains, pollen frequency, melissopalynological analysis, monofloral and polyfloral honey.

1. Introduction

Melissopalonological studies are necessary not only to identify the natural, geographical and botanical origin of honey, but also to identify the contamination of honey with certain elements such as: brood, dust, soot, etc.; yeast content (fermentation); and other microscopic participles not usually present in honey.

The determination of the botanical origin is based on the identification and counting of the pollen grains. The presence of the other elements is also important to be investigated and counted. Based on the fact that the value and the quality of honey mainly depend on the variety and quantity of its pollen grains, their presence in honey is an element that shows its pureness.

Numerous qualitative and quantitative data were produced by this study about the presence of the pollen grains in honey provided by bee-keepers from 30 stations located in different regions of Albania, during the period of time 2015-2016.

The object of this study was the identification of variety and quantitative content of pollens in some honey samples taken from different regions of Albania, by the melissopalynological analysis.

This study aims to:

- Determine botanical origin of honey in different regions of Albania through a melissopalinological study;
- Determine the most important plants in Albania, preferred by honey-bee as main food source;
- Determine naturalness and quality of Albania’s honey; and
- Induce responsible institutions that certify the quality of honey to set and implement market standards, and protect customers from false honey.

2. Material and Methods

The honey samples have been taken from 30 stations located in different regions of Albania. The laboratory processing of
the honey samples was done based on the “Methods of Melissopalynology” designed and published by the International Commission for Bee Botany, (Louveaux et al., 1978), by the method of basic fuchsin (Smoljakinova Gollubkova, 1953) and acetolysis (Avetisjan, 1950; Erdtman, 1956). The identification of pollen grains in honey has been done based on the data from the literature (Erdtman, 1956; Faegri et al., 1989; Kapidani, 1996; Pupuleku, 2001; Ricciardelli D’Albore, 1998; Moore et al., 1978, Ferrazzi et al., 1990, Ricciardelli D’Albore et al., 1991).

The quantitative pollen analysis were conducted based on the pollen frequency classes as follows:

- D Predominant pollen: more than 45%;
- S Secondary pollen: 16 – 45%;
- s Important minor pollen: 3 – 15%;
- r Minor pollen: less than 3%;
- i Present pollen: less than 1%.

The pollen spectrum and the comparative one of the honey studied were designed based on the above frequency classes.

The studied stations were as follows:

Figure 1. The map of the studied stations

3. Results and Discussions

Table 1. The pollen and comparative spectrum of honey samples studied
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<th>No.</th>
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<th>Systematic Name</th>
<th>Taxonomy Class</th>
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Chart 1. Pollen grains of high frequency found in studied honey samples

Table 2. Geographic location and botanical origin of studied honey

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Chart 2. The frequency of monofloral and polyfloral honey in 30 samples studied

Referring to the above charts and tables, the following results were obtained:

- 14 honey samples resulted to be monofloral, respectively to the stations of: Kukës, Bajram Curri, Pukë, Koplik, Burrel, Alarup, Mallakastër, Krrabë, Elbasan, Gramsh, Çermenikë, Lezhë, Priskë and Krujë. Honey samples of the stations: Kukës, Bajram Curri, Pukë, Koplik, Alarup and Çermenikë resulted to be monofloral of the Castanea Genus, while honey of the stations: Mallakastër, Gramsh and Krrabë was monofloral of the Ericaceae Family. Honey sample of the station of Kruje was monofloral of the Erica Genus, while the honey of the station of Elbasan was monofloral of the Artemisia Genius. The Tilia Genus was presented as dominant to the honey samples of the station of Burrel, thus giving it the monofloral characteristics, while the honey of the station of Priskë was monofloral with a dominance of pollen grains of Arbutus Genius;

- Honey samples of the stations: Korçë, Prespë, Ersekë, Libofshë, Gjinar, Mat, Starovë, Voskopojë, Tepelenë, Sarandë, Steblevë, Librazhd, Rrajcë, Gjirokastër, Llogara and Divjakë resulted to be polyfloral;

- Honey of the stations: Steblevë, Librazhd, Çermenikë, Ersekë, Korçë, Burrel, Rrajcë, Starovë and Libofshë were the most rich one with various types of pollen grains, respectively with 56, 53, 52, 49, 46, 45, 44 and 43 types of pollen grains.


Photo 2: Station Krrabë - Monofloral honey of Ericaceae Family 1. Arbutus, 2. Erica.
4. Conclusions and Recommendations

4.1 Conclusions

- Albania's honey was natural, botanically rich with buoyant variety of floral sources, pure and not thermally processed;
- About half (14 out of 30) honey samples were monofloral with a dominance of the Genus of Castanea, Arbutus, Erica, Rosa, Tilia, Artemisia, and of the Ericaceae Family;
- 16 out of 30 honey samples were polyfloral, rich with pollen grains variety; and
- The main pollen grains present in honey samples were those of the Genus of Arbutus, Artemisia, Anchusa, Castanea, Centaurea, Coronilla, Crepis, Erica, Lotus, Melilotus, Ononis, Quercus, Rosa, Rubus, Thymus, Tilia, Trifolium, which serve as the most preferred food for bees.

4.2 Recommendations

- To protect the specific characteristics of honey based on the pollen grains dominance on it, it is recommended to the bee farmers to protect natural honey.
- To protect the consumers by false honey, it is recommended that the responsible institutions not only add pollen analysis as part of the standards of honey commercialization, but they also should inspect its usage rigorously.
- Promotion of the honey quality by the institutions and the responsible organizations in the international market would create the possibility of exporting Albanian honey and it would increase the investment in this part of the economy as well.

References

Features of Rural Settlements: Gjirokastra Region Case

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Abstract

Like other scholars of different disciplines, geographers have established their particular feature, through numerous studies. Proper studies, such as studies of the settlements and the degree of use of rural territories, are carried out even in the field of rural geography. The vast majority of settlements as well as most of human potential in the territory of Albania (about 58%) are located in the rural area. Geographical contributions to the study of rural settlements consist in high levels of information also in their dynamics related to time and space, necessary for decision-making institutions in the service of sustainable rural development. Support specialists in various fields, the role of geography are a priority in the study of rural areas settlements, on the basis of natural knowledge, socio-economic and diverse research methods. During the historical periods, depending on natural, political, socio-economic factors, the demographic and administrative organization of urban and rural areas in Albania have established their physiognomy and authenticity. The number, scope and functions of rural areas settlements have been the subject of study carried out by many authors who have analyzed not only nationally, but also regionally and locally. A particular case is the district of Gjirokastra, where the rural migration has brought about many negative effects. Administrative divisions have a direct impact on the number, size and rational distribution of settlements. During the previous regime, their network was transformed, not only in spatial terms, but also from the functional point of view and typology-wise. After 1989, political, economic and legal changes brought about the need to alter the old forms of governance and the performance of the administrative-territorial reform had a multilateral impact on the network of rural settlements.

Keywords: rural settlements, rural development, material culture, terraces, rural dwellings

1. Introduction

Documents with a great deal of information about rural settlements and their economy have been made available recently.

We should say that Ottoman cadastres are of great value regarding their extensive and detailed information because in them it is clearly documented the true nature, size, main economic resources, relations with civic centers, economic power, role of agriculture, crops, in the Albanian medieval village¹.

Fig. 1. Geographical position of Gjirokastra region

2. Theory and Methodology

Typology is varied and reflects the special features of natural, historical, psychological, ethnographic and economic factors.

According to the size criterion we have:

a. small village, up to 500 inhabitants, 69 ones that occupy 72% of the total area.
b. average village, 500-1000 inhabitants, 21 ones that occupy 22% of the total area.
c. large village, over 1000 inhabitants, 6 ones or 6% of the total area.

According to the method of construction and location there are:

a. compact.
b. with regular structure
c. listed structure
d. spread, with stray houses, but with arrable land
e. linear, in terms of typology of road infrastructure, ease of communication and transport

According to the schematic presentation of the setting there are:

a. linear expansion, as opposed to the road network, river, water
b. circular stretch, around a central square

Just by looking at a given village we can say that their shape is an adaptation to the natural and social conditions.

3. Results and Discussion

In the work "The Albanian population" is analyzed the network of residential centers. During the years of socialist construction in the country, as a result of the economic factors the network of rural residential areas expanded in three ways:

1. Through the process the establishment of socialist relations in agriculture, land reclamations, river restoration, the opening of new lands.
2. Through the development of a series of sites located in lowland areas of the country as a new village center
3. Through the establishment of residential centers after earthquakes

Each geographical area, under the influence of a number of social, economic, geographical and historical factors has established its own network of residential centers, with their particular physiognomy, size, layout and construction features.

Of special interest is the analysis of the distribution of settlements according to their elevation, through which it is seen the degree of uniformity of the population within the territory of our country (hilly in percentage). By analyzing the overall development of socio-economic, geographical, urban dynamics, landscape features, administrative organization, we notice a varied typology of settlements.

The size of the settlements and their economy were closely similar to each other. The development of the agricultural economy (three categories: cultivated lands, vineyards and gardens) depend to a large extent on the amount of people able to work, consequently on the size of the dwelling.

Fields account for the majority of land under culture; they were an important indicator which established the character of a settlement. Lands are used for two purposes which show that agriculture and animal husbandry have been the two main economic activities, tied and intertwined with each other. The Ottoman records of the XV-century provide a clear panorama concerning the peasant settlements, there we can find a thorough information about the Albanian Vilayets, carried out in 1431-1432, with an overall average of Albanian Sanjak, consisting of 20.8 houses for each township.

The most populated parts were the hilly areas of South Albania and to a smaller degree the western coastal areas of Albania and hilly villages in their vicinity. Rural areas are the earliest settlements, which have existed throughout the history of the development of Albanian society.

Various authors have identified various features of rural settlements. In ancient times as a result of the concentration of population on mountaintops, animal husbandry was the main economy activity which enabled the survival of the population.

An important step in the development of rural areas was the gradual shifting to permanent housing as opposed to

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the temporary settlements. Agriculture and animal husbandry made it possible to create conditions suitable for living. Construction of various settlements using stone spread rapidly within a short period of time.

Stone was present everywhere, easy to find and therefore their spread was massive and quite fast.

Continuous improvement of these settlements was evident in the architectural aspect of the buildings, in the developmental stages and social organization, in the material culture and traditions associated with the different forms of architecture and functions of these settlements.

Fig. 2. Village of Bënjë (Përmeti district)

Apart from the aspects that were related to residential buildings, settlements became more diverse in terms of their characteristics regarding their texture.

Various authors have proposed different criteria and classifications closely related to geographic and topographic aspects (mountainous villages, hills and plains) and the territorial-administrative as well as depending on the economic activity that takes place in it. In the work of Mark Tirta⁴ concrete evidence is provided about the internal organization of traditional villages. Evidence pointing to a practice of settlement tradition is much earlier than the fifteenth century. Archaeological excavations show signs of villages dating from this century, but also fortifications which show a significant socio-economic development. We have houses built in stones (located on slopes or on rocks, which resemble small fortresses) as farming was the main form of economic activity among the Mediterranean people. In many villages preceding the Ottoman period viticulture, and farming were developed. The inner movements from one place to another, from mountainous to valley areas, brought isolated rural areas closer to urban centers economically, politically, and socially.

Corn growing at this time assumed great proportions something which goes to show that the population is moving from the mountains to the fields.

Through numerous testimonies we see that the population in these settlements for the most part derives from the mountainous areas during the second half of the XIX century and in the first half of XX century.

Bringing new land under cultivation, led to the development of new realities of socio-economic and ethno-cultural life, which was a powerful factor in the interregional communication, as well as market expansion through the utilization of economic resources, which in turn led to an increase in the rate of production and a better standard of living which was previously something unusual for the population. The withdrawal of the population in the mountains happened because of special reasons of a political nature (the great cruelty of the invaders). Demands for new economic resources made in the late nineteenth and early twentieth century, resulted in the shifting of population from the mountains into the fields, something which paved the way for social transformations and developments. Different villages grew at the junctions of main roads linking different regions of our country. People tended to group themselves near the handicrafting centers, in this way the lot of them who could not cultivate land could make a living in the city. From ancient authors we learn that ".. all Epirus and Illyria are densely populated⁵." This fact regarding the density of population in antiquity is reinforced in Tit Livii's work "The establishment of the city⁶." Later the number of settlements grew further, but this growth and the following development, were set off as a result of numerous wars and destructions brought about by various invaders. According to Evlia Çelebliu, who visited Përmet, during the second half of XVII century, Përmet had at that time 150 housing units⁷.

Further information concerning the demographic data about the settlement areas is provided by the works of

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5 The Illyrians and Illyria by the ancient authors. Tiranë 1965. Page 133.
French scholar, Pouqueville, at the beginning of XIX century. Accurate data regarding the number of shops, houses, bridges, religious institutions, farms can be found in Sami Frashëri’s work "Kamus-ul Alam p. 1500-1501".

During the years the traditions and the countryside dwellings underwent some changes depending on the economic and social position of the people living in them. The interior of the houses is distinguished by wonderful decorations and inscriptions related to their folk tradition.

A great deal of information is offered also in "Albania in 1927" where we can find accurate information concerning the socio-economic and demographic situation of Albania before World War II. The book serves as a reference for many geographers who have studied rural areas. This work proves the vital importance statistics have played throughout the centuries regarding the development of rural areas.

Under the influence of economic, political, social and administrative factors, rural settlements once again underwent changes regarding their geographical position, they extended or shrank respectively. In the 1431-1432 census Permet province had 121 villages with 3525 houses (21 families/village), and Këlcyra had 41 villages with 1029 houses (25 families/village). The province of Permet included 148 villages in 1840, 1872 had 118 villages, 1923, 105 villages and 104 villages in 1938. In these villages, handicraft items like baskets, saddles, etc were the main forms of economic activity. Starting from 1995, Permet district, as part of Gjirokastra prefecture, consists of 93 villages divided into six municipalities: Center (28 villages), Suke (13), Ballaban (14) Kelcyre (21), Çarçovë (9) Frashër (8).

The establishment of the Ottoman military-feudal regime was associated with the destruction of 15 villages in the provinces of Shqerri and Dangëlli and ruins of some of the abovementioned villages can be seen today. Other elements which prove of the existence of such villages are graves or toponyms like: Lëkurësi, Stojani, Dardhësi, Taraniku, Katundishta, Vinjahu, Teperi etc.. At the end of the XIX century, Gjirokaster region underwent significant socio-economic changes.

**Fig. 3. Nokove village (Gjirokastra district)**

From the economic point of view the area was a backward agrarian entity with a distinct rural and agricultural character. The majority of the population is employed in agriculture and animal husbandry. In the early XIX century Permet experienced a fast-growing period with a population reaching up to 155 villages. An important center was Frasher, the birthplace of the Frasheri brothers, distinguished personalities of Albanian renaissance. Frashër, which is a small mountain town, is named after them. Geographer A.Th. Psalidha from Ioannina, which is a city in Greece with 116 villages, called Frashër "second city" after the Permet. F. Pouqueville, who was among other things, Napoleon Bonaparte's general consul at the court of Ali Pasha of Ioannina, called Frashër the largest village out of 48 villages included in the then province of Dangëllia. The locals there were involved in agriculture, handicrafts and trade. As regards the societal structure Frasher resembled Albania in miniature. From the religion point of view, here we should mention the foundation of "Tahir Skenderasi" Tekke of Frashër in 1815, whose historical values are recorded in history books. In this tekke in 1880, Abdyl Frashëri called a special gathering of representatives of the Albanian provinces (Vilayet of Monastir and Ioannina), and there he addressed two important issues: the protection of territorial integrity and the formation of an independent Albanian vilayet.

These settlements besides being centers in which handicraft items were produced, served also as centers in which agricultural raw materials were processed, paper and textiles were also produced, wool processing like carding, weaving, dyeing also took place there.

Present in these settlements were also leather processing and the production of copper and bronze vessels which were sold weekly in the markets of Përmet, Kelcyre and Frashër.

So handicraft items constitute the main economic activity in these places.

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This economic system centering on handicraft items helped establish the necessary economic ties and giving rise to a domestic market that would strengthen the urban-rural relations. Even the author of the book "Çamëria10", talks about the general geographical features of 279 villages, settlements of ethnic Albanians whose population was forced to leave their ancestral land in 1944-1945.

These settlements were located in coastal alluvial areas, terraces of river valleys, mountainous areas on the western slopes in soft undulating hills. The most common type is the small rural centers with 50-100 home. After the second half of the XX century we witness a revival of the architectural typology of old traditional houses with two stories.

Socio-economic conditions, the topography of the terrain, construction materials and popular masters have determined apartment's architectural composition. This area is dominated by tower-like houses of great architectural value. The main economic activity was agriculture. At present there is some evidence, in the form of destroyed homes, mosques, towers, which have been able to remain to this day due to the fact of being isolated in hills or hidden underground therefore not being affected by erosion on the outskirts of the new settlements, which point to a once populous region. These buildings represent important historical monuments in this geographical serving as examples of Venetian and Ottoman influence in this part of Eastern Europe. Especially in the Vjosë valley and its Drino tributary which served as important trade arteries and strategic military points, in the XV century, in the context of the Turkish invasion, the population of many rural settlements was forcibly displaced or left to escape persecution. Destroyed villages in the provinces of Shqëri and Dangëlli, are a proof of villages being destroyed in the middle Ages in the wake of the Turkish invasion. Such settlements by now in ruins are: Lëkurësi, Drenova, Vinjahu Stojani, Devojkari, Vincë, Dardhësi, and Golerani, Toraniku10 etc., they exist as toponyms or in the popular memory.

Reasons for abandoning them were conditioned by the social, economic and political factors. In addition to the historical value, these settlements show us the popular form of construction in the time especially before the Turkish invasion. Ruins of Stojan and Dardhës not covered by deposits to the East of the city Permet and to the right of the Vjosë River indicate a large number of houses, which were built in stone using mortar, are clear evidence of an early form of constructing. These rural areas of our country are of special importance concerning the architectural features of the period under study.

One of the main features is their position close to the trade arteries, set deep in the plateau of mountain ridges, a position that clearly reveals their dual character, respectively the agricultural and rural character. Stone buildings, shows clearly that we are talking about a population of a permanent nature preferring to build in durable elements.

These compositional concepts and different architectural elements of construction enjoyed a wide spread popularity among the population in that territory at that time serving as a link between that period and earlier periods, bearing witness to the ethnicity and cultural continuity of our people. The rural dwelling of this period is a simple construction, small and made of stone. So most of the villages of Gjirokastra region, Permet, Kurvelesh etc. are founded as permanent settlements with permanent borders, many centuries before the Turkish invasion. Most of the villages are mentioned for the first time in Turkish documents in 1432.

Traces of this lost history can be found in the diaspora, that were forced to leave these settlements to migrate to southern areas so as to escape the Turkish yoke.

"Rural Housing and great family11" is a complete work, for whose publication co-operated many architects, historians, archeologists, and geographers and in which are treated issues like: when did the dwellings first started to be build, , the way they were protected, fortification elements and the socio-economic reality of the time. The hilly villages had a relatively balanced development, whereas in the mountainous villages more emphasis was placed on animal husbandry in lowland villages emphasis was placed on agriculture.

According to the type of terrain villages fall into three categories:

a. lowland villages are densely populated, located mainly on the West, like those found in Delvina valley, Korca, Pogradec and Kolonja with 48% of rural settlements.

b. hilly villages have a smaller population, located mainly on the Eastern suburbs along the valleys of the rivers Black Drin , Mat, Shkumbin, Semon, Vjosë and Drino with 51% of rural settlements.

c. mountain villages occupied 7.7% of rural settlements and lay on the rough terrain in the Albanian Alps, in the peripheral region of the Black Drin, Eastern lowland and valleys in the Southern Highlands Province.

According to the economic activity there are:

a. settlements of agricultural economy  
b. settlements of mixed-type economy  

According to the form of property there:
  a. co-operative settlements  
b. residential agricultural enterprises  

According to the administrative function there are:
  a. United settlements, an administrative unit with a number of localities functioning also as an economic entity  
b. specific settlements representing a settlement  

According to the method of construction and the density of residential buildings there are:
  a. compact settlements with residential concentrations on the slopes and at the foot of the hills  
b. less compact settlements, the periphery of which consists of stray dwellings  
c. new socialist type settlements, located in distinct areas and known for their compactness of layout and construction.  

Periods of changing socio-economic systems, the process of moving from the centralized economy to the free market economy can hardly offer other solutions to the mechanical movement of the population, except being spontaneous. This kind of movement carried with it a number of negative consequences in rural areas.  

The dissertation titled "The dynamics of the Rural Area System in Gjirokastër District" in Human Geography presented on 19. 11. 2001, to obtain the Master’s degree analyzes in Chapter II the issue: "Populating the ecosystem in rural area." In this chapter are also analyzed rural areas hierarchy and their typology and policies regulating the rural settlements.  

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Fig. 4. Prongji village (Gjirokastra district)

This study offers us information of the type:
- Over 98% of the total number of rural settlements.
- During the historical evolution rural settlements have developed their particular physiognomy and originality. This process has affected the social structure, and can be seen as an expression of the organization of agriculture and cultural heritage of its inhabitants, these are reflected on these farming techniques, customs, folklore, traditions, materials, architectural style.

Rural areas are characterized by a landscape architecture with 2-3 storey residential house. These types of settlements have historically affected people's social life, the relationship between them and the outside world. There are two extreme classical forms, the spread and concentrated, and among them there are other forms which are a mixture of the two types. In Albania, land ownership and social structure have not had a smooth history, due to the fact that Albania did not go through the historical stages like feudalism and capitalism. Reflecting the different stages in the course of history have been established different practices in different areas. The 50-year-old socialist system in the field of construction introduced new traditions and changed the contents in accordance with the ideological and political goals. The changes that the settlements underwent during this time were both quantitative and qualitative. Quantitative changes consisted in increasing the number of buildings in rural areas thereby creating big rural centers tantamount to the city. Qualitative changes, consisted in an effort to adapt new community functions, according to political criteria and in accordance with the typology of the village. For this process, the necessary economic factor was government ownership

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of the land. As regards the socialist organization of state agricultural co-operatives, rural residential areas are generally characterized by agrarian and mixed settlements, but some villagers made a living working in industrial sectors (mining or wood processing that had been close to their homes). The basic principle of a regulatory plan regarding a settlement was building housing units in different socio-cultural centers.

Fig. 5. The village of Bençë (Tepelena District)

4. Conclusion

Traditional elements were preserved more in hilly and mountainous areas, but this thing did not occur in lowland areas. Settlement setting expresses the relationship between social groups and material life conditions (natural environment and land). The types of settlements have historically influenced social life of the locals, the relationship between them and the outside world. The spread and distributed type can be found in all geographic areas of the country, as the case may be, or they may even be combined with each other. In the construction of rural settlements have been preserved traditional elements and special features according to the different areas and historic development.

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Proximity Stages of the Semantic Connections of Terms of Applied Mechanics to Those Terms and Other Types of Vocabulary

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Abstract

These connections have an interest to be studied from the side of the conceptual volume of expression, which are put in relationship from the form, for the respective expression of the conceptual volume, from the widest to the narrowest one, from where three forms of terms get distinguished: base terms, which become the object of this study: base terms (zinxhir, mekanizëm/chain, mechanism), foundation term (mainly two worded) (mekanizëm katërhallkësh/four – bar mechanism and peripheral terms (mainly more than twoworded) (mekanizëm katërhallkësh i çernieruar/hinged – four – bar mechanism). This classification directs the studies in the field of the terminological vocabulary of the respective field, in subordination (depending) on the volume of the concept, as well as from the side of the form of expression of the concept, therefore, of the term itself.

Keywords: Applied mechanics, foundation term, peripheral terms.

1. Introduction

Within a scientific-technical text, as may be noted in a text of the field of Applied Mechanics (AM) (Alb. Mekanika e Aplikuar (MA)), but also in the formalized way, the terms, by conveying a particular information, enter in relation to each other as well as with units of other types of vocabulary based on the meanings expressed by each of them. The units can create syntagmatic structure, in which the relationships are expressed directly, as, for example, boshti rrotullon (shaft rotates), aksi rrotullohet (axis turns) or aksi mbështetet (axis is supported), rota rrotullon (wheel rotates) or rota rrotullohet (wheel turns), but they can also form on the basis of conceptual relations, as, for example, çift (pair) and lindje (linkage), hallkë (link) and element (element). On links built between lexical units with each other, different degrees of closeness are revealed, based on the meanings they express. So we have a semantic link of a such a narrow proximity, that they can be seen as internal organic links, wherein the defining element emerges as a feature of the concept of the defined element as, eg, ingranohet in dhëmbi ingranohet (tooth is engaged), shtyn in gunga shtyn (valvolën) (cam pushes) (valve), lëkundet in bilancieri lëkundet (rocker swings), rrotullohet in manivela rrotullohet (crankshaft turns), transmeton in boshti transmeton (shaft transmits), boshti rrotullon (shaft rotates), boshti rrotullohet (shaft turns), aksi rrotullohet (axis turns), mbështetet in aksi mbështetet (axis is supported).

2. Concept Features, Expressed by Defining Unit

In the most general case the features of the concept expressed by the defining unit, become the identifier of the concept itself marked by the respective term. Thus, for example the feature lëkundet (swings, rocks), reveals the identity of bilancierit (rocker), rrotullon (rotate) and rrotullohet (turns, is rotated) the features of the wheel, etc..

As it is obvious, more direct connection are placed between the terms and the non-terminological textbook vocabulary, within which the features of concepts expressed by the terms are also revealed. In this case we are dealing with internal connections, which are expressed in the constraints of the defining element of connectivity, where it appears that its combining ability is limited to certain terms like rrotullon with: bosht, rrotë, hallkë (Engl. shaft, wheel, link), etc..

Looking at the connections in which the term enters with other units of non-terms, three stages of connections can...
be distinguished:

2.1 **Direct connections**, as internal organic connections, where the defining elements emerge as features of the concepts of terms, as can be seen in the following examples:

In Albanian:

Hallkë - lidh, lidhet, rotullon, rottulohet, transmeton.
Aks - rottulohet, kryqëzohet, mbështet, lidh, lidhet.
Bosht - rottulon, rottulohet, mbështet, transmeton (moment përdredhës).

In English:

link – connects, (is connected), rotates, turns (is rotated) transmit (convey).
axis – turns, (is rotated), is crossed, supports (bears),
links, is linked.
shaft – rotates, turns, support, transmits.

**Indirect connection**, where the determining element is the secondary feature of the concept of the term.

In Albanian:

Hallkë – zë pozicion, vendoset (vendos), zhvendos, lëviz, bart, etj.
Bosht - zë pozicion, vendos lëviz, bart.

In English:

link – is located, is fixed, take position, displace, move, bear
shaft – is located, move, rotate (turn), bear.

2.2 **The free connections**, in which the term comes with the usual vocabulary. As a general rule, the term is more or less connected with each unit, starting with: është, ka, quhet (is, has, is called).

In a summary we can present with few examples all three types of connections:

1. **Internal connection**:

   In Albanian:
   
   Hallkë: "Hallka lidhet me hallkën B."
   Bosht: "Boshti rotullon boshtin B."
   Aks: "Aksi mbështet detalin B."

   In English:
   
   link: "Link A is connected to link B."
   shaft: "Shaft A rotates shaft B."
   axis: "Axis A supports part B."

2. **Indirect connection**:

   In Albanian:
   
   Hallkë: "Hallka zhvendoset nga pozicioni A në pozicionin B."
   Bosht: "Boshti zhvendoset nga pozicioni A në pozicionin B."
   Aks: "Aksi zhvendoset në drejtimin e dhënë."

   In English:
   
   link: "Link removes from position A to position B."
   shaft: "Shaft removes from position A to position B."
   axis: "Axis removes into the given direction."

3. **Free connection**:

   In Albanian:
   
   Hallkë:"Hallka paraqitet në vizatim."
   Bosht:"Boshti paraqitet në skemë."
   Aks: "Aksi paraqitet në figurë."
   Hallkë:"Hallka është pjesë përbërëse e çiftit."
   Bosht:"Boshti përbëhet nga trupi dhe pernet (qafat)."
   Aks: "Aksi është detal që nuk transmeton moment përdredhës."

   In English:
   
   link: "Link is shown on the drawing."
   shaft: "Shaft is shown on the scheme."
3. Conclusion

Relating to a given text from the presented field a study of the vocabulary can be done where it can be seen as to how these three types of vocabularies enter e relationship with one another. Of course, here the prime position is held by the terminological vocabulary, which can appear formalized through the connections in which the terms enter with one another, while the second position is occupied by the vocabulary that marks the interior features of the concepts marked by the terms, which are of particular importance to present them as part of the definitions. These features can also be derived directly from the text, but they can also be derived in an intuitive manner. These key terms can be derived directly on the basis of their value in the system.

Component elements of phrase terms appear as internal connections between them, and as such they should be looked at in relationship to each other. Thus, eg in rotë e dhëmbëzuar (dentated wheel), the defining element emerges as an internal connection of the defined part, marked from the element: rotë (wheel). It can also be said for other cases: rip i dhëmbëzuar (dentated belt) i.e. i dhëmbëzuar (dentated) in relation to: rip (belt), boshti i dhëmbëzuar (dentated shaft) in relation to: bosht (shaft). This means that the defining elements of the phrase terms should also be given separately, by connecting them always after the defined element.

References

Developing Albanian Tourism

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Abstract

This paper examines the development pattern of Albania’s tourism and the effect that this industry will have in the country’s economic development. I will attempt to demonstrate that tourism is an indispensable industry in the developing countries like Albania furthermore if it develops through a precise strategy with the government and other institutional support it can contribute to the development of the country. Firstly I will give a general overview of this industry and its capabilities which are relevant in understanding Albania’s tourism and its actual situation. In the second part I will describe the strategy that will be implemented by the Albanian government in the tourism sector until 2021 and analyze its overall contribution to this industry.

Keywords: Tourism, Economy Growth, Albania

1. Introduction

In this project Tourism development will be analyzed and discussed within multiple levels including strategically, its effect on economic development and at the practical level all focusing on the main example Albania.

The main objectives of the project are:
1. Understand tourism development from an industrial and business prospective
2. Detect the challenges faced for the development of this industry
3. Find the effect of government on industrial development
4. Analyze strategies used by the Albanian government (On Tourism)
5. Analyze the effect that tourism development has on economic development
6. Discuss the actions which might help the development of Albanian tourism

Motivated by the fact that Albania is a developing country and due to my present study on “Modern Business on Comparative Perspective” specialized on national competitive advantages as well late industrializing countries I thought that tourism development would be one of the major factors that would contribute to Albania’s national competitive advantage and as a consequence to future economic development. In order to do this I had to analyze most of the theories on tourism development and at the same time apply a practical case which in this case is Albania. This was what motivated me to undertake this topic.

1.1 Tourism to Albania

We can call the actual time as the infancy of the Albanian tourism for the main reason that the country had its first glimpse of international tourism in the 90s after the fall of the communist regime that ruled the country for 50 years. Since the 90s it was difficult for the country to establish any kind of industry as in the case of tourism the whole industry was based on internal tourism. Albanian government officials suggest that the development of an internationally competitive industry is possible as 80% of the coastline is still virgin and untouched by the human hand. Moreover government officials argue that Albania has a strong underlying product with highly saleable potential in the world tourism market.

According to the Albanian government in 2016 the number of foreign visitors reached 1.6 million including ethnic Albanians. The last summer the number of foreign visitors reached 900.000 which indicated that the country was experiencing a tourism “boom” where there was an increase of 35% of tourism visitors compared with the previous years and from these 92% were European, 5% American, 2% Asian and 1% other nationalities. According to World Travel & Tourism council the contribution of tourism in GDP actually is around 3.8% but from 2016 until 2021 this contribution is estimated to be around 7.5%.

The infrastructure is in constant improvement. In the last 15 years roads highways, international air services were privatized. Moreover the government is implementing always new policies in favor of industrial tourism expansion.
1.2 Why tourism?

Bank of Albania studies indicates tourism is responsible for 6% of GDP. Tourism income generation annually is between US$600 million to US$1 billion in revenue. The governments hope lies in their new project called “Strategy of Albanian Tourism Development” which will be analyzed further on this project.

Other factors that reinforce the importance of this industry in the Albanian region are:

1. The absence of an effective inbound industry serving the foreign tourism market at present.
2. The present historic and archaeological pattern of travel around the country.
3. The presence of a latent inbound operator capacity capable of handling a recovery in the market.
4. Financial resources amongst historical operators to reinvest following pyramid losses are limited and will retard market growth and product development.

Albania has a great development potential when it comes to tourism. Most of the attractions including both cultural and natural have high potential and would have attracted high levels of visitors if they were advertised properly to the right audiences Albania could be positioned similarly as those countries which have high levels of tourism attractions and are geographically small so can build a admired position in the international tourism arena.

However for Albania now is important that the tendencies in the tourism preferences are changing. Culture and adventure as well as ecotourism are considered to be fastest growing markets in the global tourism arena. Their popularity shows that change is accruing. Passive based holidays which started to dominate the market in the 70s are losing market share to theme based holidays which focus in activities of high interest especially adventure and exploration which characterize the Albanian tourism.

Traditional tourism involving “Sun and Beach” still remains one of the largest segments in the international tourism market as it has a normative growth of 2% -- 4% a year. In the mean time the market on cultural tourism is increasing in some unprecedented levels, its market share is estimated between 60 to 70 million people, with a potential growth of 15% a year until 2018. Adventures tourism in the other hand is another segment of this market but with a fast growing potential as it has approximately 5 million tourists overall and a growth of 20% every year. At the end we have natural tourism this segment has an orientation on the exploration of natural resources. In the international tourism market this segment involves 50% of the overall tourism market and has shown high levels of growth in the last decade.

Our neighbour countries like Greece, Turkey and Croatia are focused on the tourism market of “Sun and Beach” by doing this they have increased the competition in this market heavily. Albania has a unique opportunity to differentiate itself from its neighbours so it separates itself from heavily competitive market with declining potential and low profit margins. Furthermore a tourism which focuses on independent tourists interested in local communities, natural resources and culture has shown to be from 5 to 10 times more profitable in terms of dollars spend from tourists compared to tourism based on “Sun and Beach”. What makes Albania a unique attraction is the ability to have a big amount of attractions in a relatively unique aspect and geographically close to each other.

As in terms of its unique market position what it might have started as a necessity it stands now strong and identified in the international tourism market arena. It seems like Albania is situated in ideal position to fulfil the always changing needs of a tourism market based on culture and nature.

2. Literature Review

Tourism still remains a term that is subject to diverse interpretations including wide verities of definitions (Richard Sharpley, David J.Telfer, 2002). This reflects in part the multidisciplinary nature of the topic and in part the abstract nature of the tourism concept (Burns & Holden, 1995; 5). Despite of all the difficulties tourism can be defined as the activity or process that allegedly acts as catalyst of development (Richard Sharpley, David J.Telfer, 2002). Burkhar and Medlik classify two main groups of tourism definitions (Burkhar & Medlik, 1981;41-3):

Technical definitions – where they define a tourist as someone that travels for more than 24 hours outside their normal country of residence

Conceptual definitions – where they argue on the basis of (Nash, 1981) that tourism is simply the activity undertaken by a person at leisure who also travels

Even though this definition tries to explain tourism in its route it has been argued that it takes divers extremes to the main concept. We have to understand that tourism is primarily a social activity (Richard Sharpley, David J.Telfer, 2002). If people wouldn’t have neither the desire nor the ability to travel tourism wouldn’t exist (Richard Sharpley, David J.Telfer, 2002). Thus tourism is an activity that involves individuals who travel within their own country or internationally and interact with other people and places. In short we can say that tourism is a social phenomenon which involves the
movement of people to various destinations (Richard Sharpley, David J. Telfer, 2002).

3. The Methodology and Model

This research project is based on secondary research (literature review) and primary research (interviews, conversations). As Ghauri and Grounhaug (2000) argue that the main advantage of primary data is that it is useful for a specific project. In this project opinions and beliefs can be analysed through asking the right question to the right people.

3.1 Primary research

As Bernard (2000) argued that key informant interviewing works well in a project where the research is dealing with high ranked managers or elite members of community as it is the case on this project where these are chosen on the basis of their characteristic specialised knowledge.

The essence of this project required key informant interviews as the literature on the subject was not enough to analyse and understand in detail the development of Albanian tourism.

My main focus is to understand the ways in which Albanian tourism is going to develop. Developing an industry is not an easy task and it cannot be done by individuals the only institution that can carry such a big responsibility is the government.

In most of the cases governments construct national tourism strategies and try to implement them in a described period of time. Some of the most tourism oriented economies like Turkey, Greece and Croatia have adopted this views decades ago. So I decided that to better understand Albanian tourism the only possible solution was to approach the right institutions involved with this industry.

In depth interviews more precisely semi structured interviews. These were carried where specific key questions were conduced within a set of skeleton questions. I realized that in order to get the most out of my interviews I had to prepare some close questions as well in order to give more alternatives and gain specific results from my interviews.

Four main interviews were carried with:

- Minister of Economic Development, Trade and Entrepreneurship: Prof. Dr. Milva Ekonomi
- Director of marketing and promotion in the national tourism agency: Dr. Ardit Collaku
- Director of tourism and national culture: Dr. Mensur Bytyci
- Director of tourism strategy: Dr. Elton Noli

4. The findings

This strategy was developed from the Albanian government in association with the German government. I will try to analyze the most important aspects of this strategy and its contribution to the Albanian tourism development.

4.1 The strategic position

4.1.1 The strategic position of Albania’s tourism sector

According to Dr. Elton Noli the Strategic Director in the Ministry, Albania is a secure tourist destination characterized by a mixture of cultural and natural attractions which are internationally recognized. Within this small geographical location tourism has been managed in a way that all the resources include here natural and social have been adapted to the needs of the global tourist (customer)*. Albania will position itself as an attractive destination for the tourists that require a unique experience which is characterised by highly attractive and authenticable destinations including both cultural and historical. The country will position itself in the tourism arena as a tourism destination that needs to be discovered with the logo “Albania – Yours to explore!”

With its main product the “discovery of Albania” the tourist should be able to absorb and discover the history, nature, archaeology, culture of living, national foods and the population traditions of this amazing country. After leaving the country the tourists would be impressed by the diversity of nature and culture as well the welcoming people of the land of eagles.

According to Dr. E. Noli Albania will attempt to specialise and position itself in welcoming unexpected and specialised tourism travellers. The main objective here will be the upper middle class of the European, North American population. This demographic segment represents a potential investor that would be prepared to pay for the unique and
unprecedented tourism experience. One of the most strongly strategic points in the Albanian tourism will be giving the opportunity to the tourist to visit as much attractions as possible as the geographic position is perfect for these activities. In order to keep authenticity the core values and traditions will be caped and enriched in both business terms and individual as well. This will attract more visitors and will be able to enrich more the relationship between the population and the tourists which will eventually lead to more income for the community. In order to keep a constant tourism development the tourists should repeat their visits or advertise the benefits of tourism in terms of mouth to mouth advertising to their friends and relatives so the demand will always be high.

4.2 Overall strategy

Strategically the Albanian tourism will develop organically as an authentic destination relying on his rich cultural, historical and natural factors according to most of the Albanian Ministry officials. The best international cultural practises involved in tourism strategies will be studied and worked on so they can adapt cultural tourists. In this section I am going to describe the main tourism products and the preconditions that are needed for the implementation of these strategic tourism products.

The strategic development according to Dr. Noli will be based on three main tourism products namely:

- Sun and Beach
- Special interest
- Business and conference

These tourism products will be supplied to the international tourism market and will be backed up by an advanced marketing, an action plan and a high involvement of human resources which will secure its long term prosperity. Also for the right development of this strategy the government support is crucial. The government should direct and protect all the councils, the private business and the travel agencies in order for this strategy to be successful.

4.3 Strategic tourism products

Overall there are a number of tourism products that exists in these industry the Albanian tourism industry will focus their strategy on three main once. Most of the products are characterized by:

- Activities (Business, sports)
- Motivation (Holidays, treatments)
- Price (niche or mass)

Albania is just starting to develop both internal and international tourism these products are essential for its development. They are likely to create a base where all the industry will focus. This strategy suggests that based on these products (which I am going to mention further on) the whole industry will change as all the finance, marketing, HR, infrastructure, government policies, information systems, private businesses will back up the well functioning and development of these tourism products with directions from the ministry of tourism1.

4.4 “Sun and Beach” Tourism (product)

Albania is well positioned in both the national and international tourism market as a holiday destination with considerable holiday prices based on the assumption (value for money) in the Mediterranean tourism market2.

The country has an attractive Riviera in the east side of the Adriatic Sea characterised by beautiful sea sides, clear waters and attractive harbours. The country is the second in Europe after Spain for sunny days approximately 300 out of 360 days a year3. The holiday seasons are long based warm weather beautiful atmospheres.

There is high connectivity with the main European cities through most of the methods of transportations including here (sea, air, and land). Relying on the World Tourism Organization “Sun and Beach” tourism until now is one of the markets with the highest demands in the whole world.

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3 www.akt.gov.al
Table 1. Tourists attracted form “Sun and Beach” 2016

<table>
<thead>
<tr>
<th>Periods of Time</th>
<th>Short term</th>
<th>Medium term</th>
<th>Long term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home tourists</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arrivals</td>
<td>395,000</td>
<td>430,000</td>
<td>515,000</td>
</tr>
<tr>
<td>Nights stay</td>
<td>2,834,000</td>
<td>2,825,000</td>
<td>2,875,000</td>
</tr>
<tr>
<td>% of all arrivals</td>
<td>54%</td>
<td>51%</td>
<td>38%</td>
</tr>
<tr>
<td>% of all nights stay</td>
<td>63%</td>
<td>57%</td>
<td>45%</td>
</tr>
</tbody>
</table>


Table 2. Tourists attracted form “Sun and Beach” 2016

<table>
<thead>
<tr>
<th>Periods of Time</th>
<th>Short term</th>
<th>Medium term</th>
<th>Long term</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Ethiics</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arrivals</td>
<td>200,000</td>
<td>210,000</td>
<td>230,000</td>
</tr>
<tr>
<td>Nights stay</td>
<td>1,345,000</td>
<td>1,330,000</td>
<td>1,380,000</td>
</tr>
<tr>
<td>% of all arrivals</td>
<td>43%</td>
<td>11%</td>
<td>42%</td>
</tr>
<tr>
<td>% of all nights stay</td>
<td>44%</td>
<td>77%</td>
<td>46%</td>
</tr>
</tbody>
</table>


4.5 “Special Interest” Tourism (product)

Albania has a reputation as one of the few undiscovered countries in Europe in which tourist can still discover unseen secrets relying on wild nature and cultural diversity.

This product is one which has the most potential out of all as most of the international tourist that visit the country in the last years have all targeted this segment of the market4.

This graph will show all the main aspects of this product.

Table 3. Tourists attracted form “Special interest” 2016

<table>
<thead>
<tr>
<th>Periods of Time</th>
<th>Short term</th>
<th>Medium term</th>
<th>Long term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign tourists</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arrivals</td>
<td>15000</td>
<td>69000</td>
<td>313000</td>
</tr>
<tr>
<td>Nights stay</td>
<td>80,000</td>
<td>400,000</td>
<td>1,640,000</td>
</tr>
<tr>
<td>% of all arrivals</td>
<td>7%</td>
<td>25%</td>
<td>58%</td>
</tr>
<tr>
<td>% of all nights stay</td>
<td>6%</td>
<td>23%</td>
<td>54%</td>
</tr>
</tbody>
</table>


4.6 Business and Conference Tourism (Product)

This sector specializes on business tourists. Albania has all the conditions to accommodate these types of tourists including here hotels, conference rooms, relaxation atmospheres which make their stay more efficient and reliable. Most of the business centres build in the major cities offer modern business facilities indispensable for business tourists.

Through the increased economic potential of the country and near the potential of EU entrance Albania expects to be visited more from this segment of the market. The annual increase of the foreign direct investment makes this market highly attractive5.

Table 4. Tourists attracted form “Business and Conference” 2016

<table>
<thead>
<tr>
<th>Periods of Time</th>
<th>Short term</th>
<th>Medium term</th>
<th>Long term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign daily T</td>
<td>30 000</td>
<td>40 000</td>
<td>80 000</td>
</tr>
</tbody>
</table>


4.7 Pre conditions for the implementation of the strategy

In order to achieve the objectives that this strategic project is going to address there are some pre conditions that need to be fulfilled.

4.7.1 Infrastructure

Infrastructure is one of the biggest obstacles for the development of the tourism in special destinations around Albania. The most important airport, Rinas which is located within the capital Tirana and the second biggest city Durres has to reach the international levels. In the future is necessary a second airport in the north as this part of the country is also called the Albanian Riviera and has to absorb most of the flux of visitors. This second airport will be mostly used for the charter flights which in today’s standard are the base for development of tourism as an industry.

Indispensable is the organization and development of an efficient rubbish collection and cleaning entity which will help the tourist attractions to be more attractive and clean at the same time.

4.7.2 Land-law problem resolvance

The improvement of old and introduction of new lows on property rights and land so the legal systems won’t stop the strategic development of this industry.

4.7.3 Tourism laws and regulations on regional and national levels.

Contemporary formulation of laws is indispensable and regulations on tourism so the governmental organisms can apply and improve the industry.

4.7.4 Law and order

Law and order are indispensable and fundamental for the development of tourism as an industry; this applies especially on fields of construction permits and pollution.

4.7.5 Clear responsibilities on all governmental levels

Clear description of all responsibilities for all the institutions involved in the tourism arena.

4.8 Information system

The effective improvement of the information system so there is clear information on economic levels concerning Demand and Supply, also it is indispensable that the organization, collection and analysis of data and information is done through the standards of the EU.

Private and public sector involvement Tourism as an industry has to be promoted by the public sector especially in its infancy, but after a certain stage of development the private sector has to be included on this strategy and make its contribution on many levels.

Furthermore the involvement of the private sector is vital as they will be the primary source of financing and investment.
4.9 This strategy will try to achieve

Through the achievement of the aims pinpointed in the strategic section which aims at the Albanian tourism's full potential and the development of this sector through sustainable time period on factors such as: culture social, environmental, economical.

This strategy will try to achieve:
- The management of the sector in order to insure the long term economic growth
- The management of tourism industry sub-sectors, in order to approach tourism development through the enrichment of such as natural, social and cultural factors which form the base for the development of this industry.
- Supply the appropriate structure in which profit and investment would reach the highest levels
- Eliminate errors and problems within the tourism sector
- Achieve investment from both the private and public sector
- Facilitate the investment and the operation of different businesses in this industry
- Adapt to the overall national economic strategic development

5. Summary and Conclusions

This part brings this paper to an end by making some concluding remarks on the study of the Albanian tourism development. Thus the main aim for this dissertation was to analyze, describe, and discuss the Albanian tourism development, and it also took a slightly different approach by analyzing the effect of this sector on the Albanian economy as well.

As I pointed out in my method and abstract chapters, most subjects in this dissertation contribute to the bigger picture of how Albania should develop its tourism sector and how this could affect the country's economy. In a brief summary, I gave an overview of the present situation of the actual Albanian tourism industry and the potential that this sector has. Furthermore, I took a close look at the main challenges faced by the country and the government in general for the development of this industry.

Based on several theories on tourism development, the main terminology and theories were further analyzed. Literature on the subject, as well as the advantages and limitations, consisted in previous studies on this manner were analyzed and further explained. Different theorists on tourism development starting from Sinclair who analyzed the economic advantages and disadvantages of tourism development and many others that focused on his views like Eugenio-Martín & Morales as well as Syriopoulos, were mainly concerned with the effects that tourism development had on the economy. Moreover, there were other theorists like Liu and Var, Long, Perdue, and Allen and Milne that have contributed to the field of tourism development but in a different prospective. They were concerned with the costs involved by adopting tourism development as an industrialization and development strategy.

Further analysis on the literature detected limitations especially on the methods of development as in the ways in which the countries should carry out tourism development and the actions that need to be taken in order to succeed in this industry. On this basis, I have supplied and analyzed the main challenges that the country faces in order to develop the tourism sector. As we sow the challenges were many starting from infrastructure and ending with information management. In order to overcome these challenges, the government and other analysts supplied a strategy which I have described in details where tourism products are used in order to develop an industry that it has been said is in its infancy. I in this prospective study shows that a strategy is not enough and further actions are needed in order to develop the tourism sector. On this basis, a detailed discussion was developed in order to understand in detail the actions needed to be taken from the government and the national in general at the same time, in order to develop the tourism sector successfully. This discussion was based on actions that were needed to be taken in any particular fields starting from infrastructure and ending in information management so this industry could overcome its infancy stage and affect the country's economy more effectively. At the end, we have to understand that this study is highly specialized in only one country and the literature on the field was limited to the government. Hence, the actual situation in the Albanian tourism is not bright its future for sure is.

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Assessing Farm’s Performance by Farm Typology in Albania

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PhD. Gentian Mehmeti
PhD. Ilir Tomorri
Assoc. Prof Ina Pagria

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Abstract

During the economic transition the agricultural sector of Albania has changed significantly. This process continues parallel with global trends of periods of relative consolidation. The diversity of farm types is increasing in terms of both their production structure and production organization. Even though the farms are still small in terms of the average size, there is an increasing tendency of fallow land, due to emigration and migration of the rural population. This is mainly due to traditions, because households composed of several families use greater parts of farm land for subsistence. Farm size and fragmentation - Albania has a very large number of farms per unit surface area compared to other countries in the EU. The size variation differs according to regions: -higher in Western and South-Eastern Albania - in Fier 1.64 ha / farm; in Korçë 1.48. - smaller in Northern and North-Eastern regions - in Kukes 0.62 ha / farm. According to official statistics the size of farm plots increased from 0.20 ha plots in 2000 to 0.26 ha in 2011; which is equal to nearly 30% in a decade. But the total average size of field plots, in general is still too small to justify the intensification of production by replacing hands with machines. The crop pattern and crop rotation schemes significantly affect farm efficiency; it is dominated by wheat, corn, hay, vegetables, beans, potatoes, and orchards; the latter has a significant trend in favour of nut plants; while the cultivation of cotton, sugar beet, tobacco, rice, rape-seed, etc. is almost at a standstill in Albania. These changes result from: - farmers’ freedom in decision making according to market signals; - inefficient state support systems aiming at revitalising promising markets, which also led to: *a destruction of the processing industries for tobacco, cotton, rice, vegetable oils, sugar; *the loss of traditional export markets; *misallocation of financial resources. The transition from a central, planned economy to a market economy led to a general production fall in Albania, including agriculture. The specific contribution of agriculture to the GDP went down from 54.6 % in 1995 to 28.1 % in 2000, and has stabilised at this level, while the sector growth is estimated by about 3.6% per annum. Nearly 48.7% of the population in 2012 lives in rural areas where agriculture is the main source for both subsistence and income. In general, the cropping area for annual cultures decreased, except for wheat, vegetables and potatoes, while the area for forage as well as fruit trees increased. Actually, half of the cultivated cropping areas consist of fodder crops, which constitute also the high share of subsistence farming. In general, livestock is the most important agricultural sector in Albania. Its production value reached ALL 180,072 million, which equals to about Euro 1.3 bn. Animal products are a major component of self-consumption. Traditionally milk and its products in Albania are primary products also due to favourable natural conditions. Cattle are dominant in the low lands, while on the mountainous area sheep and goats. About 54.3% of the animal husbandry output is for subsistence. The dairy sector is particularly undergoing a continuous modernisation process. Due to the high number of investments being implemented along the dairy value chain, there is a very good product range in the markets, but there is also the risk of over-capacities. This may lead to a price war: increasing milk prices for the producers but decreasing consumer prices for the processors. There seems to be a strong need for collaboration and co-operation in the sector in order to meet / keep food safety standards. This might become a major subject for Albanian Government in the on-going process of becoming a EU member. Annual average milk yield per cow is approximately 2600 l. These tendencies in the ruminant livestock affected meat production; these categories are stagnating while pork and poultry production started to increase during the last ten years. A niche market for Albanian farmers is lamb market on the eve of religious holidays, and for export. Also due to political influence orchards are increasing in terms of size and productivity. The output growth over the decade 2000 to 2010 is estimated about 234%. Despite this significant progress, it is estimated that the surface of vineyards and pergola is still far from that of 1990s, and because of this, the potential for export markets is not utilised. The Albanian export -import balance for
agro-food commodities is negative; 1/9.5. In general, the sector’s competitiveness is low due to the lack of sufficient knowledge; e.g. as how to use up-to-date inputs or establish input supply and marketing co-operatives. The production systems are preconditioned by factors such as 1) Traditions, 2) Family demands, and 3) use of surpluses and seasonal produce to generate additional cash income. Because of this, there is a large overhanging of unemployed labour force. Within the production structure on arable land, the dominating crop is winter wheat followed by corn. Among the higher value cash crops, water melons, beans and potatoes have the largest shares. Disadvantageous as to several aspects, is the almost complete disappearance of technical cultures of crop rotation over the last 20 years; e.g. sunflower or tobacco. Unfortunately; the statistical database is weak and partly inconsistent for getting realistic information about yields in dt/ ha or profitability estimates. The decline in the acreage of cash crops is the result of the expansion of food crops.

1. Introduction

Organisational and administrative aspects of farming in Albania: The country is divided into 12 counties, which consist of 36 districts composed of 65 municipalities and 309 communes; what seems a very expensive and not very dynamic administration structure.

Subject of special emphasis of this study are the districts of:

- Berat; consists of two municipalities and 10 communes over 122 villages with a population of 141,944 inhabitants on 179,793 ha surface

In the following, main emphasis is put on Berat region, according to the OECD classification, it is part of the intermediate region, which stands for 45.8% of territory and 41.2% of the whole population in Albania.

The region is traversed by two main rivers, Osumi River and the Seman River, and crossed by higher mountains. Furthermore, one of them has access to national roads. The climate is typically Mediterranean: annual average temperature is 15.9 degrees C. and no real periods of frosts; but with un-typical annual precipitation of 928 mm per annum, with its peak in winter. Of the surface, less than 1/3 or 52,919 ha is agricultural land. The migration in this county is above average, hence the average age of the population is much higher compared to Albania’s average.

The rural and urban infrastructure suffers from not being connected to national main roads, and having almost no sub-road system. These lead to the fact that Berati is not one of the regions economically performing above country’s average and poverty is significantly higher.

In Berati region, almost all kinds of plants, typical for Albania can be grown. It also raises all kinds of livestock typical for Albania. The agricultural production structure, output, performance and other indicators are almost like the average of Albania. A positive development is the increase of the area planted under shelters. Berati has a long tradition in the production of olives and figs; increased by 50% in recent years.

In terms of income, farmers in the region generate less from non-agriculture activities than from agriculture ones. Hence, one of the reasons may be the lower education level of people in Berat. The use of inputs, equipment, as well as other important production factors and indicators, do not significantly vary compared to the region before; with the exception that regions seem to own a greater number of tractors. Also, a difference as to other regions is that income from pensions is the main source of non-agriculture activity for the majority of farms of all groups.

Compared to the region in the past, the contribution of sheep and goats to the overall milk production is significantly higher, which might also be seen as a result of the overage population? Even if it is so, and farm grouping is hardly significant, the region seems to have an advantage in putting more emphasis on animal husbandry generally, and on milk production from both cattle and sheep, particularly.

Compared to the region in the past, all groups of farms in Berat have a much higher rate of self-re-financing agriculture by agricultural income sources of households/families; again, it may be a result of the higher average age of the population. Hence, the subsistence level is higher. This affects farm viability negatively. Thus, not surprisingly the poverty level is high and makes people more dependent on farm income.

2. Analysis of the Regional Farm Typology

The main source of information for our study was:

- survey conducted with farmers of Berat district, to estimate and value rigorously according to the methodology of sample selection (276 questionnaires)
- data provided through official sources (District Statistics, INSTAT, MoAFCP)
- consultation with fields expert
similar studies conducted in this field

Farm typology is determined based on the following indicators:

- % of sold production / total production.
- % of watered surface / total surface
- % of livestock production / total livestock production
- % of agricultural production / total agricultural production
- % of orchards production / total agricultural production
- Costs / production
- % of cropped surface / total area
- Income outside the farm / Total income
- ALL AWU/000 produced

Based on the above indicators are identified these type of cluster for Berat district.

1. Poly-culture for market
2. Livestock
3. Leisure farms
4. Fruit trees, diversified farms
5. Specialist Fruit trees farms
6. Arable crop farm
7. Self Sufficiency

The following presentation gives synthetically the main characteristics of the typologies

2.1 Family member structure

The results of the study show that the family farm in Berati region consists on average of four to five people, and employment issues are in line with the national ones. Family structure in Berati region appears to be quite the same among clusters. When it comes to the number of people in working age, the overall picture varies from a minimum of 4.6 in Arable crop farms to 4.0 in Self-sufficiency farms. Members of family farms working on the farm vary from 3.1 in Poly culture farms to a minimum of 2.3 in Leisure farms. Poly culture farms are more labour intensive compared to other clusters in Berati case. The overall situation shown in the Figure 30 below represents the fact that the farm family is relatively highly populated while the number of people who are engaged in agricultural activities is relatively low.

![Figure 1. Family farm structure](image)

However, for various farm types the situation is not the same. Taking into consideration the farm number within each farm typology, and problems associated to each of them regarding efficiencies of activities, it can be concluded that on farm activities do not offer the potential for increasing the level of employment. This is why working-age members of farm families are forced to look for other employment alternatives.

2.2 Farms according to labour force

There is a major problem related to labour force and employment in the agriculture sector in Albania. Statistics show that on national level, agriculture employs over 50% of working-age and contributes to about 17.6% in GDP, but efficiency of agriculture production is very low (efficiency of agricultural sector is about 14 times lower compared to services sector or
about 4 times lower compared to industry sector (INSTAT, 2012). Berati does not make any exception from this trend regarding the working force for each typology type.

Table 1. Farms distribution according workforce

<table>
<thead>
<tr>
<th>No</th>
<th>Clusters</th>
<th>Number of Farms with</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>&lt;=1</td>
</tr>
<tr>
<td>1</td>
<td>Poly Culture for Market</td>
<td>7</td>
</tr>
<tr>
<td>2</td>
<td>Self Sufficiency</td>
<td>32</td>
</tr>
<tr>
<td>3</td>
<td>Livestock</td>
<td>4</td>
</tr>
<tr>
<td>4</td>
<td>Fruit Trees Diversified Farms</td>
<td>54</td>
</tr>
<tr>
<td>5</td>
<td>Leisure Farms</td>
<td>71</td>
</tr>
<tr>
<td>6</td>
<td>Arable Crop Market</td>
<td>6</td>
</tr>
<tr>
<td>7</td>
<td>Specialist Fruit Trees</td>
<td>38</td>
</tr>
</tbody>
</table>

Referring to the table, 85% from the Poly Culture for Market farm type, 45% from the Self Sufficiency farm type, 79% from the Livestock farms, 44% from the Fruit Trees Diversified Farms, 84% from the Arable Crop Market typology, do have 2-3 working force, and so on.

2.3 Farm size structure and number of plots per farm

The average farm size for Berati region is about 1.4 ha with a distribution among clusters as shown in Figure 31.

Figure 2. Average farm size (dyn) (acres) and average number of plots per farm

Hence, the variation between different typologies is very large. According to survey, the data show that farms belonging to Specialist Fruit Trees farm type, are the largest (almost 1.63 ha), followed by the Arable crops for Market with around 1.61 ha, Poly-culture for Market with 1.54 ha, and so on. Leisure Farms represent the smallest one, with 0.98 ha/farm.

The limited average farm size and the number of plots by farm type is one of the most important problems of Berati agriculture sector. The level of fragmentation, which is important, is present in all farm types of the region. Arable crop for market farm type is the more fragmented one, 16.1 dyn acres/farm and 4.6 plots/farm.

Taking account of the small and too fragmented farm, in order to increase production and productivity, there are two main problems to be taken into consideration: a) farm orientation towards intensive activities and b) Input support.

3. Analysis of Farm’s Economic Performance - Case of Berati Region

Farms in Berati region continue to be over-populated in terms of household members and continue to be over-populated in terms of labour forces. The main characteristic of the agricultural farms in this Region is the domination of the family labour. About 90% of the farms satisfy their job needs from their family members. The Berati region is characterized by the presence of minimum size farms (1.26 ha) varying between different typologies from 0.98 ha to 1.63 ha of land. Current situation offers little opportunity for full-time employment on the farm.
Table 2. Income Structure By Farm Typologies in Berati Region (ALL)

<table>
<thead>
<tr>
<th>Farm Typologies</th>
<th>Net Income per farm (FNI)</th>
<th>Off Farm Income per farm</th>
<th>Household net income</th>
<th>% of farm income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4=2+3</td>
<td>5=2/4</td>
</tr>
<tr>
<td>Poly Culture for Market</td>
<td>777370</td>
<td>105066</td>
<td>882436</td>
<td>88</td>
</tr>
<tr>
<td>Self Sufficiency</td>
<td>244476</td>
<td>25928</td>
<td>270404</td>
<td>90</td>
</tr>
<tr>
<td>Livestock</td>
<td>599111</td>
<td>107642</td>
<td>706753</td>
<td>85</td>
</tr>
<tr>
<td>Fruit Trees Diversified Farms</td>
<td>406981</td>
<td>963210</td>
<td>1370191</td>
<td>30</td>
</tr>
<tr>
<td>Leisure Farms</td>
<td>217858</td>
<td>1181738</td>
<td>1395956</td>
<td>16</td>
</tr>
<tr>
<td>Arable Crop Market</td>
<td>543797</td>
<td>910967</td>
<td>1454764</td>
<td>37</td>
</tr>
<tr>
<td>Specialist Fruit Trees</td>
<td>214128</td>
<td>123700</td>
<td>337828</td>
<td>63</td>
</tr>
</tbody>
</table>

3.1 Farm productivity

3.1.1 Farm Net Income per Annual Work Unit

As it is seen in Figure 44, the clusters of Poly Culture for Market, Fruit Trees diversified, Arable Crop Market and Livestock farms are better performing in terms of FNI/AWU than the other clusters. Labour productivity is higher in these clusters because it is known the fact that one of the advantages of production diversification and livestock production is the full usage of labour. Furthermore, work force is better used in these clusters and they are economically better than the others. As it is seen, in Albanian agriculture, farms that are diversified are better performing than specialized farms in terms of FNI/AWU.

Labour productivity is lower in Self-sufficient and specialized clusters. Regarding Self-sufficient farms, as a result of their main purpose for producing mainly for self consumption, justify the low performance in terms of FNI/AWU. This is due to the fact that these farms are not much interested or able to be economically effective even in terms of FNI/AWU.

Concerning the specialised farms, such as Specialist fruit trees, with regard to investments it can be said that they are not yet effective because of the production cycle of fruit trees. A single activity should be more profitable for justifying the idle labour and production resources during certain periods of the year.

Figure 3. Farm Net Income per Annual Work Unit

3.1.2 Farm Net Income per Utilized Agricultural Area (FNI/UAA)

The land effective use is higher on diversified farms and livestock farms. This is due to the fact that vegetables and livestock products are part of the activities with high added value. Land productivity is lower in subsistence farms, leisure farms and specialized for fruits farms. The poly culture for market and livestock farms must be object of financial support from government in the future in Berati Region.

Figure 4. Farm Net Income per Utilized Agricultural Area
It is a known fact that in part-time farms (leisure farms), farm income does not constitute the main source of income for the family. The low level of income in specialized farms for fruits has to do with the fact that production in new orchards during the first years of their economic life is low.

3.2 Farm viability

3.2.1 FNI/AWU compared to minimal wage: AWU repayment

The effectiveness of labour force in agriculture in Berati Region is very low. Work in Agriculture is paid less than the minimal wage of all farm typologies.

![Figure 5. Annual work unit repayment](image)

Only in the poly culture for market the labour is paid nearly 94% of the minimal wage. In livestock and arable crop for market farms work is paid at 75% of minimal wage. The work in agriculture and outside agriculture is paid more than the minimal wage in leisure, fruit trees diversified and arable crop market farms. The work in agriculture and outside agriculture is paid as much as the minimal wage in the poly culture for market farms and nearly 89% of the minimal wage in livestock farms.

3.2.2 FNI/THI per household member and extreme poverty

For farms that have agriculture activities as their main source of income, their household members are living over extreme poverty line.

![Figure 6. FNI/THI per household member and extreme poverty](image)

Thus, as it is seen on the Figure 6 all farms types with the exception of the specialist fruit trees, consider agricultural activity as the most important source of revenues. In addition, for farms that are part of specialist fruit trees cluster, agriculture is not an important source for revenues. For further analysis, we can say that the more diversified a farm is the more effective it becomes. When it comes to the THI role as to the standard of living of farm household members in this region, it is clear that it has an important influence on most of clusters such as, Fruit trees diversified, Leisure, and Arable crop for market. Hence, for these three clusters as compared to the others, the off-farm and not on farm income is very important for the standard of living in terms of extreme poverty.

3.2.3 FNI/THI per household member in complete (full) poverty

Regarding the standard of living of clusters’ household members, in terms of complete poverty, with regard to the FNI, we can say that farm clusters’ household members such as poly culture for market, livestock, fruit trees and arable crop...
market are living over complete poverty. In contrast to this, the household members of clusters farms such as, self-sufficiency, leisure, and specialized fruit trees are living below the complete poverty.

![Figure 7. FNI/THI per household member and complete poverty](image)

Figure 7. FNI/THI per household member and complete poverty

Calculating the poverty level based on total household income (THI) shows that family members are living over complete poverty on all types of farms. This proves that off-farm income constitutes a very important source of income for the family members of some types of farms in Berati Region.

4. Conclusions

The economic performance of agricultural units in Berati region, in terms of productivity and viability, still are not justifying their importance. Hence, as it was argued, some of farms were repaying the work force but were not utilizing with efficiency their agricultural land. For example, clusters such as, self-sufficiency, leisure and specialized fruit trees resulted not productive when compared to other clusters. Furthermore, considering the viability dimension of agricultural units in Berati region, except the Poly culture and Livestock clusters, all other clusters are not giving a significant contribution to the standard of living of farm household members. Therefore, when FNI/HM is analysed in terms of extreme poverty, its role is not significant to all clusters, with the exception of the Poly culture and Livestock clusters because the coefficients are close to 1 (the line of extreme poverty).

Considering the role of THI in terms of extreme poverty, all farm clusters offer a significant contribution to standards of living of household members. This means that, the THI remains a very important source of farm household members in Berati Region. Furthermore, even in terms of complete poverty, the role of THI remains significantly important for farm household members in Berati region.

Poly culture in agriculture can provide several positive effects, but it is not likely to be a long term strategy for agricultural development. In addition, development of livestock, particularly cattle and small ruminants, should be considered and evaluated as a long-term strategy of agriculture development in Berati region.

References

The impact of policy instruments on the farming systems in Albania. Joint Research Centre, Institute for Prospective Technological Studies, Seville/Spain. Financed by: European Commission
Perception of Verbal Communication of the Teacher in the Classroom by Pupils of Different Genders (Females-Males)

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Abstract

Verbal communication which mainly provided through the word is a form of communication which is realized not only in life but also in the teaching process. This kind of communication during the teaching process should not only serve to simplify reality, for transmission and organization of knowledge, to remind the experience of the past, but should also aim at the creation of a favorable climate in the classroom, as well as encouraging pupils for the higher results cognitive and affective. But equally is perceived, and has a difference in his meaning by the pupils of different genders (females-males), and whether this affects the school performance of these students? These and other aspects of communication are the main object of this research. Through this study aims to explore how are perceived some aspects of verbal communication to the teachers, to the pupils of different genders, and to identify the correlation between the perception of verbal communication of the teacher and school performance of students. To achieve the objectives of the paper were conducted on the ground survey at middle school, asking at the same time students of different genders, ages, classes and different levels, distributed in four cities of Albania.

Keywords: verbal communication, pupils, teacher, teaching process, performance, gender.

1. Introduction

Apart from the approach as a key means in the process of socialization and building inter-personal relations, communication also serves as one of the most crucial elements of learning, not to mention that the learning process may be regarded as a continuous flow of communication Exchange by which not only knowledge and ideas are transmitted, but also as a flow of communication relations. Accordingly, both in the concept of classical learning and modern pedagogy, the teacher-student communication relations are treated as an extension of teacher-student relations over space and time. Furthermore, two main forms of communication are defined, namely the verbal communication (by words, listening, writing and reading) and non-verbal communication (any kind of communication apart from the verbal one). This type of communication is displayed not only in daily life, but is also reflected in the learning-educational process.

Multiple definitions on communication are encountered over time. Researchers of the field of communication introduce various definitions, and sometimes concepts that contradict each other. What we notice, is that we cannot find a definition reconciling the theorecticians of communication sciences with a unique view on communication. By the term “communication”, Shannon and Weaver implied all procedures through which one mind influences another (Shannon and Weaver, 1949: 95).

Further, according to Hoben, communication is the verbal exchange of a thought or idea (Hoben, J., 1954: 76).

For Watzlawick (1967, 2008), communication is “a process of interaction between various communicating persons”.

2. Methodology of Study

In order to achieve the objectives of this study, to deliver the opinion of students about the teacher’s verbal communication, field questionnaires were realized, specifically from high school students in the four largest cities of Albania, where the number of public and non-public schools is higher, including in the questionnaire at the same time the

1 The term “teacher” implies both genders. This is also stressed by the fact that in all educational cycles the teachers are higher in number.
Over 1050 students are questioned via questionnaire. The participating respondents were randomly chosen being of different genders and ages. They studied in classes of different levels, thus making the sample more representative.

The sampling method was selected in such a way as to provide comprehensive data. The study was extended to the cities with the largest number of public and non-public schools, respectively of the students who carry out didactic-educational activities therein. They are: Shkodra in the Northern Albania; Durrës and Tirana in the Middle Albania and Vlora in the Southern Albania (table 1).

Table 1. Distribution of students by city

<table>
<thead>
<tr>
<th>City</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Durrës</td>
<td>209</td>
<td>19.9</td>
</tr>
<tr>
<td>Shkodër</td>
<td>166</td>
<td>15.8</td>
</tr>
<tr>
<td>Tirënë</td>
<td>545</td>
<td>51.9</td>
</tr>
<tr>
<td>Vlorë</td>
<td>130</td>
<td>12.4</td>
</tr>
<tr>
<td>Total</td>
<td>1050</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Regarding the classification by gender, the following graph shows that 55.5% of the students who have attended the study are females and the remainder, namely 44.5% are males, knowing that the ratio of females to males at national level is generally higher.

Graph 1. Participation of students by gender

The interviewees have an average age of 16.5 years old, while the minimum age of the interviewees is 15 years old and the maximum age is 20 years old. The study has also included professional schools with a 4-year time span.

3. Data Analysis

The students are also questioned about their educational level (academic results achieved) and the answers are listed as follows: half of them, 50.3% have declared they have an average academic performance, followed by 28.5% of the students, who stated that their educational level is higher and the remainder had a very high level of 12.4%. However, data show that also in 7.4% of the cases, their level is poor and for 1.4% the academic level is very poor (graph 2).

Graph 2. The evaluation of the learning level

Further, by analyzing the level and results with gender, we observe that boys generally have a poor or very poor academic performance, respectively by 74.7% and 86.7%. Regarding the average level, 52.6% of the students who have declared of having an average level of results are females and the remainder of 47.4% are males. Also, among the
students who state of having a high level, 173 or 69.8% are females and the remainder of 75 students or 32.2% are males. The same trend is also observed with the very high level of results, where again females prevail with 67.2% over males with 32.8% (table 2).

**Table 2. Analysis between gender and the assessment for the educational level of the students**

<table>
<thead>
<tr>
<th>Gender</th>
<th>How do you evaluate your level of education?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Very low</td>
</tr>
<tr>
<td>Female</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2</td>
</tr>
<tr>
<td>%</td>
<td>13.3%</td>
</tr>
<tr>
<td>Male</td>
<td></td>
</tr>
<tr>
<td></td>
<td>13</td>
</tr>
<tr>
<td>%</td>
<td>86.7%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
<tr>
<td></td>
<td>15</td>
</tr>
<tr>
<td>%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Referring to their educational level, this is also reflected in the descriptive statistics regarding their average grade. Thus, according to data of the following table, it is observed that the average declared sample grade is 8.1, the lowest grade is 4.5 and the highest grade is 10 (table 3).

**Table 3. Descriptive statistics for the average grade of the students**

<table>
<thead>
<tr>
<th>Your grade average</th>
<th>Number</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Average grade</th>
<th>Standard deviation</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1050</td>
<td>4.5</td>
<td>10.0</td>
<td>8.1</td>
<td>1.19</td>
<td>1.41</td>
</tr>
</tbody>
</table>

Regarding one of the questions on verbal communication, the respondents answered as follows: Question – *When the teacher uses stimulating words during explanation, do you manage to be more motivated in the lesson?*, 40.3% agreed and 25.7% stated they fully agreed, where more than half or 51.9% of those who agreed, are females and 40.9% are males. Further, 23.5% of them stated they did not agree or did not agree at all and mostly the males are those who provided such answers, with 60.3% and 51.5%, respectively did not agree and partly agreed.

The rest of them adopted an impartial position, without preferring to see it as a motivating factor for them. By analyzing this phenomenon in connection with the academic performance, we observe that 68.6% of the students with high results agreed or fully agreed. The same are also the students with high results, while 16.8 % of the students with poor results partly agreed and the same number stated they did not agree at all with the fact that use of stimulating words during explanation motivates them more. 20% of those students with very poor results stated they did not agree at all and 26.7% thereof partly agreed, but there are also students, who despite the poor academic performance, reconcile with the fact that stimulating words serve as a good motivation for them. This category represents 53.3%, while the rest are impartial in their answers.

As regards the assumption – *When the teacher does not select proper words for the lesson, you fail to understand it*, 62.2% of the students stated they agreed or fully agreed.

The females express their consent in more than half of these answers, with 57.7% who agreed and fully agreed in 60.9%, while males respectively by 42.3% and 39.1%, 8.8% are impartial and the rest did not agree with the fact that choice of words by the teachers is the solution to better understand the lesson.

As regards the assumption: - *When the teacher speaks dialect language, the lesson becomes harder for them to understand*, answers have shown this is true for 56.4% of the students, namely the communication by the teacher in dialect language renders somewhat more difficult the understanding of lesson for them. 11% of the interviewed students have adopted an impartial position and for 31.6%, namely around 1/3 thereof, communication with them in dialect language does not represent a concern (46.1% of those, who are not disturbed by dialect language, are females). Furthermore, there are more females who partly agreed, with 55.1% and males with 44.9%. This also occurs because in large cities, mostly in Tiranë, the students come from the area where the same dialect is spoken and do not represent an issue of concern.

Regarding the assumption: - *When the teacher continuously raises the voice (screams) in the lesson, then I can hardly learn this subject*, for 21.4% of the total number of students, this does not represent a concern, especially for females with 55.1% and for males with 44.9%. Mostly, there are students who have low academic results or learning by this method of communication, while for most of them, with around 67.1%, raised voice or screaming during lessons by
the teacher constitute a concern, where female students respectively agreed and fully agreed with this fact in 63.1% and 53.8%, because according to them, this makes the subject more difficult. Following the pedagogical practice and various studies of this field, it is clearly highlighted that proper communication is often the key of success in the teacher-student relations. As it is often heard, the students do not learn the subject merely because of the mode of behavior of the relevant teacher.

When questioned about the fact: - *The words chosen by the teacher during the lesson are not very important, what matters is to give them meaning*, in 48% of cases the students agreed or fully agreed, respectively the females amounted to 52.8% and 47%. Male students who represented 47.2% agreed and fully agreed, a little more than females, thus accounting for 53% and 46% did not agree, namely they did not agree, where 59.3% are female students and 40.7% males.

The assumption: - *When the teacher is too spared in words during explanation, I fail to fully understand the lesson*, this is true for 62.8% of the interrogated students, namely they agreed, especially the students who are attentive and carefully follow the lesson while explaining new knowledge or special lesson-related issues. Even 59.2% and 61.8% of those who respectively agreed or fully agreed are females and the rest are males, respectively with 40.8% and 38.2%. For 24.3% the spared words in lessons do not represent an issue of concern, where males occupy the largest percentage, respectively 54.7% did not agree at all and 51.5% partly agreed, while the rest of them, 12.8% have maintained an unbiased position.

Table no. 4 provides a summary of the students’ answers on verbal communication.

### Table 4. Evaluation about verbal communication

<table>
<thead>
<tr>
<th>Communication</th>
<th>Strongly disagree %</th>
<th>Partly agree %</th>
<th>Neutral %</th>
<th>Agreed %</th>
<th>Strongly agree %</th>
<th>Total %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you agree with the fact that when the teacher uses encouraging words during explanation, you manage to be more motivated in lessons?</td>
<td>78</td>
<td>7.4</td>
<td>169</td>
<td>16.1</td>
<td>110</td>
<td>10.5</td>
</tr>
<tr>
<td>To what extent do you agree with the fact that when the teacher does not choose proper words for the lesson, you fail to understand?</td>
<td>147</td>
<td>14.0</td>
<td>157</td>
<td>15.0</td>
<td>92</td>
<td>8.8</td>
</tr>
<tr>
<td>When the teacher speaks with dialect, the lesson becomes more difficult for me to understand.</td>
<td>165</td>
<td>15.7</td>
<td>167</td>
<td>15.9</td>
<td>115</td>
<td>11.0</td>
</tr>
<tr>
<td>The words chosen by the teacher during lesson do not matter much, what matters is to give them meaning.</td>
<td>258</td>
<td>24.6</td>
<td>224</td>
<td>21.3</td>
<td>169</td>
<td>16.1</td>
</tr>
<tr>
<td>When the teacher is too spared in words during explanation, I fail to fully understand the lesson.</td>
<td>86</td>
<td>8.2</td>
<td>171</td>
<td>16.3</td>
<td>134</td>
<td>12.8</td>
</tr>
<tr>
<td>When the teacher continuously raises voice (screams) during lesson, I find it hard to learn this subject/module.</td>
<td>89</td>
<td>8.5</td>
<td>141</td>
<td>13.4</td>
<td>105</td>
<td>10.0</td>
</tr>
<tr>
<td>When the teacher speaks in quiet and docile voice, I am prone to be motivated in lessons.</td>
<td>46</td>
<td>4.4</td>
<td>85</td>
<td>8.1</td>
<td>114</td>
<td>10.9</td>
</tr>
<tr>
<td>When the teacher always speaks at the same pace, I lose interest in lessons.</td>
<td>251</td>
<td>23.9</td>
<td>210</td>
<td>20.0</td>
<td>191</td>
<td>18.2</td>
</tr>
</tbody>
</table>

4. **Conclusions**

Based on the study and the analysis conducted, we may state that:

*Choice of proper words* during learning process at school is paid special importance by the students, not only to acquire new knowledge during lessons, but also to be more clear and motivated. The use of slang words by more than half of the students is not regarded as a good option for the more effective meaning of lesson.

Further, it is observed a high trend to assess the para-verbal or pre-linguistic aspects of communication, such as *voice pitch, intonation, pace, timbre etc.*, where especially a prolonged use of the high pitch of voice by the teacher brings concerns and difficulties for concentration and lesson comprehension by the students. On the other hand, it is highlighted that soft tones of voice, calm and docile speaking makes the students not only feel more comfortable, but also to be more motivated in lessons.
Further, by comparing male and female students, we generally note differences in the perception of verbal communication between genders and that female students are those dominating with highest academic performance.

References

Multiple Regressions for the Financial Analysis of Albanian Economy

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Abstract

Fulfillment of strategic, managerial and operational decisions is the ultimate aim of any company. Economic performance is to be evaluated on the basis of effectiveness and efficiency of use of resources. The aim of this paper is to study economical phenomena through a statistical point of view. Our motivation is to emphasize the validity of the regression analysis in economic performance. Multiple regression analysis will be applied to demonstrate the trend of economic trend of transitory economy of Albania. The whole paper will be as a case study on a limited liability company in the production industry. There are a few processes from raw material to final product. Regression analysis, correlation analysis, ANOVA are used to represent a mathematic-statistical model to analyse the economic progress of the company depending of the used indicators. The main goal of statistical analysis used in the paper, is to demonstrate the kind of relationship between the variables, presented by an equation of multiple linear regression (in our case one dependent and two independent variables). SPSS 17.5 will be used to evaluate the statistical results.

Keywords: Multiple regression, economic performance, financial analysis

1. Introduction

In the continuous progress of an enterprise strategic, managerial and operational management is very important. In order to evaluate the extant at which the enterprise goals are achieved it is imperative to define an integrated system of indicators that can tell us at any time if our business is going in right direction or not.

Our main reason for compelling the financial statements is to provide a better decision taking, diagnosis of the current situation of a business and future perspective.

Plain cost and profit are not the main aim of the enterprise, we want to study how qualitative the earning is, what is the sale revenue, which one of the indicators best reflects the economic progress of the enterprise.

For this purpose the multiple regression analysis will be used to demonstrate the trend of economic trend of transitory economy of Albania.

To have a better understanding we will apply the regression model in a case study. Our case will be a company with foreign capital in the construction and trade industry.

2. Research Method

Three types of analysis will be used: regression analysis, correlation analysis, ANOVA. The objective of analysis is control of the relationship between dependent and independent variables exists and if so , does it aims to use the existing information for dependent and independent variables, in order to improve the correctness of prediction of the values of dependent variable.

In our study we have used multiple regression analysis and through this analysis we aim to achieve:

- the valuation of the connection between the variables; two independent and one dependent variable.
- to prove the correlation of the relationship that exist between this two variables.
Analysis of multiple regression is used to valuate a variable (dependent) in dependence to the values of independent variable, in order to express the amount of explanation of dependent variable in dependence of independent variable, finding all the units that help in ensuring a better explanation of dependent variable.

Let make the mathematical explanation of this problem of multiple linear regression:

Suppose that our variable $y$ depends from $n$ variables “non statistically independent”, $x_1$, $x_2$, …,$x_n$, that are called independent variables. The problem of multiple regression is considered to be a model where is showed the function of these variables in the following form:

$$ y = f(x_1, x_2, ..., x_n) + \varepsilon, $$

where:

$\varepsilon$ – random variable error or residue, and the $\varepsilon$ has the normal distribution $N(0, \sigma^2)$ and expresses the deviations of expected observed values of $y$ calculated through the regression equation.

Dependent variable $y$ is also a casual unit normally distributed.

In the model of multiple linear regression:

- all the independent variables take part in the same time in the model
- the value of $R$ and $R^2$ determine the strongnees of the correlations between independent variables and dependent variable
- Fisher test is used to show if this connection determined by the election, may or no generalize for whole the population.
- $t$- test is used to evaluated the individual the link between every independent variable and the dependent variable.

One of major problems that appears during the creation of multiple regression model is the definition of the correlation of relationship in between variables:

For this purpose in multiple regression is defined a unit that is called the coefficient of multiple correlation ($R$) that defines the amount of linear correlation in between the dependent variable $y$ and the independent variables ($x_1$, $x_2$, …,$x_n$).

This coefficient takes defined values. If the distribution values are near the medium, the linear dependency is perfect so $Y$ can be expressed exactly as a linear combination of $x_1$, $x_2$, …,$x_n$, and in this case the model of linear regression is too strong.

Beside the values of $R$ in consideration should be taken also the value of $R^2$ that defines the part of variance of $Y$ that is "explained" from the connection of relation $x_1$, $x_2$, …,$x_n$.

This coefficient is dependent from the degree of measurement of random variables that are part of the model. Bigger is the number of variables, bigger will be the value of $R^2$, because the expected error of prediction will be smaller.

Even if we are using reliable data, a big $R^2$ does not necessarily means that there is a strong causal relationship, follows that, on the basis of regression, it is not possible to determine causation. [1]

### 3. The Analyses of Fenomena Using Multiple Linear Regression-Case Study

Method of multiple linear regression analysis is used to show the connection that exists among variables and to make concrete this relation.

For this purpose all the data is used in following table, gathered from opendata.al and gives the income in dependence of number of employees and the price of the product.

In this regard the following financial ratios derived from the organization studied during years 2005-2015: incomes, number of employees, and product price, as described in the below table will be taken into consideration.

<table>
<thead>
<tr>
<th>Years</th>
<th>Incomes (000000 ALL)</th>
<th>Nr. of employees</th>
<th>Product Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>56</td>
<td>50</td>
<td>500</td>
</tr>
<tr>
<td>2014</td>
<td>79</td>
<td>71</td>
<td>500</td>
</tr>
<tr>
<td>2013</td>
<td>99</td>
<td>109</td>
<td>500</td>
</tr>
<tr>
<td>2012</td>
<td>350</td>
<td>188</td>
<td>470</td>
</tr>
<tr>
<td>2011</td>
<td>242</td>
<td>211</td>
<td>470</td>
</tr>
<tr>
<td>2010</td>
<td>155</td>
<td>176</td>
<td>470</td>
</tr>
<tr>
<td>2009</td>
<td>103</td>
<td>100</td>
<td>400</td>
</tr>
<tr>
<td>2008</td>
<td>78</td>
<td>86</td>
<td>400</td>
</tr>
<tr>
<td>2006</td>
<td>48</td>
<td>62</td>
<td>400</td>
</tr>
<tr>
<td>2005</td>
<td>37</td>
<td>57</td>
<td>350</td>
</tr>
</tbody>
</table>
Thus, it was established as a dependent variable the financial indicator total revenue, and as independent variables: number of employees and product price.

The shown equation gives the statistical model of multiple linear regression between a dependent variable (in our case income) and dependent variable (in our case number of employees and the price of product.)

To explain the variation of the dependent variable - total revenue - by its covariance with independent variables: number of employees and price we use a multiple linear regression statistical model defined by:

\[ y = \alpha_0 + \alpha_1 x_1 + \alpha_2 x_2 + \varepsilon \]

In the above equation:

- \( y \) = the explained variable - the financial indicator total revenue.
- \( x_1 \) = the explanatory variable 1 - number of employees.
- \( x_2 \) = the explanatory variable 2 - product price.
- \( \alpha_1, \alpha_2 \) = model parameters.
- \( \varepsilon \) = specification error, unknown (the difference between the true and the specified model);
- \( n \) = total number of observations - 10 fiscal years.

The model parameters give the change value of \( y \) that corresponds with one unit change of \( x \).

The tables below are taken from the SPSS and give the links between variables.
### Correlations

<table>
<thead>
<tr>
<th>Income</th>
<th>Nrofemploy</th>
<th>Prodprice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>1.000</td>
<td>.887</td>
</tr>
<tr>
<td>Nrofemploy</td>
<td>.887</td>
<td>1.000</td>
</tr>
<tr>
<td>Prodprice</td>
<td>.342</td>
<td>.326</td>
</tr>
</tbody>
</table>

**Pearson Correlation**

**Sig. (1-tailed)**

<table>
<thead>
<tr>
<th>Income</th>
<th>Nrofemploy</th>
<th>Prodprice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>Nrofemploy</td>
<td>.000</td>
<td>.179</td>
</tr>
<tr>
<td>Prodprice</td>
<td>.167</td>
<td>.179</td>
</tr>
</tbody>
</table>

**N**

<table>
<thead>
<tr>
<th>Income</th>
<th>Nrofemploy</th>
<th>Prodprice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Nrofemploy</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Prodprice</td>
<td>10</td>
<td>10</td>
</tr>
</tbody>
</table>

### Variables Entered/Removed

<table>
<thead>
<tr>
<th>Model</th>
<th>Variables Entered</th>
<th>Variables Removed</th>
<th>Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Proprice, Nrofemploy</td>
<td></td>
<td>Enter</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Income
b. All requested variables entered.

### Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Change Statistics</th>
<th>F Change</th>
<th>df1</th>
<th>df2</th>
<th>Sig. F Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.889</td>
<td>.789</td>
<td>.729</td>
<td>51.775</td>
<td>.789</td>
<td>13.125</td>
<td>2</td>
<td>7</td>
<td>.004</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Proprice, Nrofemploy

### ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>70367.819</td>
<td>2</td>
<td>35183.909</td>
<td>13.125</td>
<td>.004</td>
</tr>
<tr>
<td>1 Residual</td>
<td>18764.281</td>
<td>7</td>
<td>2680.612</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>89132.100</td>
<td>9</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Income
b. Predictors: (Constant), Proprice, Nrofemploy

### Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>-86.121</td>
<td>144.820</td>
<td>-.595</td>
<td>.571</td>
</tr>
<tr>
<td>1 Proprice</td>
<td>1.458</td>
<td>.308</td>
<td>.867</td>
<td>4.729</td>
</tr>
<tr>
<td>1 Nrofemploy</td>
<td>.110</td>
<td>.339</td>
<td>.059</td>
<td>.324</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Income

From the table of coefficients, the multiple linear regression model describing the relationship between this indicators of the economy subject of this research may be given in the following equation:

\[ Y = -86.121 + 1.458 x_1 + 0.110 x_2 \]

As it can be observed, the number of employer and the product price are the factors that significantly influence in the economy trends.

In the previous tables of statistical tests we see that the value of R and adjusted R² is in the allowed limits to define the correctness of the created econometric model.

The negative value of the constant of 86.121 represents the fixed costs of a business. The correlation between number of employees and price of product is positive with the dependent variable. They are both significant for the model. Their significance can be valued from statistical tests that show a significance value smaller than 0.05.
4. Conclusion

Companies operate in a dynamic environment that changes in cooperation and compliance with the influence of other factors or not. Because of this dynamism it is mandatory to have a good strategy in disposal, especially during financial crisis.

Results (outputs of the tasks) and the behaviors (work process entries) are important in the process of assessing and measuring of performance.

The complexity of decision taking rises the need for statistical correlation method to explain the relationship between the environment of variables. In this situation, the income on the product is the result of conjugation many influencing variables, but not all the determined ratios have the same importance, the action of some of them compensating each other.

The case study model that was chosen is a representative one. Number of employees and price of product have a big impact on the level of sales revenue.

References

The Effects of Rural to Urban Migration in the Region of Elbasan, Albania

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Deputy Dean, University of Tirana, Faculty of Economy

Abstract

Migration seems to always be present within the cycle of the human life and sometimes it also seems inevitable. We are living in a time when migration in its logical and linguistic sense exists almost as a similar phenomenon within time and space. In developing countries and in countries or regions with sustainable socioeconomic parameters it is presented with general typologies and almost unchanged ones. Migration is reasonably first related to the economic factor, but social circumstantial factors encourage and advance it. We are today facing people’s movement towards larger urban centers for a more prosperous life, for more employment opportunities, in order to join family or social circles which migrated earlier and testify success stories. These stories are related to the fact of finding a job, often a stable one, which entails other expected, premeditated benefits. We will have to refer to the economic and identity picture, the chances, the opportunities and the environment of their implementation. Moving from one place to another, from a village to a city, or from one state to another, is often difficult. Problems consist in several elements but what makes the difference is the perspective point of view. An economist would undoubtedly head of by the market supply and the jobs' demand in the host city. A sociologist would understand all issues of economic security, and employment in particular, but would appreciate as a problem not at all secondary, the dealing with the unknown, the adaption to a new life and what is essential to life the social reintegration.

Keywords: Internal Migration, Urbanization, Human Mobility

1. Objectives of study

Giving the wellknown difficulties that face the population of the district of Elbasan in finding a productive employment, it is important to study the characteristics of workers who migrate from rural areas to urban areas. The study that is made through questionnaires and through case studies that will ensure the socio-economic profile of migrants, their motivations to migrate, and aspirations for the future. The main purpose of the study is to analyze the strategy that has been selected by rural migrants who face with limited economic opportunities in their villages, that is: rural – urban migration. Which are the mechanisms and networks of migration, for example in village conditions of origin, social and family networks, ways of traveling, and the type of migration (temporary, permanent, seasonal, return visits, etc.)? Investigation of lifestyle conditions and work experience of rural migrants that work in Elbasan District, How are the living conditions in urban labor markets, and how to compare these with the living conditions in their villages of origin?

2. Methodology

To respond at main objectives of this study I will refer to the results of questionnaires, specifically the interviews that were done with rural-urban migrants in this circuit. Questionnaires are main research instrument of this paper, therefore the main source of primary data. As a basis for data collection is used face-to-face interview through a short interview, with a duration of 15-25 minutes each. For this work, a total of 52 questionnaires were conducted to study the statistical relationships between variables. Surveys were conducted with rural migrant labor who face limited economic opportunities in their villages.

After data collection, processing them is using SPSS software.
3. Results of Questionnaires and Conclusions

About 2/3 of rural migrants, approximately 65.2% are aged 14 to 35 years old. The largest concentration of employees is observed in the age group 20-32 years. Rural migrant ages varying from 14-56 years old, but only 2.9% of respondents were over the age of 50 years old. It is clear that in Elbasan, is the youngest age population that tends and experimenting with internal migration. This age group of migrants has an essential characteristic on their marital status, approximately more than half of them are single (42.1 percent), or fiancés (13.6%), and only 43.4% married. In terms of education level is seen that about 52% of the migrants are educated eight - year, and only 4% have completed higher studies.

Table 1: The characteristics of respondents

<table>
<thead>
<tr>
<th>Age</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>14–19</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>20–24</td>
<td>17</td>
<td>34</td>
</tr>
<tr>
<td>25–29</td>
<td>11</td>
<td>22</td>
</tr>
<tr>
<td>30–34</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>35–39</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>40–44</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>45–49</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>50–54</td>
<td>2</td>
<td>4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>21</td>
<td>42</td>
</tr>
<tr>
<td>Engaged</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>Married</td>
<td>22</td>
<td>44</td>
</tr>
<tr>
<td>Divorced</td>
<td>1</td>
<td>2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Level of education</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>Primary</td>
<td>9</td>
<td>18</td>
</tr>
<tr>
<td>Eight-year education</td>
<td>26</td>
<td>52</td>
</tr>
<tr>
<td>Secondary</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Secondary profiled</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>University</td>
<td>2</td>
<td>4</td>
</tr>
</tbody>
</table>

Table 2: The reason of rural – urban migration

<table>
<thead>
<tr>
<th>The reason:</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. There are no employment opportunities in the countryside</td>
<td>11</td>
<td>22</td>
</tr>
<tr>
<td>2. Wages in rural areas are lower</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>3. Employment opportunities are rare in the countryside</td>
<td>7</td>
<td>14</td>
</tr>
<tr>
<td>4. Bed living conditions in the countryside</td>
<td>8</td>
<td>16</td>
</tr>
<tr>
<td>5. Ned for money</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>6. Work is seasonal in village</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>7. I haven’t owned agricultural land</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>8. Other reason</td>
<td>2</td>
<td>4</td>
</tr>
</tbody>
</table>

As shown in the table above, most of of the interviewees, considered as one of the basic reasons of migration, limited employment opportunities in the village, about 22% of them. Also to be underlined is that 10% of them do not migrate as they have owned land.

The following table provides information on where migrants stay in the city?

Table 3:

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. With other employees or friends</td>
<td>26</td>
<td>52</td>
</tr>
<tr>
<td>2. With family</td>
<td>9</td>
<td>18</td>
</tr>
<tr>
<td>3. On the road</td>
<td>8</td>
<td>16</td>
</tr>
<tr>
<td>4. Other opportunities</td>
<td>7</td>
<td>14</td>
</tr>
</tbody>
</table>
While in the following table and frequency of visits made to the village of origin, divided into several periods of. As shown by the results noted that 30% of the interviewees return to their village origin every 15 days, and 24% of them come back every 20 days. However, this fact is related with the short distance that have these villages with origin destination city.

Table 4: Frequency of village visits

<table>
<thead>
<tr>
<th>Period</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Every 15 days</td>
<td>15</td>
<td>30</td>
</tr>
<tr>
<td>2. Every 20 days</td>
<td>12</td>
<td>24</td>
</tr>
<tr>
<td>3. Every month</td>
<td>7</td>
<td>14</td>
</tr>
<tr>
<td>4. Every 2 months</td>
<td>8</td>
<td>16</td>
</tr>
<tr>
<td>5. Every 6 months</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>6. Every year</td>
<td>2</td>
<td>4</td>
</tr>
</tbody>
</table>

The last issue that is treated related to remittances, specifically the manner of their use, and are listed in the following table:

Table 5: Ways of using income earned in the city

<table>
<thead>
<tr>
<th>Ways</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Family Support</td>
<td>11</td>
<td>22</td>
</tr>
<tr>
<td>2. Personal Support</td>
<td>11</td>
<td>22</td>
</tr>
<tr>
<td>3. To built a new house</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>4. Children education</td>
<td>19</td>
<td>38</td>
</tr>
<tr>
<td>5. Buying a land</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>6. Other</td>
<td>2</td>
<td>4</td>
</tr>
</tbody>
</table>

As noted above results shows that most of of the income of migrants used for the education of children, taking care that 44% of the interviewees were married and with children. While only 6% of them have current plan you use the proceeds for the purchase of land, given the low incomes.

4. Conclusions

- Migration of labor from rural to urban areas is an important part of the process of urbanization in developing countries. Migration is the answer of the difference between areas that encourage individuals to leave, usually to benefit higher income and to ensure jobs or more security and more rights.
- Reasons for imbalance that cause migration are numerous and complex. Many of the migration causes related to countries that are in development, but the market, investment and other policies of industrialized countries can increase or to reduce the pressure of migration.
- The migration presents a diversification strategy, and mobility of rural residents is often explained as a result of push factors and pull factors.
- Push factors refer to factors that promote and cause despair and involuntary migration, for example the absence of land, while the pull factors refer to those factors that cause voluntary migration, for example, higher wages in urban areas.
- In fact from the analysis made on the data noted that the 285 people who answered the question if they want to live in Elbasan or not, we see that 278 answered yes. In these circumstances through models analysis are difficult because we have 97.5% of people who answered yes.

<table>
<thead>
<tr>
<th>Do you want to live forever in Elbasan?</th>
</tr>
</thead>
<tbody>
<tr>
<td>frequencies</td>
</tr>
<tr>
<td>0</td>
</tr>
<tr>
<td>Values:</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>
To make an analysis of this thing, we have studied the correlation for qualitative variables (Bivariate Correlacion). For this purpose we have three tests that are Pearson and Spearman Kendall. The focus we decided just to ask the question if individuals want to live forever in Elbasan or not and for the variables shown above. From the table we see that there are strongly correlated with other qualitative variables.

References


The Marital Assets Issues in Albanian Legislation

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Abstract

The right to marital assets is a right of future spouses, known from all the international legislations in various forms. In Albania, the marital assets is based on family rights foreseen in the Code of French and Italian families. The marital assets treats the regulation of the common marital asset of spouses. The decision of having marital assets has evolved from the beginning of the family to nowadays. In the private international right this takes part as the family right. These assets are foreseen in a prenuptial agreement in the moment the marriage happens, and after the event is not related to children, their treatment or care, but it is related only to the spouses and the way theirs assets are administered. In Albania the prenuptial agreement is seen initially in the Family Code of 2003, but its implementation is still not done as a result among others of Albanian mentality. In Albanian marriages there is not a prenuptial agreement which treats the premarriage assets of each spouse before marriage. The changes this institution is developed in Albania from the countries the legislation is based, are still large. Through the analyses of the legislation and its implementation in the cases of divorce, this study gives a clear view of the importance of having a prenuptial agreement before marriage takes place.

Keywords: marital assets, prenuptial agreement, divorce, the right to marital assets, spouses.

1. Introduction

The marital assets and prenuptial agreement are two institutes of family law that are seen initially seen in the Family Code in a law implemented in 2003.

Both Family Codes issued earlier than 1966 and 1982 other than the legal property do not provide for any other type of assets. The main feature of this type of regime is the minimization of the assets independence of the spouses due to the restriction of their freedom of their prenuptial contract.

But social and economic changes that occurred in the 90s in Albania not only changed the economic and political system, but also the Albanian families and relationships. Despite the fact that even today after 26 years of changes, the idea that the spouses should not be dependent on one another but should contribute to the family assets still has not changed.

A prenuptial agreement does not necessarily mean that being married is short or is going to end, but puts both spouses on an equal situation and free to choose how to manage their wealth.

Every social and economic relation is always evolving and the matrimonial assets are constantly changing. This is best illustrated by the 2003 Family Code which is based on the family Codes of two developed countries, France and Italy.

But although the law and especially the Family Code provide legal marital assets, divided assets and prenuptial agreement, it is still not implied in Albanian marriages. This means that the courts often encounter the problem of dividing the marital assets in divorce cases and the fact that the most difficult issue is how to divide these assets than the divorce itself.

The biggest problems arise in cases of dividing the marital assets when one spouse has been unemployed during the marriage and this spouse risks to have nothing after the divorce despite having brought other benefits to families such as child care, taking care of the house etc.

This study will focus on the types of matrimonial assets and how they are applied in Albania after the 90s and the legal framework about these marital assets.

This paper will not analyze the Albanian legislation on this institute but will compare this legislation with previous legislations, in order to show the development of this institute from its beginning, from the 1929 Civil Code, up to the present day.
2. The Goal and the Objectives of the Study

The aim of this study is to evaluate the reasons why this institute is not implemented in our country even though the law foresees it, and to give an evolution panorama this legislation has gone through in this direction.

The main objective:

To argument why the divided marital assets do not have the important place it should have in the life of Albanian society after 1990'.

3. The Questions of the Study and the Methodology

The question of this study is:

- Why the regime in collaboration is more important in Albanian marriages?
- Why the prenuptial agreement has not found its area of implementation in Albanian society?
- What are the difficulties that the Albanian courts encounter in the division of the marital assets?

This study has a qualitative approach, as we will legally analyze and compare the evolution of the institution in Albanian society and the Family law.

4. Describing, Analyzing and Interpreting the Data

The universal declaration of the human rights determines that “Family is the basic and natural unit of the society.” Starting form this definition, we may say that putting family in this particular law aspect as the Family Code is of great importance in social relations.

When a new family is created, it is important to determine the marital assets, which the future spouses will have during their life together. The marital assets are seen since the beginning of the human society and the family. Even in the Canun of Leke Dukagjini, even though wives did not have equal rights as the husband, if the couple divorced, the assets were divided too, in favor of the husband.

The first time that such a law on marital assets is seen was on the Civil Code of 1929, or said differently the Civil Code of King Zog. According to this law the couple should sign a contract at the notary as a public act, before the marriage took place. Even though this was very modern for the time being, influenced by the French Code, it did not treat any assets in favor of the woman, excluding the cases of the assets that came from the death of the husband. In 1948 the parliament approved the law number nr.601 dated 18.05.1948, “On the marriage”. This law regulated the way the assets were divided and their administration. According to this law, the assets of each spouse before marriage remained theirs, but the assets created during the marriage was under both ownership. In case the spouses asked for the separation of their assets, they had to go to court, which in return divided the assets based on the contribute each spouse had given.

Marital assets regulations was arranged later by the Decree nr.2083 dt.06.08.1955 “On ownership” which in particular provided joint ownership between spouses. According to this decree the wealth acquired through work during marriage belongs to both of the spouses overall, except the assets that each spouse brought from their family of origin. Liabilities that each spouse had before marriage and those of each spouse taken to their own interests the other spouse was not responsible. Also, under this decree, the legal transactions done from each of the spouses for the joined things, were valid, despite the fact that they could be carried out without consent of the other spouse.

The innovation of this decree was that for the first time was recognized the division of joint assets of the spouses during the marriage when there was reasonable cause and not just in cases of divorce.

On 23.06.1965 the Family Code was approved, in the law Nr.4020, which started to implement on 01.01.1966 and legalized the regulation of matrimonial assets. According to this code the property which was developed by working during marriage was joined property and any contrary agreement would be invalid. In these circumstances it can be said that if there was a prenuptial agreement from one of the spouses, stating that one of them waives the right of ownership on the assets doen by joined working during the marriage would be void contract.

The Family Code was approved in 06.29.1982 with the Law nr.6599, but the assets regulations continued to act based on the Civil Code of 1982. The innovation of this Code in relation to the marital assets was recognition of equality in having joined property, and expanded the circle of items which consisted of joint ownership of spouses after marriage. Although this code was innovative, the problem of cash deposits in the bank by one spouse remained unsolved. This problem would be resolved by Article 86 of the Civil Code according to which the spouse who did not deposit did not have any rights on savings deposits made by the other spouse because it was not a contracting party to the relationship.
of the established liability.

In cases of divorce, separation of the deposit would be made by the spouses themselves or by the court. According to this Code joined property was what each spouse inherited or was given by by any other legal source.

Changes in the society of the 90s in Albania impacted significantly on property relations between spouses. Up until the recent years the marital assets consisted of household items, personal items and income from work. With the legalization of private property on the “Main Constitutional Provisions” of the law number 7491 dated on 29.04.1991 every citizen had the opportunity to create or buy property or restitute the properties taken by the communist regime through law 7689 dated on 15.04.1993 “for the Restitution and Compensation of Property” so the property of the spouses got bigger. All these changes needed a better regulation for the marital assets. In 2003 the government approved the New Family Code which was mainly based on marital assets provided in the Codes of French and Italian states. The changed conditions made it possible to implement the contract freedom of the spouses. The right of the marital asset provides:

A) The conditions and limitations where the marital assets are available.
B) The part of the assets pertaining the liabilities

Seen in this aspect the marital assets have to do with the wealth issues related to family life. The innovation of the 2003 Code is the provision of the marital assets. In the article 66 of this code is stated that: *The marital assets of spouses is regulated by law in the absence of a special agreement, where both spouses foresee the agreement they deserve, which should not contrast the disposals of this Code and legislation*:

According to this Code the marital assets are:

1. Joined marital assets
2. Prenuptial agreement
3. The divided assets

The joined marital wealth or the legal union foreseen in the 73rd article of the Code, is stated that: “The marital assets of the legal union is implemented when the spouses do not have any prenuptial agreements made”. This regime is the most difficult one in the divorce cases. As the divorce causes many consequences, many of the western countries have accepted divorce very late. Italy made the divorce legal only in 1970, Spain in 1982, Ireland still does not accept the right to divorce in its legislation.

If the spouses do not choose one of the ways the Code determines, automatically the marital assets will be administered in the form of joined assets. This means that the wealth made during the marriage will be divided equally to both spouses in case of a divorce. The wages, the financial contribute or other means of one spouse might be bigger, this does not play a role in the division. So, even in the cases when one of the spouses has not worked even a day in their life, still the wealth obtained during the marriage will be equally divided.

The innovation of this Code is the provision of the prenuptial agreement and the regime of divided assets. The prenuptial agreement is a new concept of the Code approved in 2003, and is a judicial act through which the future spouses decide for the marital assets for the time the marriage will last. In this contract they decide what wealth will be joined and what will be individual. The contract is developed by a notary and not only does it serve as evidence in case of a divorce, but also for the fact of marriage validity. It aims to decide the future economic status of the family, it can decide conditions that are not provided in the Code but not contrary to the Code.

When a prenuptial agreement is developed both spouses should be fully exact what they ask for, provided in article 69. The contract may change as long as the marriage has not happened, in contrary the spouses might change it based on article 72 of the Code which states that:

“spouses may agree in the interest of the family to change the agreement partially or totally only after two years of its implementation. In this case it would be done in the same way as the initial contract……”.

But the prenuptial agreements still does not have the right place in Albanian family for some reasons:

1. Firstly, Albanians still have the old mentality and still respect the traditional way of marriage, which makes it very difficult to have a prenuptial agreement.
2. Secondly, Albanians are not that wealthy to think that in the first moment with the marriage comes the division of the wealth. Most often they only have a house and work salaries.

Although the marriage contract is a new thing, couples in most cases overlook the reasons mentioned above. When the judge decides, he announces the biggest decision of your life from now on, as you will turn your single life, and the troubles have started. It is not at all surprising that the Albanian couples, when separated by a court, start arguing for such wealth. Cases are not rare and it is because the former spouses are not satisfied by the separation of property. Men
claim to have put the wealth themselves and that their ex-wives did not contribute, since most of them are unemployed or homemakers.

"Hiding" the assets is mainly made by husbands, who, without starting the divorce separation of the assets, give these assets to any of his relatives or not declare it at all, as family property. Above all, the separation of property of spouses after divorce is not an easy process, which, for the sake of truth, in terms of the market economy is the most challenging, the most serious and that leaves the worst consequences for all former members of a divorced family, even their heirs. Marriage contract is a necessity to be calm in any case of the separation of marital property. If there is not such a contract before marriage and before a public notary, who has a legal obligation to bring this contract to the Office of Civil Status, making it an integral part of the act of concluding a marriage, husbands are presumed to have chosen legal regime of joined assets. This presumption means that, if a man has received a loan or has a liability to third parties, his wife has the obligation to third parties also.

In the world, especially in the Western countries, dominates the regime of separated marital assets. Each spouse has its own his wealth, and increases or reduces it. Given the principle of "every man for himself", any spouse uses its wealth for individual obligations, for the debts or various other loans.

Such a regime makes it possible to divide the assets between the spouses even when they are still married. But when such a contract does not exist, without the announcement of the divorce, their joined assets cannot be divided. With the new family Code in case of an absence of a prenuptial agreement, the marital assets are equality divided. If the former spouses still live in the same apartment, this place is divided in half, but when they live in separate houses, they should pay to the respective one the corresponding price according to the market value. In this case, the law is not in favor of the parent who takes care of the children, but favors the “woman” who raises them to profit a food allowance, which the father has to pay monthly. The new Family Code follows the line of equality, without favoring the wife, differently from the code in other countries such as Germany, France, and England which give more marital assets to the wife or the parent who raises the children.

5. Conclusions

After an analyses of the law basics of the marital assets in Albania we can say that even after so many years, even though the family relations have changed enormously, the new families and the young couples have the tendency not to have a prenuptial agreement, as it is perceived like a step toward the divorce.

In order for the young couples to have a quiet and correct marriage which fulfills their needs it is necessary for each of them to have separate assets. The difficulties that are seen in the development of a prenuptial agreement come as a result of:

A) An underdeveloped mentality of the parents of both spouses, who think that this agreement is an unfortunate step toward the development of marriage based on a contract.

B) Family assets are very scarce in Albania, where most of the part the spouses may only have a inherited home from their parents.

C) Most of the Albanian women are unemployed and have no assets, so they are not interested in a prenuptial agreement.

6. Recommendations

To create strong relationships and healthy families is necessary to have suitable marital asset collaboration in case of a divorce.

To inform the youth who want to create a new family, on designing a prenuptial agreement, because in most cases young people do not have a clear idea what does it consist of and what they benefit.

To have more information about innovations of the Family Code which can be obtained from the Civil Registry Office where the marriage would be taking place.

To have a precise definition of marital assets and in particular the administration of marital property as a necessity to create a strong and healthy family, to precisely define the method of administration of marital property which brings in itself a coordination of future family.
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The Language of Albanian Renaissance Poetry: A Reflection of National Ideals

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Abstract

The Albanian Renaissance is characterized by the development of a new ideology and culture under the influence of national enlightenment and democracy. The present paper aims to highlight the features of lexicon, style and word-formation in the poetry of the time. The paper focuses on the poetic works of two Albanian Renaissance writers: De Rada and Çajupi. Their poetic discourse gives evidence of a rich language full of expressive means and stylistic devices. The two poets, considered as pioneers of the laic poetry, concluded that because of the Turkish occupation the Albanian people did not have the opportunity to develop its own language and literature. According to De Rada and Çajupi the nation resurrection is connected with the resurrection of man, while its freedom with man’s mind, spiritual enrichment and moral perfection. In this viewpoint, the lyrical perspectives of De Rada and Çajupi expressed in their poems intend to mirror a new world of human feelings, the aspirations of the poets for emancipation and their poetic individuality and unique personality. These motives brought to Albanian poetry an innovation and artistic richness that had not been known before. De Rada and Çajupi are the classical examples of the poets who expressed the spirit of the people through a simple and direct language which remains expressive and fresh despite the passing of time.

Keywords: language, lexical, stylistic, word-formation, poetry

The development of Albanian language was an important issue for the Albanian nation. “The sign of nationality is language, every nation exists because of it,” said Sami Frashëri. When a nation loses its language, it loses its identity. Our nation not only survived in the course of centuries, but what is more important, all its national elements were conserved and transmitted through an unspoiled literary Albanian language. All this was achieved by the immense contribution of De Rada and Cajupi. Our nation takes pride in the attainment these poets. Thus we can mention them not only for their pure patriotic feelings, but also for their literary and linguistic accomplishments in their poems.

The Albanian Renaissance is characterized by the development of a new ideology and culture under the influence of nationality and democracy; by the attempts of the most prominent writers to protect and increase the usage of the Albanian language by opening Albanian language schools and contributing to the development of the Albanian Literature. The political, social and philosophical thought was influenced by the illuminists and the most prominent intellectuals of that time, but it was also highly inspired by the Albanian literature. The writers Pashko Vaso, Sami Frashëri, De Rada, Asdreni, Mjeda, Çajupi etc. dedicated all their literary creations to the national issue by using a rich lexis and unspoiled language. Furthermore they were very attentive to transmit their creativity and philosophical thought to the Albanian readers.

Trying to leave aside the intention to assess the literary developments of this period in prose and poetry, we have decided to highlight some features of the language of poetry, which transmitted not only the aspirations and the high patriotic ideals, but even the finest flickers of the spirit of the artistic literature authors of that time. We will focus on the poetic works of the Renaissance writers De Rada and Çajupi, even though the latter, more than the romantic tendencies, showed realistic tendencies in his poetic work.

The methodology implemented for the realization of this work is of a complex character, because a descriptive approach will be combined with the analyzing and synthesizing one. The rich linguistic material offered from De Rada’s and Çajupi’s poetic masterpieces “Këngët e Milosaos” (“Milosao’s Songs”), “Skënderbeu i pafan”, “Serafina Topia”, “Baba Tomorri” (“Father Tomorri”), “14 vjeç dhëndër” (“14-year-old groom”), has been selected and studied with the intention to highlight some particulars of the language of Renaissance poetry. The examples extracted from these works will serve for the illustration of the theoretical issues.

Some centuries ago, De Rada commenced the fifth song of the poem “Këngët e Milosaos” (“Milosao’s Songs”) with the line of a great message: “Erdh dit’ e Arbrit!” (“Arber’s day has come”). Along with the concern transmitted for the fate of the country, the poet was the first to provide the Albanian language with a masterpiece with a real poetic value, through which he would show that he looked after this language, which had been neglected for several years, and tried to raise
the Arbëresh dialect to the level of a standard language, even though this care damaged his work considerably, because time after time he suppressed the feeling and the inspiration, along with the simplicity and the spontaneity. Meanwhile, De Rada accepted that his style became difficult. 1

“Këngët e Milosaos” one of the poet’s most beautiful creations, is characterized with an internal equilibrium between the content and structure. 2 Also, the lines of “Serafina”, “Scanderbeg”, through the rhythms which in some cases were impulsive and sometimes peaceful, touch us even today with the power of their feeling. With these masterpieces, De Rada was confirmed as a powerful and special voice in the Albanian literature of Renaissance.

The lyrical poetry of the Renaissance, particularly Çajupi’s poetry brought to Albanian literature the spiritual world of the individual, the dramas of his life, a world in a turbulent movement, the spirit woken up from the medieval sleep which would numb the human mind. The sadness and the deep pain for the people, who would bear all the burden of the social injustice, is felt in every line of the poetry of that time. For example: Oh, té zestë punëtorë/duke punuar qanin/ sa me kamçik në dorë/?è që të gjak/ dhe sa vdisnin ca të tjerë.

The poetry of Renaissance was significantly influenced by the folk poetry. Çajupi’s work mirrored the problems and the concerns of the people, its dreams and spirit, with a simple, understandable language for them 3. The popular trend became a creative principle which is felt in all the works of the poet. The popular lexis and phraseology gave finesse, simplicity and sincerity to the expression of the feelings and to Çajupi’s thoughts as well. The words and the expressions from the popular lexis, such as: sos, kuvendoj, qas, të piqeni, më të mënja; kandiset, fiqiri, qederi, sëra, ca petka vëр- vëra, të vdeç, të lëvdonj, gjegja, etc. have gained poetic value in the lines of the poet, and demonstrate clearly his relation to the popular tradition. For example: Mike pse më prishfiqirë/përvëlon si zjarri?

The clarity, the simplicity of the phrase, the rich linguistic and stylistic figuration are special features found in the language of the people. These features involved in the respective language, according to Çajupi, had to be accepted through written works. Pursuing this way, Çajupi brought an invaluable contribution for the enrichment of Albanian language with the rich folk phraseology, with active and new phrases 4. The idiomatic units provide the line with emotional nuances, and simultaneously reflect the poet’s position. Some examples are: bëj këmbët bigë; këput qafëni; lë shëndenë!; si buka që ha; heq shitir; nuk kërrën asnjë flaë; fjallët i merr era; si dy e dy bëjnë katër; u pjell mendja; s’me dërsin veshi për botë; nga hunda s’më heq dot kurrë; u hante koka për brirë etj.

Apart from the influence from the folk poetry, De Rada was influenced even from the romantic poetry; therefore the lines at “Milosao”, “Serafina” and “Scanderbeg” bear a wide figurative which is highly expressive. Such is the metaphor of the first lines of “Milosao”: Bota kish ndëruruar lla/Uji i ri n’det kalërtënte n’ditën e re, etc. These lines transmit the idea of the revival of nature in spring, which implies the resurrection of man and of his poetic spirit. Furthermore, in this song, this figure is used to express another state, the poet’s concern for the fate of his own country which is threatened by the

The poets expressed their prosperous spiritual world, the characters’ nature or state through beautiful nominal or verbal metaphors, powerful stylistic means which made these works unrepeatable. Among the lines of “Milosao” and “Serafina” we find the metaphors: nata e zezë, zemrat u drodhën, fytyrat e urrën, shiu i butë, mbiu një re manushaqesh, pranverë e bardhë, gjitkë mbytej mendja e saj, dielli i ra te shtreti, m‘ë këputi gjumin,m‘u errësua jeta, flakë iu ndez fytyra trimit etc. Meanwhile at “Baba Tomorri” from Çajupi the following metaphors are distinguished: futuron dashuria, ma paske gjushën bilbij, zemra bëhet behar, zemërë jote u bë gur për mua etc.

The breathtaking Albanian nature, and particularly the countryside lifestyle with all its beauty wonders, along with the problems and the concerns of the people who live there, will get the right position in the poetry productions of the authors of Renaissance. Çajupi is equally the sweet poet of the countryside as well as the poet of the city5. The opinions and the feelings of the poet will be compared in details from this wonderful nature. For example: shket si ngialë, nusia si zog deti, faqekuqe si një shegë, koka më digjet si furri, të ëmbël si shqerrë, zë si shpellë, paske trutë si hirri, si një zog në kafaz, si burim i venë lotë, si sokadhe, si mollë e pabërë etc. This figure of speech is highly used even by De Rada. The poet constructs the figure of comparison with elements from the Albanian Arbëresh nature, which provide the lines with a special beauty and power of expression. For example: si aro flet si diell, si thillëza te soleja, posi valë, si një flitur përmbl ujët, si suvula e detit, si drita në qell e syu në kurm të fëmijt, porsi shqerrat në livadhë, si dallgë deti etc. Among the lines, the similitude or the extended comparison are also encountered very often. For example: Një hare më rodhi kurmit /si hareja kur te shtreti, mbrëmanet /vajza e ngrohtë ndien për të parëzën sisët që m‘i fryhen; Duro zemër duro si duron mali me borë.

Çajupi treated even the love and social motives with a fine poetic sensation in some of the best poems of “Baba Tomorri”. The beauty of the dear girl, the feelings of the lyrical hero, which are very concrete and human are often compared with the most beautiful elements of nature. These lyrics are nice and have communicative power even today. For example: Leshërat e tua posi pendë korbi/Ballëtë si diell, faqetë si mollë/Sisetë si shegë, dhëmbët si thëlpënjë/Buzët si burbuqe, sytë si gështenjë/Dora si dëborë, fjala jote mjaltë. The extended comparison which is spread in more than one line in Çajupi’s poetry has sublimed this feeling which enriches the resurrected indivisual of this time. For example: Si dallëndyshja vete në vend tëjetër/Dhe kthehetë prapë në folë të vjetër/Prapë të dojë... The social issues which were treated in the poetry of the period of Renaissance commence with the enslaved condition of the Albanian woman, to migration as a hurting wound of that time, to the detection of the contrast between the wealth and the poverty, etc5. In order to mirror the appropriately in his poetry, Çajupi uses in his poems words of opposite meaning, antonyms. For example: zhvish-vish, lerë-vdesëm, pleqtë-të ritzë, i zi-i bardhë, të pasur-të varfër, korrmbjell, dit’-nat’ etc., which serve even for the construction of the antithesis and contrast providing his most powerful lyrical discourse. For example: Zhvish robat e robërës mëmëdhe/Vish armët e trimërisë se ke ne!; Kemi lerë e do të vdesëm; Të rojnë pleqtë/Të vdesën të ritzë; Kasap i zi/ me zemër të bardhë; S’kish të pasur e të varfër; Kur të korr e kur të mbjell; Turpëronem dit’ e nat’; Mjoi mjek kush të gënjeu! Dhe të shhti a të bëu?

Studying the language of the Renaissance poets it is noticed that they have a special feature, the feeling of the measure; in their lines ellipse is provided giving liveliness and grace. Çajupi writes: Malet me qurë,flushat me bar shumë,/arat me grurë, më tute një lumë.; Pika-pika biu shiu/dhe dëbora fokë-fokë,vejetën e fryn veriu./breshëni kërct mbi tokë; Mor zot, pse dëm fjali? etj.

The phenomenon of ellipse is normal, or normal for the language, determined from different subjective or objective reasons. Therefore, it cannot always be related to the grade of self-awareness, because the language and the opinion realized in one subject have even an objective existence6. As the people say “to cut the long way short”, even our poet leaves aside either consciously or unconsciously what can be implied. Therefore, we do not consider this as the poverty of the Çajupi’s style, but as a phenomenon which is created due to an economic principle which everything not essential for the thought is left aside.

An elliptic form is even the structure u encountered in the lines, the reduction of the full form of the personal pronoun unë. For example: nga u ç’të ligë ke parë?; hëngra dhe u mish njeriu; or the incomplete form of the verb qan, of the nouns revoile, telefon etc., for example.: ç’ke që qa prapë taninë?; nga një revoll; mund të na vijë një tel; or the reduction of the consonant j such as in the examples: mbai për vete, vi rrotull etj.

The phonological reduction is a consequence of the linguistic economizing which is more spread in the conversational discourse and then it was taken even to the poetic language. Due to the use of the ellipse several times, Tommaseu explains that the ellipse, this syntax figure, is necessary in poetry. Even in De Rada’s poems, its use has become a style-formation feature of the author. For example:

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Mendja tretur në ç’kish shkuar; Gjaku im te Lumi i Vodhit; Po tani tê gjitha ëndrra!; Sa hie në ato zakone!
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The beautiful and strong feeling of love provides the same force to the heroes to face the life-or-death wars and the poets have chosen the exclamation to express the figures of the rhythms and sounds delicately. Here are some lines where the poetic explosions of Çajupi are expressed through the exclamation:

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O qipariz bujarësh! O i bardhë bir bujari! O vasha kryegështenjë! Ditëë e mia fatmira!
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The ideology of Renaissance was expressed through a synthetic poetic art where the poets wanted to give a lot through just a few elements, they wanted to make big figurative generalizations, etc. So it was a kind of art which mostly suggested rather than showed. For example: the concise style of De Rada did not accept the overloads and the exaggerations. It was distinguished for a normal figuration, without the exaggerated decorations and the fantasy. With an artistic intuition, simplicity and sincerity, he created beautiful epithets such as: valët kreshtërore, hadhia vilebardhë, vasha mespurtekë, etc.

Additionally, the irregular syntax assists the function of the idea in the lines written by the poets of this period. So in the lines the figure of inversion is very prominent. It emphasizes the qualities of the objects or the spiritual states of the characters in the poems of De Rada and Çajupi, such as: Rina, Milosao, Serafina, etc. In the lines of “Milosao”, we find:

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edorështrënguar, mustaqemath, meshollë, syzezë, gushëbardhë, kokëshinik, rrënjëdalë, mendjeprishur, zemërëlig, zemërmirë, qimeverdhë etc.
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Generally, Çajupi’s compositions are formed from noun + adjective, such as: dorë+ e shtrënguar, mes+ i hollë, sy+ e zezë, gushë+ e bardhë, zemër+ e ligë, punë+ e bardhë etc., where the second part determines the first. But there are

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even compositions which are formed from noun + noun, such as: *kokë+ derr, kokë+shinik, zemër+ trim* etc.

But even the formations through compositions were exploited by the poets to express the literary, artistic, esthetic ideas.

At De Rada, we can find formations:

**With a prefix:** *pa-:* e pajfume, i pakrypi, e pakujdesja, e pamëshbirdi; *për-:* përbalti, të përhedhurat, përrualli, përthan, përhodhi, përshkit, përqaife, përthelluar, u përjoshtën, përdorez; *stër-:* stërrekosur;

**With a suffix:** *-ake:* fluturake; *-ësti:* mburrësi; *-ëri:* brishëri; *-ore:* qiellore, kreshëtore, kallëzore, pengore, dritësore, gijëlërore; *-lluan:* zbardhëlluan; *-llore:* vendëllore, bardhëllore; *-ez:* vashëz, shenjëzën; *-on:* fushullon, hijeshon; *-rimë:* zhurmërimë; *-ruar:* e gjetheruar; *-shëm:* trondithëm; *-tar:* djegtar, ndhmëtar, shëndetare, rezetar, grënjëtar; *-lore:* zhurmëtore; *-tur:* lagështitur; *-ëthin:* vzerkëthin, gërshetëthin; *-th:* qirit; *-thi:* djepthi, djalthi, ngatërimthi; *-uan:* zbardhuan, zymtuan;

The adverbs were also extensively used in the lines of the authors of the period of Renaissance. They might be simple, with compositions, etc. the adverb with the suffix –*(i)sht* is identified in De Rada’s language. For example: dhembshurisht, lirisht, krenarisht, zymtësisht, binđurisht etj. They are of different kinds: **Way:** *mir(i)*, bukur, lir(ë), rënd(ë), leht(i), trash(i), rall(i) etc.; **Adverbs** formed from the unification of a group of words ae.g.: përtrolli, menatë; the adverbs which are not found anywhere in the spoken discourses, in the written documents in Albanian, etc., with the suffix –*thi:* the adverbs formed from the repetition of the same word: *vende-vende, copa-copa, besa-besë, rreshta-rreshta* etc. **Adverbs of quantity:** *pak, shum(i)*, një cik(i) etc.; **Place:** jash(i), këtej, këtu, atje, afër, pë rapa, prapa, kudo, posht(i), matanë etc.; **Time:** sot, nesër, dje, parzën, parzën, mbërmanet etc.

Poetry was the most elaborated and developed literary genre in the period of Renaissance. The poetic discourse of De Rada and Çajupi at that time give evidence of a rich language full of expressive means and stylistic figures. However, at De Rada there are some attempts to be consequent with the development and the improvement of the language in order to have a wide influence on the people.

Reading De Rada in the Arbëresh language, the people would get enriched spiritually and such characters such as Milosao, Serafina, Scanderbeg would serve as models of inspiration which would nourish their ethnical awareness, the reading De Rada in the Arbëresh language, the people would get enriched spiritually and such characters such as Milosao, Serafina, Scanderbeg would serve as models of inspiration which would nourish their ethnical awareness, the love for the country, which was even the greatest mission of De Rada. This pioneer of the laic Albanian poetry of romanticism, reached the conclusion that under the hard conditions of Albania, which was conquered, the Albanian people did not have the opportunity to develop its own language and literature. So, it was the duty of the Arbëresh settlements in Italy to create a standard language and to transmit it to the home-country10. He was a man of Renaissance and the Albanian Renaissance would unify the political ideals of the citizens of the period of Renaissance and the human ideals of the resurrection of man. The nation resurrection and its freedom, in the thoughts of De Rada and Çajupi, is connected with the resurrection of man and his freedom, with his mind and spiritual enrichment, with his moral perfection. In this viewpoint, the lyrical perspectives of De Rada and Çajupi, expressed at “Këngët e Milosaut bir i sundimtarit të Shkodrës” and the poems of “Baba Tomorri” intend to mirror a new world of human feelings, the aspirations of the poets for emancipation and the acceptance of the individuality of their personality.

These motifs were brought to the Albanian poetry the innovation and the artistic richness which had been not known before. De Rada and Çajupi remain the classical examples of the poets who expressed the spirit of the people through a simple and direct language, which still remains expressive and fresh.

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Insurance of Medical Personnel Professional Responsibility as a Form of Legal and Social Responsibility

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Abstract

Medical professionals are not protected from patients’ action in the case of medical negligence or mistake. Anytime patient can file a medical malpractice claim against medical professional. Nowadays medical negligence claims and mistakes are increasing. The progress of medical law shows, that patients more often use the rights and legal options to protect their interests and fundamental rights. The scope of the freedom of medical professionals is limited. They have to act in accordance with certain standards or an artificially created frame and in the best interests of their patients and protect constitutional rights of each patient. In case when medical professionals make mistakes and the patients are harmed due to that claims can be brought. Medical professionals must have insurance or indemnity to protect themselves, but patients also need it. Patients' rights and possibility to compensate damage depends on how good and qualitative the medical professional liability insurance or indemnity is. Furthermore, medical professional's mistake is his or her own ethical, prestige and social responsibility in front of the patients' issue. In order to protect medical professionals and patients the medical professional insurance system has to cover healthcare practice and provide professional protection against the financial consequences of legal liability, as well as possible moral compensation. The objective of the paper is to present a summary of medical professional insurance system in Latvia. The article will provide information about what legal mechanisms shall be improved in order to optimize medical professionals’ insurance system and patients' rights to receive compensation.

Keywords: medical professionals, professional liability insurance, patients

1. Introduction

An increasingly frequent opinion is highlighted that the level of public health depends on the available health care and health care quality. One of the prerequisites of the high-quality of received health care is patient’s satisfaction with the services received and his state of health after them. In this case, attention is also paid to the fact whether the patient is satisfied with the assigned and safeguarded rights from the side of medical personnel and the quality of communication in general.1

The social aspect in the relationship between medical personnel and the patient is gradually becoming an important form of social relationship. It directly affects both of the following aspects: the patient's rights and desire to receive access to quality services, and medical practitioners' need to expand the boundaries of social activities to meet the legal interests of their patients.

However, there is a problem within the scope of activities of medical professionals. The independence of medical professionals is relative. The scope of the freedom of medical professionals is limited and does not give the rights to medical professionals to act freely. The persons have to act in accordance with certain standards or an artificially created frame.2

1 Филиппов Ю.Н., Эделев Н.С., Краев И.П., Абаева О.П., 2008
Medical professionals have to act in the best interests of patients and protect the constitutional rights of each individual patient. But what happens when medical professionals make mistakes? Are they protected enough? Medical professionals work with the main aim to deliver good quality healthcare. In case when they do make a mistake and a patient gets harmed because of this mistake, it is important that medical professionals have insurance or indemnity. It should be noted, that patients' rights and possibilities to compensate for the damage depend on how good, and what quality, the insurance of medical professionals' liability, or indemnity, is.

Poor quality of work from the side of medical professionals is a restriction of patient's fundamental rights. Medical professional's mistake is their ethics, prestige and social responsibility issue before the patients'.

Medical professionals are not protected from patients' reactions. A patient can file a medical malpractice claim against a medical professional at any moment. It should be noted that in today's medical negligence claims and mistakes are increasing. The progress of medical law shows that patients use the rights and legal options to protect their interests more and more.

More and more often patients' claims include requests regarding moral compensations accusing medical professionals of having caused them injury, or of not having provided necessary medical services. Also, contractual terms and conditions are usually requested by patients in the private sector. Patients have information regarding minimum health care standards and use the opportunity to protect their best interests.

In order to protect medical professionals, a professional medical insurance system is used, which covers healthcare practice and provides professional protection against financial consequences of legal liability.  

1.1 Objective of the work and methods

The objective of the work is to present a summary of the system of professional medical insurance in Latvia. The paper discusses the legal mechanisms to be improved, and deals with how the professional medical insurance system, as well as patients' rights to receive compensation, could be optimized.

The paper utilized descriptive, analytical and deduction-induction methods. Within these methods, legal acts are analyzed, opinions of legal scientists are recorded, and conclusions are drawn and suggestions made.

1.2 Analyses

National acts that regulate insurance system of medical personnel professional liability, are in force in Latvia.

In 2013, the Latvian Medical Treatment Risk Fund was established. The aim of the fund is to provide opportunities for the patients to protect their rights and receive help outside of the court.

For medical professionals, it is an opportunity to protect themselves against the risks related to their professional activity and its possible consequences.

Financial resources are paid into the Medical Treatment Risk Fund by medical institutions. In addition to that, a research by Latvian insurance companies who provide professional civil liability insurance for doctors, was carried out.

Additionally, a medical practitioner may purchase a professional risk insurance of his or her civil liability. In this case, a medical practitioner will be able to protect him/herself by expanding the range of services offered by the insurer and the associated insurance packages, yet in this case one would have to reckon with the high levels of cost of such insurance.

2. Legal and Social Responsibility of Medical Personnel

During the research of relationship of medical personnel and patients that emerge from the parties' disputes concerning treatment process or damage incurred to patient's life health, one has to conclude that the chosen type of insurance by the medical professional has an important role in safeguarding patient's rights.

Depending on what type of professional risks the medical personnel covers, the patient has, or has not, rights to receive compensation for such aspects as, e.g., damages caused to his or her health during the treatment process.

This means that there must be balance between rights and responsibilities of medical personnel and patients. In order to create this balance, each of the parties must be aware of the importance of social responsibility by taking any decision.

Medical practitioner, in the very essence of his or her deeds, carries out public functions, which are based on socially responsible behavior.

The concept of social responsibility is vast. But at the same time there are lack of definition of social responsibility. Author Dyck, Robert G. states that social responsibility is positive live concept ‘everyone’s impacts everyone. At the same time author explains, that social responsibility is one’s responsibility for one’s impacts on society, meaning other humans and their organizations, rather than one-self only.

The authors assert that one of the definitions of social responsibility pinpoints that it is the range of parties’ obligations to exert necessary support for the society. Social responsibility is in a way ethical conduct that is focused on the relevant group of persons or towards the general public.

According to Paragraph 1 of the Code of Ethics of Latvian Doctor Association, fundamental principle of a doctor’s activities is a of respect for human life, humanity and individual human rights, irrespective of person’s nationality, race, religion, age, sex, political opinion and social status. Along with the rest of the community, a physician is responsible for the health of general public, its improvements and an equitable health care system. It should be noted the mentioned aspect directly points to the behavior of medical personnel - to defend the public interests.

Code of Ethics of Latvian Doctor Association has been based on the International Code of Ethics which in year 1993 was developed and confirmed by the Global Medical Association. Therefore, a similar interpretation of medical practitioners’ social responsibility is also adopted internationally.

Actions of medical personnel an effect each individual. That is exactly why the medical personnel, upon choosing the professional liability insurance model for a person, should remember the institute of social responsibility. Medical practitioners cannot be fully protected against their possibly unintentional errors in the treatment process. Neither is the patient immune to doctor’s errors. This also means that the doctor must be ensured that a patient harmed due to his fault is getting compensated in the highest quality and most efficient way.

3. Insurance of Medical Personnel in Latvia

The liability insurance system itself has been spared serious analysis from a health policy perspective. The politics of liability insurance has been dominated by the offspring of the crisis of the 1970s. The system still exists because of transformation processes particular in professional liability.

None of the medical practitioners are protected against accidents or mistakes. There is no doubt that each patient's clinical course is highly individual, so the treatment process is always associated with some degree of risk. As per statistical data of World Health Organization, medical errors take place in 8-12% of hospitalization cases in countries of European Union.

In 2013, amendments to the Act “On Practicing Doctors” entered into legal force. These excluded the paragraph that requested the medical personnel to acquire mandatory third party liability insurance. So far, medical personnel had to take double occupational insurances. This was mandated by the Latvian Patient Rights Act. However, a Medical Treatment Risk Fund started operation on October 25, 2013. The established institution aims to provide an out-of-court opportunity for patients to reimburse for the damages incurred to patient's life or health during the process of health care.

That mentioned idea was taken over from the Scandinavian countries. Thus, the Latvian Parliament voted for creation of a state administered fund - Medical Treatment Risk Fund.

Medical Treatment Risk Fund is established in the national insurance scheme against the risks in the medical sector that provides medical personnel the opportunity to protect them from consequences possible from their professional activities.

According to the normative acts governing the Medical Treatment Risk Fund, the budget of Medical Treatment Risk Fund was taken over from the Scandinavian countries. Thus, the Latvian Parliament voted for creation of a state administered fund - Medical Treatment Risk Fund.

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According to the normative acts governing the Medical Treatment Risk Fund, the budget of Medical Treatment

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9 R.Mucins "Latvian Treatment Risk Fund: legal aspects". Jurista Vārds (2013 /NR. 41 (792);
Risk Fund is replenished by both state and private medical institutions. Its amount is calculated yearly by the National Health Service by taking into account the employees of the relevant institutions, medical personnel, and the number of persons belonging to certain risk groups. On basis of such a system, a fund is established funds from which payments are carried out in case there are damages to patient's life or health.

 Establishment of the aforementioned fund has also served as the reason to adopt amendments in the „Act on Practicioning Doctors”, which were devised in accordance with what is determined in the Act on Patients’ Rights about the Medical Treatment Risk Fund.

 Until the establishment of Medical Treatment Risk Fund, the rights of patients to receive compensation for damage to life or health caused by medical personnel were relatively limited. The patient had the rights to take legal action against a medical practitioner or institution under the civil procedure. This means that the patient had to have financial means to submit the application to the court, as well as the means to get legal assistance in preparing the court application. In addition to that, the trial under the Latvian civil procedure can take up relatively long periods – up to 5-7 years. In international practice claims involving relative similar injuries usually take more than 5 years as well to be resolved. 11

After creation of Medical Treatment Risk Fund, patients were given the opportunity to address the issue of damages to health or life suffered during health care under the administrative procedure.

Compensation may be obtained for damages incurred to patient's life or health in the treatment process, as well as for expenses associated with treatment to prevent or reduce adverse effects caused by the damages.

In accordance with Paragraph 16, part I of the Latvian Act on Patient’s Rights, the patient has the rights to compensation for the damages incurred to his life or health (including moral damages), which by their action or inaction are caused by medical practitioners in a medical institution, or caused by the circumstances during treatment, as well as the rights to be reimbursed for expenses related to medical treatment, if such a treatment was necessary to prevent or alleviate adverse effects by a medical practitioner or medical conditions at the time of damage to the patient's life or health.

Paragraph 16, Part II of the Latvian Act on Patient’s Rights stipulates that persons may receive compensation from the Medical Treatment Risk Fund in the following amounts:

1. for the damage incurred to his life or health (including moral damages) — in the amount of damage, but not more than EUR 142,290;
2. for the medical expenses caused to the patient — in the amount of the expenses, but not more than EUR 28,460.

Unlike the cases of patient damages dealt with under the civil procedure, cases within the Medical Treatment Risk Fund about compensation for the damages to patient’s life and health, and compensations for the patient's medical expenses, are assessed, and a decision is taken in six months from the date of application. In this case the examination period is many times shorter than under the civil procedure. Length of proceedings, if necessary, can be extended up to one year. However, it is only on the condition that the institution needs to request, collect and assess additional information in order to review the compensation claim and take a decision.

When examining the patient's complaint under the administrative procedure, the patient claims the compensation for damages to his life or health, as well as compensation for the medical expenses from the Medical Treatment Risk Fund no later than two years from discovering of the injury, but no later than three years from it occurred. This provision significantly restricts the patients’ rights, unlike if the case was reviewed under the civil procedure.

An important aspect is the fact that according to Paragraph 16, Part II of Act on Patients’ Rights, the compensations are not reimbursed if the patient has already received compensation for the damage to his life or health or for the medical expenses has already been received under a civil or criminal proceeding.

Another important aspect is that the patient is entitled to compensation for the damages incurred to his health irrespectively of whether the health service was received in a state, local communal or private medical institution.

On the bases of the aforementioned, it should be noted that the Fund significantly facilitates the possibilities for patients to assert their rights, on the other hand, it restricts them from exercising those rights, narrowing the range of patients' rights.

4. Limitations of Compensation Receive – Lack of State-Required Medical Personnel Insurance

Establishment of Latvian Medical Treatment Risk Fund gave the patients the opportunity to get compensation for medical personnel damages to the patients’ health more quickly. However, there are cases where compensation from the Medical Treatment Risk Fund can not be obtained. For example, low-quality and nonexistent communication from a medical practitioner is not a case of injury or medical risk.

The Directive of March 9, 2011 of European Parliament and the Council no. 2011/24/EU on cross-border patients' rights defines the concept of health damage.

According to the Directive, it involves suffering, injury of physical or mental, illness or death that could have been prevented if at the time the patient came into contact with the health services, he/she had been provided with appropriate and adequate treatment.

This means that, under the Directive, one may apply for the compensation in the case when the damage caused to health could have been prevented. However, due to medical practitioner’s action or omission of action, including during the supply of the service, it could not be prevented.

Compensation of Medical Treatment Risk Fund is not paid, if the existence of injury or a causal link between the damage and the action or omission of action of medical personal in the treatment process, is not detected.

At the same time, compensation can not be obtained if damage of organ or tissue, or disorder of anatomical function has relevance to the treatment, but has not been caused by unprofessional conduct of a medical practitioner. 12

No compensation is available also in the case when the patient with intentional conduct has contributed to the suffered injury, increase of the amount of damage or refused from treatment.

No compensation of from the Medical Treatment Risk Fund is possible for transportation expenses incurred in order to arrive at the medical institution.

5. Civil Liability Insurance of Medical Personnel

Regardless of the fact that Medical Treatment Risk Fund is operational in Latvia, medical personnel may still purchase Civil Liability Insurance of Medical Personnel.

However, given the relatively small experience in Latvia in the field of professional liability insurance medical personnel, there are problems with the quality of liability insurance.

There is a practice in Latvia where insurance companies insuring the medical personnel for their civil liability, only reimburse for patients' direct, rather than moral damages. In addition, the proposed risk insurance range is not exhaustive and does not cover the potential risks which may face a medical practitioner. Provided that a medical practitioner wishes to obtain a well-developed civil insurance package, large payments must be paid for the service. Relevant professional liability insurance applied to health professionals is disproportionately expensive, and not always will it cover the risks that can potentially arise.

The private insurer usually pay not more than is strictly required by the law. Latvian Republic Civil Code provides for indirect losses, such as moral damages. Paragraph 2347 of Civil law reads that if a person inflicts a bodily injury upon another person through an action for which he or she is at fault and which is illegal, the first-mentioned person shall compensate the other person for medical treatment expenses and, apart therefrom and pursuant to the discretion of a court, also for potential lost income, and remuneration (material compensation) for moral injury.

The amount of moral demands is decided by the court at its discretion after the individual situation and practice. Admittedly, in the Latvian law practice there are not many cases of non-pecuniary compensation.13

Thus, also the attitude of private insurers in the treatment of moral damage compensation for patients is relatively modest and underdeveloped.

If a medical practitioner chooses to purchase additional liability insurance, he must reckon with the following:

Insurers in the specific insurance cases often require from medical institution or the medical practitioner to provide more information on the patient, and often the whole case, including the documentation.

Documentation is requested until the trial takes place. However, the Medical Law stipulates that medical practitioners and authorities are not entitled to disclose information about the patient's treatment process until the case


has been referred to the court.

It should be noted that private insurance companies do not reimburse to the buyer of insurance, namely the medical practitioner, the costs arising from a trial course.

From the point of view of safeguarding the patients' rights, there is a larger chance to receive compensation for the cases not covered by the Medical Treatment Risk Fund, by raising a civil claim against the medical practitioner. However, in this case the patient should expect the trial process will be much longer and more complicated as the process will include both the patient, the medical practitioner and the insurance company.

The patients are able to influence insurance system quality as well. If patients are active enough and protect their own interests bringing particular cases before the court, they make changes in the system. The insurance companies usually make changes in the costs of insurance for medical professionals. The changes are based on the patients level of activity.\(^{14}\)

6. Results

Authors came to the following results:

1) the rights to protect Latvian medical professionals from the legal liability using professional insurance system are restricted;
2) patients have several legal ways how to claim medical malpractice against medical professional, but there are some restrictions regarding to amount of compensation;
3) there are legal problems according to medical professionals' insurance system quality;
4) the quality of health care system and patients' rights protection depends on how free medical professionals feel.

7. Conclusion

Provision of medical personnel professional liability insurance is a huge and important step on the legal relationships between medical personnel professionals and insurance companies. But, it should be noted, that more important point of the medical personnel professional insurance system is social relations created between medical professionals and patients. Medical personnel liability insurance is security not just medical professionals, but for patients as well. The security is multifunctional, from the one hand this security provides to both parties monetary benefits, on the other hand social responsibility.

There are several problems in Latvia regarding patients' possibility claim for compensation in case when medical professionals make mistakes and the patients are harmed due to that claims can be brought. Patients can claim administratively, using Latvian Treatment Risk Fund, or use civil proceedings. Both ways have to be researched deep enough to make final conclusion.

The question about social responsibility comes out. What kind of professional liability insurance is directed to protect patients' rights in the best way. Form the social responsibility contest medical professional have to take into account the best interests of the patients when such disputes arise.

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Property Rights in Albania: Historical Background and Current Issues

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Abstract

Dismemberment of the communist system in Albania as the ideological aspect as well as in the economic, and the transfer of land in the difficult period of transition to a market economy and the consolidation of democracy was accompanied by the birth and development of a series of economic and social phenomena, which related to the demographic movement of people from rural to urban areas. Similarly, the construction sector experienced rapid development, but fast-paced growth could not be controlled by the legal framework inherited from the communist regime. Effective legislation proved to be insufficient to be applied quickly and effectively to control this important sector that was excessively complicated by bringing heavy distortion due to urban development of cities. The phenomenon of informality in construction today affects the whole territory of the Republic of Albania and focuses mainly in suburban areas. Immovable property represents in the Republic of Albania today a special interest in relation to social economic and political developments that our country is going through. The right of ownership is accepted by society and the system in which we live because of fundamental importance. Acceptance of private property is not done verbally, but it is sanctioned in the most important document of the state, in the Constitution of the Republic of Albania. To put in writing indicates willingness to respect this right, to guarantee the safety and protection. In order to exercise the right of private property in practice, the individual must own a private property recognized as such. Our previous system considered all property as common property ie anyone's or everyone's. If private property is not recognized by the Constitution and is not reflected in other laws, its absence allows and encourages theft, misuse of property and creates obstacles for the development of the country.

1. Property along the Existence of the Albanian State. The Period from 1912-1945

After the declaration of independence and the creation of a genuine Albanian state freely and independently for the first time, it was necessary the creation and restructuring of state institutions through the issuance of laws for this purpose. The functioning and organization of the state firstly as a republic and then as a monarchy will be characterized by the revival of the system of law in Albania. So the government of Ismail Qemali although made some changes and legal regulations in some respects, left in force temporarily until the issue of a new law, the laws that existed during the Ottoman occupation where one of these laws which continued to exist was the legal regime of land until 1925 was governed by the law of the land to the year 1856[1]. An important step represents the Civil Code of Albanian Kingdom which entered into force on 1 April 1929 and gave a full and definitive understanding to property and considered it as sacred and inviolable. The basis of this code was the limited private ownership of which relied on the right to the enjoyment and possessed items without restrictions, being guaranteed and enshrined by law. These would be the first legal acts that will cast the bases of a progressive legal system. 1939 marked the end of a long period where Albanian state ceased to exist as a sovereign state. This year was the end of the first conquest of Italy and then Germany, where this period would disperse and would limit a series of rights of political, social, economic that were born and were strengthened before the invasion of the country.

1.1 The period after 1945.

During 1945-1990 the Albanian state set a new regime, previously untried, which was formally advertised as a mode of
working class and protecting its interests but in reality from the moment it was set up until its overthrow reality spoke to the contrary. This new popular regime came as a progressive stream to the spirit of communist ideas, which meant that every citizen of the working class would not feel oppressed and inferior by the wealthy class. On the basis of these utopian ideas for the state during the years 1945-1990 would be led by an oligarchy institutionalized individuals whom in Albania not only the welfare, but also the health of citizens, but the dictatorship of the proletariat thus undermining any economic freedom, political and social which were placed before 1939. Thus the state guaranteed the prices, but did not guarantee citizens' needs for accommodation, goods, services and other vital needs [V. Duka, History of Albania 1912-2000]. This was the time when it was removed the right of private ownership and became expropriation of buildings constructed by violating every right of the individual as owner. Expropriations made by the regime were not the same for all categories, as they were made according to a specific plan by the regime itself in order to have everything in control.

1.2 The situation of the property in 1989.

In 1989 all Albanian lands were owned by the state. The principle of exclusive state ownership was sanctioned in the Constitution of 1976 [See Constitution of the People's of Albania], this was the final legal action to prohibit any other form of collective rights or private property in land. By the end of the 80s, there was a broad opinion that the economy was in crisis. The causes are found in a series of distorted economic policies, but strict control of land was an important element, especially for the agricultural crisis. Ministry of Agriculture and Food has explained the political and economic origins of the land reform in this way [World Bank, Report of 1992] 1990 agriculture constituted deficiencies in the national economic system. While it constituted 52% of GDP and employed 54% of the total national labor force, the government drew profit from the production of farm but gave back a very small portion as payment and investment. When rural population was growing at 3% per annum; agricultural output grew by only 0.03% as a result of low financemnet and lack of investment. "Legislative change came in 1991, when under conditions of crisis, the parliament adopted the law on the Constitutional principles of 1991, which rejected the Constitution of 1976 and served as the basic law until the drafting of the new constitution of 1998. The law referred to private ownership of land and forced the state to develop economic relations based on market principles. He would force the Parliament and the Government to review the structure of ownership of land and real estate in Albania.

2. Steps Towards Recognizing and Sanctioning Private Property. The Period after 90s

The overthrow of the dictatorship and establishing democracy pitted Albanian state and society to a large number of challenges and reforms that had to be overcome. The transition from a system where the government was the sole owner in a system where there is private property demanded not only a legal, economic and institutional reform but demanded that people foremost radically change their concept for the property [Juliana Latifi, Set of lectures UET]. One of the key reforms that were undertaken in this period was the adoption of the law the No. 7491 dated 04.1991 "for major Constitutional provisions" by means of which was abrogated the 1976 Constitution. In Article 11 of Law no. 7491 is expressed "subject to the right of ownership are state, legal and physical persons. All kinds of ownership enjoy equal protection by the state. With the repeal of the 1976 Constitution the state has lost the right to be the sole owner of land in the Republic of Albania. In 1991 the Albanian government started land reform and immovable property relations by improving the existing Civil Code (1981), authorizing transactions ranging market and transfer of agricultural, residential and commercial property in the ownership of citizens and legal persons.

2.1 The first laws for the distribution of land and property privatization.

Three new laws adopted in 1991-1992, started programs transfer ownership rights on land and real estate from the state to citizens and legal persons. These laws included a mix of elements defining the relationships of people with the tangible objects of immovable entitlements and land. Some elements were held by the communist period were taken by other European civil codes. Law No. 7501, For the Land authorized under the allocation and transfer of land to family members of the collective farms in equal parts. Law No. 7501 date 19/07/1991 “for the Land” was the first time that we would sanction the right of the individual to the land. Object of the law is above all land and agricultural land. Article 1 of this law characterizes the land:

- Agricultural land
- Land occupied by forests, pastures and meadows.
- Agricultural land (land not included in the above two points)
Following the law sanctions that the land can not be exclusive of the state, as this gives you the land natural and legal persons who exercise the right of ownership or other rights would be recognized in that law. One such right is the right of use. This legal transaction of agricultural land from the state to local natural or legal person is done without compensation. Unlike their foreign domestic entities may be granted only land to use for rent. The law makes a detailed arrangement of transfer of agricultural land to a private entity can be classified as:

- Member of the families partakers on agricultural cooperative.
- Member of the families residing in the village, but that has not been a member of the agricultural cooperative.
- Member of the families living and working in agricultural enterprises.

Regarding the right of members of a farming family to be treated with agricultural land under Law 7501 "For the Land" and the obligation of the Commission of land in the village and the municipality to address the request of the parties concerned, this kind of relationship has been part of the unifying practice of the United Chambers of the Supreme Court.

3. Property Restitution and Compensation of Former Owners

Regulating the issue of property after communism is different from other ownership changes made throughout history. This is comparable with the nationalization of all industries (e.g., mining) or secular church property. It is comparable only to the process of establishing socialist collective ownership which aimed total liquidation of private property. The return of private property and a market economy in the former socialist countries is an extraordinary historical process. The first law on property restitution and compensation belongs to 1993, its adoption was accompanied by controversy and a great debate both public and legal. The issue was discussed with the debate on the return of farmland that began in 1993 when the original law no. 7698, for the return of property to the former owners. In the framework of the Constitution the new Law no. 9235 dated 29.07.2004 was drafted for property restitution and compensation. The new law, that of 2004, for property restitution and compensation of several problems of the law of 1993. It had the same initial order, restitution and compensation of immovable property expropriated, nationalized or confiscated during November 1944. This law recognizes a wider number of complaints and plaintiffs that the previous law but continues to exclude agricultural lands that are subject to the Law no. 7501. To determine the degree of restitution/compensation court was based on the market value and the other hand to apply this method of evaluation court requires two conditions:

- First to show that in determining the suitability of a particular act by a country that had to do with issues of land and property any interference in the exercise of these rights should establish a fair balance between the aim sought to be achieved and the nature of the act.
- Second, each pretender for restitution or compensation should have the right to an independent court, impartial that will determine his complaints rapidly and effectively.

4. Conclusions

From all panorama presented above, I can say unequivocally about the history of relations on the ownership role of the state in this regard, other problems that have accompanied the processes of control and administration of the territory, Albania constitutes a special occasion. Seeing the drastic measures taken by the regime communist for nationalization total ownership, abrogation of the existing legislation on property, validation of concepts communist on joint property and the administration of the territory, and implement radical reforms aimed expropriation mass of owners worsened in a sensitive way the welfare level of the population and negatively affected the country in the development of Economics. Dismemberment of the communist system in Albania, as in the ideological aspect as well as in the economic, and the transfer of land in the difficult period of transition to a market economy and the consolidation of democracy was accompanied by the birth and development of a series of economic and social phenomena, which related to the demographic movement of people from rural to urban areas. Also rapid developments were happening in the construction sector in Albania but rising fast paced could not be controlled from the legal framework inherited from the communist regime, the legislation in force proved to be insufficient to be applied quickly and effectively to control this important sector that was greatly complicated bringing heavy distortion due to urban development of cities. The phenomenon of informality in construction affects the whole territory of the Republic of Albania with focuses mainly in suburban areas. Continuing delays in resolving the issue of compensation and restitution caused a circular dilemma, prevented the land and property rights in many areas. In one side location and boundaries of state property can not be clearly defined until turned parcels and private plots would be defined. On the other side, until state properties were determined it was impossible to foresee what would be the alternative ground. Lack of information on the alternatives and values compel the
former owners to choose between continuing their complaints and receive compensation. The principle of return and compensation for families whose property was confiscated during the Communist era, was added in the Albanian law 1993 because land distribution programs for farmers, villagers and privatization of apartments were being conducted. So laws must resolve claims conflicts between new owners (those who won their rights under the post-privatization legislation of 1991) and the former owners.

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From the First Nuclear Explosion up to the Signing of Non-Proliferation Treaty of Nuclear Weapons

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Abstract

Since the beginning of this nuclear era, one part of the international pacific community continually had tried, to reduce the risks posed by the existence of nuclear weapons proliferation. The environmental risks from explosions of nuclear tests in the atmosphere had increased the danger as a result of the competition of nuclear weapons triggered various initiatives from the very early design for international legal norms aiming to limit nuclear testing. This work paper tries to, describe, discuss and analyze historical data on political spirit before signing the NPT. More over this article considers and trying to give interpretations to the official political statements and declarations on unpredictable issue for the future, which it might have serious consequences for international security. The findings in this article are that competition of nations in having nukes and increasing their numbers and capabilities are one the main part in chain reaction factor that can bring proliferation in high alert and humankind in greater risk situation

Keyword: Historical data, NPT, Peaceful use, Noncompliance activities, Security

1. Introduction

This article provides historical data on effort taken by main international stakeholders aiming to reduce the risk from nuclear nonproliferation.

As a paper work which aims to give an outlook on genesis of nuclear weapon and official statements from most important official person at that time can be feel the spirit of danger exist and can be occurred in future.

Importance of this work is related very closely in raising the awareness of humankind in era we are living.

2. From the First Nuclear Explosion up to the Signing of Non-Proliferation Treaty of Nuclear Weapons

United States were the first state to test and opened the doors for Weapons of Mass Destruction (henceforth -WMD). The Manhattan Project, it was he who brought the production of nuclear weapons, and which had been used on two Japanese cities, Hiroshima and Nagasaki. These bombings on the one hand helped in ending World War II, while on the other side opened the beginning of a new era in the field of international law and international relations, regarding global security. The USSR (Soviet Union) in trying to balance US in opposing in every field of social life (political, economic, military), successfully tested in 1949 its first nuclear weapon. The rivalry contest between the main winning countries of

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1 It is very interesting to be emphasized that Germans were the first who planned an atomic bomb. Today are some written books, example by historian Rainer Karlisch who states that Germans were the first who tested the three test of atomic bomb, 1944-45. But this theory is not profaning yet. But what is proved is that Germans were the fist who planned to get an atomic bomb. For more visit the Klaus Wiegreffe, The Third Reich: How close was the Hitler to A-Bomb? Spiegel online international, Ausgabe 11, 2005, http://www.spiegel.de/international/spiegel/the-third-reich-how-close-was-hitler-to-the-a-bomb-a-346293.html, visited on 19.08.2016. 14:49.


3 The race between two superpowers will start during World War II. In both side when we analyses the evidences from today perspective we conclude that they were in panic that is going to dominate whom. The American intelligence were convinced and assumed in August 1946, suggesting that Moscow could produce an atomic device between 1950-1953. But in 1948, they estimated an early date forecasting that Russian can produce a bomb in middle of 50s, although the most probable date was still predicted to be mid-1953. The estimate has been made just five day in an August 1949 report disseminated five days before the actual Soviet atomic test. Following the
World War II will not end with that, and nuclear proliferation will continue further, followed by the United Kingdom in October 1952, France, and Communist China. Also India and Pakistan demonstrated their internal nuclear capabilities, although these were not considered applicable to full nuclear rights, while they tested their nuclear weapons ambitions in 1998. Canadian scholar Ashok Kapur after the India test predicted that trend of proliferation would be increased. He suggested that weaponized would be countries as follow: Israel, Japan, Australia, South Africa, Brazil, South Korea, Taiwan, and Argentina as countries widely perceived as potential nuclear states.

However, although it remains far unverified, it is assumed that only Israel since 1950 covertly was able successfully possess nuclear capability.

Since the beginning of this nuclear era, the international community continually had tried, to reduce the risks posed by the existence of nuclear weapons proliferation. Furthermore the environmental risks from explosions of nuclear tests in the atmosphere had increased the danger as a result of the competition of nuclear weapons, has triggered various test, American forecasts about the Soviet Union transitioned into examinations of the relative strengths of the two sides. Forecasts regarding the nuclear capability of the two superpowers saw a progressive shift of balance in Moscow’s favor. After the test regarding the nuclear capability of the two superpowers had been made a progressive shift of balance in Moscow’s favor. Some prediction in 1950s, were very shocking for US administration, were some related projections pointed to the probable accelerated modernization of the Soviet nuclear arsenal in an attempt to gain parity with the United States. However, in the early-to-mid 1960s, after the Berlin and Cuban missile crises, U.S. intelligence assumed that the Moscow would abandon its motivation and ambition to gain a substantial advantage, and another estimation in the late 1960s, and by the year of 1969 National Intelligence Estimate (NIE) stating that the USSR would seek “parity with the U.S.”. This would be reached by soviets not only by incising number of atomic bombs but as well they will be focused on qualitative comparison with American nuclear forces. During the late-1960s, when economic frailties and internal political turmoil had made any talk of Soviet military supremacy redundant, the CIA’s view prevailed in most forecasts. For more visit at Moed Yusuf, Predicting Proliferation: The History of the Future of Nuclear Weapons, Policy Paper, Number 21, Boston University, January 2009, p. 8-9.

British also had developed its own atom bomb to remain a great power and to be independent from United States... After secret meeting committee discussed the question in October 1946. By the time the bomb was ready for testing, the Churchill government was in power. The scientific director was to be Dr. W.G. Penney, the ministry’s chief superintendent of armament research, a nuclear physicist who had worked on the world’s first atomic bomb in America. A combined British and Australian naval force of aircraft carriers, a destroyer, frigates and tank landing ships was assembled for the operation. The bomb was put in an anchored frigate, HMS Pym, and when it exploded at 8am local time on October 3rd thousands of tons of rock, mud and sea-water were blasted into the air. For more visit, Richard Cavendish, Predicting Proliferation: The History of the Future of Nuclear Weapons, Policy Paper, Number 21, published by Boston University in 2009.

India as well conducted its first nuclear test, code-named “Gerboise Bleue” (Blue Desert Rat). This atomic bomb comparing with Hiroshima’s South Pacific, site of atmospheric thermonuclear tests, starting with the 2.6 megaroton Canopus test in August 1968. For more visit at https://www.ctbto.org/specials/testing-times/13-february-1960-the-first-french-nuclear-test, visited at 07/2016, 18:26.

The People’s Republic of China joins the rank of nations with atomic bomb capability, after a successful nuclear test on this day in 1964. China became the fifth member which is coincidence with permanent member of Security Council at the United Nations. The attention to get a nuke in her hands China started at early at 50s. For that the U.S. officials were not terribly surprised by the test. The Russian experts had helped the China to get the A bomb, who later after the split would be very concern of it regarding the ideological and strategic issues. This test increased the tensions between the two nations. For more visit on http://www.historytoday.com/china-joins-a-bomb-club, 20.07.2016, 18:32.

India as well conducted its first nuclear detonation, called by India as a "peaceful nuclear explosion," on 18 May 1974. This test was partially successful. It is reported that the American intelligence community estimated that the actual yield was in the range of 4 to 6 kilotons. High-resolution commercial satellite imagery. Calculated that the radius of substantial area was about 60 meters, and is surrounded by a distinctive perimeter with a radius of roughly 80 meters. For more visit at, FAS (Federation of American Scientists), http://fas.org/nuke/guide/india/nuke/first-pix.htm, visited on 20.07.2016, 18:09.

On May 28, 1998, Pakistan stated that it had successfully committed five nuclear tests. This statement also is proven by The Pakistani Atomic Energy Commission who reported that the five nuclear tests conducted which generated a seismic signal of 5.0 on the Richter scale, with a total yield of up to 40 KT (equivalent TNT). On May 30, 1998 Pakistan tested again another nuclear warhead. The tests were conducted at Baluchistan, bringing the total number of claimed tests to six. For more visit on, A Brief History of Pakistan’s Nuclear Program, for more visit on FAS (Federation of American Scientists), A Brief History of Pakistan’s Nuclear Program, http://fas.org/nuke/guide/pakistan/nuke/, visited on 20/07/2016, 18:44.


In the framework of this initiative we can distinguish a statement of British Prime Minister Winston Churchill, were according to him, the "Peace is the sturdy child of terror. For me, such a peace is a wretched offspring, a peace that condemns us to live under a dark cloud of perpetual anxiety, a peace that codifies mankind's most murderous instincts. . . The beast (nuclear weapons) must be chained, its soul expunged, its lair laid waste." Contrary to this initiative idea it exist group of thinkers who deal with this issue and believed and still believe today on the deterrence of states by the using of these weapons. They usually assume that such weapons can be controlled by a small number of major responsibility powers. Therefore, this theory presupposes the nuclear monopoly, which underscores the logic of the early non-proliferation, given the permanent members of the Security Council of the UN Security Council (the more powerful chamber of the international community). One of the significant effort for nuclear non-proliferation, after the World War II can be considered that beginning of the adoption of the so called Baruch Plan of Truman Administration, where Acheson-Lilienthal's report(1946) proposed to verify disarmament and eventual destruction of U.S nuclear arsenals (the only nuclear arsenal at that time). Truman's administration felt and believed so "naive" that doing so would reduce international tensions in the future and eliminating the arms race in this area. 

Unilateral disarmament of US never happened, and finally Baruch Plan was abandoned after the Soviet Union soon produced its own WMD. When US President Eisenhower took office, he laid out a program called "Atom for Peace" (1953), which will bring a sort of degree to international transparency in nuclear technology race and who will lead to a general system of safeguards nonproliferation nuclear weapons. The "Atom for Peace" was followed by the establishment of the International Atomic Energy Agency (IAEA 1957), which at the beginning was not so serious effort until 1960, in reaching an international agreement on limiting nuclear proliferation. Until the above mentioned process the USSR, France and Great Britain have reached their possession of nuclear weapons. The Eisenhower said the international community had to wait eight years with the threat of spreading tension, while nuclear armed states agreed to halt the spread.

By analyzing also a statement of US President John F. Kennedy, delivered at a press conference, on 23 March 1963 before signing the NPT, which described a world where up to 1970 may own more than 10, 15 or more than 25 nuclear weapons countries, then there is a "greater potential risk and a game of chance with life on earth." From this declaration can be concluded that at that time he saw more potential that could soon spread the nuclear weapons. Therefore the beginning of the 1960s, efforts to reach a legally binding agreement to prevent the further spread of nuclear weapons, began to intensify, and showing the results. Even the United Nations General Assembly, in 1961, adopted a resolution sponsored by Ireland urging all states to reach an agreement that would ban the purchase and transfer of nuclear weapons further. As well as in 1965, the Geneva Conference on Disarmament began in drafting the treaty on nuclear nonproliferation. This consensus between states were regulated and sanctioned by the Non-Proliferation Treaty (NPT), which entered into force in March 1970. Scientists like Richard Kokoski, research SIPRI (Stockholm International Peace Research Institute) for military technology and project control of the weapons, argued that the NPT has soon produced its own WMD. When US President Eisenhower took office, he laid out a program called "Atom for Peace" (1953), which will bring a sort of degree to international transparency in nuclear technology race and who will lead to a general system of safeguards nonproliferation nuclear weapons. The "Atom for Peace" was followed by the establishment of the International Atomic Energy Agency (IAEA 1957), which at the beginning was not so serious effort until 1960, in reaching an international agreement on limiting nuclear proliferation. Until the above mentioned process the USSR, France and Great Britain have reached their possession of nuclear weapons. The Eisenhower said the international community had to wait eight years with the threat of spreading tension, while nuclear armed states agreed to halt the spread.

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20 NPT defines a nuclear weapons state, the state, which has manufactured and exploded a nuclear weapon-test or other nuclear device before 1 January 1967. These countries are: China, France, Russia, UK and USA. All other states are states with non-nuclear weapons under the Treaty.
acceded to the Treaty in 1985, withdrew from it in 2003.\textsuperscript{21}

Treaty without any changes so far assumes that states that do not possess nuclear weapons, and which are parties to the treaty must not produce or purchase nuclear weapons or other explosive nuclear devices. But for the existing nuclear-armed states, the treaty does not require and does not oblige to submit their nuclear weapons, but recommends them to negotiate between them in good faith to eliminate such weapons. For non-nuclear weapon states (NNWS Non-Nuclear Weapon State) there is no room for negotiation. Consequently, the treaty has created two classes or groups of countries, such as: countries with nuclear weapons and country without nuclear weapons.\textsuperscript{22}

It should be emphasized that as a case today DPRK (North Korea Nuclear Program) and Iran belongs to the second group of states without nuclear weapons. The research question can be arisen in giving clear answer the legal framework of international nuclear security in preventing the spread of nuclear weapons in the North Korea, whether is sufficient or it is a necessary an additional deal creating a free zone of nuclear weapons?

The answer it is that a best solution at the moment for all humanity it can be if the negotiations would come to an end by signing the agreement which would establish a Nuclear Free Zone without Nuclear Weapon.

3. Conclusion

Scientific thoughts on the meaning and definition of the concept of international security, particularly in nuclear security cannot be understand without elaborating in detail the genesis and effort of many stakeholders toward signing the NPT.

Elaboration of the genesis efforts above, it is important for the international legal framework on nuclear safety, because the regulation of the relations in this issue, between the parties and international actors (states, organizations and international agencies and different groups of interest) cannot be understood fully unless can be understood the history of nuclear international security in general. Also the completion of this framework in the sphere of nuclear security as a part of historic deal it is very gapfully understand unless analyzing the actions of stakeholders toward reducing the nukes and signing the NPT.

Whatever the concern, the global security is becoming day by day current topic, pushed by the different modalities of the threats to all of human values and the necessity of their protection.

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\textsuperscript{22} Etemikef Laz, The Politics of nuclear non-Proliferation, Cejiss 3-4/2012, p.16.

Teachers Civic Education and Their Methodological Skills Affect Student Engagement in Civic Participation

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Abstract

Civic education is important, because the society needs people to contribute in the most effective way. The teacher plays an important role in encouraging pupils to civic actions. The aim of this study is find out the relationship between teachers civic education and their methodological skills in students civic participation. The statistical package of social sciences (SPSS 20) was used for data analysis. Questionnaires were administered to 34 teachers who give social education subject in 6th-9th grade and 414 students of these teachers, in Durres and Elbasan. The factorial analysis of the questionnaire on teachers civic education discovered two important factors: civic responsibility and civic values, while according to teachers’ methodological skills discovered three factors: the quality of the class, learning and student assessment. It was also observed that there is a positive relationship between teachers’ civic education and their methodological skills with students’ civic participation, which it was reported by teachers or perceived by students. There is a significant statistical relationship between teachers civic education and students civic participation: r = .40 (p <0:01), which is stronger than teachers methodological skills and students civic participation: r = .28 (p <0:01). According to the findings of this study should be increased teachers training programs at local and national level. A great importance should be given to civic education in the school curriculum and universities should recognize their responsibilities in preparing future teachers.

Keywords: Civic education, methodological skills, civic participation.

1. Introduction

The main purpose of education for the democratic civilization is to develop, strengthen and protect the democratic culture of the rights and responsibilities, as the foundation of the efficient voluntary and stable actions of citizens. As such an action, education is closely linked to the acknowledgement and obligation to the common democratic values; to the institutions and the procedures that guarantee their further protection and development. Among others education aims to offer continuous chances in order to obtain, implement and distribute information, values, expressions and proper practices in all formal and informal educative environments. Reports of Birzea, 1996 (Education for Democratic Citizenship, document DECS/CIT, (1996)1, Veldhius, 1997 (document DECS/CIT(1997) 23 and Audigier, 1999. (EUD/CIT (1999) 53, Hahn (1998), in a comparative study of education for the civil rights found that there are statistical changes between the countries according to the teaching traditions and cultural norms. This article explains that methods and civil education programs can not be used without any addoption from one country to another and are expected to function successfully, as each country has its particular conditions.

Raising the citizens in the civil levels is achieved by preparing them for a conscious participation and responsibilities in the political and social life. This preparation, mainly based in values and principles of democracy should be understood as being equipped with knowledge, intelectual expressions and phrases of democratic actions (Democratic Civil Education in Albania, pg.21).

The active civilization is a important issue in the Lisbone program. The European Commission promoted three main pillars, one of them is “learning for an active citizenship”. In the detailed work program for following the education and training systems in Europe, the European Council has formulated 13 objectives related to the Lisbone program, where the objective 2.3 has to do with “ The support of active citizenship, equal chances and social cohesion”. The main mentioned issues in the work program related to the active citizenship are ” To ensure that the education of the democratic values and participation from all is promoted effectively in order to prepare people for active citizenship" (Indicators for Monitoring Active Citizenship and Citizenship Education, 2005, pg. 7).

Education for the democratic civilization goes beyond the school boundaries, challenging the separation of
between formal and informal education. There should be more objective conclusions in the direction of evaluating the different lacking that our schools have on education and formal formation of citizens, the impact of this formation in the level of active participation of students in civil activities. " Based on these general purposes, the civil education aims to prepare future citizens, skilled to perform their civil duty and to enable successfully the future challenges by actively participating in social life" (Social Studies on November 20, 1998, CA, USA). It is easy to identify the problems, but is very difficult to ask for changes in reality.

The society sees the school as an institution that plays an important role in education and civil preparation of the students. For this it is necessary not only the civil education teacher's contribution, but the active involvement of all school teachers. " The integrated curriculum is a guide for all those who want to see more out of the classrooms, for all those who want to break the artificial barriers, for those who want to enhance the curiosity, inspiration, interes, fantasy, imagination of the students and further more (Pedagogical journal Nr.4, University of Toronto, Canada, 2007, pg.69).

Another problem has to do with the fact that what is the amount of information given to the students, how do teachers work with them in schools in order to prepare the students as active citizens of the future. The success of education for an active and democratic citizenship depends mainly from the teaching profession, where the teacher should support and encourage the students to be active citizens, informed and responsible. Teaching civil education form teacher without proper specialization, the lack of seriousness in the assessment of this subject contribution, using this subject to complete the normal teaching hours in different schools, the lack of training for civil education teachers, limited knowledge not only in theory but also in practical actual activities, underestimation of this subject from the administrators, teachers and parents makes this study very neccessary.

In the curriculum model of the preuniversity education in the Republic of Albania, one of the main competencies for long life learning is the civil competency. The student commits to the common good. The student actively and responsibly participates in issues of the public interest. The student promotes and enhances beneficial changes in personal life, society and environment (curriculum Model of Preuniversity Education, 2014, pg.15).

European societies change form one another from the number and degree of the complexity of conditions and educative services that they offer on teaching democratic civilization. In these situations, without independent choices, the individual becomes less responsible for learning. This is the reason that the mutual responsibility of the individual and society has an important place in the area of long life learning (Strategies for learning the democratic civilization, Strasburg, pg. 19).

Professor David Kerr (NFER), director and scientific collaborator, in his discussion in the International Conference of Budapest, on November 11th 2011, on the topic of “Europe of the active citizen. Evaluation, political responsibility, and orientation for the education of active citizen” among other things stated that an important direction for future research is to find the relations, the cognitive dimensions and precise analyses of the relations between the knowledge and participation.

In the Card of the European Council on education for civil citizenship and the human rights, approved within the recommendation CM/Rec (2010)7 of the Minister's Committee among others is stated: "Member countries should start to urge research on education for a democratic citizenship and human rights, to know the actual situation in this field and to offer teachers, policymakers, education institutions, school administrators, students, non profit organizations and youth organization comparing information which will help every one of them to measure and increase the effectiveness of their work and practices. This research should include the research on curriculum, new contemporary practices, teaching methods and evaluation indicators" (Recommandations CM/Rec (2010)7 of the Minister's Commitee pg. 14).

In 1999, which was a very busy period of the political and educative agenda in England, the Center of Curriculum and training in England, (CCE) drafted a thematic study on the right for citizenship. This study was drafted to enrich INCA by examining six aspects of education on the right for citizenship; the curriculum, its organization and structure, teaching methods and learning, specialization and teacher's training, the use of texts and other recources, evaluations, actual and future development. These aspects of education of the right to citizenship are important for our country's conditions too, and are taken into consideration from the researchers of this area.

At the same time, one of the main objectives stated in the Youth European Strategy 2010-2018 is the promotion of active citizenship, social involvement and solidarity of all youth (http://ec.europa.eu/youth/pdf/doc1648_en.pdf [available from 7 May 2012]).

The strategy offers various lines of action which are related to the development of the civilization in the activities of formal and informal education, such as "participation in the civil life and representing democracy". " In 2011, apart from this, there were two important events' this year was the European Year of Voluntary Activity, the promotion of active citizenship, and the Hungarian presidency chose education for active citizenship as a main theme of the debate among Ministers of Education in a informal meeting conducted in March" (Education of citizens in Europe, 2012, pg.7).
2. Methodology

To analyze the data we used the statistical packet of social sciences (SPSS, 20). The questionnaires are conducted during January-February 2013. They are completed in schools but not during the teaching hours. There were 34 civil education teachers of grades of 6-9 from Durres and Elbasan, who participated in the study. We also interviewed 414 students. The sample was randomly selected.

From 34 teachers, 25 were females (73.5%) and 9 males (26.5%). The participants were 9 civil education teachers from the elementary and middle schools “Xhaferr Kongoli”, “Sule Hami”, “Alush Lleshanaku” in the district of Elbasan, and 25 civil education teachers from 6-9 grades of elementary and middle schools and 299 students of schools such as “Eftali Koçi”, “B.Curri 1”, “B.Curri 2”, “Neim Babameto”, “Marie Kaçulini”, “Nene Tereza”, “Vasil Ziu”, “Qemal Mici”, Rade, Manezh, Armadh of the district of Durres.

The demographic data of the students: from 414 students, 238 were females or 57.5% and were 176 males, or 42.5%. The teacher’s questionnaires contained 44 questions and the students’ questionnaires contained 34 questions. The rating of variables were the same for both questionnaires.

3. Results and Discussion

To analyze the data we used the elements of descriptive statistics, such as descriptive mean, standard deviation, verse and normal distribution. Below we have presented the descriptive analyses and the distribution of values of the degree of teachers’ civil formation according to the students’ reports after removing the problematic variables.

<table>
<thead>
<tr>
<th>N</th>
<th>Mean</th>
<th>Median</th>
<th>Mode</th>
<th>Stand Dev</th>
<th>Min</th>
<th>Max</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
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<tbody>
<tr>
<td>414</td>
<td>33.4</td>
<td>34</td>
<td>36</td>
<td>4.2</td>
<td>16</td>
<td>40</td>
<td>31</td>
<td>34</td>
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<td>413</td>
<td>34.3</td>
<td>34</td>
<td>37</td>
<td>5.3</td>
<td>14</td>
<td>50</td>
<td>31</td>
<td>34</td>
<td>38</td>
</tr>
</tbody>
</table>

For the degree of “civil citizenship” initially we automatically divided the factors, by searching the Eigen value bigger than 1. For the factorial analyses using Varimax, only two factors had the criteria of Keiser bigger than 1 and explained up to 46.9% of the variance of this degree. In the following table we present the two factors together with the proper statements and each individual impact on the index of civil formation.

<table>
<thead>
<tr>
<th>Nr</th>
<th>Statements</th>
<th>Factor 1</th>
<th>Factor 2</th>
<th>Communality</th>
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</thead>
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<tr>
<td>1</td>
<td>Statement 8</td>
<td>0.750</td>
<td></td>
<td>0.565</td>
</tr>
<tr>
<td>2</td>
<td>Statement 7</td>
<td>0.619</td>
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<td>0.425</td>
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<td>3</td>
<td>Statement 4</td>
<td>0.608</td>
<td></td>
<td>0.400</td>
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<td>4</td>
<td>Statement 6</td>
<td>0.601</td>
<td></td>
<td>0.385</td>
</tr>
<tr>
<td>5</td>
<td>Statement 3</td>
<td>0.584</td>
<td></td>
<td>0.399</td>
</tr>
<tr>
<td>6</td>
<td>Statement 1</td>
<td>0.824</td>
<td>0.687</td>
<td></td>
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<td>7</td>
<td>Statement 22</td>
<td>0.738</td>
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<td></td>
</tr>
<tr>
<td>8</td>
<td>Statement 2</td>
<td>0.489</td>
<td>0.321</td>
<td></td>
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</tbody>
</table>

| Eigen values | 2.751 | 1.005 |
| Variance %   | 34.386| 12.564|

From the factorial analyses of the questionnaire of the citizen’s formation we discovered two factors: the civil responsibilities, which is measured by statements (8, 7, 4, 6, 3) and civil values which are measured by statements, (1, 22, 2). Q3 shows the degree of support form teachers to the students and the help the teachers give in problem solving, Q4 shows the degree of teacher’s tolerance, how the teacher takes into consideration the student’s thinking, Q6 shows how open is the teacher with the students in accepting their thinking, Q7 shows the fact that how much does the teacher stimulates the students in taking initiatives, Q8 shows how collaborative is the teacher with the municipalities for problem solving. In the table question Q1 shows what the students think for the academic scientific formation of their civil education teachers, Q 2 shows the mastery of the civil rights from the teachers and the transmission of this knowledge to the students, Q 22 shows the relation the students have with the civil education teachers. The factorial analyses was
conducted for 8 questions with the Varimax method. The test Kaiser–Meyer–Olkin, which measures the suitability of the sample, is KMO = 0.8 (p = 0.0000) (KMO > 0.5). According to Kaiser recommendations (1974) the values 0.8 - 0.9 are very good values for the adoptability of the sample.

From the correlation analyses of the degree that measures the methodological formation we did not see any high correlation coefficient (r > 0.9).

<table>
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<td>0.821</td>
<td>414</td>
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</table>

a. For each variable, the missing values are replaced with reported mean.

In the above table, question Q10 shows the way the teacher knows the subject and what are the possibilities to give the students different alternatives, Q11 shows how does the teacher make the class interesting for the students, Q12 shows the use of methods of teaching project from the civil education teacher, Q13 shows the space the teacher creates in the classroom for discussion, Q15 shows the use of additional materials from the teacher, Q16 shows if the teacher gives extra material to the students, Q18 shows the fact that the teacher communicates the grades to the students, Q19 shows the bases of the student’s evaluation from the teacher, based on theoretical or practice knowledge. Q20 shows the ways of evaluation the teacher uses with students in this subject, and Q21 shows the methods of teaching more frequently used in the subject of civil education.

Even in this case the factorial analyses was conducted for 10 statements with the Varimax method. The test Kaiser – Meyer – Olkin, which measures the suitability of the sample is KMO = 0.7 (p = 0.0000) (KMO > 0.5). According to Kaiser recommendations (1974), values 0.7-0.8 are good values for the suitability of the sample. From the factorial analyses of the degree of methodological formaiton we discovered three factors; the quality of the teaching hour, measured by statements (15, 12, 11, 16), learning, measured by statements (20, 21) and students’ evaluation measured by (18, 19, 10, 13).

From the factorial analyses of the questionnaires for the civil formation of the teachers we discovered two important factors: civil commitment and civil values, while for the methodological formation we discovered three factors: the quality of teaching hour, teaching methods and students’ evaluation.

4. Conclusions

This study is very important as it represents a serious attempt to see the role that schools play in the preparation of students as active citizens of society. The evaluation of indicators and the ways through which we can interfere in their improvement is important for the increase of these indicators in the future. There are possibilities that students might learn about democracy through active participation in the school of life. But this participation is different in different countries, as it is affected from a range of factors.

From the results of the study we noticed that there exists a positive relationship between the civil formation of the...
teachers and civil participation of the students, this being reported from the teachers or perceived from the students. Only a person with healthy civil formation may feel the responsibility to participate in social life. It is found that when the teachers have extended knowledge of the contents, they feel better and tend to make students participate in discussions and research (Report, Guardian of Democracy, 2003, pg. 38). In this study the correlation coefficient between the methodological formation of the teachers reported from the students and civil participation of the students reported from the students is higher: \( r = .28 \) (\( p < 0.01 \)). This correlation coefficient shows a linear positive moderate relation between the methodological formation of the teachers and civil participation of the students.

In other words, the civil formation and methodological formation have important statistical relations with civil participation of the students. This relation is stronger than the relation between civil formation of the teachers and civil participation of the students: \( r = .40 \) (\( p < 0.01 \)), than between the methodological formation and civil participation of the students: \( r = .28 \) (\( p < 0.01 \)).

5. **Recommendations**

The schools are still not successful in having quality indicators for active participation of the students, which is clearly shown in our study. This area is very difficult to be successful and it requires continuing contributions and engagement from many actors.

This phenomenon is noted in the lack of participation on civil actions, indifferentism in the school environment, not being responsible for various school and community problems, the lack of collaboration between different acting units, the lack of motivation and desire to participate.

Starting from the fact that the rate of students’ participation in civil actions is under the average rate, this being evidenced by this study, there is the need to assess the possibilities of improving this situation on the future. Students’ participation is closely linked to the certain indicators such as civil formation of the teachers, civil values that the teachers possess and transmit to their students, quality of teaching hour offered from the civil education teachers, taking civil responsibilities and students’ evaluation, which all bring the need to assess the possibilities to interfere and improve these indicators in the future.

A great importance should be given to the civil education in the school curriculum planning, as the civil education subject needs to be supported from a series of extra and cross curricular activities in order to make this subject more real, in order for the students to create individual experiences and to be actors of their own life, and to explore new ways of active citizenship in school and community.

Starting from the fact that the teachers of civil education subject do not have the proper academic formation during their university education, it is necessary to continuously train them through local and national programs, so they can be professionally trained and reflects the changes in the official curriculum.

The curriculum model of the civil education subject should not be assessed in the same way as other subjects forom the teachers. During the evaluation for this subject, the teacher should take into consideration not only answering of the students in the classrooms, but also the practical implementation of the obtained knowledge and active participation in social life. They should have knowledge and updated practices related to the active citizenship of the students in school and community by exploring new ways.

It is of great importance to include education and civil formation in the university programs of teaching faculties, because students aside from academic formation should also have education and civil formation. Universities should be responsible for the preparation of future teachers.

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Independence, Relationships and Transience: A Comparative Study of Truman Capote’s “Breakfast at Tiffany’s” and Vladimir Nabakov’s “Spring in Fialta”

Zahra Sonia Barghani

Abstract

Story telling is a concoction of plot, character and themes, among other things. Short stories and novellas employ a limited numbers of pages to convey their message. Truman Capota’s 1958 novella “Breakfast at Tiffany’s” and Vladimir Nabakov’s 1936 short story “Spring in Fialta” both portray the brevity of life tangled a web of impermanent desires and relationships. The female characters in both works try to make meaning out of the briefest encounters while determined to remain unchained to others amidst the perplexity of modern life. This study highlights the delicate similarities between Nina and Holly’s desires of independence; moreover the idea of transience which is prevalent in both stories is evaluated. This comparative story of two iconic stories results in an innovative understanding of Capota and Nabakov’s character as well as the concept of transience in their stories.

Keywords: Comparative Literature, Transience, Breakfast at Tiffany’s, Spring in Fialta, Truman Capota, Vladimir Nabakov

1. Introduction

It is universally agreed the literature is a means of expression; an expression that transcends time. There exist various types of narratives which alter time, place and, at times, even the stream of consciousness. Two stories that utilize short telling in inventive ways are “Spring in Fialta” by Vladimir Nabakov and “Breakfast at Tiffany’s” by Truman Capote. Both stories portray elusive, female characters in the subjective light of an unreliable narrator. The quick paced stories illustrate ephemeral meetings, failed dreams and ambitions of two oblivious young ladies.

This study reveals the similar personalities of Holly and Nina, the protagonists of “Spring in Fialta” and “Breakfast at Tiffany’s”, respectively. These behavioral and moral similarities will then lead to a deeper understanding of the concept of transience in both classical texts.

The 1936 short story “Spring in Fialta” written by Vladimir Nabakov recollects the memories of a narrator named Victor. Victor is looking back on the short, fleeing experiences he has had with a lady named Nina. The encounters are at times sexual and occasionally platonic. Following a quick pace, Victor reminiscences his meetings with the unattainable Nina who is described as a woman who “had always either just arrived or was about to leave.” (Nabakov, 1936). Adding to the clandestine nature of their relationship, Nina and Victor are both married for most of their meetings. Throughout the entire story, Nina desires to be unrestrained and elusive. When Victor proclaims his love to her, she looks at him with a “quick, queer, almost ugly expression” (Nabakov, 1936). Nina, the heroine of carefree nature, dies tragically at the end of the story, leaving us with the painful realization that “in spite of her long-standing, faithful imitation of them, had turned out to be moral after all.” (Nabakov, 1936).

Twenty-two years after Nabakov, an American writer named Truman Capote created a heroine who bares striking similarities to the aloof Nina. Set in New York “Breakfast at Tiffany’s” uses a first person point of view to reminisce about nineteen year old Holly Golightly. Holly is an eccentric character; nonconforming to the norms of society she attracts the attention of all the men she meets. The narrator who Holly names Fred reviews her odd, egocentric actions of stealing things for pleasure, staying up all night and toying with men. Similar to Nina, Holly acts as an elusive, carefree mistress; however the story reveals her humble past as a country and child-bride. Holly’s ambiguous and daring behavior gets her prison and ultimately she flees under bail.

2. Analysis

Nina and Holly are classical literary females who represent an inner battle with time and relationships. Holly is determined to stay unattainable; it is described that “Every day she’d walk a little further: a mile, come home. Two miles, and come home. One day she just kept on going” (Capote, 1958). The easygoing, fun loving Holly Golightly is by no means perfect. She is forgetful, promiscuous and eventually becomes a fugitive. Zachary B. Wunrow writes that “She [ Holly] has
window-shopped for a new self – for an identity that allows for upward social and class mobility.” (Wunrow, 2014).

Nina is not far different. Nabakov is in search of a lasting identity for her too. Some critics believe she was killed at the end in an act to preserve her and make her timeless. Within the text examples exist of Nina’s desire for identity. “I call her Nina, but I could hardly have known her name yet, hardly could we have had time, she and I, for any preliminary. ‘Who’s that?’ she asked with interest — and I was already kissing her neck, (Nabakov, 1936).

Nabakov is in search of a lasting identity for Nina too. Some critics believe she was killed at the end in an act to preserve her and make her timeless. Within the text examples exist of Nina’s desire for identity. “I call her Nina, but I could hardly have known her name yet, hardly could we have had time, she and I, for any preliminary. ‘Who’s that?’ she asked with interest — and I was already kissing her neck, (Nabakov, 1936). As evident in the text, Nina lacks a stable identity. She is quick, entertaining and ever so quickly gone. Elena Sommers examines her in sovereign personality deeper and compares Nina to a Russian mermaid fairy-tale claiming “She seems to have traded her voice for human form in order to be close to her beloved, but, misunderstood and unable to fit in his world of mortals, she ends up leaving forever.” (Sommers, 2011).

In his book “Nabokov’s Art of Memory and European Modernism”, John Burt Foster Jr. quotes Nabakov who describes Nina as a woman whose “friendly smile was always ready to change into an ardent kiss.” (Foster, 1993)

Holly is faced with perplexing challenges and encounters, she doesn’t know who she is. Damaris Englert quotes Truman Capote in his essay and writes “The main reason I wrote about Holly, outside of the fact that I liked her so much, was that she was such a symbol of all these girls who come to New York and spin in the sun for a moment like May flies and then disappear. I wanted to rescue one girl from that anonymity and preserve her for posterity” (as cited in Englert, 2013)

Nabakov’s Nina is having an extramarital affair with Victor. Victor deals with her relationships and saying “I was apprehensive, because in the long run, I was accepting Nina’s life, the lies, the futility, the gibberish of that life.” (Nabakov, 1936). John Burt Foster writes how the images in the story “simply express Nina’s inability to remember, apparent in her vague memories of her first kiss in Russia.” (Foster, 1993). She is unable to remember for she has confused herself in messes of people. The same problem occurs for Holly. Holly is never successful in reaching her dream of living near Tiffany’s and having a luxurious life. She makes a resilient effort to redefine herself from Lulamae, but ultimately she cannot alter herself enough and the truth comes out.

Ultimately, both stories result in the realization that life cannot be controlled and must just be lived. It will be brief like the “blurred Mount St George is more than ever remote” (Nabakov, 1936) and “I’ll never get used to anything. Anybody that does, they might as well be dead.”(Capote, 1958).

3. Method

Through a close reading of the text and by analyzing the actions, thoughts and behaviors of both characters, this study reveals the similarities between Holly and Nina.

Holly and Nina are the artistic creations of two different eras and artists. Nonetheless, their desires to possess stealthy, unattainable natures while leading lives of oblivious cheerfulness parallels. They both engage in multiple relationships and are determinate to be unattached. However, Nabakov and Truman did not allow their classic heroines to escape the impermanence essence of life. “Breakfast and Tiffany’s” and “Spring at Fialta” both live true to the assertion that life with all its complexities is transient.

Holly Golightly possesses two main features; the same two traits that highlight the personality of Nina. Both ladies desire an elusive independent personality; however they both entangle themselves in a web of relationship.

4. Results and Conclusion

This comparative study results in two main findings. Firstly, the previously unknown similarities between Holly Golightly from Capote’s “Breakfast at Tiffany’s” and Nina from “Spring at Fialta” by Nabakov are established. It becomes evident that both characters are in search of independence and ironically trap themselves in meaningless relationships. Neither Holly or Nina ever become what they desired. Both just experience the brevity of life and prove that time cannot be contained . The transience of life is the overall message of both tales, creating yet another parallel between the two works. Holly Golightly and Nina have shattered senses of identity. Neither knows who they really are, what they really want or where they are ended.

An in-depth study of both stories in line with the work of several scholars reveals the unknowing similarities between the two characters. Nina and Holly are only certain they want to be immortal and unique. Ironically, to leave their
mark of liberation on the world they engage in fleeing relationships. Holly and Nina reflect one another in their own setting and remind readers that life is transience regardless of how hard you try to remain.

References

Credit Card in Albania

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Abstract

We can say with full conviction that the evolution of computer science, use and opportunities that credit cards provide to us, has made them the most used tools in the world today. Use of credit cards is simplified to the maximum, but behind them lies a complicated system of gains that begin and end up with the use of credit cards. In this great system that works perfectly different actors are in the race to increase their profit. Albania had been part of this system too late. Electronic cards market in Albania is composed of contemporary systems of credit cards, the not well informed users and banks that do not have an approval model for applications. This one because they have not needed such a thing yet. Lack of approval models for applications, even if it does not seem to be an emergency, it is a handicap that must be crossed in order to prevent socio-economic problems that may arise in the future.

Keywords: Credit Card, Bank

1. Introduction

The first ideas on the credit card and its use are provided by the writer Edward Bellamy in the book entitled “Looking Backward”. Author of the book by character Julian West shows how training will be economic in the world in 2000 (Drury & Charles W. Ferrier, 1984 p.3).

After the book of Edward Bellamy only in 1914 was issued for the first example of the credit card company “General Petroleum Corporation” scattered workers and its loyal customers with card, where through it they can buy its products (Drury & Charles W. Ferrier, 1984 p.3).

Bank of America was one of the first banks that gave rise to electronic communication network for the operation of credit cards. The formation of the electronic network increased the number of customers (credit cards) as well as their actions. Bank of America was one of the first banks that created the network, latter splitting by its own and giving that to another firm (This new company that emerged in the market to keep the electronic network of credit cards of Bank of America was Visa).

In 1970, following the example of Bank of America a number of financial companies that were in the same market merged the capital to form a network ICA (Intern bank Card Association) today known as MasterCard. In the same way the 1958 American Express Company created the "American Express", while Sears and Roebuck & Co. created "Discover Card" in 1986 (Phil Brit, 2008, p.1).

2. Operation of the Credit Card System

There are two sets of credit card systems used worldwide. The first group is a unitary system and second association system (Sujit Chakravoti, 2003, p.4.).

Unitary System is elementary closed system which is composed of two actors and more skewed by the seller, while we are dealing with the seller and his loyal customers. For sellers who are not big enough to optimize the part of the costs, is not possible to set up such a system of credit card.

Scheme 1: Bilateral Model
Source: Federal Insurance Corporation
Over time the amount of purchases grew and this brought the need for a third person to guarantee payments. In general, the third person was the bank. In this way with the development of technology, in addition to a closed system model, bilateral model emerged with three actors.

![Diagram of Three Side Unitary System](image)

**Scheme 2: Three Side Unitary System**

**Source:** Lawrence J. White, 2006, s.16.

Company or the bank that issues credit card carries an important role at the unitary system. Bank or company that issued the credit card in such a situation is obliged to apply two sides Economics (Steve Semeraro, 2007, p 42).

In the unitary system the bank or company that issued the credit card should contact the consumers as well as retailers (Davit S. Evans, 2002, p.2). Nobody would like to have in possession a credit card which is not accepted by the sellers for making purchases or vice versa.

The scheme shows working of unitary system. If the vendor is selling goods or services with credit card to a customer in his account will not exceed the (p) value but a monetary value (p-m). The monetary amount value of (m) held to retailers is called Merchant Discount Fee (Fumiko Hayashi, 2006, p.6). In this way credit card sales are six times higher than the cost in cash sales (Adam J. Levitin, 2007, p.1).

### 3. Association System

Banks and institutions that issue credit cards have a department that deals only with credit card customers and merchants that are equipped with POS machines. In order to reduce costs, this department began to be sold by banks or other institutions (Joshua S. Gans & Stephen P. King, 2002, p.7). In this way we see the emergence of association system in the system the credit cards. In the association system of credit cards there are 4 economic elements but it is possible and there are times when we see even participate 5 economic elements. The 5 elements economic system is the most advanced and most complex.

### 4. Four side credit card model of Association System

Unlike the closed system, in four side system model is seen taking part company or intermediary banks too. The basic work of this company (Acquirer) is to contact sellers or merchants who want to use the POS machine, and enabling the use of credit card by achieving the agreement to use the POS machine (Ann Kjos, 2007. p.3). We find this type of system used in companies that issue credit cards like Visa and MasterCard (Chakravorti, 2003, p.54).

Credit card sales are a great advantage as they put away the problem of liquidity. Therefore sellers do all the duties assigned and create all the necessary conditions so that buyers use credit card (Robert A. Hendrickson, 1972, p.68).

For this reason the acquisition of the credit card holder is greater using the credit card as opposed to when he will be in cash buying goods and services (Hillel Black, 1961. p.30).

### 5. Five side credit card model of Association System

At the five side credit card model, the fifth element is network. Is not said that the firm which is offering network to be that one which is issuing credit cards. Meanwhile firms offering network at the same time can draw credit card.

Visa and MasterCard were the first firms that created and served network system to the market, after them Discovery came in the electronic payments market, too (Chakravorti, 2003, p.4). Almost all the world performs actions through this system created by these firms. If we are going to compare the system of Discovery with Visa and
MasterCard, Visa and MasterCard system is superior in the market (The Nilson Report, 2003, p.8).

This model is the top of the payment system by credit card, which already after an initial process hides a more complicated system in which some parties extend gains.

![Scheme 4: Five Side Model Association System](image)

Source: Lawrence J. White, 2006, p.17.

The five side model of association system is a very complicated system. This is clearly understandable by looking the way how the transfer time is been establish. By studying this system we can understand that only one purchase created a profit of (FIB) + (TIB) + (TPN) + (tab). A question which has no answer regarding this gain is: that this is a profit that should be shared among the parties participating or payment of slavery is that modern society (Ralph Nader, 2003, p.3)?

### 6. The system of credit card payments in Albania

Electronic payments in the banking system of Albania have become part of banking market only after 2003. Despite the upward trend of the use of credit cards, Albanian banking market in the use of credit cards is far from markets of the region. This is one of the main reasons why the Albanian banking market does not have sophisticated systems for approving credit card applications.

The majority of commercial banks have left the approval of application for credit cards to simple bank employees in conditional on compliance with certain basic criteria, where the most important are income.

Statistical analysis of 240 applicants whom credit card had been approved and have used the latter since January 2015 showed that there is no meaningful link found between cause and those criteria due to consequences (late payment). Also had been attended another way to see if there is an approval model. Thus, each criterion that could affect the economic behavior of the applicant after he has received the credit card, it is estimated seeing average criteria consequence where in this case are the amount accumulative, credit card limit and the total costs to credit card.

### 7. Statistical analysis

At issue are received 240 applicants with an average of age 30 years of - 8.672 ALL for accumulative amount, 52.081 ALL to credit card limit and an average of spending to 92.288 ALL. In the group of applicants received regarding the size of the clusters in the relevant criteria for the criteria striking single social status group with about 86%, for education criteria other group with 66.7% for the age group 20-30 years criterion with 60.8% for employee grouping criterion personal profession with 21.3% and the amount of deposits grouping number 0 to 96.7%.

![Figure 1: The average credit card limit by occupation](image)

The largest grouping of expenses In groups of criteria "occupation" are doctors by an average of 417,448 ALL followed by bankers and managers respectively 247,680 and 213,741 ALL. While it is to be noted that the greater number of this
group have "personal servant" followed by "labor" and "others", coupled with a limit of relatively low card. This contradiction shows that the bank has free hand to its employees that deal with the approval of the credit cards to use their intuition to approve or not the application to the last. This is a sign of the lack of target system based on statistical studies of approving credit card applications for this bank.

Figure 2: Average expenditure by occupation

Regarding the analysis of the approval of an application for a credit card from the bank it is seen that the group criteria, "occupation", the trustees of the bank are "personal servant" followed by "civil state". While professions that bank thinks will spend more and thus will bring the bank more profits are banker, doctor, self-employed, manager, health and entrepreneurial employees. Applicants who have exactly the professions within above, the bank has given credit card with a higher limit. Costs incurred by the latter show that this prediction of the bank cannot be called correct after applicants have had only profession banker, doctor and manager have had higher costs. Thus it can be said that banks in 6 professions which has offered the highest limit credit card 3 of them have fulfilled the purpose of giving a credit card with a high limit.

Figure 3: The amount of approvals for occupation

Regarding the costs of the biggest, if one will find the following diagram will discern easily that group who has fallen in the area of risk RG4, RG5, RG6 and RG2 has spent more than all other groups a fact which shows the bank has given approval for credit card taken in a prudent way. Conjugal relations that if we looked at how it spread limit credit cards in these groups we will see that greater limit have been groupings in RG5, RG6 and RG7 that shows that somehow the bank is not prudent in giving credit cards.
Figure 5: Card limit by risk groups

Both the above data are contradictory and confirm that credit cards officers (staff that has given credit cards to applicants), has had the subjective influences in addition to objective decision making. This connection is used to make credit card holders to pay their expenses for some time but that it subsequently not lasted. The reason is that at the outset that credit card data was a wrong decision. Precisely this makes the cost of the latter to be relatively high from the group even though they have fallen in the high-risk community.

8. Conclusions and Discussions

Seeing the growing trend of using credit cards in Albania is entirely foreseeable that in the coming years this mass use of credit cards will be a social and economic problem not only for the users but also the banks themselves. It saw that banks and financial institutions have emerged from their historic function to encourage savings and discourage debit directing customers away from savings and towards debit.

From observations on the data received from the commercial banks but also from annual reports of other banks it seems clear that delays in payment or not credit card payments are not yet a problem for banks.

Statistical analysis also highlights top again that banks do not have a model for approving credit card application on which to rely. Failure to have a profit model and affection arising from the issuance of credit cards will lead to large increase in credit card approvals. And finally in a long time not only an economic problem but also social nonpayment of debt borne by use of credit card.

While credit card system used in Albania by banks is the most advanced and complicated system of five side model. With the presence of such a system all stakeholders who take part in this system make all they best to get as much part of the profit from the use the credit card by the owner. The late introduction of the system of credit card payments in Albania and uninformed user makes this ones completely unprotected to these actors who will push to the limit for their profits. Precisely claim their winnings for these actors will be somehow of pushing towards a social-economic problem for all credit card users.

Measures should be taken to inform the users of credit cards over the risk by institutions that are not stakeholders of the payment system by credit card.

State shall issue regulation where it will determine possible minimums of the criteria for obtaining credit card.

State, before it is too late should establish an institution that deals with the monitoring of debt created by credit cards as the latter has a major social impact.

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Macroeconomic Determinants of Households’ Credit Risk: Empiric Evidences from Macedonia

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Abstract

In general, the credit risk is considered as more problematic risk for the banking system. Credit given by banks is divided into loans for business and loans to individuals. The effects of the financial and debt crisis are also felt in Macedonia. This is especially noticeable after 2010, from the growth of non-performing loans against total loans granted. The non-performing individuals’ loan is a measure of credit risk of individuals. It is of particular interest to investigate the factors that determine the behavior of non-performing loans to individuals. This study sheds light on the effects that macroeconomic factors have on the credit risk of individuals. The analysis of time series and the rigorous application of the econometric model challenged the strong and significant connection of the risk free interest rate, the index of house prices, the exchange rate and economic growth of the credit risk of individuals. All these factors have a positive relationship with this risk, with the exception of economic growth. It is more than logical that an improvement of economic growth will lower the credit risk of the individual, because the rate of non-performing loans to individuals will decrease. Economic growth means an increase in the opportunities to pay back the loan. Policies with focus on economic growth, could lead to a softening of the credit risk of individuals.

Keywords: Economic growth, credit risk, interest rate; currency

1. Introduction

Credit risk arises from the fact that it provided a lot of money and this money is expected to turn and after a certain time to return the interest. If this money is not partially or fully back, then the risk of not returning money to materialize, so it happened. As understood, there is an agent that requires funding of its projects to achieve a result and in turn found another agent that is able to support his project through grant money.

There is an agreement or consensus in theory regarding the determination of credit risk as one of the most important for economic societies dealing with finances (Blaschke, Matthew, Majnoni, & Peria, 2001; Worrell, 2004; Rinaldi & Sanchis-Arellano 2006; Kalluci & Hill, 2010; BAriSiTz, 2011). All provide arguments in favor of this statement.

The literature on credit risk is wide, but in recent years it has consolidated many, with other financial problems. Part of the consolidation of this theory is undoubtedly the behavior of evidence to substantiate the claimed theoretical connections.

The need to investigate more on the 2007-2008 financial crisis, has led many authors to explore the effects emanating from the financial system. Part of this investigation can not even be credit risk. There are researchers who have seen the connection of credit risk to economic growth, as there are others who see the risk factors in view of the financial sector.

It is difficult to find any serious study that addresses credit risk of the banking system and do not integrate into the analysis of factors outside the financial system. This means that everyone agrees that credit risk is determined by many factors, which not only belong banking system.

The following will be a review of the literature on credit risk, with the aim to clarify the problem and to address it properly resolving it. Also, there is literature review underestimated in terms of the method used to investigate the importance of factors that determine credit risk.
2. Review on Method and Factors

Above it was introduced ways of measuring risk. We should stop and have a discussion on this point. Measurement of the above risk refers to the case of an entity, while in this paper is about risk in a macroeconomic context. So there are two different situations: the first within an entity, while the second in the context of many entities. The following will summarize the literature on the method of measuring credit risk.

Worrell (2004) is a researcher who has made a review in a paper to the FMN on the methods used to assess the effects of the financial sector, making even suggested an integrated approach. With this article he suggests a strategic approach to use quantitative techniques available to measure the impact of the financial sector.

The method used to track the effects of macroeconomic indicators in the credit risk is what used Rinaldi and Sanchis-Arellano (2006) and especially Kalirai and Scheicher (2002) in their study modeling of macroeconomic variables that have an effect on risk credit also made certain changes that reflect the characteristics of the economy of the former Yugoslav Republic of Macedonia. In this study would not have taken into account the specific features of borrowers, but will assume the credit risk of banks is threatening our environment associated with macroeconomic consider, which includes banks with the borrowers. Interest at this point is the identification of these macroeconomic factors that may affect the growth of problem loans.

Blaschke et al. (2001), in an article discussing the International Monetary Fund, propose a method for measuring credit risk through non-performing loans ratio to total assets. This report is the first to feature several macroeconomic factors such as interest rates, inflation and real growth rate of GDP or changes in foreign trade. Specifically, the proposed model is:

\[
\left( \frac{NPL}{Active} \right)_t = \alpha + \beta \cdot x_{it} + \gamma \cdot p_{it} + \delta \cdot \Delta GDP_{it} + \lambda \cdot \Delta Go_{It} + \varepsilon_t
\]

Where the NPL means loans expressed in monetary value, monetary value assets refer to assets, is the nominal interest rate, the percentage change in real GDP and the change in percentage of foreign trade. Such an approach has the advantage of dynamic analysis that are suitable for assessing the effects of short-term as well as long-term effects, such as using an error correction model (ECM, error correction model).

\[
\Delta LLP = \alpha_0 + \alpha_1 x_{i1} + \ldots + \alpha_i x_{it} + \varepsilon_t
\]

Where LLP is the ratio of total loan loss provisions to total loans, \( x_{it} \) represents the change in the i factor in the time t, and \( \varepsilon_t \) is the residual term which allegedly has average 0 and standard deviation \( \sigma^2 \).

Rinaldi and Sanchis-Arellano (2006), researcher at the European Central Bank recommend another method to measure credit risk. Their specification is:

\[
NPL = f(\text{boralh} , \text{teq_ardh} , \text{aktivitet} , \text{in real_bredit} , \text{popull} , \text{inf} , \text{pap} , \text{kolat} )
\]

NPL is logarithmic transformation where the rate for individuals performing loans to total loans to individuals; debt is a variable that allegedly show the NPL, which is calculated as the ratio of total household debt (including mortgages, consumer loans and credit cards) to income available to consumers; revenues are available income of consumers and are logarithm model; assets is the ratio of financial assets held by a consumer with available revenues, where the model is logarithm; real credit is the real interest rate on the loan; pap is the unemployment rate; inf is the inflation rate. In the model they are covered by Rinaldi and Sanchis-Arellano (2006), two other variables very important. They are: CSH, the index of housing prices and Kola part collateral loans, loans that were then executed collateral.

Kalluci and Hill (2010), in a conference presentation on the Bank of Albania, have determined the factors that govern credit risk in banks, making three distinctions: the credit to the economy as a whole, lending credit to businesses and households. The basis for the development of their presentation served submissions Blaschke et al. (2001), and Scheicher Kalirai (2002) and Rinaldi and Sanchis-Arellano (2006).

Considering the literature review, the level of problem loans is considered one of the best evaluators of credit risk (Kalluci & Hill, 2010; Messai & Jouini, 2013). There are also those authors for measuring this risk using credit loss provisions (Kalirai & Scheicher, 2002).

3. Expression of the Concepts in Variables

One of the key steps in the search process considered the expression of concepts or variables operationalizing formulation scheme. It has to do with the definition of a concept and its measurement by a variable, and link concepts with each other. It means the transfer of concepts from the world of theory and observation in the world, the world of
observation. It also provides information on concepts for a cause and consequence of the phenomenon under study (Skreli & Cera, 2013). In general, preferably made as such schemes, so that hypotheses are formulated and expect to be checked with a certain method.

In the case of theory and logic are confident level which is the causative factor and what the consequence factor. But this submission are not confident to say even in the case of this dissertation. Precisely for this we need figures and econometric models.

Operationalization scheme may appear in the form of a table. Given in the first column taken from the theory concepts, which conducts analyzes the abstract concept and its connection or relationship with other concepts. To do this, the literature review helps the field of study and analysis of the applicant based on his experience, or experience (Skreli & Cera, 2013). When talking about the connection between concepts refer logical connection between them, which leads in the direction of causality between concepts and direction of the connection.

The direction of causality factors shapes the causes and factors that undergo a variation corresponding to the change factor because, while the direction of the connection has to do with the relationship between the positive and negative factors. The second column refers to the world of observation or variables, which means how is passed from the world of theoretical concepts to the world of observation. This is one of the most delicate transitions in searches for the exact not measure concepts can lead to deformities research fair and deviations from reality. If the world of theory and concepts talk about cause and effect factors in the world of observation it is preferable to talk with language dependent variables and independent. Referring to the scheme, we will notice a column titled “Position regression”, where each row is marked for “Dependent” or “Independent”, corresponding to factor dependent and independent factors, consequences and causes. The third column is the symbol of the relevant concept. This symbol is used for cuts in the analysis of data as well as regressions to control hypotheses. Here it is preferred that the variables be explained in terms of the measurement method. Besides these, the scheme is well established position of each variable in the regression and the expected signs of connectivity the independent variable with the addicts.

3.1 The link between credit risk and macroeconomic factors and assumptions

We propose many scholars (Blaschke et al., 2001; Kalluci & Hill, 2010; Messai & Jouini, 2013), as the dependent variable in this relationship is taken non-performing loans (kr_prob), while the independent variables are the norm bill treasury 3mujore (bth3); M2 monetary aggregate, the housing price index (ind_sh); the growth rate of exports (eks_eur); real exchange rate (k_këmb) and economic growth (GDP).

<table>
<thead>
<tr>
<th>Concept</th>
<th>Variable</th>
<th>Symbol</th>
<th>Measure</th>
<th>Position regression</th>
<th>Sign expected</th>
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<tbody>
<tr>
<td>Credit risk</td>
<td>Credit with risk</td>
<td>kr_prob</td>
<td>Percent</td>
<td>Dependent</td>
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<tr>
<td>no risk interest</td>
<td>Rate of bones</td>
<td>bth3</td>
<td>Percent</td>
<td>Independent</td>
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<tr>
<td>rate</td>
<td>Aggregate monetary</td>
<td>M2</td>
<td>Value dinar</td>
<td>Independent</td>
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<td>Aggregate monetary</td>
<td>Index of real state</td>
<td>ind_sh</td>
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<td>Real state</td>
<td>Growth of export</td>
<td>eks_eur</td>
<td>Log export</td>
<td>Independent</td>
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<td>Exchange rate</td>
<td>Exchange rate in</td>
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<td>Economic growth</td>
<td>Gross domestic</td>
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Analysis is included in the interest rate of treasury bills, because it serves as the basis for banks when they set lending interest rates over. Another important effect is the growth rate of the monetary aggregate M2, which for every increase of 1% predicted decreases loans. The real exchange rate has a positive correlation with loans, so any devaluation of the currency by 1%, loans are expected to grow. Exports are measured by the difference log exports, which mean an increase in exports. Export growth is expected to be accompanied by a decline of credit risk, as would be expected inflows from trade. With regard to prices, a price index increased by 1% expected to reduce loans.

In this dissertation it is not only appreciated the connection between the rate loans and macroeconomic indicators, but also evaluate the connection of these macro-variables and solvency of two main categories: businesses and individuals. Each category is represented by an econometric model in order to become more understandable relationship between dependent variables and independent ones.
At this point, in accordance with Blaschke et al. (2001), Kalluci and Hill (2010) and the Messai and Jouini (2013), can be formulated these hypotheses:

- If you increase risk-free interest rate, the credit risk of the Former Yugoslav Republic of Macedonia will increase;
- Credit risk will decrease, if the monetary aggregate M2 in the Former Yugoslav Republic of Macedonia will increase;
- If the index of house prices in the Former Yugoslav Republic of Macedonia will grow, then the credit risk would be reduced;
- If the Macedonian exports will grow, then the credit risk should be defused;
- Credit risk will change, if the exchange rate of the dinar to the US dollar and the euro will suffer fluctuations;
- If GDP Macedonian economy will grow, then the credit risk will decrease.

3.2 Relationship between business credit risk and macroeconomic factors and assumptions

Loans to businesses constitute a very substantial part of the loans extended. Given this relationship, the dependent variable will be the ratio between non-performing loans to total business loans portfolio compared to (Kalirai & Scheicher, 2002; Rinaldi & Sanchis-Arellano, 2006; Kalluci & Hill, 2010).

<table>
<thead>
<tr>
<th>Concept</th>
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<tbody>
<tr>
<td>Credit risk</td>
<td>Credit with risk</td>
<td>kr_prob_biz</td>
<td>Percent</td>
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<tr>
<td>Risk-free interest rate</td>
<td>Rate of bones</td>
<td>bth3</td>
<td>Percent</td>
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<tr>
<td>Aggregate monetary</td>
<td>Aggregate monetary</td>
<td>M2</td>
<td>Value dinar</td>
<td>Independent</td>
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<tr>
<td>Export</td>
<td>Growth of export</td>
<td>eks_eur</td>
<td>Log export</td>
<td>Independent</td>
<td>-</td>
</tr>
<tr>
<td>Exchange rate</td>
<td>Exchange rate in dinar</td>
<td>k_këmb</td>
<td>USD/MAD, EUR/MAD</td>
<td>Independent</td>
<td>-/+</td>
</tr>
<tr>
<td>Economic growth</td>
<td>gross domestic product</td>
<td>GDP</td>
<td>Value dinar</td>
<td>Independent</td>
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</table>

The rate of loans to businesses depend almost the same factors which depend on macro from the total credit risk, therefore followed the same procedure as to the interpretation of connections. The economic factor has more weight on the dependent variable is thought to be the rate of treasury bills, because the growth rate of the treasury bills, loans are expected to grow business. Regarding the exchange rate it can be said that a devaluation of the domestic currency, is projected to increase business loans. Another factor that affects the quality of business loans is economic growth (GDP), the GDP growth is expected to be accompanied by a reduction in non-performing loans business. Other factors affecting business loan problems are aggregates M2 and exports, both of whom have a negative relationship with the dependent variable, so an increase of these variables are expected to make business credit problems fall. For more reports.

In conclusion, further proposals Kalirai and Scheicher (2002), Rinaldi and Sanchis-Arellano (2006) and Kalluci and Hill (2010), the assumptions for this link are:

- If you increase risk-free interest rate in the Former Yugoslav Republic of Macedonia, the credit risk will increase;
- Credit risk will decrease, if the monetary aggregate M2 in the Former Yugoslav Republic of Macedonia will increase;
- If the Macedonian exports will grow, then the credit risk should be defused;
- Credit risk will change, if the exchange rate of the dinar against the euro will undergo fluctuations;
- If GDP Macedonian economy will grow, then the credit risk will decrease.

3.3 The link between non-performing loans to individuals and macroeconomic factors and assumptions

Following submissions Rinaldi and Sanchis-Arellano (2006) and Kalluci and Hill (2010), loans extended to individuals play an important role in the total loan portfolio. For this reason in this section will discuss the macro-factors affecting the solvency of individuals who are identified below. As dependent variable rate deals arising from the ratio of loans to
households and total loans extended.

<table>
<thead>
<tr>
<th>Concept</th>
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<th>Measure</th>
<th>Position regression</th>
<th>Sign expected</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit risk</td>
<td>Credit with risk</td>
<td>kr_prob_biz</td>
<td>Percent</td>
<td>Dependent</td>
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<tr>
<td>Free risk</td>
<td>Rate of bones</td>
<td>bth3</td>
<td>Percent</td>
<td>Independent</td>
<td>+</td>
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<tr>
<td>Aggregate monetary</td>
<td>Aggregate monetary M2</td>
<td>M2</td>
<td>Value dinar</td>
<td>Independent</td>
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<tr>
<td>Export</td>
<td>Growth of export</td>
<td>eks_eur</td>
<td>Log export</td>
<td>Independent</td>
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</tr>
<tr>
<td>Exchange rate</td>
<td>Exchange rate in dinar</td>
<td>k_këmb</td>
<td>USD/MAD, EUR/MAD</td>
<td>Independent</td>
<td>-/+</td>
</tr>
<tr>
<td>Economic growth</td>
<td>gross domestic product</td>
<td>GDP</td>
<td>Value dinar</td>
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</table>

Loans to individuals depend on several macro-factors that have a direct effect on them. More specifically, an increase in the rate of treasury bills is expected to increase loans to individuals.

Also, the exchange rate directly affects individuals, and more individuals who loans were taken in foreign currencies and revenues have in local currency, so the value of foreign currency, is projected to increase loans to individuals.

4. Data

Secondary data were obtained from several different sources, such as the World Bank, International Monetary Fund, the National Bank of RJM former Office of the Institute of Statistics of former RJM. Best database data has the World Bank, through which it provides information for other countries. Of interest to this dissertation presented data regarding the countries of the region. Through these data become even comparison between countries and former RJM.

Most of the data are in the form of indicators. Among them are given in percentage form, it is inflation or the rate of treasury bills, there are data expressed in money, mainly in money and in euro. Geographic World Bank reports data in local currency and US dollar currency.

The data horizon is 15 years, ie from 2001 onwards. There are some cases when this horizon cannot be found, such as foreign direct investment, the recording of which begins in 2005. Also, not all variables are given until 2016, and was a part of variables missing data for 2015.

In academic research in the economic field it is very widespread implementation approach statistical and econometric methods to verify hypotheses or to achieve the objectives. Even when asked to make any prediction, statistical and econometric models used. Using these methods of "wear" reliably academic research because the data and the links between them except that analyzed and tested. Testing of connections between data considered as a mechanism that helps achieve control objectives or hypotheses, and therefore results in general.

Researchers often underestimate the variance process control, trusting mostly intuition and experience. Intuition and experience have their role in the progress of the search, but not enough to say the right reliability results. So overall a serious search should consider the statistical analysis and econometric.

Implementation and use of such methods for the benefit of economic analysis, first of all, requires knowledge of the disciplines of statistics and econometrics. Many cases when researchers underestimate or cursory use these methods. Indeed, there are times when their application is incorrect.

The model is used in this topic PhD is a multifactorial linear econometric model, which means that to explain a dependent variable considered too independent variables.

Let be given multifactorial linear model,

$$ Y = \beta_0 + \sum_{i} \beta_i X_i + \epsilon $$

written or otherwise,

$$ Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \ldots + \beta_p X_p + \epsilon $$

Y is the dependent variable, endogenous, internal, explained, on the left side of the equalizer.

Xi are independent variable, exogenous, external explanatory, on the right-hand side, a total of p variables.

\( \beta_i \) are parameters or coefficients, \( \beta_0 \) constant is free, while other \( \beta \) coefficients are near and independent factors can be recognized as partial regresses;

\( \epsilon \) represents all other factors, whose effects are not taken into consideration.
Method for assessment of parameters or coefficients of such a model is that of least squares (least square method). She walks with the principle of getting that connection that gives the smallest square distance between the actual observed and model line. With the advancement of technology and software is made possible econometric models evaluated through them easily. Computer programs that researchers often use econometric models to estimate are Microsoft Excel (not very professional), SPSS and EViews.

4.1 Regression to business credit risk and individuals

If we refer to the second relationship, rather than $Y$ will have variable business loans ($kr_{\text{prob biz}}$). Independent factors that claim to define variable $kr_{\text{prob biz}}$ are: the rate of loans to businesses of a previous period ($kr_{\text{prob biz } - 1}$), the rate of treasury bills quarters ($bth3$), monetary aggregate M2 (M2) increased exports ($eks_{eur}$), exchange rate ($k_{\text{km}}$) and economic growth (GDP). Click regression would change the symbolism of $Y$ and $X$'s, in particular the following variables:

$$ kr_{\text{prob biz } t} = \beta_0 + \sum_{i=1}^p \beta_i (\text{variable i}_{t-1}) + \epsilon_t $$

If we refer to the relationship of the third, then instead of $Y$ will have variable business loans ($kr_{\text{prob ind}}$). Independent factors that claim to define variable $kr_{\text{prob ind}}$ are: the rate of loans to businesses of a previous period ($kr_{\text{prob ind } - 1}$), the rate of treasury bills quarters ($bth3$) and $b$ ($bth6$), the index of house prices ($\text{ind}_{sh}$) and exchange rate ($k_{\text{km}}$) with GDP. Click regression would change the symbolism of $Y$ and $X$'s, in particular the following variables:

$$ kr_{\text{prob ind } t} = \beta_0 + \sum_{i=1}^p \beta_i (\text{variable i}_{t-1}) + \epsilon_t $$

Beta coefficients in the model above or regresses represent partial parameters of the econometric model. The coefficient $\beta_1$ at variable $kr_{\text{prob ind } t - 1}$ shows that when the rate of loans to households of the previous period increased by one unit, it is expected that non-performing loans to households ($kr_{\text{prob ind}}$) increase by $\beta_1$ unit when other factors remain unchanged (ceteris paribus condition). The coefficient at variable $bth3$ and $bth6$ is $\beta_2$ and $\beta_3$, which are interpreted as follows: the growth of one percent rate of treasury bills quarterly (bi), it is expected that the rate of loans to individuals increased by $\beta_2$ ($\beta_3$, ceteris paribus condition). With $\beta_4$ unit is expected to increase the rate of loans to households, if they increase by a unit housing price index (ceteris paribus condition). If the exchange rate will increase by one unit, then performing loans would increase by $\beta_5$ unit. Also, if the economy performs Macedonian economic growth, it is expected that the rate of non-performing loans to individuals increased by $\beta_6$ unit. $\beta_0$ coefficient indicates the level of problem loans to individuals, when all other factors exert zero impact on the dependent variable.

5. Conclusion

In the three cases (total credit risk, business credit risk and households’ credit risk) we found positive relationship between previous credit risk to present credit risk, even statistically. This is important for the 99% confidence level. The total credit risk model shows 4 important variables, with at least 95% statistical confidence level. According to that, beside the previous levels of credit risk, determinants of credit risk are monetary aggregate M2, exchange rate of the denar against the euro and economic growth. On the other hand, risk free, real estate price index and export growth are not determining factors of it.

Business credit risk model reports 5 important variables, with at least 90% statistical confidence level. In addition to the previous credit risk, determinants of business credit risk are free risk, monetary aggregate M2, the exchange rate of the denar against the euro and economic growth. On the other hand, export growth is the only factor that results insignificant.

Households’ credit risk model identifies 6 important variables, with at least 90% statistical confidence level. According to this, beside the previous levels of credit risk, determinants of credit risk of individuals are risk-free interest rate, monetary aggregate M2, the price of houses index, the exchange rate of the denar against the euro and economic growth.

In summary, the three models show the determinants of credit risk in the reality of the Macedonian economy.
References


Irrationalism and Its Consequences in Religion

Merlina Pograzha Koseni
Rudina Hoxha

Abstract

According to irrationalist philosophers we can not achieve God knowledge in a rational way through experience. Human knowledge has its value but it can not be limited by scientific methods. Human reason is unable to achieve the knowledge of the truth and objective metaphysical principles. Modern thought pretend that God can be known only with irrational methods, which are expressed with the will to believe in God existence and in a personal religion experience. God idea is never objective and transcendental, but always subjective and immanent. Reason is not important in the searching of god. Belief discovers what the reason can not understand. In this paper we will deal with the consequences of irrationalism in religion. On one hand irrationalism preserves religion from rational attacks, as something that goes beyond what may be known rationally, on the other “irrationalism” it is equally dangerous for the catholic faith as rationalism may be. (Berkower, 2007). It is known that the irrationalist uncertainity is against the guarantee of the catholic faith. Rationalism is not the only enemy of faith: irrationalism is an enemy, too. For this reason faith has built a new relationship of belief with reason. Irrationalism is the inevitable consequence of the supremacy of reason that brought with it human loss in the relationship with itself, with the others and in the moral sphere until any religious feeling get lost as an opening to transcendence. This is human progress. Soul sinks; culture pauperizes getting unified in all societies; costumes degrade and human being loses its difference with animals.

Keywords: Irrationalism, religion, reason, belief.

1. Religion as a Matter of Feeling, not Reason

Many philosophers, including Hume, Kant, Bergson, Russell, Whitehed etc., share the opinion that we can not attain knowledge of God rationally and through the experience. Whitehead writes that philosophy begins with the recognition that a review of the present world can not be brought on the current state of the world, nor can reveal more than the elements derived from the experience. On other terms, it can reveal the permanence of God, but not completely transcendent.

This rejection of metaphysics is found in all modern thought. Human knowledge is valuable and useful, but it can not be limited to scientific and experimental knowledge. Human reason is unable to achieve the recognition of objective truths and principles of metaphysics. Modern thought claims that God can be known only by irrational methods, expressed willingness to trust subject to the assumption of God's existence and personal religious existence. The thought of God is never objective and transcendent. It is always subjective and immanent. In this case God is replaced with the idea that everything is God himself. The idea that everything is God himself is more important than the existence of God itself, which takes value of individual symbol.

These findings reflect Kant's doctrine. His transcendental idealism (inability to achieve transcendent reality) is at the origin of this tendency of modern philosophy of religion. Kant claims that the inability of the soul to recognize the realities of meaning transcends the experience. By defending metaphysics somehow he protects the religious realities, addressing the affective side of human nature to these realities.

For Kant the reality of God is necessary, but there is no corresponding objective reality. Man is Lord autonomous and self sufficient. God is useful to meet the demands of our moral life. For the individual, already used to this, is no matter whether God exists, regardless of his opinion. God is a subjective and immanent reality. Our era can not escape this vision. Kant's modern has its echo in our contemporary world. He invented the idea of God that everyone has replaced God, Substance uniqueness, freedom and everything that transcends the universe. The essence of the Kantian criticism was precisely this: the practical reason fine attributes to itself the right to limit the prerogatives of what we can not recognize.

Even though we may not ever know if there is a God who gives purpose and meaning to life, the irrationalists say, he must nevertheless take a "leap of faith", because not doing so would be even worse. For many true believers, the reason is irrelevant in search of God. Faith reveals what reason can not distinguish.
This position allows us to share the human experience in two areas that coexist without any significant contact points; The rational sector of life and irrational one, and generally speaking they have nothing to do with each other. This position has had its ancient exponents such as Protagoras, Plotinus, etc., but got no philosophical spread to the work of Kant in the late twentieth century. Although some defenders of religious irrationalism take into account the irrational status of religion as a good reason to ignore or leave it, many others have welcomed it as a defense that puts religion beyond rational attack. Irracionalist treatment also tends to see religion as something that some people have and others do not, and these agree with scholasticism at this point, although the irrationalists differ a lot between them in terms of the faith causes.

2. New and Old Irrationalisms

We live in an era of great irrationalism. This is definitely a crisis era. Today, the moment in which our universal world is reaching the remote limits of its growth, producing a degree of social and ecological confusion that the optimistic spirit of enlightenment would be never unable even to imagine, it seems that our societies dive still in shape of the irrationalism that surpass anything we have recognized as such in traditional society.

Modern differentiated irrationalism appears in two basic aspects: on the one hand, a dark worship of the science and technology (which constitutes dominant mythology of Western world), detached from any normative context and set of values; On the other hand a sudden gust spreading different groups of folk and irrational beliefs (a process that is ongoing since 1960), among whom we may include phenomena such as astrology, esotericism, unclear ideologies as neopaganism or 'new era', as well as major religious revivals within traditional religions, which lead to political practice what we perceive today under the term of fundamentalism, that threaten the old religions, especially in West.

We can define generally an irrational belief system as a system whose core beliefs are not derived from rational methods (ie reason and / or facts) but from intuition, instinct, feeling, mystical experience, revelation, will etc. As such, these beliefs are beyond any rational discussion. This is especially true for all religions that have always been characterized by the existence of a set of essential irrational truths (God, the immortal soul, karma and others) that are usually described in a sacred text like the Gospel, the Koran, the Vedas, etc. In this sense, the world of essential truths that characterizes all religious systems is and has always been a closed world.

It is imperative at this point to make an important distinction between the “old” and the “new” irrationalism -something that will lead us back to the ‘Age of Reason', so to enlightenment and development of rationalism. This distinction is made necessary by the fact that the causes of the birth of modern irrationalisms, as we shall see below, are specific to our era and as such differ significantly from historical causes that led to the birth of classic irrationalism that flourished in century XIX and early XX century, as a reaction to classical rationalism.

The classic irrationalism was born more as a reaction to rationalism and absolutization of reason. Rationalism, as view that considered reason as the main source of knowledge, has been deeply rival to belief systems that claim to esoteric knowledge, whether mystical experience, intuition or revelation. For the same reason, the rationalism has always been opposed to the various irrationalism to emphasize the organics, the emotional, the unconsciousness or the existence, at the expense of the rational. In fact, it was in the context of the fight against religious irrationalism, which was rampant in the Christian West, that the thinkers of Enlightenment began the project of creating a science of history and society, made up of hypotheses and laws that are analogous to those achieved by theories of the physical sciences. People like Condillac and Condorcet in the eighteenth century and Henri de Saint-Simon, Auguste Comte and John Stuart Mill, and Henry Thomas Buskle in the nineteenth century believed that it was possible to apply scientific procedures in the study of human society. It was in the same social context that gave birth to modern science, as the type 'orthodox', which takes the status quo as given, or radical kind, aimed at a new systems (scientific socialism). (Fotopoulos, 1998)

The reaction to the rationalism that characterized the Enlightenment came in the form of the 'old' irrationalism, which took place in nineteenth-century in Europe. However, the objective of this 'old' irrationalism was not returning to religious absurdlity and the truth of revelation. Its stated objective was "... to enrich the human understanding of the life extending it beyond its rational dimensions in full." (Bonardel, 2007). The roots of irrationalism were like metaphysics or, in a unique self-consciousness of human experience. Its emphasis was on the dimensions of instinct, feeling and will, over and against reason. As we stated in the first chapter classical irrationalists were separated on whether religion is true, - Schleiermacher and Kierkegaard who were theists, and Schopenhauer and Nietzsche that were atheists- but all had a common disdain for reason. They all condemned the reason as a completely artificial and limited skill, that should be abandoned in brave search to embrace reality.

While modern irrationalism is created from other causes and brings other consequences related to religion. The irrationalism of this type are created by the combination of some situations as uncertainty about unemployment and underemployment (which marked the emergence of the international neoliberal market economy) together with the
uncertainty created by the crisis parallel in science, which in combination with accelerating cultural homogenization can explain the emergence of irrationalism in this period. In this way, people went to religious dogma or irrationalism in general. This movement reflected the internal needs of the many people to 'some truth' in consequence of the crisis of ‘objective’ rationalism (science) and ‘scientific’ socialism in particular (trust in historical, social and economic 'laws' etc.). In all these cases, people, taking for granted the world should have a sense, independent from the one we give her, began looking for external sources of truth. This led to the revival of traditional religions or the spread of other forms of irrationalism as: (astrology, esoterism, New Age mysticism, etc.).

The birth of the movement "New Age" (Terzakis, 2009) for example, was originally a joke, but today it has become a big business, financially and spiritually, and threatened the stabilized churches, showing perfectly the crisis of techno science and rationalism in general. A flight to shallow irrationalism is being presented today in the name of protest against the idea of the great philosophical systems developed from the past. Naïve belief in UFO, astrology and New Age aims to replace the great philosophical questions of the past for the meaning of life and evaluation systems. 'Philosophy' New Age "contains the irrational rational elements in a monstrous ideological 'soup' that reflects the degradation of intellectual activity in our era" (Terzakis, 2009).

In these modern times of crisis, the return to tradition and, especially, to the irrational beliefs of different kinds of religions and resurrection in the form of fundamentalism seem like the only option for people. Especially, when religion was seen as a moral code that preaches the equality of all people before God set against injustice. Does this new type of irrationalism constitute a favorable condition for religion or he risks and hurts it just like rationalism?

At first glance it looks like irrationalism paves the way for religion, but different researchers, including its believers are unsure about this and feel the threat posed by irrationalism as much rationalism.

3. Irrationalism and Uncertainties of Recognition

Irrationalism has resulted in a huge increase of the lack of security in the nineteenth century onwards. Berkower in his article "Modern Uncertainty and Christian faith," says that the uncertainty that has spread, poses a great danger for humanity. In the modern world, the lack of safety is the source of a range of other problems and cause for many disappointments. The safety problem is not essentially a new problem because uncertainty reigns for a long time. At all times the problem of unsafety and doubt has threatened human life. For a long time religion and the message it conveyed, gave people certainty. In XX century the threat of uncertainty becomes even more dangerous. Certainly in previous centuries people facing the threat of unsafety but they have confidence and hope. They were confident in the stability of the world, for the safety of their culture and religion, they were certain of their church and political system. Of course, it certainly was not always come from the certainty of faith. Safety was the belief that human reason can explain the cause of human life, because of the existence of God and immortality. They found safety in a period in religion.

During Enlightenment the faith was set to human reason and scientific discoveries, particularly in the natural sciences. In this certainty there is no need for an omnipotent God. With optimism in science, with the confidence of a modern world that should be every day better and better, people would not need God anymore. They know the laws that govern the universe and no longer believe in miracles. They were living in a world full of confidence because of what man had arrived and that he thought he was able to achieve. People felt safe in this world. Human pride can not be threatened by the judgment of God (Berkower, 2007) This certainly was based on the results of the science of a closed world. It was certainly reinforced by the idea of the evolution of human life. A whole deterministic trend went through the century, and it is no surprise that this was a period of religious and theological modernism, which attack the very foundation of faith. It was emphasized that human autonomy and the Lord was already 'human reason'.

The certainty of enlightenment is already gone. There is no more glorification of power and human reason. There are obviously detected endless possibilities of power and human intelligence, but also it is understood that human actions are now a new security threat. This is today a problem that is found everywhere. Reaction to the security of the reason is of course the early nineteenth century but people have questioned more and more the importance of human reason. The confidence of man to possibilities of reason has degraded and irrationalism is seen everywhere; the issue is not reason but intuition, feeling, dangerous matter of life and threatened existence. For this reason "the struggle between rationalism and irrationalism is one of the greatest conflicts of the current philosophy." (Berkower, 2007).

But how does irrationalism influence to faith, to religion? What consequences brings the irrationalism to the religion?

Seeing the church attacks against rationalism, the arrogance and the ridiculosity, it may seem that the transition from rationalism in irrationalism is an advantage for the faith. Is it really so? It is irrationalism favorable to religion? We should not forget that the reaction against the supremacy of human reason becomes more and more a protest against the safety and security forms in the world. Life can not be captured by reason; life is experience; man must live with risks. It is
the irrationalist solution. Nor essence, nor reason, nor safety, but the uncertainty existence and nothing more. We are thrown into this world and the only thing we should do is to live, to choose, to act without any security. That is why "irrationalism is equally dangerous to the Christian faith as the rationality". (Berkower, 2007)

It is clear that irrationalist uncertainty is contrary to the guarantee of religious belief. Rationalism is not the only enemy of the faith: the irrationalism is the enemy too.

Amid all the uncertainties in the human heart of the Christian faith proclaims a wonderful certainly by having a vision of what is and remains beyond the ruins of the time. Catholicism asserts that it is impossible to achieve personal safety, because the believer must cooperate with God's goodness. This assertion is a grand illusion to irrationalism. This certainty is an illusion and criticism of irrationalism against religion are as severe as those of rationalism. This criticism is directed against everything absolute in the world. Behind this criticism lies relativism of our time. The final score of demarche of relativism is only a deep concern.

Even religions and believers have understood the risk to religion by growth in the size of irrationalism. For this reason, it is not surprising that, in his encyclical in 1998, "Fides et Ratio," in which he addresses the relationship of truth, faith and reason, Pope John Paul II stressed the interdependence of mutual trust and understanding, and emerges in favor of reason (apparently to attack irrationalism of New Age that threatens the church), showing the weaknesses of each of them when it isn't hijacked by another: "Deprived of what offered by Revelation, then reason has taken tracks that expose it to the risk of losing its final goal "(the discovery of the truth). "Deprived of reason, faith has stressed feeling and experience, and so goes to the risk of not being a universal proposition." (II, 1998) According to the Pope, the right reasoning will lead us always to the Lord (it seems that he has assumed its conclusion).

But as it shows the papal Encyclical, Western religions have complicated relationships, in conflict with reason. "My concern is not the operation of reason in religious tradition, but the operation of faith in a secular world." (Ibid.) However, the attempt to reconcile faith and reason we find formulated in the opinion of St. Augustine and Thomas Aquinas, since medieval period. According to Aquinas, the reason and the faith are not mutually contradictory but complementary to each other, because both are in search of the ultimate truth even they follow different ways. Thus, although the Pope encourages all philosophers "to believe in the power of human reason," he continues by stating that we should not "abandon the passion for ultimate truth" as whatever is true, there can be life threatening for the faith, because God is real. His idea is: "Faith and reason are like two wings on which the human spirit rises to behold the truth." For the Pope, the faith urges reason to achieve what -was "beautiful, good and true" and thus it becomes advocate of reason. (II, 1998)

Of course, the concept of reason which Pope is referred too, has little to do with the concept of the Enlightenment, which was identified by the power by which people understand the universe and improve their conditions. Indeed, one could argue that the three main pillars of the Enlightenment were: devotion to reason, faith in progress and the pursuit of freedom in political and social institutions.

The recovery of Greek philosophy in the field of Christianity has represented a major step forward in the culture of all mankind, for allowing, affirming the rationality of faith, to release the area from every form of superstition and mythology. Moreover, with the motto "quaerens intellectum fides" (II, 1998), to trust, to religious activity, involving the whole man without the risk of falling into dangerous dichotomy between intellect and feeling. Man is a being who feels and knows, and between the two there is no conflict, we should not fall into fideism and choose one at the expense of the other.

Finally, the harmonization of different cultures has contributed to the preservation of all Greek-Latin heritage, transmitting to successive generations. By differentiating from the neoplatonic philosophies, says Benedetto XVI in the discussion of 16 January 2008, written for the University "La Sapienza" of Rome, in which religion and philosophy were intertwined inevitably, the Fathers had presented the Christian faith as the true philosophy, noting also that this religion responds to the demands of reason in search of truth; that religion is the 'yes' to the truth, compared with mythical religions. In this way, the church fathers have risked to not adequately distinguish between two areas, that of the faith and the reason. So how have caused criticism of Aquinas, which put clearer limits in the field of proverealized only in the realm of truly natural and not those supernatural, where the role of reason is one telling fact that there is no contradiction between faith and reason. Aquinas redefined genius the the proportion between the faith and the reason under the sign of unity and differentiation, so philosophy and religion are complementary to each other, they relate among them, although each must preserve its identity.

Theology must continue to be drawn to a treasure of knowledge that did not invent itself, that always outstrips and since it is never exhaustible through reflection, starts again the thinking. Philosophy does not resume from point zero of thinking subject in isolation, but is always in great dialogue of historical knowledge, that it always gets critically and develops; therefore it should not be closed before what the religions and in particular the Christian faith have received and given mankind.

It is important the topic of dialogue with the tradition; it is worth a pause to find the light on the report to be inserted
between the 'reasons'. The tradition is to transmit from generation to generation, from thinker to thinker, that cultural heritage that is occasionally examined, compared and deepened. It’s precisely the Dialogos the Logos to be overcome (dia means exactly overcomes) the time, the thoughts and cultures. This makes us unique thinkers fused in a 'sociality' that exceeds the barriers of time and space.

Thus, the development of Greek philosophy within the faith has provided all the tools that have been proven as indispensable in the systematization of doctrine. If, in fact, the supernatural truths cannot be subject to demonstration, however, Theology is obliged to show their non-contradiction with the truths of reason. It is for this that the doctrine of substance has proved a particularly efficient processing of Trinitarian and Christological dogma.

Aquinas, by expanding later Aristotelian into thinking Aristotelian and into Greek philosophical heritage was able to make a step forward in the effort to harmonize between faith and reason, giving us fullness and systematization in the gnosiological field, to the moderate realism by surpassing to the end the eventually exaggerated Platonic realism.

This expansion and clarification, as we shall see, is a benchmark for subsequent deviations of understanding of philosophical thought and be able to overcome. Errors that are created in the culture of peoples, in the current mentality in the ethical convictions ranging from such deviations can find solutions by returning to Aquinas. It may seem surprising that, to return to "clearly see" on our reality, we are forced to go back so many centuries, but it is necessary to traverse steps made by philosophical thought until identifying the origin of errors, and, together, see where he lost authenticity that made our reason to be valid and correct, assumption of a luminous faith and a strong belief, with no breakdowns, no compromises.

We might ask why, to show all this, it seems necessary to turn our gaze to gnosiology. In many cases, it has the great merit of returning to the origin of those errors, by emphasizing deformations of philosophical approaches that will lead, in other fields, in true and typical forms of irrationalism.

Ultimately, irrationalism is the inevitable result of the absolutization of reason. And, together with the loss of the human person in relationship with themselves, with others, in the moral sphere, while strangling any religious feeling towards transcendentences opening.

This is our progress! We lost ourselves, the soul sinks, culture impoverishes increasingly creating a worldwide unification, habits are degrading, the human being is transformed and loses difference with animals.

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Intellectual Property Law – Age of Internet

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Abstract

Creating of intellectual property product takes time, effort and great commitment. It requires a lot of effort to protect it as well. In a democratic society the protection of copyright is one of its core values, and guarantees cultural heritage, scientific and technological achievement. This article trying to give clear understanding of intellectual property importance in Internet Age, while interpreting and analyzing the copyright and its related rights, as: Objects of law regulated by legal norms, which are relatively new. Moreover during applying the historical data trying to describe and give outlook to the world where the intellectual product has been very low known, comparing with the recognition and regulation of other institutes of civil law. To achieve the aforementioned purpose would be used the interpretation and analysis method of data collection as: Norms from International Conventions and Domestic Law, practical cases and other relative material to the article focus. My research findings are that the copyright provides the economic basis for the creation and distribution of musical works, literary, artistic, movies, computer programs and other forms of creative expression. Moreover it protects its holder and determines whether and how to copy, distribute, and transmit their works as well as it stimulates talents to create creative ideas and prompts businesses to invest in them.

Keywords: Intellectual Property, Copyright, Protection of Intellectual Property

1. Introduction

The copyright it is regulated by international law for more than two centuries. It establish the economic basis for the creation and delivering the musical works, literary, artistic, movies, computer programs and other forms of expression. In this article will be discussed below the understanding of Intellectual Property as an essential part of the material. Should be aware that in modern age the necessity had been grown rapidly to protect the IP by regulating and being enforced by rule of law. This primarily it includes the Regulation of Intellectual Property by Law where the efforts and its role in businesses are very worldwide today as well as protecting the rights belonging to the Intellectual Property.

2. Understanding of Intellectual Property

During analyzing the intellectual property, must be consider carefully what intellectual property really means. Or, more particularly, what it can mean to a business. The important question can be arisen for example, why is a name, a style, a sound or a thought captured on paper or audiotape so important that an ever-expanding area of law could develop around it?! In legal terms can be defined, as personal subjective right which represents the legal power with absolute character related to intellectual creativity having the quality of copyright work.1

Exact definition and clear understanding of the IP must turn us back to the rote of the definition. Should be bear in mind that the genesis of the term “industrial property”, derived from French law, who covers (as indicated in the Paris Convention for the Protection of Industrial Property (1883)) “patents, utility models, industrial designs, trademarks, service marks, trade names, indications of source or appellations of origin, and the repression of unfair competition.”2 Consequently, the term excludes copyright and related rights (i.e. Rights relating to performances of performing artists, phonograms, and broadcasts). Must emphasize that the distinction is the theory that copyright concerns artistic creations and is not dependent on formalities (such as registration) for its subsistence, whereas industrial property concerns creations that are essentially for industrial purposes, and the rights are dependent on compliance with

1 Aliu, Abdulla, E Drejta Civile, Prishtinë, 2013, p. 287.
prescribed formalities.3

In many commercially driven societies around the world, billions of dollars are lost and gained on the basis of protecting these great ideas, catchy names, innovative designs and inspiring words. For example, the main industries concerned with copyright, which include the entertainment such as movies, music, and other media that can be known also as creative economy, represents 6.1 per cent of the global economy.4

From historical perspective we anticipated that this filed is regulated by the first international treaties protecting intellectual property rights - the Paris Convention for the Protection of Industrial Property5 and the Berne Convention for the Protection of Literary and Artistic Works6 were reached in the 1880s, but still coordination across countries for intellectual property protection remained inadequate until recently.

Furthermore the importance of IP law in internet age is that it offers “protection” somehow for creation or creative work and also regulates the use of it7 and all of these are expressed as patents, copyrights, trademarks, trade secrets etc. Because intellectual property shares many of the characteristics of real and personal property, associated rights permit intellectual property to be treated as an asset that can be bought, sold, licensed, or even given away at no cost.8 Intellectual property laws enable owners, inventors, and creators to protect their property from unauthorized uses. Taken in consideration all data mentioned above the Intellectual property rights were first included in the Uruguay Round negotiations of the General Agreement on Tariffs and Trade (GATT), 1986-1993, with the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).9

Based on this data can be concluded that TRIPS require signatories to make it easier for their citizens and others to obtain and enforce intellectual property rights, although it does not deal with domain names as such.

3. Regulation of Intellectual Property by Law and Its Role in Businesses Worldwide

Intellectual property has become a disturbing, dangerous and insidious force in many areas of our daily routine. It is very keen in our lives, yet we often do not even consider its existence. In another part of medallion the business concepts such as intellectual capital and knowledge management are much more recent developments than intellectual property; however, they have brought the significance of valuing, organizing, using and profiting from the collective genius in an organization to the top of the business management checklist. Though aspects of knowledge management and intellectual capital fall outside the realm of intellectual property and it is unlikely that the World Intellectual Property Organization (WIPO) will establish a treaty for the protection of individual brains. The World Intellectual Property Organization, which began operations in 1970, promotes the worldwide protection of both industrial property (inventions, trademarks, and designs) and copyrighted material (literary, musical, photographic, and other artistic works).10

Furthermore this field had fulfilled the gap in it by The World Trade Organization (WTO) which it also includes the protection of undisclosed information and the control of anti-competitive practices in contractual licensing under its Agreement on Trade-Related Aspects of Intellectual Property (TRIPS).11

Recently the companies who recognize the value of intellectual assets have revolutionized the way of businesses that are operating. This approach has also revolutionized the way investor's view the firms in which they invest. The company with the best team of convincers is often the leader in its particular business realm. This team strives to create a competitive advantage for its employees.12 Over the past decade, we have witnessed the success of some companies,
which has relied almost exclusively on advertising, mail orders, internet orders, customizing personal computers, strategy, reasonable prices and incomparable customer service guarantees. Intellectual property is becoming an increasingly valuable asset for establishing competitive advantage in virtually all business models.\textsuperscript{13} As an example can be mentioned the IBM which is a most powerhouse in the world of computer technology goods and services and a long-time survivor in this volatile realm. It was granted an estimated 2,800 patents in 2000, more than any other company in the world. That figure comprises more patents than some national intellectual property offices examine in a year. For eight consecutive years, IBM has registered more patents than any other company in the world, and since it was founded, it has accumulated more than 34,000 patents worldwide.\textsuperscript{14} Almost 20,000 of these patents are held in the United States alone. Considering that a patent in the United States can cost up to US $20,000 to obtain, this is a considerable investment in intellectual property.\textsuperscript{15} Many other companies become technology-sharing partners with IBM either willingly or unwillingly. The willing partners often enter into cross-licensing agreements that benefit both companies through the sharing of otherwise proprietary technologies and related innovations. The unwilling participants may have been confronted by IBM and asked to explain why they are infringing on an IBM patent.\textsuperscript{16}

Considerably the Intellectual property and intellectual property rights will be among the many things that venture capitalists or other investors will examine to determine the potential of the start-up. The globalization of trade and commerce has hardly been dented by the prospects of patent or trademark abuses, copyright infringements or other alleged misuses of intellectual property.\textsuperscript{17} The damaged reputation is quite likely worse than the original loss. And that is usually with a small local firm. Considering a corporate giant like Nike or Coca-Cola we come to a question that, how much money does Nike lose each year because unauthorized reproductions of its clothing are sold at prices that most people can afford?! What would happen if Coca-Cola could no longer protect its secret formula and it was made available for commercial use by others?! Businesses, both small and large, have a vested interested in protecting their intellectual assets.\textsuperscript{18}

4. Intellectual Property Rights and Their Protection

According to the ITU World Telecommunication Indicators Database, it took a mere four years for the Web to reach 50 million users. In contrast, the telephone took 74 years; radio took 38 years while personal computers and television took 16 and 13 years respectively.\textsuperscript{19}

In the 1970s, for example, copyright law was extended to provide protection to computer software. Later, during the 1980s and ’90s, courts in many countries ruled that software also could be protected through patent law. The result was that the developers of software programs could rely upon either or both fields of law to prevent consumers from copying, and rivals from selling, identical or closely similar programs. In the late 1990s, Internet use in the United States was growing at an annual rate of 30 per cent.\textsuperscript{20} The situation completely changed with the introduction of various analogue reproduction technologies, such as photocopying machines, tape recorders and VCRs, in the second part of the 20th century. The Second Wave of copyright law’s development can therefore be characterized by massive use of analogue reproduction technologies by individuals for non-commercial purposes.\textsuperscript{21}

Where there is commerce, there is intellectual property. And where there is intellectual property, there is the potential for theft and a need for protection. The protection of intellectual property in a global level serves a valuable and essential role in the socio-economic environment that we have created in much of this world; namely a consumer-oriented, market-driven, complex environment. The developers and distributors of computer software, for example, insist that their ability to remain in business is dependent on their power to prevent the unauthorized reproduction of their creations.\textsuperscript{22}

\textsuperscript{17} Ibid, p. 4.
\textsuperscript{18} Ibid.p. 4.
\textsuperscript{21} Ibid. p..67.
\textsuperscript{22} Bently, Lionel & Sherman, Brad, Intellectual Property Law, Oxford University Press, New York, 2001, pg. 31
Unscrupulous foreign business partners, distributors, or complete strangers operating in places where intellectual property laws are non-existent or poorly enforced may simply take your great idea and run with it. That is not to say that we and our innovations are always safe within our own borders. It is just that much more difficult to take action outside our own jurisdiction. 23

There are countless internet issues relating to intellectual property since the internet has revolutionized business and the result has been new models and methods for improving customer management, information management, supply chain management, inventory control, and numerous other aspects of running a business. Communication has been revolutionized by the Internet, providing vast stores of information to huge populations of people at a rate that is difficult to comprehend. 24

Law, in contrast, is never swept up in the irresistible potential of anything. And, by always doing what it has always done like attempting to control and regulate the Internet using traditional legal means, it is not getting what it always got in the past. To combat the threat and to provide themselves with effective protection, many developers have turned to technological shields or to alternative sources of revenue. Encryption systems for music, movies, and software, “terminator genes” that prevent the natural reproduction of genetically engineered plants, and government prizes and subsidies for artistic or technical advances may partially replace intellectual-property law in some areas. 25

Protecting intellectual property is a variant of computing and communications security, an area of study that has long been pursued both in research laboratories and for real-world application. Security is currently enjoying renewed emphasis because of its relevance to conducting business online. While security technology encompasses a very large area, this discussion is limited to describing generally applicable principles and those tech general purpose computers are described. 26 Whatever the mechanism used, it is important to keep in mind that no protection mechanism is perfect. In fact, with the advent of the internet, there are many who think that copyright unjustifiably stifles our ability to make the most of the new environment. 27 As with any security system, defeating it is a matter of time, effort, and ingenuity. Adding a protection mechanism involves costs to the vendor (software development and maintenance) and to the consumer (e.g., time and inconvenience). Hence, as with any security mechanism, technical protection must be carefully matched to the need.

5. Conclusion

It is very obvious that now days that the professional approach to intellectual property protection and enforcement in many modernized nations is stilling them of what they most important for them: economic rapid development and technological knowhow to help with an almost unlimited supply of social, financial, medical, political and cultural crises. Economic institution that wishes to enter in into new economic competition will need to analyze the very important factors before entering in it. This is as a result not to be assumed as damaged companies. The most vital interest to the no matter of type of bossiness companies is (health business, a computer business, musicians selling a recently recorded CD or growers in a specific geographic region) that their activities need to be done in a secure and a stable business environment in which they are taking efforts.

Now days the IT networks have drastically shifted the delivery goods in economic area. Must bear in mind that transmission speeds approaching a billion characters per second, networks enable sending information products worldwide, cheaply and almost instantaneously. As a consequence, it is easier and less expensive both for a rights holder to distribute a work and for individuals or pirates to make and distribute unauthorized copies.

The importance on this filed as a serious concern to all humankind it is that all variety of data such as: Documents, opinions, articles, journal and works of all sorts on the Web, it demonstrate majority of scholars in the globe are using the data which making use of that capability.

Taken in account all data aforementioned, the policy makers and stakeholders in this particularly modern field must work together to ensure that the important public purposes embodied in copyright law continued to be fulfilled in the digital context. The information infrastructure must be regulated in that manner in order to improve access to information for all of society. In future challenges which might be appear the intellectual property considerably would survive the drastic changes in digital age, although substantial time and effort may be required to achieve a workable balance.

23 Ibid.
24 Ibid.
27 Ibid, p. 31.
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Ship-Generated Waste and Cargo Residues
Institutional Framework and Management in Albania

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Abstract

Approximation of the Acquis into national legislation is an iterative process involving institutional arrangements and adoption of specific binding legal measures (quality and technical standards, testing and notification requirements, etc.) and country-specific decisions on discretionary and suggested legal measures. Having the candidate status to EU entrance and being a coastal country Albania has to handle important issues as water quality and management and other issues linked with. The Directive on port reception facilities for ship-generated waste and cargo residues1 pursues the same aim as the MARPOL Convention 73/78 2 on the prevention of pollution by ships, which Albania has signed and ratified, and the Ballast Water Management Convention: to reduce discharges of ship-generated waste and cargo residues into the sea. The Directive focuses on ship operations in European Union ports obliging ports’ authorities to establish adequate reception facilities and to require that ships using these facilities, while the MARPOL Convention regulates discharges by ships at sea. The Directive addresses in detail the legal, financial and practical responsibilities of the different operators involved in delivery of ship-generated waste and cargo residues. The present article presents the approximation process consisting of legal transposition, practical implementation, and enforcement of the EU Directive 2000/59/EC in Albania.

Keywords: Ship-generated waste, Cargo residues, Directive transposition, Transposition Plan

1. Introduction

The Directive focuses on ship operations in European Union harbours obliging ports to establish adequate reception facilities and to require that ships use these facilities, while the MARPOL Convention regulates discharges by ships at sea. The Directive addresses in detail the legal, financial and practical responsibilities of the different operators involved in delivery of ship-generated waste and cargo residues.

Member States must ensure that port reception facilities are provided which meet the needs of the ships using them without causing abnormal delays. These facilities must be tailored to the size of the port and to the categories of ship calling there.

A waste reception and handling plan must be drawn up in each port according to the Annex I of the Directive. These plans must be approved and assessed by the Member State it relates to. The plans must be reviewed and re-approved at least every three years.

Before entering a port the ship has to notify the port authorities about the date and the last port in which ship-generated waste was delivered and the quantity of waste remaining on board.

Ships are required to deliver their ship-generated waste before leaving a Community port, unless the captain can prove that his vessel has adequate storage capacity until entering the next port.

Ships which do not deliver their waste and has no valid reasons for exemption are not allowed to leave the port


Ships calling at a port pay a fee covering a proportional and significant part of the cost of the waste reception and handling facilities **whether they use the facilities or not**. Ships operating in an Albanian port may be **inspected**. The directive specifies a 25% minimum inspection requirement.

The current state-of-play with regard to Maritime Pollution in Albania calls for the establishment of an efficient ship waste handling system designed to ensure proper waste management services in compliance with national and international legislation. In our assessment of the situation the key issues are as follows:

1. Albania has a coastline of about 476 km, the Adriatic Sea in the north and the Ionian Sea in the south. These coasts are particularly vulnerable for the sea water being polluted by illegal discharges from ships, as well as by oil spills from vessels.
2. The Albanian authorities recognise these dangers and have developed legislation and policies that serves to minimize the risks of sea and costal pollution with oil and other dangerous substances.
3. Albania has made considerable progress in aligning maritime pollution prevention and control legislation and policies to meet international and EU requirements. The works on establishment of national system for waste reception from ships in the Albanian ports and sea areas has been started after Albania became State party to MARPOL Convention, and several ports have established their own waste reception facilities.
4. However, despite the progresses, some challenges exist in relation to illegal discharges from ships to sea, and disharmonies and challenges continue between practical application of procedures and requirements from legislation. Indeed significant efforts are needed to implement the legislation, and significant strengthening of administrative capacity, both at central and local level, is of the utmost importance.
5. Port’s waste management needs to be addressed in an integrated and systematic way to ensure not only an environmental protection or a viable economic infrastructure but also acceptable operational methods to fulfil the international requirements.
6. Some reception facilities for ship generated waste are available in Albanian ports, but they need to be improved and increased for the ports to handle the ship generated waste in the future when ships will be required to deliver their ship-generated waste in line with the requirements of the EU Directives 2000/59/EC.
7. There is the clear need to overcome the weaknesses and deficiencies of the current system of marine pollution prevention and control by:
   - Strengthening of existing technical and administrative capacity for the implementation of international agreements and EU Directives 2000/59/EC.
   - Preparing and implementing an adequate planning system and sectorial strategies.
   - Preventing potential effects of ships’ ballast sediments and disposal of these sediments at ports reception facilities.
   - Designing and putting in place of additional measures to minimise ship generated waste.
   - Increasing of awareness among local and central stakeholders (industrialists, farmers, tourism sector, general public etc.), primarily those from the private sector.
   - Developing waste reception and management infrastructure.

The responsibilities over the implementation of the directive port reception facilities for ship-generated waste and cargo residues (competent authorities) lies within the Ministry of Infrastructure and Transportation (MoIT) and the Ministry of Environment (MoE). These Ministries are the main competent authorities to implement the Ship Generated Waste regulatory framework in Albania.

The MoE is responsible for issuing the environmental permits as well as for monitoring and enforcement of the environment legislation and authorisation of the waste managing companies, while the MoIT is the overall responsible for maritime policy with its Department of Maritime Transport Policy playing the important role in practical issues.

Under the mentioned Ministries, the specific state entities also have responsibilities for the implementation of the Port Reception Facilities for Ship-Generated Waste and Cargo Residues Directive. In Durres these are:

- General Maritime Directorate
- General Harbour Master’s Office;
- Environment’s Directory, Durres Port Authority;
- Coast Guard;
- Port Authority Durres (responsible for waste management plan and contracts with operators);
- Durres Harbour Master’s Office (usually responsible for waste notification);
- Port State Control (responsible for monitoring and enforcement), which comply with the Law no.9852, date 26.12.2007 “On accession of Republic of Albania in Paris Memorandum of Understanding “Port State Control” and in the next future provisions of the Port State Control Directive 95/21/EC;

The main stakeholders are waste operators (which are already contracted by the Port Authorities), currently Company “Garbage & Sludge oil Collection Service” and Ship Enterprise for Maritime Service for issues related to the functioning of these institutions.

1.1 Port facilities in Albania

Maritime traffic in Albania is served by a port system that comprises the major ports of Durres and Vlore and the relatively smaller in terms of size and traffic, ports of Shengjin and Saranda. The Port of Durres handles the major part of the total volume of goods discharged from or loaded to ocean going ships.

In the present situation the Port of Durrës is congested and the Albanian Government has designated an area 10 km north of Durrës (Romano Port) to be the new location for the storage of oil products and liquefied petroleum gas (LPG). In 2008/2009 the Romano Port completed the civil/structural part of the port facilities required for loading and unloading LPG and oil.

The port of Durres located 40 km far from the capital town of Tirana handles the major part of Albania's international traffic (approximately 80%). The port handles all kinds of goods including general cargo, dry bulk, break-bulk, containers, liquid bulk and dangerous cargo. There are regular passenger/cargo ferry services to Bari, Ancona and Trieste. The main imports are construction materials, construction steel, coal, wheat, cement. The main exports are oil, bitumen, chrome ore, iron-nickel ore, textiles and marble.

Vlore port is located 90 km south of Tirana represents a developing port with important fishing activities. The state managed port of Vlore is the second largest port of Albania situated at the Vlora Bay constituting an open harbour with two main quays and an anchorage. The port handles building material, cement, etc. mainly imported from the neighbouring Italy. It handles some 8% of the country’s import and 11% of country’s export tonnage, a total of 10% of Albania’s traffic. Similarly to the Port of Durrës cargo traffic is quite unbalanced between imports equal to 94% of total throughput and exports at 6% of total throughputs. Vlore is the only harbour on the Adriatic coast with deepwater access within 250 metres of the shore and might replace Durrës as Albania’s main gateway for trade. Durrës is closer to Tirana but needs constant dredging to serve the needs of ocean-going ships.

The port of Shengjin is located in the northern part of the country, some 60 kms north of Durres, representing a commercial port basically engaged in handling of cement, building material, foodstuff, and petroleum products. Some 10% of the country’s import and 4% of country’s export tonnage pass through the port, a total of 9% of Albania’s traffic. Cargo traffic is quite unbalanced between imports equal to over 97% of total throughput and exports at 3% of total throughputs. The southernmost Port of Saranda has a total throughput of a few percent of the national cargo. No export cargoes are recorded. The port also handles a small amount of passenger traffic.

2. Methodology

The study has been carried out as follows:

1. Determination of the current level of concordance with the requirement of Directive 2000/59/EC using high level conceptual table of concordance. An overall gap analysis providing a critical review on the level of compliance (as a matter of law, administrative procedure and of practical implementation) between national legislation and practices, and what envisaged by EU requirements has been carried out. Albanian laws in the sub sector, institutions and procedures have been compared with the requirements of EU. The goal was to systematically review the key elements of the Directive, interpreting the legal requirements in terms of the practical measures required to achieve compliance, e.g., administrative structures, monitoring infrastructure, information management systems, technical requirements, etc. This analysis has also reviewed which state bodies hold responsibilities for specific requirements, and where responsibilities have not yet been defined.

2. Estimation of the administrative resources required for implementation of the legislation in the sub sector over the short, medium and long term including permitting and environmental monitoring. The main findings of the gap analysis have formed the basis for identifying and deciding on the required future implementation and enforcement actions. All steps, assumptions and judgements in an assessment of the administrative resources will be justified, simple and user-friendly, so as it may open to eventual challenges. The reasoning behind the estimation will be explicit and transparent.
3. Consideration of the resources and methods which will be needed to ensure implementation including communication, publicity, information management, inspection, surveillance, and enforcement. The objective was to analyse the practical situation of the administration and to estimate the resources needed on meeting the requirements of the directives and implementing the institutional and administrative actions for compliance. Practical experience from other EU countries have been also utilised when outlining of a national implementation plan.

3. Results

The full transposition of the Directive on port reception facilities for ship-generated waste and cargo residues has been achieved by adopting the DCM on “Approval of Regulation on port reception facilities and requirements on ship-generated waste and cargo residues”, the main responsibilities over the implementation of the Directive 2000/59/EC lies within the Ministry of Infrastructure and Transportation and the Ministry of Environment.

The DCM introduces the following practical approach for the implementation of the Directive:

a. The direct fee regime shall be applied to all ships calling at an Albanian port, delivering the ship generated waste as defined in the MARPOL 73/78 to the licensed waste operators and/or port reception facilities. These ships shall pay a fee for the services provided in order to obtain a waste delivery certificate from the licensed waste operators.

b. The indirect (fixed) fee regime shall be used in Albanian ports for those ships NOT delivering waste. The ships not delivering waste shall pay the indirect fee in order to contribute significantly to the costs of port reception facilities for ship-generated waste, irrespective of actual use of the facilities. The waste fee may be differentiated with respect to, inter alia, the category, type and size of the ship, according to the criteria defined in a table included in Annex III of the Regulation and possible instructions of the Minister to be developed.

c. The waste fee may be reduced if the ship's environmental management, design, equipment and operation are such that the master of the ship can demonstrate that it produces reduced quantities of ship-generated waste.

d. Concerning the responsibilities:
   • The Port/port authority will collect the waste fees from the agent/ship.
   • The Port/port authority will pay the waste operators for the waste collection services provided by the waste operators.
   • The waste fee will be fixed by the Ministry of Infrastructure and Transportation on the basis of proposal put forward by the Port/port authority and following negotiations with the waste operators.
   • A Port State Control unit under the Ministry of Infrastructure and Transportation will be responsible for inspection and enforcement.
   • Information about notification, waste deliverance and the period where ships visit the port has to be shared between the Port/port authorities, the Port State Control unit and the competent authorities via a information and monitoring system (database) designed for the purpose and maintained by the Port/port authority.

The Directive requires that the user pay principle is employed when implementing the Directive. This means that there are limited running operating costs for the public sector in relation to the directive, if the cost/recovery principles are correctly applied. The main costs are related to a proposed Technical Assistance project with the purpose to draft the first generation of port waste handling and reception plans, elaborate proposals for ship generated waste fee, waste notification system, a contractual framework for waste operators, a waste fee invoicing system, inspection and enforcement procedures, a fee/tariff system for each of the ports based on a combination of a direct fee system and indirect/fixed fee system for the ships not delivering waste. Further the TA project shall establish appropriate information and monitoring system and train the human resources in the Ministry of Infrastructure and Transportation, Harbour Authorities and Port State Control.

4. Conclusions

Waste management planning and its implementation is an important economic, environmental, technical and administrative issue for the Albanian authorities. As in the case of ports, port waste management planning and its implications form a rapidly growing subject of interest in the coastal management context.

We recognise that effective implementation of MARPOL 73/78 and Directives 2000/59/EC in Albania requires an
integrated approach to government administration that includes coordination mechanisms across governmental institutions, local responsibility and action\(^3\), public participation, and accountability of state and private institutions.

Regulations set by MARPOL (73/78) and especially the Directive 2000/59/EC of the European Parliament on port reception facilities for ship-generated waste and cargo residues already stipulate that ports should provide reception facilities for vessels to safely dispose and manage various types of wastes. National authorities, in order to be in compliance with related international agreements and EU Directives, must initiate a number of activities, including, but not limited to:

1. **Availability of port reception facilities.** Albania shall ensure the availability of port reception facilities adequate to meet the needs of the ships normally using the port without causing undue delay to ships. The works on establishment of national system for waste reception from ships in the Albanian ports and sea areas has been started after Albania became State party to MARPOL Convention. Many coastal facilities have established waste reception facilities following the requirements of current legislation.

2. **Elaboration of waste reception and handling plans.** Following consultations with port users and other relevant parties a waste reception and handling plan shall be developed and implemented for each port.

3. **Notification.** All ships, apart from state ships, warships, fishing vessels and small recreational crafts, are required to notify certain information, in particular the date and the last port in which ship-generated waste was delivered and the quantity of waste remaining on board.

4. **Delivery of ship-generated waste.** A ship shall, before leaving the port, deliver all ship-generated waste to a port reception facility unless there is adequate storage capacity for all ship-generated waste accumulated until the port of delivery and this port is equipped with appropriate reception facilities. Ships which do not deliver their waste without providing valid reasons for exemption, are not allowed to leave the port until such delivery has taken place.

5. **Fees for ship-generated waste.** The costs of port reception facilities for ship-generated waste, including the treatment and disposal of the waste, shall be covered through the collection of a fair, transparent and non-discriminatory fee from ships. This cost recovery system comprises a built-in, fixed element and, possibly, a variable element according to the amount and type of waste actually delivered. Ferries and other ships in scheduled traffic may be exempted from mandatory delivery of waste at every port of call if the ship-owner or shipping company can show that waste is delivered and disposed of in a satisfactory way in a specified port along the ship's route.

6. **Inspection and enforcement.** Some of the ships should be inspected. If there are reasons to believe that it may cause pollution to the sea, a ship may be detained into the port until it has delivered its ship-generated waste and cargo residues to a port reception facility.

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\(^3\) Because ports are sources of considerable volumes of valuable wastes, one of the main subjects of local authorities dealing with urban sustainable development matters is ship and port waste management.
Motivation an Important Part in Management

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Abstract

This paper elaborates definitions of motivation and describes several methods for employers to be trained by efforts to achieve the goals of the organization. The term motivation we understand the process that initiates, guides and maintains goal-oriented behaviors. They are some given methods of leadership that can inspired employees about their successes in the organization, the ability to hear, expressed, and respect the ideas and work of others establishing clear personal boundaries of responsibility and engagement on the development and creation of reports are clear between group of workers. One of the most important functions of management is to create willingness among employees to perform the best of their abilities. Individual and group performance means the impact of expression in order to achieve and to improve the results, including the activity that ensures the realization of the objectives on organizations. The main components that affect the motivation of work by leaders and workers, are: activation, - decision to start a purpose, persistence, - the constant effort towards a purpose and intensity - concentration and energy that goes in pursuit of a goal. On the implementation of the study has been used analytical method by studying and analyzing the various theories of motivations studied in different periods of time, involvement by the influence of factors such as social factors, economic, cultural, and environmental factors all global circumstances and the changes made in the period of time. The main purpose of this study is to present methods in a systematic way affect the motivation of workers.

Keywords: motivation, leadership, performance, behavior, quality, purpose

1. Introduction

Motive is an important part through which the majority of workers reach the appropriate results. Understanding what motivates them is important in the workplace because people spend a significant part of their lives at work, so it is not surprising that they expect enjoy and get rewarded what they do.

They get more pleasure from their work, they miss less at work, they are more loyal, they work with enthusiasm, they are more encouraged to contribute more to development the enterprise.

Good manager with a clear vision it presents his values before certain groups, by which together they reach the objective and create favorable climate for employees and introducing values and work culture

These values of course will influence the behavior of workers within the workplace, making organization rather positive place, to have a good communication with each other and always relying on the strengths of the strategy of the organization but also of the employees

You should never force or threat an employee to perform a job, because this will not give him a motive to present and reached the right performance. The most important part of creating a positive work environment is, the role of manager

His role affects the creation of favorable work, they followed each time the progress of work, to intervene to employees through training while maintaining focus and be optimistic even when things do not go right, building confidence and bringing spirit to achieve realistic goals, remember you often achievements of the organization (not to mention the failures of the past)

Delivering the vision to others and joint contribution may be the greatest motivators for employees, since they will be introduced that are part of working together rather than special By this will be achieve their contribution and success of the organization by sharing their profits and give a chance and opportunities for stock for employees and the success of the company. Any well-planned goal of including employees in the proper positions and information, of course will achieve success after their include (workers) has been working since the beginning. However, what it is most important is that rewarded should not give without finishing work or achieve the intended result

Awards will be continued after the goals will achieve, and always be structured as feedback or ratings for their work
The research question in this study is: What are the leadership skills that motivate employees more than money?

Ability to motivate employees is one of the greatest skills of an entrepreneur can possess. If organizations have fluctuations as by the management, control, delay of finance, etc. The concrete step to save the organization from a crisis is to engage individuals with appropriate experience, bringing organizational culture, improving and raising the morale of workers (especially when it comes to work hard) to create team that are passionate at work, etc.

Leadership abilities that affect the setting and motivation, that have contributed to achieve the common goal within the organization are:

2. **Positive Recognition**

Recognition and evaluation of the performance of the employee by the employer can create a positive climate and new products in organization. Recognition of the work is one of the most powerful forms that can be provided to the employee, to achieve the right result, because it increases the positive feelings and affects on the achievement of confidence in the ability of his / her to do better work in organization.

People who feel appreciated are more positive about themselves and their ability to contribute and potentially are best workers. Beliefs about knowledge of the work should be kept close to many organizations.

Many employers are loath to provide working knowledge because often they rely on time as evidence of knowledge of working in complaints, dissatisfaction, clarity, justice but also the quality and behavior of the worker.

To obtain new knowledge and continuous organization needs to establish criteria that makes a person eligible and contributing to better performance. If a person gets no reward or recognition for his work, will adversely affect his attitude and work connection.

Recognition of work is also based on the situation. Each individual has his preferences beneficial to this, during performance at work is very important to give the gratitude, because his work reflected on the benefit of the organization.

Most of them do the job for money, as the best form for recognition the work. Therefore, there should also have any reward or bonus within or at the end of the diligent workers who deserve to be rewarded, which is one of the best ways to motivate employers.

**Table 1.** Impact of positive recognition of the work in organization

<table>
<thead>
<tr>
<th>Positive recognition</th>
<th>Characteristics of a leader</th>
<th>Successes in organization</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Contributing, informative, reliable, creative, committed, effective, positive, thankful, creative</td>
<td>Positive climate, increased productivity, service, the addition of clients or customers, creating bridges with other organizations, partnerships, trust and reputation</td>
</tr>
<tr>
<td>How it affects workers</td>
<td>Positive feeling for work, adding contributions, creating confidence, improved performance, job satisfaction, creativity</td>
<td></td>
</tr>
</tbody>
</table>

3. **Building Teams**

Building effective teams requires building social capital, which depends on how a team deals with emotion individual, group, and internal levels.

Each sector on organization would not be effective unless they were built work teams, which is a significant value that can be calculated rapidly changing requirements, labor market competition, etc. Building teams must always be in full harmony with the management to cope with the challenges during the working process. When working within the organization proceeded group, then teams thrive. Teamwork is vital, emotionally, intellectually, each time adapting common purpose within the organization's strategy.

Promotion and evaluation processes, are structures that reflect the importance of team.

If the team glory, surely they are going to share good practice from both sides, in order to be given the chance of excellent.

Since early disregarding their recruitment should be taken correctly, but also to ensure continuity for receiving and
exchanging of members in appropriate positions

Recruitment of new members may have the ability to challenge the leader, to play the role of team leadership. Team leadership role is very great, since you need to have the necessary energy, the conscious, driven by ego and in most cases equal to team members.

If the team during working hour is trying to do their job properly, the pressure from the leaders in this case should not be present.

Simple cases that strengthen relationships in the team are: entertainment, holiday time, the organization of joint holidays, etc.

Choosing and setting goals are the best ways to help the performance of workers, especially in achieving the financial goals that creates the possibility of sustainability of the organization that creates the possibility of sustainability of the organization.

**Table 2.** Impact of building teams in the organization

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### 4. Common Goal

Work on the theory of goal setting suggests that is an effective tool for progress, ensuring that participants in a group with a common purpose, are clearly aware of what is expected of them.

Setting goals helps people work in the right direction. As long as the individual accepts the goal, they have the ability to achieve it, and they don't have any conflict with goals.

There is a positive relationship between goal difficulty and performance of duties.

Conversations involve more trying to create unity around a common goal. The secret is to keep your ego in control and focusing on others.

Before the meetings begin, thanks the listeners that share their time with you, if you give space to express while the presentation, they will probably be more open, valued and included.

Listening is the success of a successful communication.

Before asking others to switch of the phone do it firstly, stay focused on what other people say about you. The word "absolute" should be avoided (use more rare), because it is difficult to keep.

**Table 3.** Impact of common purpose in the organization

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### 5. Publish Result-Success

Every successful business is successful if previously is planned.

Publication of success, firstly in the group summarizes: the best practices during implementation, achieved goals and how they managed, promotion, benefits, group and organization changes, in which principles is based on the realization (human resources and quality), actions positive, responsible, team performance, knowledge and used skills.

Success while conducting is: the agreements reached with associate and business expansion, the focus for investment and welfare, clear roles, networking and community communication, to recognize how to go, service for customers for product development, cooperation between interest parties in the future, tools for quality assessment and effectiveness of the work.
Table 4. Impact of the publication of results-success in organization

6. Leader Play Role of the Trainer

Leaders, to play the role of the coach in the organization, reach through the proper performance commitment, bringing innovation, build loyalty and productivity.

To play this role, the leader must have certain characteristics, such as:
- Vision built to share with others, creating an environment to learn, be positive model, you know skills and values, to be honest-independent, to be/to have support from workers, not fear; be challenging and responsible, to encourage others to advocate a common leadership, to emphasize the common results.

These models transform the leaders through training to achieve positive steps, the exercise and strengthening of discussions and using their role as assistant, facilitator, partner, bypassing the role of "chief"

Transformational leaders use and engage with interpersonal communication skills during their discussion, exercises, which affect positively to individual performance. Trainer, is the skill that can be learned and argue experiences through individual performance.

Table 5. Impact of the leader and his role as a coach in the organization

7. Conclusion

In this paper they are presented five methods of knowledge and influencing leaders to motivate employees and how to achieve the common goals of the organization. By: motivation, establishing basic needs of groups in the organization, confidence, self-fulfillment (using the skills and talents), recognition of the efforts and performance, the nature of self-employment, responsibility, opportunity for improvement and promotion are based elementary very important that you submit a leader in practice and proper commitment will undoubtedly achieve the necessary results in the organization.

According to numerous theories that are studied and analyzed for different styles of motivation, there are issue information which will be described below by presenting definitions of each method presented:

Positive- recognitions bring new breath in the organization, positively affect the quality, productivity and service quality. It creates freedom in action, additional workers, and partnership.

Building teams - it affects on sustainable construction capital, alignment, easy in sharing and performance of duties, complicity, mutual communication, leisure time, etc.

A common goal - It shows full responsibility as the leader of the group as well, proposals, results and success to date by both parties but also challenging as the aim to achieve requires sacrifice.

Publish result –success - Present the achievements before groups (Leaving the country at the end of the presentation, and weakness) and begins the next stage of proposals and planning.

Leader play role of the trainer - primarily comes experience and knowledge of the leader then put into practice the right methods by creating more sustainable environment within the organization.

The main purpose of this paper is to offer available data, to be understandable, bringing information which can be used by many individuals to lead, which clearly don’t know about methods that can be use to motivate employees and
group to achieve the proper effect and result in the managerial field.

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The New Challenges of the Albanian Press and State Education on Early Twentieth Century

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Abstract

After the fall of the communist regime in Albania it has opened a great debate on the so-called “re-writing of history”, a complex process of deconstruction of the scientific methods of the regime and of the myths that have impregnated the Albanian historiography, that actually impede young Albanians to identify with their own historical and cultural roots, so important in facing the challenges of globalization identity. The purpose of this article is to identify the challenges of the press and of the Albanian Government, in 1912, to achieve the education of the masses. The main objective is to understand whether the Albanian press has stressed the importance of national identity formation and education of the masses, and also the importance of the legislative organization of national education in the early twentieth century. To achieve this purpose has been used desk research method. After the analysis of original documents and articles of the Albanian national archive, we can argue that 1. the Albanian state education story began after the publication in newspapers of three documents: Luigj Gurakuqis’ announcement of September 6, the circular of September 12 and “Article 29” civil administration law of 22 November 1913; 2. The Albanian press actually has propagandize the love for the country and for education, helping the government in achieving its main objective of state education.

Keywords: Albanian legal system, mass education, patriotic education, state education, early twentieth century

1. Introduzione

Recentemente, negli ambienti intellettuali albanesi, dopo la caduta del regime comunista, si è aperto un grande dibattito sulla cosiddetta “ri-scrittura della storia”, un processo complesso di decostruzione dei metodi scientifici del regime e delle mitologie che hanno impregnato la storiografia. Tali necessità di presentare una storiografia diversa hanno ovviamente suscitato diverse polemiche1, in parte perché l’apparato interpretativo e concettuale ereditato dal regime è ancora dominante, in parte perché la storiografia albanese abbandona a fatica la presunta missione patriottica, per la quale il passato deve essere interpretato in chiave funzionale, ossia in funzione alla nazione e che rende spesso la storiografia albanese particolare per l’uso politico della storia che continua a fare. Per questa ragione bisogna ri-studiare tutti i documenti originali in un’altra ottica molto più razionale e basata sul desiderio della verità. Una verità che aiuta molti giovani a capire le dinamiche della costruzione delle proprie identità, sia personale che nazionale. In effetti, una delle sfide maggiore del globalismo e di trovare delle forme di educazione per conservare le identità nazionali per non perdere nell’immensa identità globale.

2. Metodologia

Per raggiungere gli obiettivi della ricerca è stato usato la metodologia qualitativa, il metodo desk research, attraverso il quale è stato possibilì analizzare i documenti originali del periodo interessato.

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3. Discussione

Proporre progetti educativi e programmi sull’istruzione agli esordi dello stato albanese, in realtà, non erano più sufficienti alla fragile situazione educativa albanese, percio, assieme alla proclamazione dell’Indipendenza emergeva il bisogno dell’organizzazione legislativa dell’istruzione pedagogica nazionale. Sul territorio del nuovo Stato albanese, nel 1912, funzionavano una scuola normale solo per ragazzi e poche scuole elementari prive di carattere nazionale. Pertanto, il programma d’insegnamento del governo di Valona doveva comprendere i seguenti orientamenti principali: definire la lingua albanese come lingua ufficiale dello Stato e adoperarla nell’amministrazione albanese, nelle scuole e nell’esercito; fondere le basi legislative dell’istruzione nazionale; tentare di costruire un sistema istruttivo nazionale per tutti; preparare insegnanti nelle scuole normali, nei corsi accelerati e attuare nuove opportunità per gli studenti migliori nel proseguire gli studi nelle università migliori.

Se educare è un’azione politica, le forme che tale azione assume, variano a seconda del contesto nel quale l’educatore si trova ad operare, e già Rousseau sosteneva che «dove esiste la patria occorre educare i cittadini, [e] dove la patria non esiste non è possibile educare cittadini, visto che neppure essi possono esistere. In tale condizione è quindi necessario ripiegare su una soluzione diversa, educando l’uomo. Ogni altra soluzione intermedia è destinata a fallire, poiché pone l’essere umano in continua contraddizione con se stesso, perennemente esistente tra inclinazione e dovere». La soluzione educativa, alla fine, rimane sempre la formazione dell’uomo, una formazione che cercherà di creare le condizioni ideali per il giovane che vuole contribuire per la propria comunità d’appartenenza.3

Il Ministero dell’Istruzione del Governo Provvisorio di Valona, dopo aver occupato gli edifici della prima scuola albanese di Valona, la Muradie, diede enorme importanza alla diffusione immediata dell’istruzione elementare e dell’educazione, poiché strumento indispensabile nella formazione dei cittadini4, da un annuncio del giornale La rinascita Alpabese (Përlindja Shqiptare)5, organo di stampa ufficiale del governo6, dall’apertura di due scuole “Normali Preparative”, una basata sulla riapertura della normale di Elbasan chiusa nel 19107 e l’altra a Berat, indirizzate alla formazione accelerata dei maestri elementari5.

L’annuncio ufficiale del Ministero d’Istruzione affermava che:

Il governo albanese ha deciso di aprire in ogni Prefettura una scuola Normale Preparatoria, nella quale possono partecipare tutti gli alunni che hanno finito la ruzhdije o qualsiasi altra scuola equivalente, tutti gli albanesi che hanno lavorato come insegnanti, chi non soffre di malattie contagiose, quelli che non hanno compiuto 30 anni e chi risulta vincitore del concorso d’ammissione8.

In seguito, il responsabile del Ministero d’Istruzione dichiarava che ormai «ai patrioti spetta di servire alla nazione con professionalità e umiltà. A tutti i maestri dell’insegnamento, a quelli che ardiscono dire che sono i messaggeri della nuova Albania, che si facciano avanti per far rinascere le speranze dei giovani. […] Chi non vuole un Albania orfana deve lottare contro l’ignoranza. E viva i fausti che diventeranno gli insegnanti della libera Arbënia»9.

Con il termine “preparativi” s’intendevano «le classi propedeutiche alle normali e che includevano un contingente eterogeneo di alunni, sia in base alle conoscenze godute sia in base alla formazione generale culturale. Erano usate delle forme particolari d’insegnamento per rendere abili tutti gli alunni […] i quali o esercitavano professioni diverse o non avevano ancora finito i loro studi […] Principalmente si attuavano materie di carattere pedagogiche, racchiudendo anche problemi d’organizzazione della nuova scuola albanese»10. Le poche possibilità economiche e i poveri mezzi organizzativi rendevano impossibile la rinnovazione delle infrastrutture educative, ma «questo piano ambizioso fu aiutato dall’apertura delle scuole preparativo di Berat, che nell’anno scolastico 1913-1914 ebbe un direttore, 3 insegnanti a tempo pieno e 2 a chiamata, e di Elbasan»11. Entro il primo anno della sua attività, queste scuole riuscirono a preparare il primo contingente d’insegnanti in solo quattro mesi, prendendo maggiormente la fisionomia di un corso professionale.

2 Shllaku, Shkolli klerikale, cit., pp. 94-95.
4 Ibid., p. 246.
7 Osmani, Reflekse etnopedagogjike, cit., p. 261.
8 Ibid., pp. 267-268.
9 Ministria e Arsimit, “Përlindja shqiptare”, cit., p. 2.
10 Ibidem.
11 Ibid., p. 267.

La questione dell’educazione di massa attraverso l’istruzione era considerata l’unico modo per rigenerare la fragile nazione nascente:

Non esiste altro ambito più arretrato di quello d’istruzione in Albania! Il governo non dimostra segni concreti di ripresa. [...] Anche per questo anno scolastico le scuole elementari saranno aperte in tutte le città, campagne e province; un scuola preparativa verrà aperta a Elbasan, e scuole di più alto livello siamo pronti ad aprirle se i sviluppi lo consentiranno. [...] Spesso abbiamo pubblicato degli annunci riguardando l’ingaggio di nuovi insegnanti, ma poco hanno risposto. [...] I giovani devono sapere che non esiste professione più sacra di quella dell’insegnante14.

Durante tutto questo tempo, di serio impegno e di lotte continue per coltivare il sapere e la consapevolezza della propria esistenza, gli intellettuali del movimento nazionale non riuscirono a fondere vere e proprie riviste di carattere istruttivo-pedagogico, ma, nella stampa del periodo, avevano pubblicato soltanto degli articoli sporadici con elementi educativi, come l’articolo scritto da Emin Matraxhiiu, il 28 agosto 1913, su come il giovane albanese doveva scoprire dentro di sé la forza di confrontarsi con la propria disperazione e pigrizia, per raggiungere la speranza:

Gioventù! Il tempo sta per finire, perciò è responsabilità individuale di impegnarsi nello sviluppo, nel miglioramento e nella salvezza di questa sciagurata nazione [...] Gioventù! Trova una soluzione alla pigrizia, quella che nuoce, e buttatela via [...] Voltare le spalle alla patria è una vigliaccheria, un’astuzia; la disperazione, ancora di più, è un grande tradimento15.

La scuola e la famiglia, in questo collettivo impegno educativo, dovevano dedicare del tempo qualitativo all’educazione mentale e fisica del bambino, come d’altronde già nel 1888 Edmondo de Amicis asseriva con il celeberrimo Cuore16. Per raggiungere la consapevolezza dei propri bisogni emotionali e identitari non occorreva raccontare inutili e false verità sul mondo e sui rapporti umani17. Come sosteneva anche Luis Rollin:

É necessario insegnare agli allievi a trasformare in abitudine la verità e non arrestare le loro azioni dinamiche. Di conseguenza, dobbiamo permetterli di comportarsi con naturalità per fare essi stessi la differenza. [...] E, in questo modo, il giudizio, lo scopo implicito dell’andamento scolastico, diventerà l’oggetto chiaro dell’attività didattica. Quest’attività avrà successo solo se l’allievo riuscirà nella sua vita a incontrare il bon gusto con il sentimento della verità18.

Uno dei giornalisti più importanti che espresse apertamente le sue opinioni sulle politiche d’istruzione del governo di Valona fu Mihal Grameno, già citato nei capitoli precedenti, che quando scrisse sul progresso dell’istruzione in Albania dimostrò tutto il suo amore per la patria e per la libertà verso la conoscenza:

Dall’istruzione che riceveranno i giovani, fiorirà la civilizzazione dell’Albania e la strada verso le nazioni europee. Naturalmente, l’albanese è intelligente ma questo non basta, poiché senza istruzione non possiamo mai raggiungere una formazione elevata, giacché la scuola lo fa diventare un patriota e un buon cittadino. [...] La responsabilità è enorme, [...] e ci vuole coraggio ad affrontare tutte le difficoltà, anche la mancanza degli insegnanti qualificati. Ciononostante, il ministro decise di aprire delle scuole normali preparatorie, dalle quali, dopo 4 mesi d’insegnamento, verranno distribuiti insegnanti in tutto il paese. [...] Mentre concernenti le scuole speciali, il signor ministro, ha pubblicato una circolare in cui dimostra tutti i passaggi da seguire19.

La circolare pubblicata nel giornale ufficiale del Ministero d’Istruzione, comunicava che tutte le scuole elementari sarebbero state aperte il 16 settembre e tutti gli alunni saranno stati obbligati a presentarsi nelle prime lezioni, mentre le scuole speciali dovevano obbligatoriamente adempiere le seguenti condizioni per esercitarsi liberamente:

1. Conseguire il permesso dal Governo; 2. La lingua ufficiale sarà la lingua albanese; 3. Avere i programmi, i libri e i diplomi approvati dal Ministero dell’Istruzione; 4. Rispettare le politiche di ogni Comune dello Stato. Nessuna scuola

13 Osmani, Reflekse etnopedagogjike, cit., pp. 269-270.
14 Gurakuqi L., Ministria e Arsmit, “Përlindja Shqiptare”, 9 (1913), Vlorë, p. 5.
17 M.A.SH., Historia e arsimit, cit., pp. 280-281.
18 Mesnard P., Rollin farkëton mendimin për arsimin e mesëm, in Chat eau J. (a cura di), Pedagogët e mëdhenj, Toena, Tiranë, 2000, p. 176, 177.
potrà cominciare l’anno scolastico se i direttori non rispetteranno gli obblighi annunciati\textsuperscript{20}.

Per riorganizzare la vita politica, sociale, economica e culturale, la condizione minima, indubbiamente, era il raggiungimento della libertà, un requisito importante ma anche impegnatissimo, visto la poca esperienza del nuovo governo, il quale s’imbarcò subito in grandi difficoltà di organizzazione interna. L’attività dei governanti era indirizzata maggiormente alla costruzione della base legislativa dell’istruzione, in primis l’inerimento in tutte le istituzioni statali della lingua albanese come lingua ufficiale. Così, La legge adattata dall’Amministrazione civile dell’Albania pubblicato il 22 novembre del 1913 nel giornale ufficiale, edificava la prima legislazione istruttiva\textsuperscript{21}, ove si specificava che ogni Prefettura doveva creare una Direzione dell’Istruzione e il direttore di questa Direzione aveva il dovere di osservare la costruzione e l’allestimento dei locali scolastici, l’esame d’ammissione degli insegnanti, il sistema migliore dell’apprendimento, incoraggiare lo sviluppo delle Belle Arti e aiutare i maestri in difficoltà\textsuperscript{22}. Per di più, il direttore dell’istruzione era anche il Presidente del Consiglio d’Istruzione di Prefettura, il quale doveva eseguire tutti quegli ordini e decisioni che assicuravano lo sviluppo dell’istruzione nazionale, altresì quelli che provenivano dal Ministero dell’Istruzione\textsuperscript{23}.

In sintesi, possiamo sostenere che la storia dell’istruzione statale albanese ebbe inizio dopo la pubblicazione di tre documenti: l’annuncio del 6 settembre di Luigj Gurakuqi, la circolare del 12 settembre\textsuperscript{24} e l’articolo 29 della legge sull’Amministrazione civile del 22 novembre 1913\textsuperscript{25}.

L’impegno era serio, tenace e complessivo in quella che sia il governo sia gli intellettuali albanesi consideravano l’emergenza del momento: formare insegnati degni dell’educazione patriottica. Effettivamente, l’albanismo concepito agli esordi dai cattolici di rito bizantino situati in Italia e dagli ortodossi dei Balcani, era in una certa maniera connessa alla religione. I nazionalisti albanesi dovevano difendere l’idea che la propria nazione, anche se di maggioranza musulmana, era degna di considerarsi europea e di fondare il proprio Stato\textsuperscript{26}.

\textsuperscript{20} Ministria e Arsimit, “Përlindja shqiptare”, 12 (1913), Vlorë, p. 6.
\textsuperscript{21} Kashari, Qeveria e përkohshme e Vlorës, cit., p. 110.
\textsuperscript{22} Ministria e Arsimit, Kanun i përshtatshëm i Aministratës qivile të Shqipënisë, “Përlindja e Shqipnisë”, 28 (1913), Vlorë, p. 3.
\textsuperscript{23} Ibidem.
\textsuperscript{24} Jahaj, Kur çelin shkronjat, cit., p. 98.
\textsuperscript{25} Ministria e Arsimit, Kanun i përshtatshëm i Aministratës qivile të Shqipënisë, cit., p. 3.
\textsuperscript{26} Clayer, Në filimet e nacionalizmit shqiptar, cit., pp. 640-641.
Tax System and Its Development in Kosovo

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Abstract

With this work we intend to track successive chronological steps of tax system development in Kosovo in the post war period, first under the international protectorate and then, after 2008 as an independent state. The most important changes that accompanied Tax System in Kosovo is when it evaluated from UNMIK system of regulations. While the emphasis will remain on treatment of current important change of tax system, revealing a challenge on most discussed issue of 2001, the year when for the first time is implemented the VAT, then in 2002, when it is implemented Wage Tax, and Profit Tax for legal persons, which by that time were taxed with Presumptive Tax, then in 2005 it was done a tax reform, replacing Presumptive Tax, Wage Tax and Profit Tax with two types of taxes, as: Personal Income Tax, which taxes physical persons and Corporate Income Tax, which taxes legal persons.

Keywords: tax system, value added tax, profit tax, personal income.

1. Introduction

Taxes are a topic that always brings interest and debate in society in general but also in taxpayer's family. Knowing that there is a lot of interest and debates I have put to myself, to accompany this event of development of Kosovo Tax System, a paper work, however small but very substantial for the society and taxpayers' families.

After the war, the Kosovo Tax Policy System was fragile, uncompleted and unimplemented. The self-governing institutions of that time were not powerful to decide on good tax policies. First years of post war Kosovo has faced with a disaccorded and rushing tax intervention based mainly on experiences of other countries and not in line with real situation and needs of postwar Kosovo, which in many sectors it was required to start from scratch. From 1999 to 2003, UNMIK was the creator of tax and policy system in Kosovo, almost everything was copied from other countries, both from countries in transition and EU countries.

Tax Administration of Kosovo was established on 17 January 2000 under the direction and administration of UNIMK, and from February 2003 the powers of leadership were transferred to Ministry of Economy and Finance, but even then there was no possibility to make reforms. From January 2005 the tax policy starts with first tax changes or with implementation of new taxes, as Corporate Income Tax (CIT) and Personal Income Tax (PIT) and this situation has continued until the end of 2008 or beginning of 2009. At the beginning of 2009 it has started the implementation of new law in Kosovo with reduction of tax rates, also, were reduced tax rates on interest, rent, game of chance, capital gains, sale of intangible property, etc. from 20% to 10%. Whereas, VAT undergoes through an increase from 15% to 16%, which in reality caused a light increase on prices. And from the middle of year 2012 there have been an increase of rate from 5% to 9% for businesses dealing with services, professional activities, artisan, entertainment and similar. They pay on quarterly basis but not less than 37.5 euros and they do not pay on real basis.

In our country tax system consists of package of laws, regulations, instruction, agreements with other countries where are reflected the type of fees and taxes applicable in Kosovo, their rates, procedures to levy and remove taxes, procedures for assessment, collection and audit.

Tax – is any tax, contribution or other amount paid to TAK under the applicable legislation in Kosovo. Therefore tax and fee is called any liable payment under law, made in the favor of state budget, by physical and legal persons of a country, based on income or property they possess, consumption of goods and services they receive. They make the
main source of revenues for the state budget (over 90%). In many cases the term “tax” and “fee” are used with the similar
meaning, although taxes are paid based on income or profits and goods consumed, and fees are paid for various
services that state authorities provide to their citizens.
Taxes and fees must respond to these principles:
Legal principle, under which rules, values and ways to collects taxes and fees of all kinds, must be focused through
the law, meaning to be voted in the parliament.
Equality principle, under which the common contribution must also be distributed among citizens based on their
capabilities and their categorization.
To be trustful and respected, and to be comparable with leading administrations in Europe.
Keeping the TAK values that are:
Professionalism
Integrity and Honesty
Efficiency and Effectiveness
Service Excellence
Transparency.
Taxes are divided in two big groups; direct and indirect.
Direct taxes include those taxes calculated on income, profits, immovable property and public services of certain
physical and legal persons and it should be remitted to state budget by them. On direct taxes are included: tax on
income, tax on profit, tax on property, etc.
Indirect taxes are called those that are included on price level of different products, goods and services and are
paid as a part of these prices by consumers and are remitted in the state budget by the sellers of products, goods and
services. On indirect taxes and fees are included: value added tax, customs duties, excise, etc.
Proportionality and progressivity are two way of calculation for the value of taxes and fees. Currently they make the
debate on the aim and fairness of fiscal system. A promotional tax is applied with same tax coefficients against the tax
base (for example, profit tax). Tax base is the economic value (of income, property), which is used as basis for tax
calculation. The supporters or partisans of proportionality consider that this is fair calculation, because everyone
contributes on same proportion with its income. They also think that this way favor the fiscal neutrality (limited
deformations from the economic election of agents, lack of threshold effect, in particular). In general, proportional taxes
are more simple to be charged and as such less costing to be collected.

In Kosovo we do not apply this category, progressive tax, as neighbor countries do so. Progressive tax
discourages supplementary work and investments.

2. Changes of Chronological Flow on Tax System of Kosovo

Kosovo is a postwar country and with an economy not at all stable has various changes, both political and on the area of
economy in taxes.

On the first years when it was established central fiscal authority within the Ministry of Finance, taxes were
governed by regulations and based on these regulations were imposed and collected taxes. Therefore, the tax
assessment and collection was covering only one category of taxable persons generating income and only on hotels and
services, then on the following years there was Presumptive Tax divided on areas where the activity was exercised. Tax
system in Kosovo, has evolved from the UNMIK regulation system to tax law system promulgated by the Assembly of
Republic of Kosovo, which are in line with international standards and are materializing the EU principles.
The biggest evolvement is VAT, which has started to be implemented for the first time in 2001. This tax type, is
understandable that has caused a lot of debate, always in light of rejection by the taxpayers’ partisans that did not
understood that this tax type is indirect and it does not reduce their profit, but taxpayers have the role of intermediator to
collect this tax from consumers.

It is understandable that as new country under the supervision of protectorate always there were improvements
and reforms in the Kosovo tax system. Improvements of tax system, its perfection with modern methods on administration
and collection of taxes and fees it was main goal on enhancement of budget revenues.

In this frame a special importance had drafting and approval of basic tax principles, which were promulgated by
Kosovo Assembly, which placed the basic principles of tax system under the definition that “tax is an obligation of people
to face the state general expanses”.

No tax, of any kind, cannot be charged and collected other than by law, finally by removing tribute tax or any
imposition as tax. The tax system implemented by Kosovo during these years, in core, kept and improved a part of fiscal
system borrowed from West modern elements of tax system by improving and using new methods on the area of taxes and fees. Also were made the basics of recording and documenting of taxes, along with accounting expertise. Regulations on taxes started to be implemented in 2000 and this could be considered as foundation of tax system in Kosovo.

New tax system was drafted based on issuance of taxes on direct and indirect way.
- Direct tax (Personal Income Tax, Profit Tax, tax on small businesses and fees)
- Indirect taxes (VAT, excise and customs duties).

Immediately after the war, within the Ministry of Finance and economy, fiscal policy on collection of revenues for budget is based on administration levels on:
- Central level, with two main agencies, that are: central tax administration and customs administration; and
- Regional level, with the extent of regional offices of tax administration and customs administration.

The aim of policy is on presentation of a fiscal authority, which in order to overcome local and international challenges, believes that taxpayer compliance can be achieved voluntarily by them and with the increase of administration role, as close cooperator, can offer service excellence, e.g.
- To ensure clear instruction for taxpayers;
- To provide consolidated electronic services of interaction with taxpayers
- To better use the information technology platform that we have available;
- To make easier for taxpayers the compliance, and actively encourage those who use electronic channels to contact us;
- Regularly seek for feedback from taxpayers on needs and their expectations, and their satisfaction with TAK;
- To make challenging standards of performance and to act timely to fulfil them;
- Exchange information with other organizations to enable better services for citizens, as long as we respect their privacy;
- To follow up with news of other tax administration and private sector to seek for possibilities of improvements.

3. Tax Base

Tax base in Kosovo consists of three tax types:
- Value Added Tax
- Corporate Income Tax
- Personal Income Tax

These tax types have been changed towards simplification and provision of tax incentives by reducing and adopting tax rates with the level of regional countries. It is done the harmonization of legal provisions on Personal and Corporate Income Tax, and the harmonization of Vat law with European Union Directive on VAT. There have been drafted and approved sub-legal acts for tax laws implementation.

<table>
<thead>
<tr>
<th>Value Added Tax and tax rates in %</th>
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</thead>
<tbody>
<tr>
<td>Till 2008</td>
</tr>
<tr>
<td>15%</td>
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</table>

Taxpayers who pay Value Added Tax until August 2015 are taxpayers with annual turnover over 50,000 euros, from September 2015 are the taxpayers with annual turnover over 30,000 euro and those who opt to register on voluntary basis.

<table>
<thead>
<tr>
<th>Corporate Income Tax and tax rates in %</th>
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<tbody>
<tr>
<td>Till 2008</td>
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<tr>
<td>20%</td>
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</table>

<table>
<thead>
<tr>
<th>Personal Income Tax and tax rates in %</th>
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<tbody>
<tr>
<td>Level of monthly income in €</td>
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<tr>
<td>Month</td>
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<tr>
<td>Till 80 €</td>
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<tr>
<td>80 – 250 €</td>
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<td>250 – 450 €</td>
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<td>Over 450 €</td>
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</tbody>
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During its development the tax administration always supported by USAID and GIZ has established a culture we want – revival of our values as Professionalism: Integrity and Honesty; Efficiency and Effectiveness; Transparency; providing electronic services as:

- EDI – Electronic Filing
- Search the taxpayer
- Download Tax Forms
- Report on purchases over 500 euro
- Application for fiscal receipts
- Tax Verification
- Calculate the wage
- Book of purchases and sales

Current tax system in Kosovo is designed to be simple both for business and for administration. Until 2009, Kosovo has applied a single tax rate 20% on profit tax, while the neighbor countries were having lower rates, which was creating an unfavorable climate for potential investors. Also, most of the countries in the region have higher VAT rates in relation to Kosovo, and within VAT they apply reduced rate for certain category of goods while Kosovo is applying only two tax rates 0% and 15%. In general, all tax rates in Kosovo compare to some other countries we will understand that there is possibility of changes that should be proven and designed in line with government policies and objective based on facts arising as result of accompanying analysis.

4. Corporate Income Tax

With regulation No. 2004/51 from 1 January 2005 has started to be implemented with a rate of 20 %

This type of tax on corporate income is paid by taxable persons registered with status of legal person, and personal businesses or individual partners in partnership are not subject to Corporate Income Tax and instead they are subject to Personal Income Tax.

In December 2008, Corporate Income Tax regulates some legal provisions for nonresident persons, expenses, depreciation, etc., but most important is that for the period 2009 and on the tax rate is reduced to 10% of profit.

From period of 2005, there are also some changes on legal provisions on the change of rates on recognition of representation costs that are limited to one percent (1%) on annual gross income. For more details related to this type of tax see the Law No. 05/L-029 on Corporate Income Tax.

5. Value Added Tax

Value Added Tax – VAT is tax on consumption (turnover of goods and services). It is calculated with applicable rates and is charged on different phases of production, distribution and life circle of trading of goods and services, and in the end is charged to consumer, so as such is indirect tax.


The standard rate of Value Added Tax – VAT is 15% of value of imported supplies and domestic taxable supplies with exclusion of those that are exempt and those that are treated as exports with 0% rate.

Business with turnover over 50,000 € within 12 months of calendar year (January – December) are obliged to register for VAT. Businesses with turnover under this amount may opt to register voluntarily for VAT.


Value Added Tax (VAT) standard rate is 16% on the value of imported supplies and domestic taxable supplies with exclusion of those that are exempt and those that are treated as exports. Business with turnover over 50,000 € within 12 months of calendar year (January – December) are obliged to register for VAT. Businesses with turnover under this amount may opt to register voluntarily for VAT. Business with turnover under 50,000 € within last 12 months that are importing or exporting must register for VAT as Importers or Exporters, but are not required to file for VAT. It should be emphasized that manufacturers who import capital assets, the VAT payment can be differed for six months. In line with EU principles and VAT, exports are taxed with the rate of zero percent (0%). VAT on imports is collected at the Kosovo
state borders. The carrier of transaction pays the VAT on Customs basic value and on any importation other tax (customs duties and excise, if applicable) regardless of their origin. VAT is charged on imports and on any supply of goods and services with exclusion of those that by the law are considered as exempt supplies. Under the Law No. 03/L-146 on VAT, some supplies are exempt from VAT.

VAT exempt supplies are: - exports, - supply of goods and services in relation to international transportation, - supply of goods or services under the diplomatic and consular arrangements, - supply of goods or services for international and intergovernmental bodies recognized as such by Kosovo public authorities, - supply of goods or services to NATO and KFOR, - supply of gold for Central Bank, - irrigation of agriculture land, - supply of goods and services financed by donation income (transitional period), - supply of goods and services made for United Nations or its agencies, World Bank and intergovernmental international organizations.

The period 9/2015 brought changes on Value Added Tax. This law itself brings reformulation of VAT existing law and cancelation of some existing provisions.

Change of tax rates:
- Standard rate of VAT from 16% to 18 %.
- Reduced rate of VAT 8%,

Goods/services with the rate of 8% are:
- Water supply, but excluding packet water;
- Electric power supply, including distribution and transmission services, with central heating, refuse collection and treatment of other waste;
- Cereal grains such as barley, corn, maize, oats, rye, rise and wheat
- Products made from cereal grains intended for human consumption, such as flour, breakfast cereals, pastas, bread, and similar product;
- Cooking oils made from grains or oil seeds intended for use in cooking for human consumption;
- Milk and milk products intended for human consumption
- Salt, suitable for human consumption;
- Eggs for consumption;
- School books and serial publications;

Changes there have been made by existing law on refunds, as well:
- The VAT refund claim can be made if taxable person has carried forward VAT deductible excess for three months in the row (not three calendar months); and
- If VAT amount credit in the end of each quarter exceeds 3,000 euro (previously 5,000 €).

For more information on VAT see the Law 09/2015 on www.atk-ks.org.

8. Conclusions

Tax system is an important cell in economy of a country, because as we know the largest part of budget revenues is realized from tax collection.

Kosovo has gone through a difficult period with regard to tax system. Despite efforts for improvements of tax system, still, there a lot to be done to achieve a certain standard. To achieve this standard it is required a strong and stable tax administration because of informality we have in the economy, the tax evasion and corruption.

An efficient tax system shows a developing economy, where Kosovo is among countries with economic growth. In order for a tax system to develop forever, every individual should have the voluntary spirit to comply with tax liabilities, for a certain aim that is the improvement of economic wealth of a country.

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Local Government Financing Instruments, the Case of Albania

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Abstract

In the terms of decentralization and local autonomy, increase of financial capacity, is the result of more use of fiscal and financial instruments, as well as increasing the effectiveness work of the local government. They are facing a series of complex issues related to the functions they have to carry and their financial capacities against these needs. Local Government Units in Albania have few funds to fill the needs for financing great projects mainly infrastructure, so in this paper we aim to analyze the financing instruments of local government. Borrowing from financial institutions and second level banks is the main financial instrument for Local Government to financing their great investment for the community. This is a new financing instrument for LGUs in Albania that is considered as a strong financial lever to enable the financing of their budgets and great projects capital investment. Another instrument are guidelines constructed in similar models and experiences of countries in political and economic tradition with that of Albania, the issue of bonds of LG / municipal bonds which are regulated by laws. Programs of international agencies to support lending to the local government is also another a significant financing instrument for LGUs in Albania to fulfilled their needs.

Keywords: Financing instruments, local government, bond, municipal bonds.

1. Introduction

In most countries in Europe and Albania one of the major topics in many discussions in economics and finance is the rising stock of public debt, the volatility of economic growth, reforms to counter the global financial crisis, the new challenges of local government with regard to their financial capabilities, and the actions taken by the central government under the decentralization process.

In many discussions taken place, the instrument of local government financed through loans from the financial system/banking has it difficult to attract the attention of, and find appropriate implementation among stakeholders and regulatory authorities. In Albania the local borrowing law, which was approved on February 2008, and the law of October 2009 on the municipal obligations have a little awareness in the banking market, meanwhile the local units see their importance as the key to implementing strategic investment.

Compliance with the legal framework and bank rating are necessary, however not the only conditions that a local unit should fulfill in order to borrow. Successful financial management requires a proactive approach, where local policymakers will have to conduct cost-benefit analysis for each project and respectively adjust their investment policy with their current debt capacity.

In general, under the framework of managing public debts, countries of Central and Eastern Europe consider the legal and institutional restrictions on local borrowing as part of the restrictions on total public debt. In these countries, central government is considered as the main responsible actor in the management process of the total public debt, whereas local government and its performance are seen as highly dependent on central financial and fiscal policies.
2. For an Efficient Borrowing of Local Government in Albania

Before making any consideration on borrowing instruments at the hands of the local government in Albania and on improving the efficiency of their use, one is required to start presenting the latest territorial and administrative reform, implemented in the country. A panorama of the territorial and administrative landscape will be of help to the reader, by going through the borrowing mechanism of the local government and getting the whole picture. Following the introductory part, this article intends to address and discuss on how local government can make use of the obtained financing, in an efficient way.

The Government of Albania undertook an important territorial and administrative reform, which reshaped the panorama of local government. Basically, as from the last local elections, the Republic of Albania has been divided in 61 (large) municipalities and 12 districts. The rationale behind the reform it is believed to be the creating of large municipalities (or super municipalities likewise Tirana), with efficient, although large, local administration, which will be able to offer more qualitative services. The above reform obviously was driven and accompanied by the relevant amendments the legislation, regulating local government. The territorial and administrative reform in Albania initiate with the adoption of the law No.115/2014: “On the Administrative and Territorial Division of Local Government Units in the Republic of Albania”, as amended. The law was approved by the Albanian Parliament, on 31 July, 2014 and entered into force on 16 September, 2014, following its publication in the Official Gazette. Further changes to the legislation regulating the local government units were adopted by the Albanian Parliament, including herein the law No. 30/2015, which amends the law No. 8652/2000: “On organization and functioning of the local government” as amended.

Notwithstanding the need for improvement and approximation with the European Union legislation, the current legal framework provides adequate regulation for the creation of a local government borrowing system and improvement of the efficiency in using such borrowings for the development of the local infrastructure and services.

Concluding here the panorama of essential changes in the administrative and territorial landscape of the country and returning our focus to the issues of local borrowing, it is worth mentioning that, the main piece of legislation regulating local government borrowing is the law No. 9869, dated 04.02.2008: “On the borrowing of the local government” and the law No. 10158, dated 15.10.2009: “On bonds of joint stock companies and local government”. Based on the provisions of the Law 9869/2008, local governments units can go out in the market and seek short and long term loans, either for investment purposes (long term), or to bridge liquidity shortages (short term). Local government can reach out capital markets, or financial institutions, to obtain the line of credit and this means in local or foreign currency at fixed/variable interest rate. As for the modus operandi to reach out and obtain the loan, both short and long term borrowing are somehow subject to the veto of the Ministry of Finance.

In the case of the short term loan, the local government unit is bound to obtain the ‘negative response’ by the Ministry of Finance that the state budget will not cover liquidity needs. With regard to long term loan, the Minister of Finance will have the final say on the approval, in case the loan will be obtained in the international markets, or is needed to service the debt of previous loan, or the local government unit is a distressed one that has demonstrated financial difficulties in the past five years. In such case, the approval of the Minister of Finance is decisive. On cases other than the above-mentioned ones the approval of the Minister of Finance is limited to the procedural compliance on the loan authorization and verification the loan limits, as prescribed by the provisions of the above-mentioned law on local government borrowing. The approval by the Ministry of Finance should not be considered, in any case, a guarantee of the Republic of Albania, backing the borrowing of the local government.

3. Local Government Financing Instruments in Albania

3.1 Bank loans

Loans are a financing instrument usually used today in capital investment projects by LGUs worldwide. Loans are granted by commercial or savings banks. The terms of a bank loan vary depending on the financial capacities of LGUs that requires financing by the macroeconomic environment of the administrative unit as well as the willingness of the bank to finance the LGUs concerned.

As we mentioned above administrative procedures that allow obtaining loans from banks and other financial institutions are less complicated and easier than those for bond issuance. On the other side, large projects of investments are more difficult to finance through loans from a single bank or even from a group of banks compared with financing through bonds. For more bonds have longer term than loans, because some of the institutional investors (such as pension funds, insurance companies) by buying these bonds they depend their expectations on longer-term sources of
income than those of banks.

In some cases, banks may decide to renew a current loan on the maturity date, by pushing its maturity. However, the restructuring of a long-term financing through short-term loans, which are renewed at maturity, exposes the local government unit concerned with refinancing risk - eg. lender may oppose the renewal of the loan in discussion. This may lead to problems of liquidity or inability to comply debt obligations for the local unit and projects partially completed. The cost of the loan consists of the interest rate and other commissions that the bank uses to administer the loan (notary costs, administrative, cost of closing the loan before the deadline and penalties for disrespecting of contractual obligations, etc.). Bank determines interest rates of loans based on market interest rates, of loans maturity, collaterals for her, credibility and financial capacity of the borrower. Interest rates can be fixed or variable. Variable interest rates based on reference rates (eg EURBOR) plus a fixed margin.

Bank loan has its benefits and disadvantages against the other instruments of external funding unit:

The strengths:
- a. is an easier funding source to acquired in financial market;
- b. the procedure of bank borrowing is much easier than the issuing of municipal bonds (for this reason it is a most interesting instrument for small and medium local units);
- c. the loans analysis is directly realized by banks that are offered to finance LGUs;
- d. usually it is not required for LGU credit rating from banks;
- e. conditions and deadlines of the loan are negotiated between the bank and the LGUs, but in the end are determined by the borrower's financial condition and the market segment where it operates bank lending.

Weaknesses:
- a. Interest rates tend to be higher against the other funding instruments
- b. the collateral terms are more stringent than for other instruments
- c. it is not adequate for the financing of large investment projects which require long-term loan

3.2 Programs of international agencies to support lending local units

Generally, in countries that want to promote lending to local government are created special Development Funds for this purpose. This has been the experience of countries in the region. These development funds are functioning as lending institutions for local government units. International development banks (like WB, KFW, EBRD, etc.) use these funds as a way leading loans to LGUs. Funding LGs through these programs occurs in a way directly or indirectly (sub-loans), with the mediation of loan that channeled through the local banks (within the country) in countries where there such development programs.

The deadlines and conditions of these loans tend to be more elastic than those of usual banks. Their objective is to support long-term financing needs of the LGs and not to create profit. The loan maturity is usually associated with the longevity of the asset that is financed. Another characteristic of these loans is the grace period they apply, which aims to push the cost of debt in future periods.

Even the rate of interest of these loans is lower than what "usually" is used by commercial banks. Mainly are used fixed interest rates that are based for reference on the interest rate at which the Central Government borrows. But also it is important to mention that such interest rates under market interest rate bring the risk to lay out of function lending market of local government.

3.3 Local Government bonds / municipal bonds

Local government units are entitled to issue bonds in domestic or international market through municipal bonds, in execution with the law 10158/2009, as another way of local government financing through borrowing. As in case of loans, local government may issue short and long term bonds that mandatorily should be backed a relevant borrowing plan and audited by an external licensed audit entity. The bond for its holder is a debt title that brings interest issued by an institution / organization to borrow money. It is a debt agreement between the borrower (issuer) and the lender (investor).

The issuer usually pays for funds that borrows a constant periodic rate of interest (known as coupon). Principal payment is made only with a single installment payment at maturity or in several installments throughout the life of the bond, (eg. linear or progressive amortization increasing or decreasing).

Usually municipal bonds are traded by investment banks or commercial banks. The legal framework in our country adjusts this debt instrument by law no. 10158, dated 15.10.2009 "On bonds of joint stock companies and local government", a law that has not materialized even a single case of issuing bonds for local government (municipal bonds).
The types and series of municipal bonds are:

*General obligation bonds* are issued to finance the investment projects of interest for all the community (like, to improve public safety, roads, parks and recreational areas and public buildings). For this reason for the repayment of this debt (bond) should contribute all taxpayers of the local unit (individuals or businesses). Consequently the repayment of this bond is ensured by total income of the LGUs. Croatia is a country that has widely used general obligation bond since 2004 in some of its municipalities. All these bonds are secured only by the LGU that has issued them by putting the total income of their budgets as guarantee.

*Income Bonds* are also known as bonds with "limited liability" because they base their debt service only on certain income designated to LGU (like cleaning fees; the rents of public buildings, etc.). The revenue through which obligation of respective bond is paid mainly derived from the project which is financed by these bonds. Income bonds are not paid by taxes of the local government unit, but by specific income deriving the following of investment made by the respective loan.

*Euro obligations* are international bonds issued in a different currency from the country that issues the bond, not only in Euro. Euro obligations are marketable and securities transferable. Euro obligations usually issued through a public offering and are quoted on the Stock Exchange of Securities. Albania is still far using of this kind instrument for local governments considering that the central government itself / Ministry of Finance issued the first Euro obligation not earlier than 2010. However this is a borrowing instrument also applied in the region.

3.4 Public - private partnerships (PPPs)

Public - private partnerships (PPPs) are another form of cooperation that would improve the creditworthiness and satisfy the needs of local government units, for investments with financial exposures stretched over a long term of period. This specific form of cooperation, between public and private bodies, regulated by the Law 125/2013, dated 25.04.2013: “On concessions and public private partnership”, as amended, provides two favorable conditions to the local government units that aim to carry out investment, using this form of cooperation. In one hand the risk and costs of immediate investment is transferred to the private partner and, on the other hand, cost repayment is stretched over the years of the contract entered with a private partner, thus avoiding the creation of short term repayable obligations in the finances of the local government.

Despite the need for improvement and approximation with the European Union legislation, the current legal framework provides adequate regulation for the creation of a local government borrowing system and improvement of the efficiency in using such borrowings for the development of the local infrastructure and services.

Therefore, the reform initiated with the reshape of territorial and administrative division should continue with the financial discipline and efficient administration of taxes, collected by local government, aiming at increasing the creditworthiness of local government units in the eyes of lenders, and to benefit maximally from the opportunities provided by legal framework, on borrowing options and their efficient use.

4. New Territorial Reform, the Opportunities for Local Borrowing

The main objective of the 2015 territorial reform aims at avoiding the inefficiencies of public services at local level, which was mainly caused by extensive territorial fragmentation and a large number of local government units (LGUs). Although the new territorial division is based on the principle of "functional areas", any solid analysis on how such division could produce territorial development through private entrepreneurship is hardly found, throughout the paperwork produced in the frame of this reform. This is so, in a time when the relative weight of local government to the Gross Domestic Product (GDP) and to budget expenditures (BE) remains relatively lower levels. Despite the increase in revenues, generated from its own resources and exploitation of new resources, the local fiscal authority remains weak and its dependence on national resources, very high. Thus, the new municipalities will continue to experience major lack of financial resources for investment, especially those which require huge capital funding.

Faced with the urgent need for investments, in relation to public expectations, all 61 municipalities will increase the pressure on government, aiming at increasing the intergovernmental transfers, taxes and in the same time, borrowing from commercial banks. As previously mentioned, the intergovernmental transfer is not expected to get any significant increase, under the conditions of weak economic growth and high public debt; practically it has been declining since 2010. On the other hand, the central government wants to avoid any raise of local taxes by municipalities and the new law on local government is expected to maintain restrictions on fiscal autonomy. Meanwhile, the municipalities are aware that there are still rooms for the taxable base, due to a high informality, but this does not mean a level of economic
activity capable to yield more taxes. So, notwithstanding the motivation of local government to obtain grants instead of borrowing, the latter seems to be alternative that has the most potential for expansion. In this regard, it is up to the government to review the degree of control on local borrowing, although it is aware that, administrative orders to limit the authority of the borrower for purposes of maintaining levels of public debt have practically impaired, even further, the financial capability of local government. Moreover, the ratio of local government debt to total public debt does not exceed 0.020%, which is a strong argument in favor of local borrowing. The interaction between these three factors: loan limit, size of the grant, and local taxes, will comprise a complex negotiation between the government and municipalities, not to mention the fact that these negotiations will be conducted on an individual basis for each municipality.

In the frame of lending contraction to individuals and businesses during recent years, banks should see local borrowing as a gateway for utilizing excess funds. Municipalities are welcomed clients for banks, due to the perceived low risk, because local borrowing is considered somewhat as bearing a sovereign guarantee. Despite the "legal guarantee" of non-bankruptcy, banks carry out risk analysis for them, as they do it for each customer, but in case of municipalities they always hope in obtaining an additional guarantee, compared to other customers. An important advantage of large municipalities is the improvement of loan applications, based upon studies of profitability, due to an increasing number of high skilled specialists employed by them. In the same time, the improved budget and investment plans will help municipalities to see debt and borrowing as an instrument to improve their position, and not as an embarrassing evidence of their financial vulnerability. Consequently, this fact will be accompanied by a greater number of loan applications, which will pass banks’ risk analyses.

The expansion of local borrowing will also lead to improving the role of banks in the territory’s economic development, by way of financing investments related to public services, urban and rural infrastructure, and even agricultural infrastructure, which is a prerequisite for the development of agriculture. Bank lending for investment to improve the network of irrigation and drainage systems, reservoirs or other similar works, agriculture markets, collection centers, slaughterhouses, etc., constitute important tools for improving the agricultural business environment. If the government guarantee fund for loans to businesses engaged in investment in agriculture could be extended to include the aforementioned investments by municipalities, it would turn into an important stimulus in this regard. In the long term, the eventual competition between banks will lead to the development of debt instruments, specially designed for municipalities and local government.

5. Conclusion and Recommendations

One of the main challenges for the current local government in Albania is to fulfill the growing expectations of citizens for better services and governance. Whereas the functions and responsibilities of local government units have increased during the last decade, the fiscal decentralization and funds transfer have not progressed at the same pace, thus resulting in considerable lack of financing in local infrastructure.

Under a situation of “competition” for budget funds and modest capacity to generate local revenues, the local government units continue to face considerable lack of resources for investment, especially for those requiring big capital such as the road infrastructure and water supply/sewerage infrastructure. Their budgets are generally low and unable to cover funding for large infrastructure improvement projects. Although state budget funds for investments in infrastructure (mainly competitive grants/Regional Development Fund) have been growing over the recent years, their impact is still modest compared with the needs. Coercive fiscal policies that started to be implemented by the Ministry of Finance during the recent years in order to handle the financial crisis also imply that no significant growth is to be expected for several years to come. Moreover, legal initiatives undertaken in 2009 (adjusted as of 2014) regarding the restriction of fiscal autonomy as well as the restriction of the borrowing authority in order to retain the public debt levels, have breached the financial potential of local government units even more.

Notwithstanding the need for improvement and approximation with the European Union legislation, the current legal framework provides adequate regulation for the creation of a local government borrowing system and improvement of the efficiency in using such borrowings for the development of the local infrastructure and services. Therefore, the reform initiated with the reshape of territorial and administrative division should continue with the financial discipline and efficient administration of taxes, collected by local government, aiming at increasing the creditworthiness of local government units in the eyes of lenders, and to benefit maximally from the opportunities provided by legal framework, on borrowing options and their efficient use.

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The Problematics of the Import of Waste and the Recycling Sector in Albania after 1990

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Abstract

Recently in Albania there is an ongoing and heated debate concerning the import of wastes of “the Green List”. Basically the entire spectrum of our society, such as politicians, experts and civil society leaders are involved in this debate. The various interest groups involved don’t just argue about the profits our economy and the environment stand to make from the recycling industry, but about the fact how controlled is the imported wastes, will they be treated according to the international standards, will they pose a threat to the wildlife, etc. In a country like Albania where until a few years ago the issue of wastes, as they are called in everyday speech, has been a big one; wastes were present everywhere, in the streets, city centres, rivers banks, along the coastline, even in some protected areas it is difficult to admit that recycling will proceed at the same pace as in the developed countries, which in turn display sharp differences among themselves as well. According to Eurostat in 2013 there was a big difference among the member states of the EU regarding recycling. Germany has the highest percentage of recycled municipal solid waste, at 64% compared to 3% in Romania while the EU recycling average is about 28%. In our country the development of the recycling industry is fraught with serious issues and may result in unwanted side effects given the fact 70% of it is imported meanwhile our national waste goes untreated, the environmental standards are not met and the proper infrastructure is missing.

Keywords: Green List, municipal solid waste, recycling, environmental standard, landfill

1. Yes & No about the Import of Wastes

Once we heard the news that Albania can import waste we raised some questions. Is our country can be an example of success in processing treatment of waste? Does our country be a state of the technology and science in differentiation and treatment of waste? Does Albania be a major producer of wastes, industrial, toxic, inert, organic materials wastes etc.? What are the priorities of the Albanian economy in the future, the recycling industry or the development of tourism sector which requires a clean environment with natural ecosystems intact?

These questions go through mind of environmentalists, economists, specialists who have deep knowledge about the phenomena of various environmental problems, but also to those people who think they have done the best for this country where next generations will have the chance to live in a cleaner and more developed Albania and not in a place turned into a garbage deposit.

Industrialized countries are faced with the problem of wastes decades ago and one of the solutions used for the treatment of wastes was minimization or recycling process. They see recycling as a necessary evil which in addition to economic benefits, reduces pollution, the volume of waste destined for landfills, but can have consequences on the environment or human health if are used wastes that does not belong only to the Green List.

In Albania there is a diversity of opinions about waste and recycling industry. On one hand civil society and environmental organizations see them as a threat to the environment, on the other hand governments that are destined to be changed often see it as a part of the business and overestimate them considering recycling as the key step to successful development of the economy, jobs etc. This group goes even further with the idea that the wastes that our country produces in a year does not meet the capacity of the recycling factories so they are looking to open doors to the import of wastes. In the trap of this demagogy of Albanian institutions have also fallen, geologist specialists, botanists,

2http://www.kohajone.com/2016/09/30/ green wastes from scraps and pig hairs to kerp and cannabis, here are the wastes that are mentioned to be imported in Albania
ecologists, hydrologists, climatologists, etc. who know very well that our country has specifications that make it impossible to import wastes from other countries. Here we can mention some of them:

a. Our country has a very small area and does not have unoccupied space which can be made available for the recycling industry which operates despite technological level and can not be considered 100% resulting from the ecological or human society. This makes it impossible to directly or indirectly nonexposure of human society to wastes that cause pollution despite the fact where is its location in landfills, factories, landfills etc. This issue is different in other countries that have thousands km2 wilderness or inhabited spaces. Someone must say that waste generated in Albania are few compared to those expected to be imported so that it does not seem reasonable that our country becomes a repository of wastes coming from other countries despite the economic benefits of their recycling. If take in consideration figures how much wastes are produced in Albania (round 1 million tons/year) in neighbouring countries for example in Italy such amount is produced from Napoli, Torino, or Milano which have a population almost the same with Albania population.

b. Geological construction of our country with about 23% consists in carbonate rocks that are permeable and soluble shows that water wasted from manurex, waste residue can freely move from areas where performed recycle toward residential areas or territories operates where human society have its activities.

c. Even hydrography with its elements appear more sensitive to pollution caused by pre recycled or recycled products which intentionally or not may accumulate, circulating through her arteries a source of pollution, a branch river, stream, etc. which can lead to contamination of the watershed and consequently to the settlements located in that territory. Here we can mention the rivers Gjanica, Erzen, Ishmi etc which are known for high pollution level and crossing of areas with density of population.

d. Since Albania is characterized by a large number of protected areas and high biodiversity, building factories or dumping of recycling waste by them would damage the national assets or ecological, economic, tourism elements which we have inherited over the centuries. Suffice it to mention the fact that 1/3 of the greatest cities of the world as Melburn, Rio de Janiero, Budapest, Singapore, New York, etc. they take drinking water from hydrographic basins that are located in protected areas to understand that these are ecologically pure oasis of great importance to the living man and the world in general.

e. Does not it seem paradoxical fact that our country until 2004 due to lack of technology to send Persistent Organic Pollutants (POPs) in European countries of origin to be destroyed them, and now imports waste to be recycled? Although now it is not about POPs, as they are prohibited by the Stockholm Convention but waste which are part of the Green List, this example of use analogy shows that our country doesn’t have adequate capacity to develop proper recycling technology and industry.

f. Does our health and our offspring is fully guaranteed if we use recycled products? This question can hardly get respond from the science. Cases are not uncommon that even scientists have fallen into the trap of those products or inventions that have made themselves. Suffice it to mention POPs (Persistent Organic Pollutants), CFC (kloroflorocarbon), asbestos, chemicals or a part of that counted on 80000-100000 which have been used for decades in developed countries, (already they have been declared harmful after leaving the consequences to the environment, or humans), to understand that those who give guarantees for products recycled which are not safe. Even the separation of waste at source (organic, plastic, matalike, glass, etc.) is a practice of late compared to the recycling industry. So even science has failed and will not ever come to know all the secrets of knowledge. To be sure we suggest that waste recycling Green performed by the most industrialized countries with a strong law to protect the quality of the environment or at least each country to recycle waste that produces within its territory carrying negative and positive consequences in treatment of waste.

g. Where will we use recycled products in the future and how waste can be recycled again? If we compare this issue with the developed countries which are extremely careful in handling the waste, the frequency of their

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5 Meçaj.N, Applied Geography, pg 239, Tiranë 2004, TOENA
6 Ziu.T, Geography of territory regulation pg 158, Tiranë 2009, Pegi
use and intended that they will have after recycling, in our country is difficult to say whether raw materials, tools etc. has or not a story before recycling. The case of using an advance the technology from a company in Sweden where plastic bottles recycled before, parsed their history through the use of laser rays 8 it is a very good example to see our country’s differences with developed countries.

2. Situation of Wastes in Albania and Their Recycling Potential

Before we start analyzing this issue, we must clarify what are garbages and wastes and how to classify them.

The waste is defined as a substance or object which the holder discards or intends or is required to discard. A substance or object can not be simply a product wastes but only when faced with these conditions9

- Further use of the substance or object is safe;
- The substance or object can be used directly without any further processing
- The substance or object is considered as an important part of the manufacturing process
- A further use is lawful, which means that a substance or object meets the requirements for environmental protection and health of a product for a specific use and that does not cause environmental damage or human health.

While trash (broader concept of waste) are the waste that is not recycled but deposited in landfills, burned in crematoria and destroyed through different technological processes. The developed world divides waste into different categories according to the list: Green, Orange and Red. Green waste list are regarded as non-hazardous but if they somehow mix with hazardous wastes listed in the Red list.

The high noise being made in our country has to do with the import of Green List wastes for recycling purposes which listed 17 types10 from 21 kinds part of Green List in EU. These residues have different origins from where can be mentioned generated waste, commercial, industrial, urban waste, etc. where the latter issued the greatest volume of recyclables.

Albania during the transition has maintained a bitter taste from waste which has become a nation wide concern. Increasing the amount of waste over the years unprocessed and transported in time, burning of the waste without any criteria and environmental standard has caused major environmental problems.

This progressive increase of waste which is linked to a number of factors such as growth of population, increased consumption, the spatial movement of the population, the growth of cities, uncontrolled construction, poor management of the companies that deal with waste, unprocessing of wastes through recycling etc.

Even neglecting from government to process wastes in time and according to environmental standards, etc. legitimized in some way a part of the thoughtlessness of the Albanian citizens wherever we lay wastes to making harder their collection and management. So huge was the spread of wastes that until a few years they were found in the streets, and towns, river beds, along the coastline and even in protected areas or tourist spots etc. Agony of 25 years in solving this problem has created a negative psychosis among the population for waste which are considered harmful, regardless of their type may even say that they have weakened our perception of aesthetics and beauty. This mentality has affected the spirit of resistance against the import of waste, seeing this as a dangerous economic activity.

If we take in consideration general quantity of wastes generated from our country in a year we can find that it is increased progressively during the period 2003- 2013. Figure 1. The same thing it is noticed about urban wastes which are the main Green wastes which are destined for recycling while the inert wastes seems to have a inconstancy related to their quantities among the years.

Despite the upward trend of wastes in our country their amount is small compared with developed countries.

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This is also the average amount of waste per capita that Albania produces about half the amounts of countries belonging to the Organization for Economic Cooperation and Development (OECD)\textsuperscript{12} and generates less waste per person than neighboring countries such as Macedonia, Bosnia & Herzegovina, Croatia etc (Fig. 2). In 2012, quantity of urban wastes per inhabitants resulted to be 332 kg/inhabitants/year while in 2009 it was 229 kg/inhabitants/year\textsuperscript{13}.

We made evident this problem to understand the perception and our behavior for wastes is not the same with developed countries which have provided solutions to their processing decades ago. According optics developed countries the import of waste is a normal economic activity in order to meet the recycling industry's capacity. The problem is how these wastes are controlled; do they present a risk to the environment and its components? Do they mix with hazardous waste etc.? Since our country has no capacity and does not meet environmental standards and infrastructure for waste treatment why should import instead of exporting?

3. Recycling World History

Judging about the phase that is our country's referring to recycling industry should be given a brief history of this industry. It is known that recycling was born and developed from the need to save sources of raw materials and by the need to minimize pollution which has become a global phenomenon and of multilateral consequences. Although recycling looks like a modern concept introduced by the environmentalist movement in the 1970s, it has been applied in thousands of

\textsuperscript{11} http://databaza.instat.gov.al/pxweb/sq/DST/START__EN/EN0009/?rxid=e618a59a-05b3-41f5-b514-158dabf25685
\textsuperscript{13} http://www.mjedisi.gov.al/files/userfiles/Monitorim_Mjedisor/Mbetjet.pdf, Wastes, pg 2, year 2013
years. It is said that the statue Giant of Rhodes used scrap pieces.

Before the industrial revolution recycling industry had a negligible share in the world economy. Even the few workshops that existed in different countries of the world were far from primitive and modern concepts for recycling. Besides metals that have a history of early recycling, recycled paper is much later followed from plastic, glass waste. Recycling paper it date in 1031 in Japan. While prior to recycling factories were built in 1690 in Rittenhouse near Philadelphia and in 1801 England used to produce paper from fibers of cotton and flax.

During the industrial revolution the great demand for raw materials made it necessary recycling as need for it was not everywhere able to be fulfilled. Reducing costs of production and trade at low prices motivated people throwing away equipment, machinery, tools, etc. and buy new, more modern which prompted increased recycling since the wastes and resources were reduced.

At the end of the XIX century and early XX -century in industrialized countries urban and industrial wastes started to become a concern for causing pollution. They were created various organizations that had in their focus waste and ways of processing them. So in 1913 it was created the American Institute of Scrap Recycling Industry (AISRI) etc.

In these years it was introduced for the first time in New York by George. E.Waring system of waste treatment and recycling among other things it was emphasized the separation of paper from organic waste, metals and wood in separate containers. This important event is added to the opening of the aluminum recycling plant in Chicago and Cleveland in 1904.

During World War I, 1929-1933 (Economic Depression), recycling industry had a qualitative leap after it was realized economic expediency and positive environmental impact that recycling had. During this period rolled slogan "Don't waste the waste." Only in America was recycled thousands of tons of paper from old books and newspapers, parts of old clothing, etc. were reused. This trend was observed in the aluminum industry where cans were produced with smaller dimensions and smaller weight from 3 to ½ ounce and aluminum wastes were recycled several times.

Even during World War II about 400,000 volunteers and millions of workers were part of the recycling industry helping with food and logistical respective armies in camps. Proper administration, conservation and recycling and re use of tin, rubber, aluminum and other materials had been taken very seriously.

During the "Boom Economy" recycling trends began to weaken. This lasted until 1970 when Earth Day recycling became the main topic to be discussed. In later years the recycling industry faced numerous controversies however it had increased progressively year by year. Recycling propaganda is already done anywhere in schools, religious Institutions, various organizations up to awareness of humble people. In 1973 Nathaniel Wyeth invented plastic bottles made of polyethylene terephthalate (PET). They replaced glass bottles which are difficult to be recycled.

In 1981, Germany made history in the recycling industry by giving the responsibility of the recycling totally to industrialist. It created the Germany Dual System (GDS) to organize a company management system of waste separation. Later many European countries followed the Germany model. Here we can mention ELOPAK the Norwegian company which was forced to pay the extra cost for recycling because its cartons for beverage produced were difficult to recycle because they were coated with plastic laminate. She collaborated with the Research Center SINTEF and later with the TiTech Company getting modern machinery for waste separation and selection. The working principle of this device has to do with technological differentiation of waste by halogen bulbs which use infrared beam with different wave length. Processes performed by this device have an accuracy of up to 98%.

Recycling already applied everywhere but marked differences between countries and even between administrative units within a country that are dictated by economic, technological, political development and above all how are waste from the population in various countries.

According to Eurostat data in 2013 there is a big difference between EU member states in the field of recycling. Thus Germany has the highest proportion of recycled urban waste 64%, while in Romania this figure ranges around 3%. The same is also noted for waste disposal in landfills where Germany depositing nearly 0% and Romania 97% while
average throughout the EU is around 31%. From history that we discussed above come to the conclusion that the recycling industry is as old as the problematic since knowledge of waste processing have never been full despite the positive impact on the economy, employment, saving of resources, reduce of pollution and improving the environmental quality although the latter is viewed with skepticism.

4. Recycling Industry in Albania and Its Problems

Following the example of developed countries in Albania in the '90s it began to flourish recycling industry. Recycling enterprises that were established started dealing with different waste treatment such as wood, paper, cardboard, plastic, metal etc. mostly harmless wastes that today are classified as Green List wastes. In contrast to other countries where is paid great importance to the recycling industry to reduce waste generated within their territory, reducing pollution in addition to economic benefits, in our country was not paid proper importance to environment leaving stock wastes generated among years and taking raw materials from imports. So in Albania was neglected processing of domestic waste particularly urban wastes from which can be issued more than 50% of recycled materials and bio-wastes. Such paradox which is observed in the recycling industry which relies on imports and very few wastes that were provided in the country shows that our country does not have the same approach with the developed countries in relation to waste management part of which is recycling. Certainly the recycling businesses have their arguments related to this issue as misallocation of waste at source, poor management of enterprises dealing with the collection and transportation of waste, the desire to have multiple profits from recycling and not processing the wastes that were generated in our country. These reasons have pushed this business to take in consideration the import of wastes.

Related to the wastes import results that the oldest custom document made public it belong to 1993 when in Albania have been imported wastes from Italy and after were recycled. Some of the investments were modest but which had a low cost and less environmental rules than in neighbouring country, Italy. Recycling industry during the last two decades has seen a partial development where are built a series of recycling fabrics which have gradually expanded activity. Recycling factories are built near large urban centers like Tirana, Durres, Fier, Berat, Vlora, Shkodra, etc. and along the road axis Korçë -Elbasan-Tirana-Durres. Such issue increases the chances that increase pollution affects for the environment of these geographic areas as they are with high density of population, are highly concentrated economic activities and a large number of circulating vehicles. Because they rely mainly on imports we recommend that they have to be built in sparsely populated areas and at customs points thus implementing the principle of proximity.

During the period 2003–2004 started to take form a big project about recycling and elimination of wastes in Albania. This was followed by a series of initiatives taken by the government, business community, environmentalists associations etc. Despite having spent over 10 years have not yet been achieved environmental standards in waste treatment, has not started massively separation of waste at source, the percentage of recycling in relation to waste disposal in landfill is too small far from developed countries even from countries in the region.

If we analyse the specific weight of wastes which are destined to be recycled in our country we can say that is lower than average noticed in EU countries which go up to 28%. In Albania in 2015 were recycled 20-25% of urban wastes, or 200000 tons from which 1000000 tons generated every year and the rest is destined for the landfills 50-68%, for burning 1.5%, for export or is thrown outside the landfills.


\[26\text{http://www.riciklimi.al/industria.php},\] Environmental Centre for Protection, Education and Rehabilitation (ECPER Center)


It should be noted that in early years when it was built recycling industry in our country the percentage of recycling waste was smaller compared to the storage and disposal of waste out of landfills, which should have been much higher than in the current period. Also we should note that waste destined for recycling do not come only from urban waste but also from industrial, commercial, construction wastes, etc.

Recycling plants process about 30% of domestic waste and 70% of imported wastes. Albania has the capacity to process 800,000 tons of inorganic wastes per year. This shows that 1/3 of them taken from local raw materials and more than 2/3, or about 500,000 tons of wastes are imported from other countries. This is a disproportionate value taking in consideration amount of imports with exports which have a small weight. Picture N=3.

Recycling companies in Albania belong to the private sector. In 2015 operated round 110 companies which dealt with transporting, collection, processing and recycling while in 2009 there were round 60 companies. 61% of these companies are small enterprises where have been employed up to employees to each of them and only 13 companies have more than 80 employees.

Tab. 2: Recycling industry in Albania in 2015

<table>
<thead>
<tr>
<th>Waste stream</th>
<th>Companies</th>
<th>Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plastic</td>
<td>26</td>
<td>967</td>
</tr>
<tr>
<td>Metal</td>
<td>15 steel</td>
<td>1327</td>
</tr>
<tr>
<td>Used oil and hydrocarbons”</td>
<td>15</td>
<td>1362</td>
</tr>
<tr>
<td>Wooden products</td>
<td>10</td>
<td>186</td>
</tr>
<tr>
<td>Car machine</td>
<td>21 scrap</td>
<td>951</td>
</tr>
<tr>
<td>Letter</td>
<td>10</td>
<td>172</td>
</tr>
<tr>
<td>Batteries</td>
<td>4</td>
<td>130</td>
</tr>
<tr>
<td>Glass</td>
<td>2</td>
<td>51</td>
</tr>
<tr>
<td>Electronics</td>
<td>2</td>
<td>N/A</td>
</tr>
<tr>
<td>Other activities</td>
<td>5</td>
<td>127</td>
</tr>
<tr>
<td><strong>Total employment</strong></td>
<td><strong>110</strong></td>
<td><strong>5,273</strong></td>
</tr>
</tbody>
</table>

30 INSTAT, Solid urban wastes in Albania pag 5, July 2016
As conclusion seeing the prolonged problems of waste in our country we can say that the recycling business except the challenges such as provision of raw materials, fulfills the technological and environmental parameters etc. must give convincing evidence to the public that is part of the solution to pollution.

5. **Recommendation**

- Taking in consideration gaps in legal infrastructure, institutional, poor management of waste, the lack of experience in field of recycling, low awareness of population about waste types, ways of their treatment, etc. is needed a long period to allow imports waste in order that our country will be able to make adequate progress in these directions.
- Since the problem of waste is initially present in our country should be treated domestic waste, then we can open doors to the import of wastes.
- Should be taken detailed studies in order to determine precisely and in detail the places where wastes will be collected, treated or recycled considering the distance from residential areas, roads, protected areas and territories which consist of porous rocks. This requires not only the commitment of national or international institutions but also specialists such are geologists, geographers, climatologists, hydrologists, environmental engineers also various environmental associations.
- A moratorium should be developed where to prohibit throwing of waste anywhere applying fines for individuals, businesses or entrepreneurs who fail to comply with environmental criteria. This can be achieved by sensitizing the population, creating the conditions and infrastructure for waste separation at source, efficient use of tax taken for cleaning, developing the curriculum that deal with environmental education, etc.
- Recycling plants should be built in territories that have minimal impact on the environment or human health.
- Should be paid great attention to recycling companies wich deal with handling or treatment of waste as these businesses are highly sensitive economic activities that can leave short-term or long-term effects on the environment or human health if they do not implement environmently rigorous standards. So is needed a continuous monitoring and a strict disperse of all stages that have to do with wastes and their treatment.

From the above mentioned analysis we conclude that in Albania generate not large amounts of waste that are partly destined for recycling because they are not managed properly. For our country are raised two alternatives: a) the export of waste b) or recycling in Albania. If we apply the second alternative recycling industry should guarantee environmental standards, modern technology, import waste to supplement its capabilities which already has been done also need to handle the domestic wastes which for 25 years didn’t get the proper attention.

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The Principle of Subsidiarity in the Treaty of Lisbon, a New Role for National Parliaments?

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Abstract

The principle of subsidiarity within the European Union (EU) is sanctioned in Article 5(3) of the Treaty on European Union (TEU) and in the Protocol No.2 “On the Application of the Principles of Subsidiarity and Proportionality”. Its main function is to regulate the exercise of competences of EU institutions in areas where these powers are shared with Member States of the Union, with the aim that, as also required by Article 5 of TEU, the proposed action can rather be better achieved at Union level. Regarding national parliaments, according to Article 12 of TEU their general institutional role is to “contribute actively to the good functioning of the Union”. Also, referred to paragraph 3 of Article 5 of the TEU, Protocol No 1 “On the role of national parliaments in the European Union” and “On the Application of the Principles of Subsidiarity and Proportionality” national legislatures are charged with the duty to check the correct application of the principle of subsidiarity by the institutions of the Union. For this purpose a new mechanism is introduced, known as the Early Warning System (EWS). The purpose of this paper is the analysis of the provisions on the EWS in order to evaluate the protection that the Treaty of Lisbon provides for the subsidiarity principle and consequently the role played by national legislatures in the EU legislative procedures.

Keywords: subsidiarity, national parliaments, Treaty of Lisbon, role

1. Introduction

1.1 Definition of the principle – a more inclusive approach?

The principle of subsidiarity refers in general to the choice of the most suitable and efficient level for taking policy action. Within the EU law, subsidiarity is a fundamental principle sanctioned in Article 5 of the Treaty on European Union (TEU). It aims to ensure that decisions are taken as closely as possible to the citizen and that constant checks are made to verify that action at EU level is justified in light of the possibilities available at national, regional or local level. From the content of Article 5 of the TEU, the principle of subsidiarity does not apply in areas where the EU has exclusive competence. In the areas in which the EU has exclusive competence, to take the decision, cannot be raised the issue of whether other subjects exercise this power or to what extent they have the right to act. In areas where the EU does not have exclusive competence, in order to act in accordance with this principle, its actions have to meet these three conditions:

1. the Union shall act only if and insofar as the objectives of the proposed action cannot be achieved by the Member States;
2. the Union shall act only if and insofar as the objectives of the proposed action cannot be sufficiently achieved by the Member States;
3. the proposed action, can rather be better achieved at Union level, by reason of the scale or effects.

The conditions for the correct implementation of the principle of subsidiarity contained in the text of Article 5, does not constitute a novelty in the Lisbon Treaty. The novelty regarding subsidiarity definition in the treaties provisions is the

1 Arribas, G.V., Bourdin, D. “What Does the Lisbon Treaty Change Regarding Subsidiarity within the EU Institutional Framework?”, pg 13 www.eipa.eu
2 eur-lex.europa.eu
4 Ibid, pg 312
inclusion of regional and local authorities. As added actors in the new subsidiarity definition, the new approach of EU to subsidiarity principle is more inclusive that it was in the former treaties provisions.

1.2 Origin of the principle

In the Single European Act (1986), was made the first reference to the principle of subsidiarity only in the area of environment. However, the Single European Act did not refer to it explicitly as such when sanctioned in paragraph 4 of Article 130r that: “the Community shall take action relating to the Environment to the extent to which the objectives can be attained better at Community level than at the level of individual Member States.”

But the first legal regulation of the principle of subsidiarity in the primary legislation of the European Community was made by the Maastricht Treaty (1993), which for the first time formally sanctioned explicitly the principle of subsidiarity in Article 5 of the European Community Treaty: “In areas which do not fall within its exclusive competence, the Community shall take action, in accordance with the principle of subsidiarity, only if and in so far as the objectives of the proposed action cannot be sufficiently achieved by the Member States and can, therefore, by reason of the scale or effects of the proposed action, be better achieved by the Community”.

The Treaty of Amsterdam (1997) represents an important legal step regarding subsidiarity. While the Maastricht Treaty referred to the Community to act in accordance with the principle of subsidiarity, the Treaty of Amsterdam extended its application to the Union. Also, an important legal instrument for the better implementation of the subsidiarity principle was added to the European Community Treaty: The Protocol “On the application of the principles of subsidiarity and proportionality” (the Protocol).

The Protocol contained procedural steps that must be followed by the institutions of the European Community in order that their acts did not infringe the principle of subsidiarity. This is stated more specifically in the paragraph (5) of the Protocol, which required three guidelines to be used in order that the subsidiarity conditions are fulfilled:

- If the Member States couldn’t regulate satisfactorily the transnational aspects of the action in question;
- If the member States acted alone or the Community did not take any action this would bring to the conflict with the requirements of the Treaty, or damage notably the interests of the Member States;
- The benefits of the action taken at Community level are clearer by reason of its scale or effects compared with action taken by the Member States.

2. The Principle of Subsidiarity in the Treaty of Lisbon – The Early Warning System

Under the Treaty of Lisbon, the subsidiarity principle is enshrined in general terms in the TEU and more specifically in the Protocol No. 2 “On the application of the principles of subsidiarity and proportionality” attached to it. (Protocol No.2)

In paragraph 3 of Article 5 of the TEU is defined the core principle of subsidiarity:

“Under the principle of subsidiarity in areas which do not fall within its exclusive competence, the Union shall act only if and insofar as the objectives of the proposed action cannot be sufficiently achieved by the Member States, either at central level or at regional and local level, but can rather, by reason of the scale or effects of the proposed action, be better achieved at Union level.”

In paragraph (b) of Article 12 of the TEU is determined that “National parliaments contribute actively to the good functioning of the Union ... by seeing to it that the principle of subsidiarity is respected in accordance with the procedures provided for in the Protocol on the application of the principles of subsidiarity and proportionality.” Thus, the Treaty of Lisbon, apart from recognizing the general institutional role of national parliaments for the good functioning of the Union, assigns them the power to act as guardians of the principle of subsidiarity.

Protocol No.2, to which Article 12 of the TEU makes reference, establishes the Early Warning System (EWS), an ex ante control mechanism reinforcing the subsidiarity scrutiny.

The procedure of the EWS is stated in Articles 6 and 7 of the Protocol No. 2. From the date of transmission of a draft legislative act, any national parliament or any chamber of a national parliament have eight weeks to send to the respective EU institution a reasoned opinion if they consider that the draft legislative act does not comply with the principle of subsidiarity. Consequently, the reasoned opinion shall be taken into account by the EU institutions. Depending on the policy area and decision-making procedure in question, a simple majority (orange card), one-third or

5 See Article 5 of the TEC
one-fourth (yellow cards) of all fifty-four votes (two per member state) are required in order to enforce the draft review.\(^6\)

The “yellow card” procedure enforces the review of the draft legislative act if the number of the reasoned opinion which considered it non compliant with subsidiarity, is at least one third of the totals votes or a quarter in the case of a draft legislative act submitted on the area of freedom, security and justice. Afterthat, the EU institution from which the draft originated, can maintain, amend or withdraw it, but must give the reasons for its decision.

The “orange card” procedure is applied only for the ordinary legislative procedure and if the proposal originated from the Commission. Under this procedure, if the number of reasoned opinions considering non compliance of the draft legislative act with the subsidiarity principle, represents at least a simple majority of the votes allocated to national parliaments, the Commission must review the proposal and can maintain, amend or withdraw it.

If the European Commission decides to maintain the proposal, it has to justify its decision, and both the Council and the European Parliament can reject it before the end of the first reading if they find it incompatible with the subsidiarity principle.\(^7\)


The role of national parliaments in the architecture of EU governance has evolved in different stages of the EU legal order. As a response to the “democratic deficit” in the EU, the treaties provisions adopted within EU primary law has enhanced the national parliaments role and bring the Union closer to its citizens. The national legislature powers in relation to the EU has gradually been expanded so they could contribute actively and influence in the EU governance.

With the Lisbon Treaty, for the first time national parliaments are mentioned in the body of the treaty, in contrasts with the Declarations or Protocols added to the previous treaties.

According to Article 12 of the TEU, national parliaments are involved in the activities of the Union in these spheres:

- National parliaments have the right to be informed by the Union institutions by putting them at the disposal the draft legislative acts. This right is further regulated in details in the Protocol No. 1 “On the Role of National Parliaments in the European Union” (Protocol No.1), which also specifies the acts that the Commission should forward to national parliaments and the meaning of “draft legislative acts”. Also, national parliaments have the right to be notified for the applications for accession to the Union.
- By taking part in the revision procedures of the Union primary law;
- The rights of national parliaments in the area of freedom, security and justice;
- By taking part in the interparliamentary cooperation with other national parliaments and the European Parliament according to articles 9 and 10 of the Protocol No.1;
- Ensuring the respect of the subsidiarity principle by sending reasoned opinions to the EU institutions according to the procedures provided in the Protocol No.2.

From the above mentioned rights of national parliaments, their role in ensuring the compliance of EU draft legislative acts with the principle of subsidiarity through the *ex ante* control mechanism of EWS, is considered the main and most important novelty introduced by the Treaty of Lisbon. This right represents an important step forward to encourage national legislature of Member States to take part and influence in the decision making process of the EU.

4. **Conclusion**

As a conclusion, it can be summarized that:

- The definition of the subsidiarity principle in the Treaty of Lisbon retains unchanged the conditions of subsidiarity enshrined by the Treaty of Maastricht. But, it extends the subsidiarity definition by adding regional and local levels as involved actors in the better achievement of the objective of the action proposed.
- A new mechanism is introduced in order to guarantee at a higher degree the implementation of the principle of subsidiarity, the EWS. This is an *ex ante* scrutiny of the compliance of the acts of the EU institutions with the principle of subsidiarity. Two procedures are provided for the EWS: the yellow card and the orange card stated in Article 7 of Protocol No.2. The role of the guarantor of the *ex ante* scrutiny control is assigned to national parliaments. National parliaments by using the instrument of the reasoned opinion if they consider the proposed legislative act not in accordance with the principle of subsidiarity could influence the decision.

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\(^7\) Piedrafita, S. (2013) “EU Democratic Legitimacy and National Parliaments”, CEPS ESSAY, No. 7, pg 4 http://aei.pitt.edu
making procedure of the EU. Even so, the final decision for the assessment of the proposal on grounds of subsidiarity is a prerogative of both the European Parliament and the Council.

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An Empirical Comparison of the Major Stock Exchanges: NYSE, NASDAQ and LSE in Perspective

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Abstract

As listing on any exchange provides a great opportunity to the corporates or entrepreneurs for raising capital in order to fund new projects or to undertake expansions or diversifications, we have conducted an empirical research on the largest stock exchanges worldwide, focusing more on New York Stock Exchange, London Stock Exchange and NASDAQ respectively. The main purpose of this study is to provide evidence on the performance of the three exchanges with the emphasis on some key indicators for the period spanning from 2010 to 2014. The analysis conducted on these indicators reflects the progress of the exchanges during this period and provides a great statistical significance. Moreover, the recent trends are tracked down to demonstrate how this valuable source can be channeled into decision making. The findings outline that the stock exchanges are reliable barometers to measure the economic growth of a country and could be beneficial for a range of market participants, such as companies or current and potential investors when selecting a stock exchange, for issuers, and of course for scholars to get a better idea about the important happenings on stock exchanges and to understand the impact that one exchange movement has on other.

Keywords: NYSE, NASDAQ, LSE, stock exchange, performance indicators, marcap, trading volume

1. Introduction

Listing on any exchange provides a great opportunity to the corporates or entrepreneurs to raise capital in order to fund new projects or to undertake expansions or diversifications. Listing is beneficial to the companies, to the investors and to the general public at large. It brings on a continuous basis adding prestige and importance to listed companies. Stock exchanges facilitate transparency during the trade of listed securities in equality and competitive conditions. The exchange prices can be used as an index of the economy state. In general, the advantages of being listed are that the stock exchanges provide:

- A premier and orderly marketplace
- Visibility and liquidity
- Transaction speed
- Fair-price determination
- Continuous reporting on sales and quotations and information on listed companies
- Strict regulation to protect the security holders

A stock exchange can be considered an economic mirror where the important changes in a country and the economy are reflected in the shares prices. Any increase or decrease in the prices of shares indicates the boom or recession time period of the economy respectively.

The paper is organized in five sections: The next section describes the objectives and the methodology used, Sections 2 and 3 give a general overview of the stock market and introduce us with major stock exchanges in the world. In Section 4 an attempt is made to examine in particular the performance of the three exchanges through several indicators and to come up to useful findings. The last section draws the conclusions.
1.1 The objectives and the research question

The main objective of this research study is to provide evidence on the performance of the three exchanges. According to this, we observe the movements during the chosen period and we examine if the increased competiveness between the exchanges helps improving the quality of each of them.

Thus, it is an empirical issue to determine the trends on the key pre selected indicators. The analysis conducted on these indicators as a response to the question raised, reflects the progress of the exchanges and provides a great statistical significance. Also, some useful data are shown to demonstrate how this valuable source can be channeled into decision making.

The second major intent is to help all market participants to identify potential efficiencies through the discretions and to support them to use these facts. Moreover, the valuation of the tradable securities is useful for the creditors and the government. The creditors can assess the creditworthiness and the government can impose taxes on the value of securities.

1.2 Methodology

The research covers NYSE, NASDAQ and LSE which are three giants of the stock market worldwide. We select these stock exchanges as parts of different socio-economic and geographic backgrounds. With respect to our goal, firstly we choose an appropriate methodology and identify some key criteria. We try to provide empirical evidence on measures of the three exchanges’ quality and report significant differences and similarities between the exchanges.

The main part of the study is the analysis of the key performance indicators, wherein the exchanges have been compared on certain qualitative and quantitative parameters for the period from January 2010 to December 2014. These parameters are used to determine important aspects of any stock exchange, for instance, the market capitalization gives an idea about the size of the respective exchanges; whereas the number of listed securities acts as an indicator for the volume and liquidity. The main intent of using this time period is to show recent trends in the performance of the exchanges. The data presented refer to the monthly and annual statistics published by World Federation of Exchanges, a trade association of 64 publicly regulated stock, futures and options exchanges. Data of listed companies on the LSE are downloaded from the Exchange’s website.

2. The Stock Market

2.1 What is the Stock Market?

The Stock Market is a public entity where the stocks or other securities of a company are traded at an agreed price. It is also known as “Equity Market”. The securities are listed on stock exchanges or they are traded privately. There are two options when it is looked to raise capital: debt or equity. Debt can be a bond, loan, mortgage or any other type of credit instrument. Usually, the issuers have the obligation to make regular payments, thus the interest on the debt and to pay back the entire amount borrowed, the principal at maturity. The other option is equity. Equity financing means issuing shares of a business for sale to potential investors and the main benefit of it is not being linked to obliged payments. Share, Stock, Equity, all mean the same, and it is one of the most popular financial instruments.

2.2 The Main Reasons why Companies and Governments Raise Capital

The companies and governments need to raise funds for a variety of reasons, such as:
- Business growth
- Acquisitions of other firms
- The purchases of long term assets such as land, building or equipment
- Facilitation of financial instruments’ trade
- Meeting of large orders
- New investment opportunities

2.3 Definition of Stock Exchanges

A stock exchange serves the purpose of a platform of an organized and regulated market where investors and issuers
can indulge in the activity for the purchase and sale of various industrial and financial securities like shares, bonds, government securities, commodities, currency, pooled investment products or unit trusts. It also provides facilities for issue and redemption of securities and other financial instruments, and capital events including the payment of income and dividends.

2.4 Characteristics of Stock Exchanges

The main characteristics of stock exchanges are as follows:
- An organized securities market
- Constituent of capital market, market for long-term finance
- Voluntary association, only the members can deal, buy and sell securities
- The dealings in an exchange are under certain accepted code of conduct, rules and regulation
- Acts as financing industry
- Used as a benchmark for evaluating the investors' portfolio

3. The Major Stock Exchanges in the World

The table below shows the largest stock exchanges worldwide by domestic market capitalization of listed companies as of December 31, 2014. In fact, stock exchanges are also taking advantages of global opportunities that arise, whether from new listings of foreign companies or through mergers, acquisitions and strategic alliances.

Table 1: The largest stock exchanges in the world by domestic market capitalization

<table>
<thead>
<tr>
<th>Rank</th>
<th>Exchange</th>
<th>Head-quarters</th>
<th>Market cap. (USD bn.)</th>
<th>Trade volume (USD bn.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>NYSE</td>
<td>New York</td>
<td>19.351</td>
<td>11.299</td>
</tr>
<tr>
<td>2</td>
<td>NASDAQ OMX</td>
<td>New York</td>
<td>6.979</td>
<td>8.739</td>
</tr>
<tr>
<td>3</td>
<td>Japan Exchange Group</td>
<td>Tokyo</td>
<td>4.378</td>
<td>4.011</td>
</tr>
<tr>
<td>4</td>
<td>London SE Group</td>
<td>London</td>
<td>4.013</td>
<td>2.540</td>
</tr>
<tr>
<td>5</td>
<td>Shanghai SE</td>
<td>Shanghai</td>
<td>3.933</td>
<td>2.920</td>
</tr>
<tr>
<td>6</td>
<td>Euronext</td>
<td>Paris</td>
<td>3.319</td>
<td>1.443</td>
</tr>
<tr>
<td>7</td>
<td>Hong Kong Exchanges</td>
<td>Hong Kong</td>
<td>3.233</td>
<td>1.093</td>
</tr>
<tr>
<td>8</td>
<td>TMX Group</td>
<td>Toronto</td>
<td>2.094</td>
<td>1.008</td>
</tr>
<tr>
<td>9</td>
<td>Shenzhen SE</td>
<td>Shenzhen</td>
<td>2.072</td>
<td>3.677</td>
</tr>
<tr>
<td>10</td>
<td>Deutsche Börse</td>
<td>Frankfurt</td>
<td>1.739</td>
<td>1.095</td>
</tr>
</tbody>
</table>

Source: World Federation of Exchanges

In order to be more familiar how the stock exchanges operate, we are going to analyze in details three of the major stock exchanges listed above, thus New York Stock Exchange, NASDAQ and London Stock Exchange. The information shown below represents in general a summary of these exchanges and in particular analyzes some indicators that are used to evaluate the individual performance of the exchanges as well to compare them.

3.1 NYSE

3.1.1 Introduction

The New York Stock Exchange (NYSE) is an American stock exchange located at 11 Wall Street, Lower Manhattan, New York City, New York, known also as the “Big Board”. It is the oldest and by far the largest market place referring the market capitalization of its listed companies at US$25.3 trillion as of December 2014. The history of New York Stock Exchange started on May 17, 1792 when twenty-four stockbrokers and merchants gathered at 68 Wall Street and signed the Buttonwood Agreement. In the beginning there were only five securities traded and the Bank of New York became the first listed company on NYSE. Crashes over the years affected the NYSE. On October 24, 1929 also called Black Thursday, stock prices fell sharply by a volume of about 13 million shares. After five days, on October 29 the market
crashed on a volume of over 16 million shares. This crash marked the beginning of the Great Depression. The main reason behind the crash was that stocks were overpriced. On October 10, 1953 the trade volume on the NYSE reached 900,000 shares, this marked the last day that the daily volume of the NYSE was under 1 million shares. Another crash happened on October 19, 1987, Black Monday when the Dow Jones Industrial Average fell to 508 points or 22.61%, the largest one-day percentage drop in history. One day after, the volume reached 608 shares. In 2000, DJIA experienced its biggest one-day point jump, at 499.19 points and it closed at 10,630.60.

3.1.2 NYSE's Market Model

“High Tech, High Touch” is the market model of NYSE. The Exchange used for many years only the open-outcry system on the floor trading. Nowadays, although the open-outcry system is still used to set pricing and to trade in high volume for institutions, more than the half of all trades is conducted via electronic networks. Believing that nothing can replace the human judgment and accountability, this market model combines advanced tech capabilities with the supervision of professionals. The connection with human being lowers volatility, offers deeper liquidity and improves prices.

3.1.3 Markets of NYSE

NYSE operates as a strong, transparent financial market. It has the networks of 5 regulated markets including New York Stock Exchange, Arca Equities, MKT, Arca Options and Amex Options. As the NYSE evolved, there are several trading platforms to its ranks, which include four major asset classes; equities, exchange-traded products, options and fixed income. The equity markets offer their customers new technology, and value added trading techniques while options markets provide customers a combination of open outcry trading with advanced electronic capabilities.

3.2 NASDAQ

3.2.1 Introduction

The NASDAQ Stock Market commonly known as NASDAQ was founded in 1971 by the National Association of Securities Dealers (NASD) as the world’s first electronic stock market aiming the reduction of inefficient person-to-person stock transactions and creating a more transparent and faster system. At the beginning it was merely a quotation system, which went live for 2,500 over-the-counter securities. It lowered the spread between the bid and the ask price of stocks, but this led to dissatisfaction of the brokerage firms which make much of their gains on the spread. Until 1987, the trade occurred through the telephone calls. However after 1987, the trade started to be performed through Small Order System (SOES), an electronic method established to remedy the troubles created during the stock market crash of that year. In 2006, NASDAQ separated from the NASD and changed its status to a licensed national securities exchange. In 2007, NASDAQ joined with the powerful Scandinavian exchange group OMX and it became officially the NASDAQ OMX Group. 

3.2.2 Market Methodology and Market Tiers

NASDAQ features a price/time priority model where the execution logic is fair and transparent for all market participants. All displayed limit orders are treated equally and executed in the order in which they were received at the same price. Non-displayed shares are executed after displayed shares in the order in which they were received at that price. In celebration of its 35-year history, NASDAQ introduced for first time three distinctive market tiers which are:

The NASDAQ Global Select Market (large-cap.) consists of companies that meet the highest financial and liquidity requirements of NASDAQ’s market tiers and the strict corporate governance standards. Every year, Listing Qualifications Department reviews the Global Market Composite to determine if any of its stocks have become eligible to be listed on the Global Select Market.

NASDAQ Global Market (mid-cap.) consists of stocks that meet NASDAQ's financial and liquidity requirements, and corporate governance standards. The Global Market is less exclusive than the Global Select Market.

Capital Market (small-cap) is an equity market for companies that have relatively small levels of market

1 http://www.reuters.com/article/2012/06/18/idUS166113+18-Jun-2012+HUG20120618
capitalization. The listing requirements for these companies are less stringent than for companies of other markets which are listed with significantly higher market cap.

A company which applies to trade on NASDAQ, it must satisfy certain financial, liquidity and corporate governance requirements of at least one of these three market tiers.

3.2.3 Levels of Information Access

There are a variety of ways in which NASDAQ quotes security prices to the public. These levels vary on the amount of information and access they provide to investors.

Level I: This type of quote is most often published on the net as a "real-time quote." It consists of real-time bid/ask quotes for securities trading on the NASDAQ. This type of access does not disclose who is bidding or asking for the stock and it does not show how many shares the market maker is looking for. Market makers love clients who have this type of access because it doesn't show them the order sizes, and therefore the order may be passed around or held until the market makers can make the profit from that order.

Level II: This type of quotation system is a step up from the Level I. It also gives the name of the market maker looking to trade the stock. It allows traders to see in what a stock market makers are showing the most interest and to identify the patterns for each market maker. Level II access is available over the internet - but at a cost. This can range in the hundreds of dollars per month depending on the company. For clients placing a large number of trades, the firm may waive the access fee because they will make up the costs on the commissions.

Level III: This trading service consists of everything in Level II plus the ability to enter quotes, execute orders and send information. This service is restricted to NASDAQ member firms that function as registered market makers. Level III allows the members to enter bid/ask quotes as the trades are being executed right in front of them. It is the fastest way to execute a trade and is typically found only on the trading floors of brokerage firms and market makers.

3.3 London Stock Exchange

3.3.1 Introduction

London Stock Exchange is Europe's oldest stock exchange and one of the oldest stock exchanges in the world which over the centuries following has been developed as a strong, well-regulated stock market and today stays at the heart of global financial markets. Starting its life in coffee houses, the Exchange nowadays is located in the City of London, in the United Kingdom. LSE is the first stock exchange established by East India Company in 18th century in London. Its history tracks back more than 300 years ago in 1698 when John Cassing began to issue “at this Office in Jonathan’s Coffee-house” a pricing list of stock and commodities called “The Course of the Exchange and other things”. This is the earliest evidence for an organized trade in London securities market. On March 3, 1801 began officially the history of the London Stock Exchange. In 1923 the motto of the London Stock Exchange became “Dictum MeumPactum” which means “My Word is my Bond. In 1986, the market got deregulated, known as “Big Bang, the trading name became “The London Stock Exchange”. In order to facilitate the trading, bringing greater speed and to make it more efficient for members and for customers, LSE launched in 1997 the Stock Exchange Electronic Trading Service (SETS) and also CREST4 settlement service.

3.3.2 Markets of LSE

The London Stock Exchange offers the UK and international companies a number of routes to enter the market and to list their securities:

Main Market: It offers access to one of deepest capital pool in Europe. According to LSE statistics of September 30, 2010, £20.8 billion has been raised on LSE, of which £17.9 billion raised on the Main Market. There are more than 14,500 debt securities worldwide listed on this market including a number of sovereign issues and well-known companies. The value of debt securities exceeds £1.65 trillion, almost a quarter of the £6 trillion total of all securities listed. This leads to an exposure of debt securities to a wide audience of financial markets.

Alternative Investment Market-AIM: AIM is a very successful growth market for smaller companies from UK and

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4 http://en.wikipedia.org/wiki/CREST_(securities_depository)
across the world. It is launched in 1995 and since that time over 3,000 companies from different countries and sectors have joined AIM with a total of £86 billion raised. Referring to March 2014 data, there are 1,094 companies from all over the world admitted in AIM with an aggregate value of over £78 billion.

Professional Securities Market: The Prospectus Directive, implemented in the UK in July 2005, set up new documentation requirements for securities seeking admission to Regulated Markets in the EEA. In order to offer more flexibility, the LSE enlarged its market structure and created the Professional Securities Market (PSM). This new market offers an alternative documentation system for the issuers of debt, convertibles and depositary receipts (DRs).

Special Fund Market: It is a regulated market by UK’s Financial Conduct Authority (FCA) for specialist investment funds. It provides investment managers a global market with a variety of corporate structures in a flexible regulatory environment. The target groups of this market are institutional, professional and highly knowledgeable investors. It is open to UK and also foreign investment funds which use London to access permanent global capital.

4. **Market Data Analysis**

The three designated exchanges account for the trading of a major portion of securities from all over the world. At the same time, they differ in the way they operate and in the types of securities they trade. The following is an empirical analysis on some performance indicators for the period from 2010 to 2014, tracked down to show the progress of these exchanges among the ten largest stock exchanges in the world during this period and to capture the trends in order to demonstrate how this valuable source can be channeled into decision-making. The data is held mostly from World Federation of Exchanges and it provides a great statistical significance.

4.1 **Largest Stock Exchanges in the World by Market Capitalization**

The graph below shows the largest stock exchange operators worldwide by domestic market capitalization of listed companies (in billion US dollars). Market capitalization, is a term used to signify the value of tradable shares of a listed company. It is also known as market cap and it is calculated by multiplying the current price of a share by the number of outstanding shares. At the end of December 2014, NYSE ranked as the largest stock exchange by domestic market cap with a value of 19,351 billion and all NYSE companies account for 27,000 billion. The aggregate market cap of NYSE companies is almost equal to the market cap of the listed issuers of next four largest exchanges together.

![Figure 1: Leading stock exchanges by domestic market capitalization](source: World Federation of Exchanges)

4.2 **Largest Stock Exchanges Worldwide by Value of Shares Traded**

The statistic below indicates the largest global stock exchanges ranked by the volume of shares traded from 2010 up to

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5Authorized Shares indicate the maximal number of shares that can be issued by a company. The number of authorized shares is defined at the creation of the company and can only be changed through the vote of shareholders. Authorized shares include Treasury and Outstanding shares.

Treasury- Number of shares, the company keeps in their own treasury for any specified reasons.

Outstanding Shares known also as shares outstanding denote the number of shares that a company actually has issued. This number represents all the shares that are freely bought and sold by the public also known as “Float”, as well as all the restricted shares that require special permission by the SEC before being transacted. Restricted shares often are given as part of salaries or as additional benefits. The number of outstanding shares is not static, but it may fluctuate widely over time.
2014, registered in Electronic Order Book (EOB).

The Figure 2 shows the EOB volume of shares trading in total (in billions of US Dollars), while the Figure 3 compares the EOB domestic trade volume with the trading volume of foreign firms listed in the respective exchanges.

**Figure 2**: Leading stock exchanges by volume of EOB share trading
**Source**: World Federation of Exchanges

In 2014, the total NYSE volume of share trade, including the negotiated deals is around 15,000 billion US dollar. The NYSE traded EOB security shares are worth around 11,300 billion US dollars followed by NASDAQ OMX with a total traded value of almost 9,000 billion US dollars. Although it is still the global leader in equity trading, the NYSE shows in 2014 a decrease of 37% compared to the trade value of 2010 (17,796 billion US dollars).

**Figure 3**: Domestic versus foreign trading value
**Source**: World Federation of Exchanges

Referring to the above data, it is obvious that all exchanges trade the most part domestically. However, the foreign companies listed on LSE comprise 10% of all trading value.

4.3 Largest Stock Exchanges by Volume of Global Stock Trading Shares

The statistic below shows the number of trades in global stock markets which are registered in the Electronic Order Book. In 2014, the largest stock exchange by the number of equity trade is NASDAQ OMX compared to LSE, which is the last of the top ten exchanges.

**Figure 4**: Number of EOB trades in equity
**Source**: World Federation of Exchanges
4.4 Largest Stock Exchanges Worldwide by Number of Company IPOs

In order to trade its shares, the company is firstly required to undergo a flotation, thus to have made its Initial Public Offering (IPO) on that particular exchange. An IPO is a stock market launch of a company’s stock sale to the general public for the first time. After the initial offering of their stocks, the companies cease to be private enterprises, whose shares are owned and traded privately and become publicly traded companies. IPOs are made for various reasons; smaller sized companies may want to be listed on any exchange in order to raise capital needed for further expansion. Other bigger companies that are of considerable size may want to take advantages of improvement and diversification in securities based exchanges and also of increased public awareness by undergoing initial public offerings. IPOs may also be unsuccessful, in particular when the stocks fail to trade up on the first day or stagnate in the following period, which leads to the loss of investors’ confidence in the company and as the result the stock price may decrease significantly.

The statistic below shows the ten leading stock exchanges in the world by the number of new companies listed through IPOs. At the NASDAQ OMX, there are in total 176 new companies registered, and in LSE there are 163 IPOs, where 24 of them are foreign deals. According to NYSE 2014 data, the NYSE raised more than 70,000 billion US dollar in IPOs and it has 32 new technology listings with 29,000 billion US dollar in proceeds. NYSE lists the largest IPO of all time, that of Alibaba Group Holding Ltd, which raised 25,000 billion US dollar. In 2012, LSE topped the European list with 73 company IPOs and the Shenzhen Stock Exchange led China stock market with 129 company IPOs. At that year, the total volume of IPOs in Europe was 263 amounting to an offering value of around 10.93 billion Euros and the total volume of IPOs in China was 239 amounting to an offering value of around 29.5 billion US dollars.

![Graph: Number of worldwide initial public offerings](source)

**Figure 5:** Number of worldwide initial public offerings  
**Source:** World Federation of Exchanges

4.5 Largest Stock Exchanges by Number of Publicly Traded Companies

The statistic below represents the total number of listed companies on the ten leading stock exchanges, ranked as of the end of December 2014. In December 2014, BSE India topped the list of the stock exchanges in Asia-Pacific region and worldwide with 5,542 listed companies and it is followed by the Canada-based TMX Group with 3,761 companies. However, 90% of Dow Jones Industrial Average, 78% of S&P 500 or 77% of the Fortune 500 are companies listed on the NYSE. Regarding LSE, in 2014 it listed around 2,500 companies, where 837 were foreign ones from 68 different countries, making LSE the most international of all exchanges.

![Graph: Number of listed companies](source)

**Figure 6:** Number of listed companies  
**Source:** World Federation of Exchanges, www.londonstockexchange.com

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4.6 Largest Stock Exchanges in the World by Number of ETFs

London Stock Exchange Group is the global leader in ETF listings with almost 2,000 ETFs, while NYSE Arca leads the US market in ETFs with over 1,400 ETF listings. According to the figure below, the NASDAQ OMX lists only 150 ETFs, being the last in top-ten ranking.

![Figure 7: Number of ETF listings](image)

**Source:** World Federation of Exchanges

4.7 Largest Stock Exchanges by Number of Trades In ETFs

Referring to the table below, the Mexican Exchange shows a dramatic change in number of ETF trades from 2010 (276,000) to 2014 (963,720,000). Following the trend of only the three exchanges which we analyze, the number of trades in ETFs tend to move slightly upwards and downwards over the years.

**Table 7: Number of trades in ETFs listings**

<table>
<thead>
<tr>
<th>Stock Exchange</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mexican Exchange</td>
<td>276</td>
<td>547</td>
<td>709</td>
<td>780.893</td>
<td>963.720</td>
</tr>
<tr>
<td>BM &amp;FBOVESPA</td>
<td>197</td>
<td>578</td>
<td>993</td>
<td>1.139</td>
<td>533.146</td>
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<tr>
<td>NASDAQ OMX</td>
<td>248.011</td>
<td>365.503</td>
<td>232.276</td>
<td>222.712</td>
<td>269.087</td>
</tr>
<tr>
<td>NYSE</td>
<td>228.171</td>
<td>235.686</td>
<td>133.490</td>
<td>134.584</td>
<td>181.979</td>
</tr>
<tr>
<td>Korea Exchange</td>
<td>8.014</td>
<td>30.508</td>
<td>30.350</td>
<td>34.320</td>
<td>27.329</td>
</tr>
<tr>
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<td>6.977</td>
<td>4.363</td>
<td>4.359</td>
<td>8.446</td>
<td>10.546</td>
</tr>
<tr>
<td>London SE Group</td>
<td>4.570</td>
<td>5.126</td>
<td>4.200</td>
<td>4.375</td>
<td>4.967</td>
</tr>
<tr>
<td>Shenzhen SE</td>
<td>2.944</td>
<td>2.403</td>
<td>3.066</td>
<td>3.704</td>
<td>3.560</td>
</tr>
<tr>
<td>Hong Kong Exchanges</td>
<td>2.396</td>
<td>2.513</td>
<td>2.131</td>
<td>2.891</td>
<td>3.340</td>
</tr>
</tbody>
</table>

**Source:** World Federation of Exchanges

5. Concluding Remarks

Today, business leaders have many options to take into consideration when they decide for an initial public offering. The selection of an appropriate stock exchange is a long-term strategic decision that is primarily determined by the firm’s major business drivers.

The scope of this research encompassed three main components of stock market in US and Europe. It provided evidence on the performance of NYSE, NASDAQ and LSE exchanges with the emphasis on some key indicators from 2010 to 2014 and it brought forth some distinct conclusions. Overall we come to the conclusion that the stock exchanges are reliable barometers which could be used to define economic growth of a country. The analysis also proved the progress of the three exchanges during the chosen period.

In the future, further studies are projected to include the Asian stock markets. Furthermore, a deep analysis will be conducted both qualitatively and quantitatively with the focus on price volatility and price correlation among exchanges, on liquidity and also on technology and systems used to prove whose reaction is more tandem with those seen globally. It would also be interesting to examine the regulatory environment and corporate governance requirements.
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Assessing the Driving Forces Influencing World City Formation in Shanghai Based upon PLS-SEM Approach

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Abstract

In the context of transnational economy, world cities have been deemed as one of the most prominent articulations pertaining into unprecedented economic globalization. Since the proliferation of foreign direct investment and economic structure restructuring, Chinese cities are characterised by the conspicuous vanguards positions embedded in world city network. In this article, the purpose is aiming to examine the major driving forces influencing world city formation in China. In practice, we attempt to choose the pre-eminent world city -Shanghai in China for elaborate case analysis. In line with the conceptual framework in terms of relationship between driving forces and world city formation in Shanghai, a total of 200 questionnaires are distributed online in order to conduct multivariate statistical analysis. Based upon world city theory, partial least squares- structural equation modelling (PLS-SEM) using SmartPLS 3 is deployed to rigorously analyse collected data so that we can assess the subsequent measurement and structural model. Not surprisingly, this multivariable research demonstrates that the majority of selected factors significantly affect world city formation in Shanghai. According to these empirical findings, this study makes dramatic theoretical and practical contributions for the local municipal government from a new insight with reference to world city strategy in Shanghai.

Keywords: World city, Shanghai, Driving forces, Partial least squares- structural equation modelling (PLS-SEM), Multivariate analysis

1. Introduction

In the new millennium of transnational economy, world cities have been spawned a much debate with reference to its borderless expansion and regional penetration. With reference to the unprecedented global –local linkage of global economy, there many intrinsic driving forces affecting world city formation in the context of globalization. Geddes (1915) was the first scholar who defined the world city in his book “Cities in Evolution”. He used the city of London and Cologne in German as the holistic case studies for the world cities research. As the recognition of world cities concept, many geographers, planners, economists and sociologists conducted further research in this area, and the most dominant and prestigious contributors for world city or global city research are amongst others Peter Hall, John Friedmann and Saskia Sassen. Hall (1966) was based on the literature of Geddes; he investigated the city of New York, London, Tokyo, Paris, Moscow and some other metropolises as research subjects. According to his research, he found the pervasive characteristics and functions of world cities which differentiated from the other big cities, and these characteristics covers economic, political, finance, business, social culture, infrastructure, education and some other urban systems. These kinds of the outstanding functions cohesively give the priority of world cities in the premier nodes of global urban hierarchies in this era.

Following the seminal trajectory of previous scholars, Friedmann (1986) proposed the concept of new international division of labour, which is the underlying factor for the world city formation. In his paper “the world city hypothesis” (1986), he used seven theses to systematically analyse the world city formation mechanisms. He emphasized that financial centre is one of the functional thrusts for a world city to integrate into global economy. He argued that some big cities are experiencing the development of service sectors which replaces the manufacturing sectors. They are the “basing point” of capital, which resulted in the world cities hierarchies’ formation; financial centres and company
headquarters are prominent characteristics of the hierarchy. The agglomeration of financial industries in a city had the potential to incline to world city. The major world cities occupy the huge quantity of capital in the world economy, especially financial capital; therefore, the development of financial centres is the dominant factor to boost the world city evolution (Friedmann & Wolff, 1982).

Sassen (1991, 1994 and 2000) had mentioned the two main forces that form the global economy, which are spatially dispersal and globally integrated. Since this trend of duality of world economy, economic activities are spatially dispersed within globalization circumstances while globally integrated industries are centralized in the world cities. She emphasized the trend that the advanced producer service industries will substitute the position of manufacturing sectors in the global economy. The internationalization, convergence and expansion of advanced producer service industries in the emerging markets will transform the economic order of the global cities. Taking together with Sassen's breakthrough, Scott (2002) concentrated on the global city-region research and mentioned that geography cannot be abolished, and global city-region formation is the trend within the world economy, especially in the developing countries. Therefore, because of China's globalizing economy and huge population threshold, it is a dominant nation for the global city-region research. Since the preliminary agenda of early scholars tend to concentrate on hierarchies and characteristics of world cities, they pay insufficient attention upon the inter-city network of world cities formation (J. V. Beaverstock, Smith, & Taylor, 1999; P. J. Taylor, 1997). Thus, Peter Taylor and some other renowned scholars proposed the Globalization and World Cities research network (GaWC research network) in order to discover the inter-city relations of world cities. Peter J Taylor (2004) explained the process of world city network formation process; he focused on the advanced producer service firms in the globalization circumstances and world cities network. In particular this kind of world cities network contributes to development of financial/banking sector, legal firms, accounting, advertising and other producer service sectors embedded in the global connectivity among core and semi-peripheral counties.

After twentieth-first century, many researchers began to conduct the world cities research in the developing countries, especially in China. For instance, Derudder, Taylor, Witlox, and Catalano (2003), Yusuf and Wu (2002), F. L. Wu (2000), Chubarov & Brooker (2013) and Li and Dawood (2016) concentrated on Shanghai and Beijing as the case study, they also focused on comparative study and inter-city network analysis. This kind of holistic studies of developing countries in Asia significantly contributes to the breakthrough of the world cities research trajectory. Shanghai is a pioneering economic miracle in the East Asian region, the development of Pudong new area and implementation of preferential urban restructuring strategy enable this leading world city in China to sustain its industrial development and economic growth (Wu, 1999). In response to diffusion of globalization, place promotion strategy (F. Wu, 2000), infrastructure development (Wang * & Slack, 2004) and foreign direct investment attraction (Wei, Leung, & Luo, 2006) facilitated by central and local government are major underlying forces to transform this metropolis to underpin a prestige status of world city integrated into global economy. The purpose of this study is aiming to investigate major driving forces affecting world city formation in the study area of Shanghai.

2. **Driving Forces Affecting World City Formation and Conceptual Framework**

There are a vast number of potential driving forces affecting world city development. Based upon seminal study of world city, Business and financial factor is deemed as one of the premier component of world city formation. These factors were rigorously discussed by some of premier scholars (Friedmann, 1986; Hall, 1966; Zeyun & Dawood, 2016a). The major items for this construct encompass four parts. Multinational company headquarters’ agglomeration are major criterion to rank the relative position (Jonathan V. Beaverstock, Smith, & Taylor, 2000; Hymer, 1972) and control and command function (P. J. Taylor & Csomós, 2012; Peter J Taylor et al., 2008) of city embedded in global economy. Similarly, the global corporate network is conceptualizes as the global location strategy of business services firms (J. V. Beaverstock et al., 1999). Besides, another two fundamental items pertaining to business and financial factor are advanced producer services and international financial centre development. Specifically, the agglomeration and intensification of advanced producer services firms tend to reshape and reorganize the global urban hierarchy with respect to the global scale (Saskia Sassen, 2000). Meanwhile, the prosperity of international financial centre reinforce global urban ranking of some world cities and enlarge the polarization effect of world economy (S. Sassen, 1991).

In terms of political and institutional factor, it has been discussed many scholars (Brenner, 1998; Robinson, 2002). The most important one is international involvement and cosmopolitan reputation, cosmopolitanism and urbanization are widely acknowledged and sought to replace the circumstances of uneven development (Brenner, 1998). Market and political institutions stand out in another essential position evaluating the world city formation, notably for financial market institutions, as well as central and municipal government policies (Yusuf & Wu, 2002). Clearly, preferential and promotional strategy has been largely debated by many scholars with respect to the world city development. Clearly, a
series of aggressive promotional schemes enable majority cities to acquire a large amount of public and foreign investment (F. L. Wu, 2000). In addition, Ng and Hills (2003) emphasized the significance of enlightened government in promoting the democracy in global city development. In addition, Social and cultural factor is another indispensable mechanism to underpin the status of world city. International and domestic migration is major driving forces that extremely expect to enhance insights of world city formation in the face of transnational socio-cultural linkage, especially relating to skilled elite inter-urban migrations (J. V. Beaverstock, Smith, Taylor, Walker, & Lorimer, 2000). Apart from the first item of social and cultural factor construct, the study of proliferation of education and international student admission are also occupying another relative important position in this construct (Douglass, 2000). Admittedly, the quantity of international conferences and activities incorporated into a city play a dominant role in reinforcing its world city reputation (Chubarov & Brocker, 2013). Meanwhile, the conception of urban population size and labour forces are fairly suggested by some scholars, in particular the enlargement of population threshold of urban space, as well as its urban labour forces, will ensuring a lower possibility of labour shortage, which is close related to urban development (Krugman, 1991).

There are extensive discussions about production and economic factor with reference to world city development (Wei et al., 2006; Zhao & Zhang, 2007). This construct is divided into four items. Wei and Leung (2005) proposed the notion of foreign direct investment is the major underlying forces for the emergence of global city, this pattern of global inflows contribute to the spatial and economic restructuring of urban economy. On the other hand, world city is perceived as the control city of global capital derived from international division of labour (Cohen, 1981; Friedmann, 1986). Another two items in terms of manufacturing activities and production of innovation follow the trajectory of Friedmann seminal study (Friedmann, 1986; Friedmann & Wolff, 1982).

The last construct of this article focus on the infrastructure factor construct, this construct has been noted by many scholars (Derudder & Witlox, 2008; Keeling, 1995). Derudder and Witlox (2005) explored the inter-city linkage of transportation nodes on the world city formation. Based upon air traffic relational data, he attempted to discover the aviation node on the implications of world city formation. In terms of informational technology development and communication capacity, this concepts create a new pattern of space of flow in the network society (Castells, 1996).

Based upon previous discussion of driving forces affecting world city formation, a conceptual framework is configured, which highlights five constructs (business and financial factor, political and institutional factor, social and cultural factor, production and economic factor, infrastructure factor) as independent variables and world city formation is a dependent variable.

3. Data and Methodology

This research will employ quantitative method to identify relationship between major driving forces and world city formation in Shanghai. In order to examine general relationship between major constructs configured in our conceptual framework, a quantitative method of online questionnaires are distributed to local residences in Shanghai. A sample framework of 200 residences in Shanghai are identified in this research, these respondents are demographic differences in terms of age, gender, job, position, working industry and hometowns. In general, based upon demographic information, respondents compositied of multinational companies’ and local firms’ staffs and managers, government staffs, NGO staffs, and planning experts. We acquired a satisfactory respond rate with around 76% of total online distribution questionnaires. Specifically, this questionnaire constitutes of two sections. The first section includes demographic information of respondents whereas second section gives alternative selections about major driving forces influencing respondents’ satisfaction towards world city development in Shanghai. A seven-point likert scale is employed in this research in order to measure the significance of measurement items associated with world city development in Shanghai. These seven scales encompass not important, less important, moderately important, neutral, important, very important and extremely important respectively based upon its dominance.

After collecting of sourced data from distributed questionnaires, a thorough data analysis is conducted using SmartPLS 3 so that we have a more deep insight on our conceptual framework between major parameters and world city formation. SmartPLS 3 is leading software based on partial least squares – structural equation modelling (PLS-SEM) to assess conceptual and theoretical relationship of collected data (Hair Jr, Hult, Ringle, & Sarstedt, 2016). Basically PLS-SEM is a fundamental multivariable statistical modelling to detect reciprocal relations between major variables of hypothetical framework. Structural model and measurement model are two basic models are tested in the PLS with regard to our hypothetical framework. In specific, structural model mainly focus on relationships between selected constructs of our research (Chin, 1998; Esposito Vinzi, Wang, Henseler, & Chin, 2010). In contrast, measurement model attempts to discover reliability and validity between latent variables and corresponding observable variables (Hair, Ringle, & Sarstedt, 2011; Hair Jr et al., 2016).
4. **Results and Analysis**

In this research, there are five reflective constructs assessed based upon PLS-SEM, which are business and financial factor, political and institutional factor, social and cultural factor, production and economic factor, and infrastructure factor and world city formation. Clearly, all of the reflective constructs in this research are perceived as first order factors. The main purpose of this reflective measurement model is aiming to assess reliability and validity of our PLS-SEM. Composite reliability (CR) and average variance extracted (AVE) and two major indicators which it is most essential to assess this model scientifically (Hair et al., 2011). In terms of reliability evaluation of reflective measurement model, we should concern about indicator reliability and construct reliability.

4.1 **Measurement model analysis**

**Table 1: Results of measurement model**

<table>
<thead>
<tr>
<th>Construct</th>
<th>Items</th>
<th>Factor Loading</th>
<th>Composite reliability(CR)</th>
<th>Cronbach's Alpha</th>
<th>Average Variance Extracted(AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business and financial factor</td>
<td></td>
<td></td>
<td>0.934</td>
<td>0.907</td>
<td>0.791</td>
</tr>
<tr>
<td>Bf1</td>
<td>0.867</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bf2</td>
<td>0.886</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bf3</td>
<td>0.935</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bf4</td>
<td>0.901</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Political and institutional factor</td>
<td></td>
<td>0.821</td>
<td>0.768</td>
<td>0.643</td>
<td></td>
</tr>
<tr>
<td>PI1</td>
<td>0.720</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PI2</td>
<td>0.834</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PI3</td>
<td>0.756</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PI4</td>
<td>0.889</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social and cultural factor</td>
<td></td>
<td>0.901</td>
<td>0.912</td>
<td>0.767</td>
<td></td>
</tr>
<tr>
<td>SC1</td>
<td>0.709</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SC2</td>
<td>0.835</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SC3</td>
<td>0.903</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SC4</td>
<td>0.876</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Production and economic factor</td>
<td></td>
<td>0.926</td>
<td>0.882</td>
<td>0.805</td>
<td></td>
</tr>
<tr>
<td>PE1</td>
<td>0.892</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PE2</td>
<td>0.913</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PE3</td>
<td>0.865</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PE4</td>
<td>0.839</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure factor</td>
<td></td>
<td>0.843</td>
<td>0.810</td>
<td>0.689</td>
<td></td>
</tr>
<tr>
<td>IN1</td>
<td>0.743</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IN2</td>
<td>0.810</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>World city formation</td>
<td></td>
<td>0.804</td>
<td>0.835</td>
<td>0.721</td>
<td></td>
</tr>
<tr>
<td>WC1</td>
<td>0.769</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WC2</td>
<td>0.886</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WC3</td>
<td>0.801</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>WC4</td>
<td>0.823</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As we can see from Table 1, loadings of each item with reference to respective constructs are higher than 0.7 in this research, this result of above 0.7 are considered as acceptable range of indicator reliability (Hair et al., 2011; Henseler, Ringle, & Sinkovics; Henseler, Ringle, & Sinkovics, 2009). In addition to indicator reliability, Construct reliability of measurement model is evaluated through Composite reliability (CR) and Cronbach’s Alpha (Chin, 2010), based upon results of measurement model, all of the constructs in accordance with these two coefficients are above than 0.75 in this research, which demonstrates an acceptable construct reliability of our result. On the basis of above analysis, indicator and construct reliability of this model are relative acceptable.

In line with Table 1, validity assessment consists of convergence and discriminant validity analysis for our reflective measurement model (Esposito Vinzi et al., 2010). In order to reach an acceptable convergence validity of our measurement model, the coefficient of average variance extracted (AVE) are intended to assess the variance of latent construct with associated items of this model, and AVE value should be above 0.5 (Hair Jr et al., 2016). Since AVE value
of our latent variables in this research are higher than 0.643, convergence validity is significantly accepted for our measurement model.

Apart from Table 1, discriminant validity of our research is indicated in Table 2, this validity reflects a mutual distinctions between each constructs (Chin, 1998). In order to test discriminant validity of our measurement model, most importantly, two criterions should be satisfied in our result. First, the square root of AVE value of each latent construct should be higher than any other correlative latent variables in this table. Second, each item’s loading in terms of its associate latent variable should be higher than other latent variable (Hair et al., 2011). According to comparative correlation results, discriminant validity is highly acceptable for this measurement model. In conclude, based on analysis of table 1 and table 2, reflective measurement model is satisfactory with a reliable and validity results.

### Table 2: Results of discriminant validity

<table>
<thead>
<tr>
<th>Business and financial factor</th>
<th>Political and institutional factor</th>
<th>Social and cultural factor</th>
<th>Production and economic factor</th>
<th>Infrastructure factor</th>
<th>World city formation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business and financial factor</td>
<td>0.869</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Political and institutional factor</td>
<td>0.654</td>
<td>0.721</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social and cultural factor</td>
<td>0.646</td>
<td>0.68</td>
<td>0.758</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Production and economic factor</td>
<td>0.758</td>
<td>0.623</td>
<td>0.878</td>
<td>0.812</td>
<td></td>
</tr>
<tr>
<td>Infrastructure factor</td>
<td>0.821</td>
<td>0.708</td>
<td>0.712</td>
<td>0.734</td>
<td>0.792</td>
</tr>
<tr>
<td>World city formation</td>
<td>0.736</td>
<td>0.689</td>
<td>0.721</td>
<td>0.648</td>
<td>0.771</td>
</tr>
</tbody>
</table>

### Table 3: Results of tested hypotheses

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Path coefficient</th>
<th>P value</th>
<th>Effect size</th>
<th>Supported</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business and financial factor &amp; World city formation</td>
<td>0.335</td>
<td>P&lt;0.01</td>
<td>0.380</td>
<td>Yes</td>
</tr>
<tr>
<td>Political and institutional factor &amp; World city formation</td>
<td>0.056</td>
<td>P=0.145</td>
<td>0.061</td>
<td>No</td>
</tr>
<tr>
<td>Social and cultural factor &amp; World city formation</td>
<td>0.143</td>
<td>P&lt;0.01</td>
<td>0.162</td>
<td>Yes</td>
</tr>
<tr>
<td>Production and economic factor &amp; World city formation</td>
<td>0.289</td>
<td>P&lt;0.01</td>
<td>0.245</td>
<td>Yes</td>
</tr>
<tr>
<td>Infrastructure factor &amp; World city formation</td>
<td>0.112</td>
<td>P=0.03</td>
<td>0.105</td>
<td>Yes</td>
</tr>
</tbody>
</table>

#### 4.2 Structural model analysis

In the second part of this section, structural model will be addressed. As we can see from Figure 1 of our results, R-square assesses the endogenous construct and path coefficients gauged by structural model (Hair Jr et al., 2016). Specifically, path coefficients of our preliminary results should be significant and it is substantially associated with R square. The suggested threshold criterions of R square are 0.67 of substantial measurement, 0.33 of moderate measurement, and 0.19 of weak measurement (Chin, 1998). According Table 3 and Figure 1, the results reflect a 0.51 of R-square in dependent variable, which is a highly satisfactory value of R square. Meanwhile, we could also find the majority of path coefficients are significant with corresponding p value is less than 0.05. The only exception is political and institutional factor towards world city formation with insignificant result.

Apart from path coefficients and R square, effect size is another important criterion in test our hypothetical framework. Hair Jr et al. (2016) Emphasized 0.02, 0.15, 0.35 are weak, moderate and high indicators for assessing effect size of path coefficients.

Table 3 illustrate that business and financial factor towards world city formation is most substantial effect size with value of 0.380. Similarly, the effect size of production and economic factor and social and cultural factor towards world city formation are deemed as moderate value whereas infrastructure factor for world city formation is classified as weak effect size.
Figure 1: Results of structural model

Hence, on the basis of previous discussion about PLS-SEM results, not surprisingly, we could summarize that the measurement model is reliability and validity, and majority of latent independent variable will affect the status of dependent variable. In other words, most selected underlying driving forces have been assumed with a predictive implication on the world city formation in the study area of Shanghai.

5. Discussion and Conclusions

During this study, we examine major driving forces influencing world city formation in Shanghai. Based upon the application of PLS-SEM, we find four premier factors to predict our dependent variable- world city formation. Our findings suggested that, with exception to political and institutional factor, all of the remaining selected driving forces have conspicuous implications on world city formation in Shanghai. According to results of measurement model and structural model, we could demonstrate that business and financial factor are considered as most essential driving force. Following this factor, production and economic factor, as well as social and cultural factor are maintained as second tier of driving forces, which exert a moderate implication on the world city formation. Similarly, infrastructure factor is signified as least underlying driving force whereas political and institutional factor are deemed as no influence on world city formation in Shanghai with insignificant result of our analysis.

On the other hand, the findings of our results are significantly consistent with previous study of world city formation. These four driving forces towards world city formation are all specifically emphasized by previous literature and research. However, institutional and political factor is indicated in previous study of world city formation where we cannot investigate the implications of this factor on world city formation in Shanghai, thus, the inconsistent results of our finding will interpret that the institutional and political factor may not suitable for the study area of Shanghai and context of China. In addition, in conjunction with PLS-SEM, we could reach a consensus about world city formation is not only restricted to one or two factors, indeed, there are multifarious factors affected it. Hence, we should examine more factors affecting its formation. In terms of the production and economic factor, this is most critical factor influencing world city formation in Shanghai. MNC headquarter agglomeration and international financial centre play a most significant role in this construct, therefore, in our future study, we will focus on more these two items for our global urban study in the case of Shanghai.

Besides, Due to the exploration of driving forces for world city formation is a very important and valuable procedure for urban planner and city manager to conduct their world city development strategy and coordinate the available resources and capabilities to conduct this strategy smoothly, this research provides some information and framework for governor and planner to implement their world city strategy successfully. Most importantly, our finding also contributes to world city strategy to be applied in the context of emerging economy, especially some fast developing Asian cities.
Although this research thoroughly analyzes the major driving forces affecting world city formation, in some cases, it still exists some problems to be improved as this research only focus on one city case, in the future research, we will conduct comparative study of world city formation in Shanghai using PLS-SEM approach.

6. Acknowledgements

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References


Determinants of Individual Outcomes and the Behavior of the Albanian Family in Household Savings

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Abstract

The savings are a very important tool for the future of security, because there are moments in everyone's life when money is urgently needed, when it becomes the present future than ever. Saving does not mean to restrict spending or not spending, you save means rationalization of expenditure, while well-used funds available, so it is important to create a savings plan. The main purpose of this study is to analyze the impact that certain domestic determinants have in the level of domestic savings. In this study we take factors such as: monthly family income, number of persons in the household (family size), the number of persons that provide income for the family, the family business impact for those families who have a family business, and if the family has a saving plan. Relationship between the level of household savings and these internal factors is tested using a multiple linear regression model as small squares method (OLS) Analysis is based on a survey of 270 families in the city of Elbasan. After analyzing the data through econometric model it shows that the factors affecting the level of household savings are: the level of monthly household income, having a savings plan, the level of the monthly household income and having a saving plan. Also, from this survey we have managed to realize the importance that families give their family savings, the main reasons that push them towards saving and the place where they keep their savings.

Keywords: household savings, internal factors family, monthly family income, savings plan, regression

1. Introduction

The savings are a very important tool for the future of security, because there are moments in everyone's life when money is urgently needed, when it becomes the present future than ever. Saving does not mean to restrict spending or not spending, you save means rationalization of expenditure, while well-used funds available, so it is important to create a savings plan. It is not necessary to have more money to spare, is enough to set aside regularly small amounts of money. It is known that the higher the amount saved is, the higher will be their profit in the future. Reasons to save can be varied, but the 3 main reasons that emerged out of the study showed that the majority (31%) of the respondents save by uncertainty for the future, 18% to pay the university for children and 14% of them to cover the costs for treatment.

As for saving reasons may be diverse factors that determine and influence the family savings can be varied, ranging from macroeconomic to microeconomic ones. It should be said that microeconomic factors include a wide range of factors, given that his family and its micro environment is quite complex. In our study we included some of these factors, estimated by us as the most important, and which are most suitable for Albanian household. Factors such as the following will examine are: family income, family size, the number of persons that provide income, the impact of the family business, and follow a savings plan. To reach such an analysis were surveyed only 300 families in the city of Elbasan (270 surveys were assessed as valid), the impossibility in this study to involve other families, though not from other cities of Albania.

By analyzing the conclusions drawn from the survey made by the families of the city of Elbasan, as other studies on family savings, evidence the monthly household income as the main factor that affects monthly household savings.
But, apart from income to savings should theoretically affect the number of persons who constitute a family, because the more members of a family have more expenses has it much less savings. In our study, the majority of households surveyed, 49% of them is composed of more than four persons. However the definition of family size is not enough to show its impact on savings, because by increasing the number of family members is the possibility to increase the number of persons that provide income theoretically resulting in an increase in household savings.

Also, economic culture that gives ownership of the business or responsibility for a certain business often affects the amount of savings, in our study 37% of respondents had responsibility for business or a business, while 63% of them were not. However, more than anything, regardless of income level and other factors, important in our opinion is the pursuit of a savings plan. In the study we did not include factors such as interest rates on deposits, as the majority of respondents see no incentive from the fact that these interest rates currently in Albania are at very low levels, even 48% of households save expressed that keep the house in the form of cash in their savings.

2. Literature Review

Savings are considered as a crucial factor in investment, which consequently affect economic growth (Kiva Halil Arica (2015)). In general, the savings can be defined as money that is not spent at the moment, because people usually save so they can buy more later (George Popovici (2012)). Without savings, families have fewer mechanisms to mitigate abrupt changes in their income (Abdur R. Chowdhury (2004)). Economic factors, social, demographic and cultural determine the behavior of households to saving (Ileana Niculescu-Aron, Constanta Mihaescu (2012)). In the economic activity of the family one of the most important elements are household savings, as household savings indicate the level of their living conditions and simultaneously form the financial resources for markets and investments in economy country (Mykola Zhuk (2015)). Speaking to family savings, as households are responsible for the most significant savings both in industrial countries and in developing countries (Klaus Schmidt-Hebbel, Steven B. Webb and Giancarlo Corsetti (1992)).

From various literature review noted that in the level of household savings could affect many different factors, both these factors outside the family (macro) or within the family (micro). Some of macroeconomic factors are affecting household savings, public savings (report outstanding qeveritareme GDP), savings corporate (savings ratio of corporate to GDP), the level of income per capita in a state, growth rates of disposable income households, the unemployment rate, the real interest rate (3-month interest rates by removing inflation), inflation rate, as well as direct and indirect taxes on income (Tim Callen and Christian Thimann (1997)). But in this study we will only deal with some microeconomic factors affecting household savings, since it is the main purpose of the study.

Marcia Freed Taylor (ed). with John Brice, Nick Buck and Elaine Prentice-Lane (2009) identify several different factors that affect savings. Factors such as age of the head, the possession of the house from the family income. Household incomes have a positive relationship with family savings, where revenue growth also increased savings. Savings in this study include payments on savings deposits, investments made recently, but the capital gains in a period from 2000 to 2005.

Mark N. Harris, Joanne Loundes and Elizabeth Webster (1999) studied the determinants of household savings by collecting data over 17700 Australian family. According to the results of the data the main factor affecting household savings are earnings. But according to this study, in addition to income, the level of household savings have a very significant impact on the demographics and the level of economic optimism to families.

Yigzaw Halefom Nigus (2011) analyzes the factors determining household saving social economic and demographic characteristics of the head of household. In these characteristics are taken into account variables such as gender, age, country housing, education and income, etc. From the results of this study has proved that there is a significant positive impact between income, education, gender, household savings. Put in other words to increase the income, education and gender differences will increase the domestic savings.

While the study of Brownson Sunday Akpan, Edet Ebirigor JoshuaUdoh and Aya Aya (2011), to determine the factors influencing the level of household savings to 250 workers (head) randomly selected. Analysis results then showed that income, taxes, work experience, education, family size, membership in social groups affect their household savings.

Dmitry Kulikov, Annika Paabut, Karsten Staehr (2007) focus on the analysis of Eight impact earnings, assets and financial exposure on the household savings rate in Estonia for the period 2002 - 2005. The study included a variety of microeconomic factors that constituted the income, assets and family financial exposure, but it should be noted that this study showed that there was a positive relationship between income and household savings, especially when family incomes were regular periodically.

Tanvi Kiran & Shivam Dhwaw (2015) analyzed the impact of family size on monthly household savings and consumer costs for 100 employees in the steel industry in a city in India. Results of the study showed that there was an
inverse relation between family size and monthly household savings, where the increase in the number of persons in the household monthly household savings fell. While there was a straight relation between the size of the family and consumer spending. Which means that the bigger the family is the higher will be the cost to keep that family, so savings will be lower.

Steven Lugauer, Jinlan Ni, Yin Zhichao (2015) also studied the impact of family size on family savings, indicating a negative relationship between the number of children dependent on the level of household savings. Which means the smaller the number of dependent children in the family, the higher will be the level of savings and vice versa. In this study is also indicated that there is a positive link between household savings and number of people who work, higher education, good health of members as described. In other words the higher the number of people who work, higher education, good health and many more have family assets, the higher will be the level of household savings.

Martin Browning and Annamaria Lusardi (1995) present some facts on household savings in the US, and analyzed the impact on savings behavior of age, household composition, income, education and welfare. Different family members have different tendency (trend) towards saving. While the structure and composition of the family is moving in a trend where such savings are higher for married couples without children and lower for families with children, single parents result in lower levels of saving. Also, this study, like all other studies, showed a very strongly positive link between income and household savings.

According to Myra Bishop (1954), self-employed and managers avoid getting out of debt and save more by other groups of occupations, for an individual with an independent business is more responsible for the success that must reach and is more inclined to save for a low level of income than an individual with a fixed salary. Possession of a business or a business responsibility seem to indicate an incentive for families to save a larger share of their income, thus leading to a positive link between ownership rights of a business and household savings.

3. Methodology

For the analysis of data on the factors affecting the level of household savings, the study used a multiple linear regression model by the technique of small squares (OLS). We used primary data processing program primary Microsoft Office Excel 2007, and econometric model 4.0 MICROFI program. The data were obtained for 270 families in the city of Elbasan. Methodology used to collect primary data consisted in the distribution of 300 surveys by conducting direct interviews by enumerators through a questionnaire for families including every layer of the population, but only 270 surveys were available for inclusion in our study. The survey addressed the individuals / households randomly selected.

Econometric model and analysis of the survey results

To reach the econometric model of the independent variables considered in our study are:
1. The family income
2. The size of the family
3. The number of persons that provide income in the family
4. Possession of a business - (takes value 1 when owns a business and the value 0 when not owns one)
5. The pursuit of a savings plan - (takes value 1 when the answer is yes, and the value 0 the answer is no)

The zero hypothesis is: none of the variables does not affect the level of household savings.
The alternative hypothesis is: at least one of the independent variables taken into its consideration affects the level of household savings.

For ease of analysis, we have decided symbols variables explained in Table 1.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Symbol</th>
<th>Explanations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family savings</td>
<td>$Y$</td>
<td>Keeping cash savings, bank accounts and other forms of savings</td>
</tr>
<tr>
<td>Household income</td>
<td>$X_1$</td>
<td>All sources of income that a family</td>
</tr>
<tr>
<td>Family size</td>
<td>$X_2$</td>
<td>All family members that determine the size of its</td>
</tr>
<tr>
<td>Number of persons that provide income</td>
<td>$X_3$</td>
<td>All family members earning from work eg, different pension etc.</td>
</tr>
<tr>
<td>Possession of a family business</td>
<td>$X_4$</td>
<td>Ownership or responsibility to a family business</td>
</tr>
<tr>
<td>Savings plan</td>
<td>$X_5$</td>
<td>Leaving aside the money under various forms of saving, even while collecting cash in a specific country home periodically on specific dates.</td>
</tr>
</tbody>
</table>

In order to measure the internal impact of family factors on the level of household savings we have built a regression
model the following form:

\[ Y_i = \alpha + \beta_1 X_{1,i} + \beta_2 X_{2,i} + \beta_3 X_{3,i} + \beta_4 X_{4,i} + \beta_5 X_{5,i} + \varepsilon_i \]

Through statistical program MICROFI 4.0, we tested the hypothesis raised by criteria F, and probabilities. Ho is rejected if the probability (p) results in less than 0.05 or when \( \alpha = F \)-statistic will prove more critical than it by degrees of freedom.

The processing of data was obtained the following results:

- Determination coefficient (\( R^2 = 0.82683 \)) shows that independent variables in the regression explain 82.68% of changes in the dependent variable, ie the level of household savings.
- About the statistical significance of the econometric model we reviewed indicated F-statistic, which has a value \( F = 19.3681 \) level probability \( p = 0.000 \) which confirms that the model is statistically significant because we have a high value of F's and a very small probability that the error level \( \alpha = 0.05 \).
- Statistical indicator that shows the errors autocorrelation DW (Durbin - Watson) is equal to 1.8562. This value is the value of the indicator is almost 2, which means that errors (connection of waste with a step) auto correlation not express themselves, pointing waste independence as a condition of the method of least squares (OLS).

Table 2 shows the results of the regression analysis of independent variables, where the dependent variable (Y) is the level of household savings.

Table 4. The results of the regression analysis

<table>
<thead>
<tr>
<th>Variables</th>
<th>Coefficient (( \beta ))</th>
<th>Standard deviation</th>
<th>T – Value</th>
<th>Prob.</th>
</tr>
</thead>
<tbody>
<tr>
<td>( \alpha )</td>
<td>-0.11703</td>
<td>0.35924</td>
<td>-0.32578</td>
<td>0.021</td>
</tr>
<tr>
<td>( X_1 )</td>
<td>0.41084</td>
<td>0.07065</td>
<td>5.8151</td>
<td>0.000</td>
</tr>
<tr>
<td>( X_2 )</td>
<td>0.037406</td>
<td>0.075554</td>
<td>0.49509</td>
<td>0.621</td>
</tr>
<tr>
<td>( X_3 )</td>
<td>0.049058</td>
<td>0.095327</td>
<td>0.51463</td>
<td>0.607</td>
</tr>
<tr>
<td>( X_4 )</td>
<td>-0.10545</td>
<td>0.14699</td>
<td>-0.71737</td>
<td>0.474</td>
</tr>
<tr>
<td>( X_5 )</td>
<td>0.82695</td>
<td>0.14822</td>
<td>5.5792</td>
<td>0.000</td>
</tr>
</tbody>
</table>

On the basis of the data of Table 2 built econometric model that explains the dependent variable Y (level of household savings) in the following form:

\[ Y_i = -0.117 + 0.41X_{1,i} + 0.037X_{2,i} + 0.049X_{3,i} - 0.105X_{4,i} + 0.826X_{5,i} \]

To analyze the statistical significance of the connection and beta coefficients of independent variables we examined the values of probability "p". For greater values than 0.05, the impact of the independent variable on the dependent variable it is irrelevant given that all other variables remain unchanged and, for values \( p < 0.05 \) null hypothesis about the lack of connection will be rejected, so the connection between the variables is important. Also we analyzed all beta coefficients about the sign and their value according to the results of regression.

**Independent variable 1.** Beta coefficient of household income is 0.41 showing positive that has the right connection between family income and the level of household savings. 0.041 coefficient indicates that the average increase by 1 unit (ALL) household income, household savings will grow on average by 0.41 units (ALL), while keeping all other variables constant. The value of "p" variable is equal to 0.000 (ie, \( p < 0.05 \) level). This means that the null hypothesis falls and verified alternative hypothesis: The family income affect the level of household savings. This result is in line with other studies in this field because an increase in household income leads to increased levels of household savings.

**Independent variable 2.** The beta coefficient is positive family size of 0.037, indicating that there is a straight connection between the number of persons in the household and the level of household savings. The value of "p" is equal to 0621, ie greater than 0.05. This shows that the null hypothesis is confirmed: family size have no impact on the level of household savings.

**Independent variable 3.** Beta coefficient of the number of persons that provide income in the family is a positive of 0.049, showing that we have a right connection between the number of persons that provide family income and level of household savings. Which means that by increasing the number of persons that provide income, increase the chance of having a higher level of household savings. The value of "p" for this variable is therefore 0.607 greater than 0.05 and this means that the null hypothesis is verified and that the number of persons that provide family income has no effect on the level of household savings.

**Independent variable 4.** Beta coefficient of ownership of a family business is negative of (-0105), showing that we have the inverse relation between ownership of a family business and the level of savings familjare.Vlera the "p" for this
variable is 0.474 therefore under 0:05. This shows that the null hypothesis is confirmed: Owning a business has no impact on the level of household savings.

Independent variable 5. The beta coefficient is positive saving plan of 0826, showing that we have a right connection between saving plan and the level of household savings. The value of “p” is so 0000, under 0:05, which means that the null hypothesis alternative hypothesis falls and verified and that the pursuit of a savings plan has an impact on the level of household savings.

4. Conclusions

The main purpose of this study was to analyze the impact that internal factors have in some family in the household savings level, for 270 families in our city. Through the model of linear regression of multiple tested relationship between the dependent variable, the level of household savings, and independent variables as average monthly income of the family, family size, the number of persons that provide income violence, possession a family business and following a savings plan.

The analysis of data through the regression model came to these conclusions:

1) The average monthly family income, number of persons in the household, number of persons that provide income in the family, and the pursuit of a savings plan have a positive relation to the level of monthly family household savings. With regard to income and number of persons that provide income to our survey results are in line with other studies. As for the number of persons in the household outcome it is different from other studies in this area, as these studies identify an inverse relation between family size and household savings, where the increase in the number of persons in the household savings fell. Perhaps this result in our study is influenced by the fact that the increase in the size of families, so the more family members constituted those families the more family member gain the income.

2) Other studies showed that the possession of a family business had a positive relationship the right to family savings, but the study Our proved the contrary, the results of which showed that the possession of a family business is related inversely with the level of household savings monthly the family. words, as many have family responsibilities of owning a business has less chance to save it. In our opinion, this result is not related to the fact of influence or not the economic culture that gives owning a business, but above all by the fact that where and how to invest the family for the proper functioning of their businesses. After Albania, a country still in transition and with not a highly developed economy and financial markets mostly identified with the banking system, it provides many opportunities for families to invest and develop family businesses. Therefore it brings the inability to save, because everything that can be earned is reinvested in the business to keep the family business alive.

3) As other studies show, our study identifies the average monthly household income as the main influence on household savings. Also, the pursuit of a savings plan, sas this factor is not taken from other studies, the analysis showed that it affect the level of the family's monthly household savings.

4) Number of persons in the household, number of persons that provide income and owning a family business do not affect the level of monthly household savings. These results that conflict with other studies. In our view, these results are influenced perhaps by the fact that the level of income for an individual are very low and at the same time very high costs, leaving no room for savings. To look at the family level, despite an increased number of persons that provide income, such income at a household level are not enough to save the family since the costs increase with the number of persons in the family. Not to mentioned the fact that Albanian families, even though they may have different sources of income, such income is not very high and can come in the form of pensions or social assistance, which in Albania does not meet even minimum living breathing; compared these with the level of costs that are reflected by very high prices.

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Civil Society in Albania as an Important Tool of Democracy: A Literature Review

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Abstract

Albania has been the most isolated country of Eastern Europe during the communist era. Today is trying to close the successful process of democratization and integration in the European Union. One of the main prerequisites for achieving this goal is the strengthening of civil society. The development of civil society is one of the biggest challenges of the Albanian society of 10-year-old recently. Although the presence of civil society is a new experience, it is now accepted that partnership and the essential role it plays in the process of developing democracy and society education. A healthy civil society through its products guarantees a stable democracy. This is made possible by the role it plays in the development process. Standing between the individual, the state and the market, civil society mitigates negative trends, creates social capital, carries develops new values and traditions. NGOs, media and other non-state institutions are essential elements of democracy. My work analyzes and describes theoretical civil society as a new phenomenon in Albania. Democratization in our country has not been successfully because Civil Society has been weak; it does not serve as a real pressure over the policy and decision makers. This paper, also tries to provide a concise overview of the Civil Society in Albania and the culture of democracy. Civil Society is a very important element for human rights. We will conclude and found that Civil Society also determines the level of democracy in a country. A country has a consolidated and real democracy when it has a strength Civil Society that plays an important role as an “eye watching” over the political parties and especially the governance.

Keywords: Civil Society, Democratization, Political parties, Governance, Human Rights

1. Introduction

After the fall of communism, Albania is trying to successfully complete the process of democratization and integration in the European Union. Besides the acquisition of democratic values one of the prerequisites for achieving this goal is the strengthening of civil society. Nowadays, the Albanian society is evidenced in the role and importance of civil society as an important component of the instrument or the democratization of society. Construction of civil society has already become a common ideal, especially for the countries of the East, where its existence is presented as a necessity or an immediate need to help the process of democratization.

In reality the concept of civil society in Albanian society is relatively new. This relates to the past of our country, which ruled the communist regime. Obviously the presence of this system does not allow and do not conceive the existence of civil society. Civil society regarded as a foreign body which not only protected individuals, but alienate them. For individuals the state was the latter who knew what was best for them. Civil society in communist regimes was closely related to the Marxist-Leninist ideology and identified as foreign individuals, which were completely contrary to their interests.

Albania has started to talk and discuss the role and importance of civil society. This is because civil society is an important instrument in the process of European integration and the building of a system of genuine democratic
predominantly democratic values, balancing and control of powers, the independence of their government limited, and mechanisms of the state of right and legal.

In this context, the importance of the civil society to society is substantial. Therefore, I have tried, in a modest way to present it simple and understandable history of civil society in Albania, its role in solving the problems of its features, impacts its positive, its relations with the state, politics, citizen as well as its challenges in the future. This paper aim to explain why civil society as a concept, the phenomenon is worth immediate priority to building a democratic society, political considerations, economic and historical that have led to the construction of civil society in Western Europe and not those East.

Recently, civil society has begun to take a special significance. This can be seen in many aspects such as its commitment as a counterweight to the politics and the state. It is playing more and more an important role in engaging citizens to assert their rights and to remind the government, political elites, not to forget their mission, that of building a democratic right and clean and above all the rule of law and respect. Philosopher and political scientist, German Erhard Epler in his book “Return of Policy” writes: “For Tocqueville freedom of Americans was not guaranteed by the fact that the president elected by the citizens, but the willingness and their ability to get themselves down issues that pertained”. This phenomenon has apparently begun to emerge in our country, of course we are very far from the American model that describes Tocqueville it for many different reasons, such as are political, economic, social-cultural one. Albania has much to do to achieve a democratic system in all aspects of social life. We are facing changes in our lives, because the transition from a closed to an open society requires its time and above all, a hierarchy of values internalized in the individual. This rapid changeover apparently has caused great confusion in our society, which is facing completely different values from the ones that appeared in the previous regime. The state is no longer the individual who decides, but the latter thanks to which the state functions and fulfills its mission to serve the public interest.

Governments in post-communist countries are obliged to under the laws and principles of democracy and the market economy to build a civil society with differences and social interests of distinctive papers based on the values and merits of the individual, equality of chances and opportunities and not on equality economic opportunities as it had happened in communist system.

Did it happen in Albania this phenomenon, the gaining of merit and equal opportunities for all? Naturally, I do not think. The reasons why I think in this way are numerous; one of the most important is the lack of values and democratic culture and the lack of a genuine democratic experience. The Albanian society, as well as other Eastern countries, faced with numerous paradoxes and conflicts as conflicts between the political system and the interests of society, the conflict between goals and means as well as conflict of values. In many cases, the political culture of these countries, as well as our country is filled with paradoxes as the political class which came to power to fight communism, apparently has forgotten that promise and is using the method itself to recall system previous, which lacked different opinion, compromise the existence of fundamental rights and freedoms of the individual. There is no way to be different, because we inherit from the past tradition of political culture lukewarm. Situated in such conditions, a company must have at present civil society as the voice of protecting the citizens, to remind the political elites, government and state government in accordance with democratic principles while respecting the laws of the state. I think that this aspiration is a bit remote, as we have stressed on the need and necessity to have a democratic system without knowing what it really means this system, what were the criterias, values that we should learn before to reach this system.

When people fully supported the democratic system, they forgot that a democracy needs a democratic culture. Its absence made our society to experience a real apocalypse on the enjoyment of human rights and their fair distribution. These interests were instead aimed at building democracy actually targeted private gains, rapid enrichment without relying on individual values. I think this phenomenon is best embodies statement Rene Levaser de La Sarte: "We dreamed about Wonderland and now we are back to earth in this reality; and those with whom we shared our miracle, now have abandoned us" (Vajdenfeld: 1999). And it happened in the Albanian context since there was a misinterpretation of the enjoyment of fundamental rights. Freedom has created the idea that everybody can snatch everything, and could steal without worrying about whether it is his property or belongs to all Albanians. "The state had never spoken individual, Albanian citizen that it was created to defend it from aggression by others, but rather the state always has been imposed on the individual as a gendarme command, as an absolute power that has used force to guaranteed through social fear transmission status and subordination that always requires the service of the terrible tyranny " (Ngjela: 2006). This situation also revealed a new phenomenon for our country, that the transition from one-party to multi-party pluralist it. The large number of parties, the diversity of programs and alternatives to their policy led to what Weber has defined as a shift from the ethics of obedience, that of taking responsibility of the latter to be an extremely difficult task (Vajdenfeld:1999).

In such conditions the Albanian society was faced with numerous differences, conflicts and paradoxes. The political elite were and continue to be very far from the ideals of the people, his aspirations to establish a democratic
system. The policy arena consists of politicians who live by politics and not for politics. They apparently have not yet been able to show us clear and convincing evidence of the policy change from the past, but are able to transmit shortages of democratic values and principles. When these principles were missing to them what can we expect from them to respect, which is the example that they transmit citizens?

At this moment I think that civil society has an indispensable role to tell the politicians, the government and state that it together with the citizens and their commitment, are always ready to act and to protest peacefully. Civil society is the society that we need above all, that protects us from arbitrary power and its abuse. Of course, it cannot arise from nowhere; it requires courageous people, educated, tolerant to know how to cope with problems, giving a solution. Building civil society should be our common calling. Its construction is a condition for the existence of a democratic system.

2. Literature Review

There are many different theories and concepts for civil society. Since the time of Aristotle, Plato and Cicero "civil society" was explained as a whole, unified state and political society. Between the two concepts, now recognized as separate from political science and sociology, there was no separation barrier (Krasniqi: 2004). As for the origins of the concept, we can say that until the 18th century the term "civil society" was the same with the state or with political society. Locke spoke of civil government which was an alternative term with the term civil society or political.

"According to Locke's political and civil society exists only when a number of people are together in society by giving up any right executive of natural law and the public footing. This is achieved when a number of people, in the natural state, enter into society to create a nation, a political body under a central government or otherwise, when a person joins and is included in a government already established" (Stumpf: 2006).

Civil society was named and established as a concept in the debates of the 18th century on despotism. In this period there have been a number of definitions about the concept of civil society. Civil society is an important and essential element of Western civilization and the basis of a society that "sets the space of freedom, between governments and citizens" (Epler: 2001).

Tocqueville highlighted various forms of civic organization which was an important factor to realize those tasks that citizens would not be able to realize the dot if they were separated. This form of organization was called "vibrant democracy" (Tushi: 2007). He writes that Americans of every age and social class, every religion is continuously collected together. They have not only business and trade associations. He failed to do what was it processed Tocqueville conceptual divide between state and society, unlike the thought of Marx, and so presented a third space. Tocqueville identified three action areas of society.

According Tocqueville political society is nothing but an art, community, organization and groups in society. In civilized societies there are political organizations as local government bodies, political parties and public opinion. There are civil or civic organizations, churches, schools, literary or scientific societies, trade organizations and the press. Vitality, the life of these organizations, immense strength and power through which they contribute to the body politic, political space represents what Tocqueville qualifies as political society. Political society controlled by centralized government excesses, particularly in democratic societies. Political society as it considers constitutes the Tocqueville "independent eye of society" that monitors public life.

Another philosopher who has contributed to the definition of civil society is Hegel. According to him the individual comes from the family which has a universal character as relations between families members are based on feelings of love being stripped of any interest (Stumpf: 2006). Individuals already in plan put their interests first. By Hegel civil society is nothing but relations have individuals with different vested interests. For Hegel in the development of human relations which have a universal dialectic which opposes represented by the particular family which is represented by the individual himself. The family, in this analysis, serves to show us the universal incarnation, while civil society represents the individual who sets his goals, regardless of other family members.

Tocqueville praised civil society as a "school of democracy" (Krasniqi: 2004), which works through associations and social organizations, while the German philosopher Jurgen Habermas formulated a new concept. He sees civil society as the third area along the state and the market, which is characterized by public articulation of societal problems. Habermas considers communicative power and solidarity as the most important resources of this company, with which it conducts criticism and makes corrections policy. Civil society is: composed of unions, associations, groups, organizations and movements diversified created spontaneously, "who find, recognize and breed all the problems of society in relation to privacy and then spread loud in political society. "So, for Habermas essence of civil society lies in the organization and existence of active associations and unions other than built on a voluntary basis, non-state and non-
profit, which with their activity define structures communication to the public on all components of social life.

The term of civil society refers to a set of voluntary organizations and social institutions which form the basis for a functioning society. According to Centre for Civil Society at London School of Economics this term shall refer to the scope of free collective action, not mandatory, some interests, common goals and values. Civil societies are so different from the spaces, actors and institutional forms, and the degree of autonomy.

After identifying the main theories about civil society and its theoretical concepts, what we can say is that there is a direct link between civil society and political system. This is a duo that determines the development of society. The existence of a civil society consolidated emancipated is obviously a necessary condition to have a democratic system proper, where institutions are stable, the law is respected and implemented, citizens are engaged in public affairs and the struggle to protect rights them through their active participation in various organizations and associations.

3. Methodology

This work like any other work in the field of political science is based on the necessary information that will serve to realize its objectives. It is important that this information have truthfully. To provide the necessary information for this paper is used method of studying literature and documentation. Use of literature is an unparalleled source. In this literature they are mainly involved civil society theories, concepts and features of its impacts on its negative and positive. Since this study was an analytical approach is based on a detailed analysis of the concepts. The theoretical framework is complete, because it is supported in lectures held during the study period.

4. Challenges of Civil Society in Albania

Albanian society has the necessary detachment from extreme politicization and building an active civil society, and stable representative. With the development of civil society are linked reforms, the establishment of the rule of law and justice as well as entry into the big European family. International experience determines that the construction and strengthening of civil society is achieved through the close cooperation of the state and the individual market.

The process of strengthening civil society is important not seen in isolation from the overall development of society. American analyst Christopher Corpora proposes that "the democratic process in Albania to start from the bottom up and not the opposite". He writes "The democratic process so far has developed top-down". The construction of active and effective civil society is associated with many factors. One of the most important is the free initiative of the individual. Only citizens who look beyond the problems of themselves and are capable of supporting civil society in action and undertake initiatives with their citizens and civil society institutions play an important role in the consolidation of the values of a democratic society. "Democracy is based on the conviction that ordinary people extraordinary opportunities exist" (Fozdik: 2010). Citizens not only have the responsibility to solve the problems that concern them, but think about giving answers to problems that cross the border they are personal and concerns the entire society. In this context, civil society represents not only the interests of citizens and not only acts as a mediator between citizens and the state, but it supervises and controls the operational capabilities of the state.

Western experience shows that the prerequisite and basis for successful cooperation between the state, market and civil society is clear division of responsibilities and tasks. The state has a monopoly and the right to draft the adoption of laws, market economy and civil society develops helps spokeswoman governance and underrepresented interests of citizens. Civil society has necessitated the creation of a public asset that is able to criticize and monitor the process of decision making of the government.

Citizen movements of civil society should maintain coherence to be useful to society. Albanian experience shows cases where civic movements and civil society initiatives have not always bring positive developments. '97 Events showed how the protests increase as a result of political discontent balances conducted social decay, destroying the image of the state, damage to institutions and "legitimacy" of violence in the political culture. Of course, the main responsibility for this situation belongs to politicians but also civil society failed to recognize the difference between civilian movement and its misuse. Civil society did not find the strength to react and to propose a way out. NGOs '97 failed to devise a strategy to serve as a deterrent and control of government policy at the time. They were simply spectators and reflected only after the outbreak of the crisis highlighting their views against violence and pro-establishment of constitutional order. It came so late that it was symbolic impact. '97 Events prove the best idea of an American analyst, Corpora that "the process of democratization and strengthening of civil society should start from the lowest levels" (Krasniqi: 2004).

Creating consensus and democratic culture is another real challenge to the future of civil society. Rule of law,
economic empowerment and involvement of the country in the process of democratization is linked with possession of a genuine democratic culture where the parties are able to respect each other. Without collaborative and respectful political rights will not be possible to create a new political culture of citizens. The democratic process is difficult and a long road. A real democracy requires not only political reforms and economic success but also creating a new civic mentality in which civil society has an important role.

The first step is the return of confidence to the citizens through the implementation of the election free and fair. Electoral competition must be fair, the votes must be counted as the parties should recognize and respect the outcome of elections. Society and citizens would feel represented and the voice of civil society will have more weight if this obstacle resolved.

Another condition to build a civil society is the belief of the citizen's action. Political elites have questioned the morality and political confidence due to political disappointments. "In the current political class, they are with her finger personalities, people who live for politics and not living politics. Living in politics means being integrally melted and important part of its public development means not to be named, vegetable but contributors " (Tushi: 2005). Albania still lacks democratic values and norms in the political class. It appears emancipated class, which sometimes reflects the communist political manners of behavior, it's because they are an integral part of the mentality of the Albanian society, a society which is not cultivated by democratic rules and principles.

The lack of a genuine democratic experience, such a culture makes the steps of moving towards a democratic system be awkward. What should be the motivation of our country's development is the realization of the elections free and fair elections, respect for the law and thought differently as: Democracy is but maturity and being a responsible person for the whole society who understands well and do his best for the territory where he lives.

5. Conclusions

Civil society is the most important tool that serves to strengthen freedom and democracy for the citizens of Albania. It is the social instrument that enables resolution of the struggle between inclusion and exclusion of the citizen as a man of complete integrity and social policy in political and public life. It is clear that without an active civil society, consolidated, modern civilization does not competitive. Civil society offers us a single civic identity, which belongs not to the state or private consumers but citizens. This rejoins society of rights and responsibilities together and allows us to take control of our governments and markets. Civil society has become a factor that is expanding space of citizen service. Citizen living in such a society, organized and structured does not expect anything to solve the state. Citizens of a consolidated civil society are people who are capable of solving their own problems. Rights and duties are the foundations of citizenship. Here is the strength of civil society which strikes a balance between rights and duties. It is the forerunner of democracy. Democracy does not work without it, is simply a system like the others, as long as there is space to develop thought and civic organization.

Albania's level of development of civil society is inevitably linked with the level of social development in general. Our country is still in the early stages of the democratic system and therefore civil society is fragile, inexperienced and unconsolidated. During the transition period carried away from its communist past problems are a real obstacle to the development of society and the system.

In my opinion the correct idea is that everything should start with the strengthening of civil society, creating a space where citizens feel themselves decision makers, be they actors. Despite the achievements that has made civil society in Albania it is still in its infancy; its role remains modest solving important problems of national policy. This relates not only to its immaturity but with all sectors of our society, who apparently will require a long time to learn and implement genuine democratic values.

The role of civil society is to produce ideas. We need ideas and not a political revolution and this is achieved by civil society. It requires civic engagement. Undoubtedly we need to look beyond ourselves, our threshold. Only in this way we will achieve are a civilized, free and responsible.

The process of European integration cannot possibly be successful without the participation of other social actors. The involvement and commitment of other social actors in the integration process is an indispensable need for the success of the process itself. And practically it would be an instrument to fight apathy, lack of participation, and will really help in the growth and strengthening of civil society, strengthening of democracy. The democratic system itself cannot be successful without a civil society that takes part, which responds to the phenomena and contribute to the development of the country.

Finally, it concluded that civic engagement, the ability of self-organization, mobilization and volunteerism are still minimal, the willingness of citizens to the recognition and enforcement has moved slowly, and the participation of civil
society institutions in correcting and formulating policy decision remain weak. Civil society in Albania has failed to make the progress necessary before the development of political society. It reflected its weakness; it is identified with political society and in any case has left behind her. This is due to the fact that the Albanian civil society operates and develops in a country where the state and its institutions are still tentative.

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Bilingualism in Albania and Its Benefits

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Abstract

Bilingualism as a phenomenon is becoming more and more prevalent and widespread all over the world. This is encountered in Albania as well, and thus it is considered important to pay some attention to this issue. It is an interesting linguistic phenomenon, which goes unnoticed as we live our daily life as ordinary people. We all are living with the benefits coming from speaking two or more languages. There are several advantages if one is bilingual or multi-lingual and several factors have influenced in having a bilingual society. This research focuses more on the advantages, as from the research conducted in order to shed light to this issue, it is obvious that Albanians have benefited a lot by being bilingual, and definitely the advantages outnumber the disadvantages. To draw conclusions, families bringing up bilingual children were interviewed and the results all show that the benefits are numerous especially in a developing country as Albania is.

Keywords: bilingualism, learning strategy, language acquisition, society, native speaker.

1. Introduction

Recently the phenomena of globalization and the people’s migration or emigration is ever-increasing; this leads to a mingling of different cultures which is unavoidable. The interaction between cultures brings as a consequence an increasing number of multicultural societies (Hamers & Blanc, 2000). Hence, due to globalization, these societies have become more diverse and the people of these societies speak more than one language, i.e. they have become multilingual. According to (Grosjean 2010) there have been conducted surveys regarding the multilingual phenomenon which state that more than 60% of the population in the whole world speaks more than one language in their daily life. It is impressive that up to 70% of children are being brought up in a bilingual environment (Crystal 1997).

Albania is one of ethnically homogeneous country in the Europe, where the majority of population speaks Albanian and knows another language as well. In addition, it is one of the most polyglot nations in Europe. Italian is widely spoken by Albanians, Greek in the south part of the country, also recently because of many Albanian emigrants living in Italy and Greece, Italian language has become a spoken language by many Albanians. The vast majority of the young generation is interested in learning English and they communicate and understand it to some extent.

Recently, Albania has become a multi-cultural country. Knowing a language means knowing a culture. Many minority groups are living in Albania especially in Tirana, such as Italians, Chinese, whose number is increasing rapidly every day, Americans, a few Germans and many Turkish people. These groups of population belong to different nationalities. Besides the fact that they live in Albania and work here, they have created bilingual families as such as many Italian-Albanian, American-Albanian, Turkish-Albanian families, etc.

In Albania there are many regions where two languages are spoken. In the south, in the region of Saranda, Gjirokastra people know and speak Albanian and Greek fluently. In the middle of Albania in the region of Vlora, Durrësi, people speak Albanian and Italian. In the northern regions in Dibra and they speak Albanian and Macedonian.

However, in Tirana there are many bilingual children as there are many families, where one of the parents is a foreigner. Thus, bilingualism as socio-linguistic phenomenon is widely spread in Albania, and the aim of this research is to display the benefits deriving from being a bilingual.

2. Research Methodology

The type of research that is used in this study is quantitative research. It is limited to only some families living in Albania, Turkish-Albanian and American Albanian families. Italian – Albanian, Greek - Albanian All parents are met by a close contact and apart from other questions, questions on the advantages of being bilingual were asked. Apart from the information which is extracted from the respective responses given, when asked the questions from questionnaire, these
parents and children were willing to give more details during the long conversations conducted.

3. Studies Related to Bilingualism

It is considered appropriate to mention what is bilingualism in order to have a clear understanding, then to actually delve on the bilingualism issue in Albania.

What is bilingualism?

The concept of bilingualism is discussed by many linguists all over the world. In Bilinguality and Bilingualism book by Josiane F. Harmes and Michel H.A. Blanc “bilingualism” is defined as:

Having or using two languages especially as spoken with the fluency characteristic of a native speaker; a person using two languages especially habitually and with control like that of a native speaker’ and bilingualism as ‘the constant oral use of two languages’. In the popular view, being bilingual equals being able to speak two languages perfectly; this is also the approach of Bloomfield (1935: 56), who defines bilingualism as ‘the native-like control of two languages (F.Hamers & Blanc, 2000, p. 6).

Though there are many studies related to bilingualism there are some intricate factors which ought to be taken into account when delving on this issue. The effects of bilingualism present many insinuations which scholars aim to highlight as the compiled information until today cannot display all the complex aspects of bilingualism. However, investigating various perspectives of bilingualism definitely serves as important input in understanding it a little bit better.

There exist a lot of controversies, whether bilingualism influences positively or negatively, but so far many scholars have come to admit the fact that it has a negative effect on some aspects of children’s linguistic performance. The children who are brought up bilingually are typically found to possess smaller vocabularies in each of their languages when compared to their monolingual counterparts (as indicated by both productive and receptive measures of vocabulary size), although this disadvantage might disappear when considering conceptual vocabulary or total vocabulary (Junker & Stockman, 2002; Oller & Elliers, 2002 Pearson, Fernández, & Oller, 1995; Petitto & Kovelman, 2003; Poulin-Dubois et al. 2012).

The starting point of the research studies on the interrelation of bilingualism on one hand and intellect on the other, dates in the 20s and these researches were based on intelligence tests, which were called psychometric. At that time children were not encouraged to acquire two languages at the same time because according to Diaz this was seen as a disadvantage affecting the intellect and the cognitive knowledge of the child as well it would bring language confusion (Diaz, 1983). These statements were supported by facts where bilingual children were seen to encounter a “language handicap” (Diaz, 1983).

Hamers & Blanc (2000) in their study admit that you cannot draw the right conclusion if you do not take into account the amount of language exposure between the monolinguals and bilinguals. They claim that it is obvious that children who know one language own a more affluent vocabulary than those who know two languages because the monolingual’s language knowledge is restricted to just one language (Hamers & Blanc, 2000).

In 1962 the views on the negative influence that bilingualism had changed with the study of Peal and Lambert, who published the results of their study which strongly emphasized that bilinguals do not face negative aspects of bilingualism related to the cognitive and meta-linguistic development. Their research points to a positive impact and studies to come were mostly observing a positive interrelation between cognitive development and bilingualism. According to Bialystok, these researches have ensured empirical data on the cognitive benefit acquired by bilingual children if it is compared with the other children who are monolingual, especially in assignments which require high cognitive flexibility (Bialystok,1999).

Bialystok’s study tries to support the claim that bilingual children are capable to sort problems out, which require concentration and differing information (Bialystok, 1999). To get to the conclusion mentioned above Bialystok made a research with sixty children whom were divided into two groups, one group had bilingual children Chinese-English and the other one had monolingual of English. They attended the same school with similar socioeconomic backgrounds. They were given tasks to do, the results showed that the bilinguals displayed better skills than monoligists. Hence, this might show that bilingual children are better at solving problems.

4. Factors Influencing in the Existence of Bilingualism in Albania

4.1 Geography

It relevant to mention that geographical closeness of two communities necessitates the establishment of a good communication in order to have successful trade relationships. Albania borders Greece, Montenegro, Macedonia, Kosovo
as well due to the small distance between Italy and Albania the trade is done by sea, which has been very successful so far. The members of the two communities have a tendency to study and use each other's languages, which obviously means bilingualism as they use these two languages with native fluency. For instance, the communities of the southern part of Albania know very well the Greek language and vice-versa, so it happens with the other communities close to Macedonia. The largest number belongs to the Greek and Albanian bilinguals, not only because of trade but also because the eastern Adriatic coast did not have good harbors (Igapumenitsa harbor developed after Greece lost Saranda); and the trade by sea was controlled by the Adriatic islands, especially the island of Corfu, which had a great domination. Another reason is related to religious purposes as well as due to immigration or trade. It is displayed a better insight if we take into account, some historical facts where it is stated that:

"the Greeks, of course, are not the only linguistic minority within southern Albania. The Roman conquest has also left its traces. The (traditionally) transhumant Vlachs or Arumani, who speak a Latin language (Arumanian) similar to Rumanian, have long pastured their flocks and engaged in commerce throughout the Pindus range in Albania and Greece. Some Vlachs speak Arumanian and Albanian, some speak Arumanian and Greek, some are trilingual, and some are monolingual, having adopted the state language (Greek or Albanian or Macedonian, etc.). In the nineteenth century, the "Hellenic" faction of some southern Albanian and Macedonian cities was primarily Vlach. Finally, Albanian territory also includes Macedonian-speaking villages."

4.1.1 Historical factors such as immigration

Historical events often assess and define a national language. "The most powerful groups in any society are able to force their language upon the less powerful" – (Romaine, 1955: 23). The country has been under the Ottoman empire for 50 Years, then it was invaded by Italian, Serbian, Bulgarian, Austro-Hungarian, Greek, and French forces during World War I and during World war II by Italian (until 1943) and then German forces. Consequently, there are linguistic traces felt in the actual language. There are many Turkish words like: penxhere, tenxhere, kazan, zeherr, etc. Italian words like: non-grata, tavolinë, natë, nona, etc. Some words belonging to the Greek language are: manastir, monopat, farmak, fener, etc.

Furthermore, another important factor which deserves a mention is the unemployment, which led many Albanians to leave the country. After the communist regime the economical situation worsened and unemployment in Albanian cities reached 60%2. Greece, which borders the southern part of Albania, was the only source of income for many Albanians who were willing to work for Greek farms and businesses, even though they were not paid as the Greeks were. Albanian emigrants married Greek partners consequently in their families two languages were spoken, consequently their children faced bilingualism and were brought up bilingually. The same thing happened with Albanians who emigrated in Italy and Germany or elsewhere.

Today, we hear many of their children switching from one language to the other without facing difficulties.

Another issue that can be noted is that if both parents are Albanian, the child speaks the language perfectly, has no difficulty in understanding or communicating because they are surrounded by Albanian people and both parents speak Albanian at home and at school and even in their friendship or community they face the language of the community where they are brought up. Nevertheless, if one of the parents is Albanian and the other is Greek, Italian, German etc. it is noticed a lack of fluency in the Albanian language because the parents when communicating with each other have a tendency to speak the language that both of them find easier. Though, most of them want and try to teach the child the Albanian language. Hence, the child faces difficulties, especially when they have to switch from one language to the other.

4.1.2 Globalisation

Globalization has a great impact on bilingualism. Recently, communicating in more than one language is applied very often. People try to communicate worldwide, therefore it is indispensable to know and speak more than one language so that the communication between people is easier and there would not be misinterpretations. It can be stated that English is the language spoken worldwide, it is so in Albania as well, and children start learning it since they are 9 years old. According to the definition above on bilingualism, it can be stated that most of the children in Albania, when they grow up, they possess two languages and are able to speak two languages with the facility of a native speaker. This is also proved by various exams they take on English language. Furthermore, it is a prerequisite if they want to apply for a Master's

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1https://www.culturalsurvival.org/publications/cultural-survival-quarterly/albania/northern
Degree or if they want to continue their studies abroad.

4.1.3 Different mother tongues

There are many families in Albania, where one of the parents is Albanian and the other is a foreigner. In this case bilingualism is unavoidable as it is likely that both parents wish to transmit their native tongue to the coming generations. Therefore the child is brought up bilingually.

4.1.4 Advantages of being raised bilingually

There are children who have two first languages, who have learned these languages by their parents with different nationalities, but is it a good idea to be raised bilingually? Are there any disadvantages?

Considering the research conducted in order to discover whether it is an advantage to be a bilingual or not, it can be concluded that from the interview with these ten families, who live in Albania, it can be admitted that the advantages outnumber the disadvantages. The advantages that people who live in Albania find are presented below.

The parents of the bilingual children say that their children focus and pay attention when you talk to them, especially when it is about switching the languages, for example in the interview with family one, when the father asks the child to do something and says it in English, the child has a tendency to listen more carefully as they live in Albania and they hear Albanian often.

Many scientific researchers have concluded that a bilingual child who is fluent in two languages has more advantages in life rather than the monolingual child. They say that a bilingual child is more alert and is more predisposed to focus on relevant information and avoid the irrelevant information.

However, Bialystok and Martin-Rhee (2008) made a research on control of attention among French-English bilinguals. Despite low scoring on test on relevant vocabulary bilinguals held more advantage in multi tasks which require control and concentration than those who only speak a language. In addition, Martin-Rhee (2008), claims that some development psychopathologies such as autistic spectrum disorder, deficit disorder are connected with incompetent inhibitory control. So bilingualism is an integral factor to understand children's development processes, it influence certain disorders in a positive way. Being bilingual is an advantage which goes beyond communication. In Canada York University (2004), it has been discovered that people who speak two languages are “mentally sharped”, their brain inhales information quickly. Also it prevents mental weakening in coming years. Many researches including Bialystok have revealed that bilingualism is a kind of exercise for brain. Based on Bialystok experience he said: "They can get a little extra mileage from these cognitive networks because they have been enhanced throughout life." (Being Bilingual May Boost Your Brain Power, 2011).

Another advantage is related to the information that the child might search, of course if child is able to read, write, speak or use the computer. Nowadays, technology is inseparable from our life, which somehow helps people solve problems quickly and they can be informed from the news as radio, TV, etc. All these are found in print, electronic or any other media, to access all the information, it is easier for a bilingual or multilingual person compared to another who is a monolingual person and somehow one is limited to have access in all sources. As we know English is used all over the world and the latest news in the field of sciences, politics, economy, education, internet etc. is transmitted in the English language.

What is considered as another advantage is related to the job opportunities that a bilingual person has. Mostly those who are bilingual or multilingual have better chances to be employed as the employers are more interested in employing a person who knows two or more languages and he is not forced to employ a translator.

It is often quoted that “learning a new language means learning new culture”. When a person learns a language, it doesn’t mean just learning how to communicate and use the grammar appropriately, but learning a new culture as well. Reading about a particular country’s history or culture is a good thing but participating, communicating, discussing, sharing ideas in that language in complete a different experience.

4.2 Disadvantages

 Compared to advantages there are not many disadvantages of being bilingual. One may be language confusion. Some bilinguals confuse both languages, especially grammatical rules. Mostly children are predisposed to do so because it is hard enough to keep one language straight. They may speak a different language at school, a different language with friends and a different language at home. In this case the child may get confused; nevertheless this happens during the
early stage of the growing up phase. One of the parents from the families interviewed on this issue had a good laugh as she started thinking of the mistakes that her child made because she was confused with the word “ordinary person”, which means with no special or distinctive features; normal, whereas in Albanian if you hear “an ordinary person – njeri ordiner” means a bad, vulgar person. When these children grow up they can tell the difference. Bilingual children may start speaking later compared to monolingual children because they have two meanings of the words, sentence or objects in the mind because in some languages some words may be pronounced the same, but the meaning may be different as in Turkish kurnaz means cunning while in Albanian means stingy.

Based on Bialystik (2010), it can be stated that bilinguals’ communicative skills suffer if they are compared to skills possessed by the monolinguals and this is due to the vocabulary. The vocabulary of the bilinguals is spread across two languages (Bialystik, 2010). Nevertheless, it is the child’s vocabulary that suffers if the cognitive development is taken into account. Based on Birna Arnbjörnsdóttir’s research language confusion can occur in those cases when discrepancies between the two languages emerge or when children cannot attend the educational resources (Birna Arnbjörnsdóttir’s 2011). When the child attends school and is faced with a continuous bilingual development then the acquisition of the vocabulary is satisfactory. Another disadvantage is related to the misperception regarding the cultural identity. Switching from one cultural identity to the other can make the child feel comfortless. The child may confuse things up regarding the traditions, behavior, culture which can result in embarrassing situations.

5. Conclusion

By studying and interviewing some bilingual families, who are raising their children bilingually, it is hoped to bring a clear picture of the present day situation in Albania regarding bilingualism. Based on their answers, we are able to distinguish whether it is an advantage to be bilingual in Albania or not. The best strategy for raising a bilingual child successfully, it is One-Parent-One-Language strategy. The parents are raising bilingual children because their parents belong to different nationalities and each of them speaks a different language. They speak a different language at home and another language at work or within the community.

What is noted in all the families is that, in the question where they were asked is that they all replied the same; each parent addresses to the child in his/her mother tongue accept in same case where it is necessary to speak the other languages. Also children address their parent in the same language, while children most of the time address each-other in the father’s language or the language spoken by community.

Nevertheless, bilingualism is a complex field difficult. As stated in this research paper early investigations claim that bilingualism affects children’s language use as well cognitive development in a negative way which results in linguistic deficiency, lower intelligence level and linguistic confusion. Later, Peal and Lambert’s research changed these ideas that bilingualism was only represented by the deficiencies mentioned because they conducted a close survey. They indicated a positive cognitive development, better concentration, flexibility in the language use, etc. These positive aspects of bilingualism are noticed from all the parents of the bilingual children who are living in Albania.

References

Parental Motivations in Sending Children to School in a Paradoxical Indian Learning System of Declining Learning Curve and Increasing Enrolment: A Case Study of West Bengal

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Abstract

Current studies explain the growth in enrolment in Indian primary schools to be a result of ‘cost-effective’ incentivized education by the Indian Government. However, this does not explain why parents living below the poverty line (BPL) are forgoing higher opportunity costs and sending their children to school, especially in the context of a declining learning curve. This study investigates the motivating factors among BPL parents and the relative significance of incentives in shaping their decisions regarding their children’s enrolment. This study also reveals qualitative and quantitative data based results showing Right to Education (RTE) Act’s (2009) ‘free and compulsory primary education for all’ motivating millions of ‘very poor’ first generation learners to enroll. However, in these households, incentivized education is not sufficiently cost-effective to substitute child labor. Furthermore, The Right to Education Act’s No Fail Policy is shown to have negatively impacted learning in government schools.

Keywords: Schools, Indian Education System, Students, Motivators

1. Introduction

This research sets out to investigate the gap in the research area of qualitative understanding and explaining the causal mechanisms through which the parent’s choices lead to child enrollment. King, Keohane and Verba (1994) suggest that qualitative research can add depth to quantitative research by going beyond established correlations and instead investigate causation from descriptive inferences.

The question to be asked is what motivates parents despite falling learning curves to send their children to primary school (whilst increasing opportunity costs – in form of substitutable child labor). The motivation for the question stems from lack of analysis in current research available in gauging parents’ viewpoint towards education system, and plain focus upon government frameworks and policies reflecting only increase in enrolments (Fig 1).

The millennium has witnessed the introduction of new policy interventions in India’s elementary education system and better implementation of existing ones. These include amendments to the Child Labor (Prohibition and Regulation) Act of 1986 in 2006 and 2009, the Sarva Shiksha Abhiyan (the Education for All Movement) at the turn of the new millennium, the Mid-Day Meal Scheme (MDMS) in 2001 as well the Right to Education Act (RTE) in 2009. The RTE not only made education compulsory and free, it also mandated the ‘No Fail Policy’ (NFP) till the completion of primary school i.e. Class
VIII (age 13 years). Each one of these factors has contributed to the promising enrolment figures. Various national employment schemes, such as Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) and the National Skills Development Corporation’s (NSDC) schemes have also made education an attractive option for millions wanting to avail these schemes.

Hence, in the context of alternate economic opportunities for children (in form of child labor) available to parents, the larger question which this research addresses is why are parents (particularly from poor households) sending their children to school when the learning curve is declining?

2. The Unexplored Paradox

Despite policy interventions and the significant progress in bringing millions of out-of-school children to enroll in primary school and achieving enrolment rates as high as 96% in 2014 (Pratham, 2015), the Indian education system has a new challenge in form of the declining learning curve. While 65.5% children attending Class IV could read at least Class I text in 2010, only 49.2% could do the same in 2014. In 2010, 55.1% children in Class IV could subtract. This figure has plummeted to 32.3% in 2014 (Pratham, 2015).

In the context of this paradoxical scenario of increasing primary school enrolment and the declining learning curve, it therefore becomes crucial to evaluate the motivators for educational choices, especially in the cases of children whose families constitute the 269.8 million that live Below Poverty Line (BPL) (Planning Commission, 2013).

Fig 2: Dependent - Provider Model

The dependent-provider model (Fig 2) identifies the puzzle that this research seeks to solve. Based on the premise that a child is considered to be either a ‘dependent’ or a ‘provider’ (or a mix of both) in a family, the two ends of the dependent and provider axis indicate whether a child is perceived to be 100% dependent, or is perceived to be a 100% provider by the parents. The importance and urgency for role-reversal (dependent to provider) vary in extent depending on the socio-economic and local factors influencing households (i.e. earlier and important in extremely poor households).

When a child is a dependent (which exists up to a particular age that is indicated at O), the parent feels compelled to provide for the child. For BPL families, this is representative of the point of time where a family would benefit from a scheme such as Mid-Day Meal Scheme and supervision at school while parents are away at work. Till this point, parents are expected to provide for their child (area ABOE explained by Mid-Day Meal Scheme). When the child reaches an age of O and beyond (unexplained phenomenon is the 'grey' area BCDO), the child is no longer a dependent and is in fact a provider, capable of working. Here, the ‘provider’ role of a child would be far more beneficial compared to an incentivising scheme, especially to a BPL household. Nawani (2014) is also of a similar opinion that incentives offer only a partial relief
to poor parents’ financial problems.

The objective of this research is to understand the process and mechanisms through which parents make educational choices for their children and analyse this in light of increasing enrolments and a declining learning curve. At the same time, the research aims at finding an explanation to this paradox, especially in poor households, where opportunity costs are a significant sacrifice.

3. Research Question

Fig 3 explains how the questions of enrolment will not be limited to the success of schemes unlike previous studies. Motivators and aspirations need to be assessed from the perspective of region (urban-rural), community, income groups, parental dynamics (i.e. whether the mother or the father is the key decision-maker) and the gender of the child in order to analyze their impact on perceptions and importance of these one-size-fits-all schemes. Perception of the quality of education for meeting future aspirations has also been considered in the design.

![Fig 3: Process tracing: parental motivations](image)

4. Conclusion

This research not only identified a paradox emerging within the elementary education system but after extensive fieldwork in rural and urban West Bengal, filled this gap in research.

School participation in poor households has been oversimplified to be dependent on the cost of education (direct and opportunity cost). A dichotomy exists, even within BPL households regarding schooling. While government incentives and policy initiatives have accounted for massive enrolment among the ‘very poor’ first generation learners of BPL households, there are many living below the poverty line who are sending their children to schools for factors besides the reduced cost of education vis-à-vis these schemes. These include high aspiration levels and the need for respect, findings which have emerged from this study.

Existing research has discounted the strong motivating factor of rising aspirations in the paradigm change of enrolment in India. The rise in enrolment among the poor has been explained by researchers as a consequence of various schemes and policies, excluding the critical role played by parents at the decision-making level.

This study has led to the discovery that the increase in enrolment among these ‘very poor’ and illiterate, combined with growing aspirations among other BPL parents (particularly the historically disadvantaged Muslims, who are now enrolling in mainstream government education instead of madrasas) has impacted the learning curve due to the complex nature of challenges faced by first generation learners. This situation, combined with the government to private school migration among the APL households with high aspirations, has further contributed to declining mean learning outcomes in government schools in the recent years. Views about the declining learning curve as a failure of the government education system have not taken these factors into account.

However, there is still scope for the government to improve the existing education system. A segmented learning curve showing variance rather than mean will help in capturing the complexities of different socio-economic groups. This will help in problem identification which can further be addressed through target-based schemes. The education system can become truly inclusive by providing educational support for the first generation learners and introducing languages such as Urdu for the Muslims in all government schools. While the Right to Education has increased enrolment, education can become a reality once every child’s right to aspire is recognized.
References


Socio-Utopical Viewpoints toward Pedagogy and Educational Institutions at the End of 17th Century up to the First Half of 20th Century

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Abstract

Philosophy of socio-utopists belongs to the end of the 17th up to the first half of XIX century (19th). This is firstly related with the development of ideas for education and schooling problems of the time and in the developed europian countries. The main contributors of this school are: Robert Owen and Charles Fouries, whose their "philosophical recarnation" toward the moral principles obtained due to their productive pedagogical analyses approaching more and more to the socialist pedagogical issues. Next, the fans of the socio-utopist thought or mindset tried to shape the bases of pedagogy and didactics criticizing roughly the bourgesie and capitalists society being totally uninfluenced from religion. Their viewpoints consists in an innovation to the development of ideas on education and schooling of that time.

Keywords: Philosophy, school, pedagogy, educational plan, methodology, moral education, society.

1. Introduction

A special pedagogic observation for some of the terms and social dilemma has made the dreamers of the heavenly tales known as social utopian. In contrary to the wrong belief that the education is the main tool with which can be improved and changed the capitalist society, the social utopian gave a few great examples of the practical and educational ideas giving an important historical impetus to a few of the pedagogical ideas in the period of XVIII-XIX centuries.

It was the time when a few of the great scholars in the field of education had built their pedagogy in the critics of the society and feudal pedagogy, whilst the followers of socio-utopia had started their activities with the ideas for education and society and harsh critics for the capitalist society and bourgeoisie society. This was a serious threat in the development of the pedagogical opinions, and also a novice at that time.

It is important for them to criticize above all by moral positions and in the contrary of the old opinions, they introduced the new type of education. The Classics of the bourgeoisie pedagogy fought against feudal exploitation not against the capitalist one.

For this reason their greatest contribution for the development of the pedagogic opinion is mainly in didactics. An important contribution to the development of the opinions over the education and school in the stage of after foundation of the history of the schools and ideas of education as science have given a few outstanding socio-utopian philosophers that confirmed the development of progressive point of view for the moral education, offering many pedagogical point of view in these issues. We would distinguish Robert Owen and Charles Fourier whom “the philosophical enlighten” on the education gained thanks to the interesting analysis on pedagogy and educational problems.

2. Robert Owen (1771-1858)

Robert Owen was the son of a craftsman and above all he gained merchant education. He tried to become a producer and soon he had the position of the director in a cotton mill in Manchester where more than 500 workers worked. He started to introduce the first socialist reforms which were supposed to improve the relationships of work and life. He was acquainted with the works of French materialists, of Ruso and Loku, and with the pedagogic plans of Bela and Lancaster. In 1800 he was in charge of the textile mill in New Lanamark in Scotland and became one of the owners.

In his fight for the improvement of the situation of the workers he was influenced by the idea that he got from the French materialist philosophers that stressed the fact that the individuals are depended by the surroundings not by the conditions.

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1 Jean-François Braunstein; Bernard Phan, Manuali i kulturës së përgjithshme, përktheu: Bajram Muça, Tiranë: "Iliria", 2008, f. 327.
2 Ibid.
origin. For this reason he tried in every possible way to improve the condition for life and work. Also it was his merit to help in passing the law for banning the children under age of 9 to work in mills (he required less than 12) and settled that the children up to 12 years to work only 12 hours, and also tried to organise a better life for his workers too.

The mill of textile in New Lanark that he ran became the place of his life experience. It was necessary to show the fact that in a different surrounding the man changes himself. The practical idea of Owen caused a great interest in the world.

Owen set a new rule in his factory and in the life of the workers those changes were made: shortened the working hour, the children under the age of ten were not hired in his plant, build houses for them, organised the education of the little children and adults etc.

Owen became famous in the whole Europe. His mills were visited from people to be acquainted with his work. Amongst them were many outstanding people of that time. He also became renowned in the philanthropist and lectors society. This popularity was also increased by his writing of 1813 “a new overview on the society or Essays on the character formation” in his work shows his point of view over the society and more or less describes his work in New Lanark.

When he saw that the work with the new socialist reforms was not very efficacious and it was not possible without the help of ideas of the existing society; when in the year 1971 he objected all the religious beliefs and announced all his leftist plans, the opposition of that time started to stand against him. Also the fact that England of that time was not in a very favourable and stable political-economical situation, because they encountered the riots of the workers due to first economical crisis and the influence of the French revolution. In his point of views on the harmonisation of the communist society, Owen introduced them in his work “The book of the new moral world”. Engels featured the importance of this development of Owen. “Passing in communism means a turn in the life of Owen, until his simple philanthropist activity could give him prosperity, merits, honour and fame. At that time he was one of the most popular people in Europe, until he introduced his communist theory, he was expelled by the official society, ignored by the press, impoverished by his constant unsuccessful attempts in America that devoured all his wealth.

Owen attacked viciously the private property and religious belief as the main cause of all the evil deeds in the society. In 1825 Owen founded in the North America the (New Harmony) colony wanting to explain his opinions. But this colony was not successful because it was destroyed in 1828. Later he participated in the British popular movement. He died in 1858.

Even though his vision and attempts for the socialist society was utopia, Owen above all was committed in the implementation of his important pedagogical opinions such as: the general education, scientific and educational education, socialisation of education etc. He was the first to object the wars and political confusion, because he was a utopian socialist. He always praised the influence of the development of personality, without taking into consideration that “His institution for the formation of personality” was something else from the “New Harmony” but after 1817, Owen was even more convinced that the education was the best tool for the construction of the socialist society.

2.1 The organisation of education

In the middle of the colony of his plant in New Lanark, Owen built “The institution for the formation of personality” where he focused all his educational work. The children from two to three years old went to nursery school, from three to five years old in the kindergarten and from five to ten years old went to school and later they went to work in the mill and attended the night schools (up to 14 years old).

Youths between 17 and 25 spent their free time according to a plan determined in the Institution where they learned, entertained, and sang. He coordinated the work in the mill with education. He wanted the government to be in charge for the situation of the schools, and for the education and training of the teachers.

Owen asked the creation of the state institution for education. We should take into consideration that at that time in England no compulsory school existed and the children of the workers could not go in any cultural institution, but to

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5 Ibid, p. 130.

6 Sunaj Raimi, Sociologjia, botim i Universitetit Shtetëror të Tetovës, Tetovë, 2009, f. 55.

7 L. Zhlebnik, Histori e përgjithshme ..., f. 130.

8 Ibid.
private and religious school. This request of Owen is not contradictory with his opinion about the communist education as a social obligation.

2.2 The content of the education

Along all his educational work Owen aimed: the harmony between the benefits of human and society, and latter he raised to the idea of communist regulation in the shape of communist communes; the general formation of human with which he criticized the capitalist society that couldn’t make possible such advancing. Regarding educational content must be stressed the idea that in the centre of pre-elementary education were games, intuitive education, the development of valuable moral qualities, games military training for both gender, better education older children helping younger children etc.

From the sixth year up to tenth year the purpose of the education and education itself was relied in these subjects: reading and writing, geography, new history, dancing, moral religious education, learning the work in agriculture, domestic education, military training and all of these were free of charge9.

In the tenth year of the school was the work in economy and the night school. It is pretty certain that Marx in his concepts was urged by the educational system of Owen in New Lanark, because in his pedagogical work in that place he wrote: "by the system of factory as it can be seen in detail by Robert Owen the thread of the future education, which for all the children in a time will interweave the productive work with education and gymnasium and this will help not only in the increasing of the production but is the only method for the creation of developed people in every aspect. ("Capital")10.

2.3 Educational plan for the "New Harmony" colony

Owen developed a richer program that in the meantime was replaced only partially. About the education of the children between the fifth and the tenth year Owen says for example: "They will gain their knowledge mainly through their personal contact with the objects and through friendly conversations with those that are more experienced... those children within two years will become volunteers and participants in the house works... (Book of the new moral education)11. Children from the tenth year up to twelve year will help the children of a lower scale in their work and entertainment and from the twelve to fiftieth year shall be engaged in gaining knowledge in craftsmanship valuable for the life, knowledge that will make possible in the production of larger quantities of goods in less possible time. In this job they will spent every day just enough time as it is required.

Pre elementary education. Above all it is important that Owen was the first to implement the idea of pre elementary education, which theoretically was elaborated by Frebly. The child’s imagination needs to be extended, the school needs to wake and educate friendly feelings to him to form moral collective qualities. The school need to teach to the children writing, reading, and later it needs to teach the basis of geometry, grammar, history, geography and teaching the mechanics. Girls need to learn sewing, cooking, and then later joined the school of house maids. At school they never leave behind the body education, also they exercised at military education games, in songs and various manifestations.

At the night school which Owen paid a great importance for the education of the adults. They organised free speeches, they had their reading room and also took care for the rest and entertainment. Very frequently were organised concerts with old Scottish songs, where many people may attend.

It is interesting what Engels said about the work of Owen “The residents of New Lanark around 2500 were of various type; the majority of them were destroyed morally12. These residents were transformed by Owen in an exemplary colony, where the drinks, police, courts, were unknown and unnecessary. Here Owen arrived only by creating the workers right conditions for human dignity and especially taking care for the good education of the new generation”

2.4 Methodology

Since Owen was decided against the mechanical education, he demanded that the teacher could wake to the children the interest and the activity. For this reason he evaluated very much the intuition in learning the knowledge of nature (students went to excursion in open nature, at the institution there was also the natural museum, for the geography they

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had the big geographical map of the world, in trade big tables etc)\(^{13}\).

The general educational principles. From the practical educational attempts of Owen and furthermore from the pedagogical point of view that were introduced in writings was understood some principles and fundamental aims of the pedagogic transformation of the world.

Along with the opinion of the human development Owen stressed especially the importance of the mental education and the importance of the knowledge. However Owen did not praise the knowledge without connecting it with the productive work and the body education. This joint of knowledge and work will be completely possible especially in the communist order\(^ {14} \). Owen praised science especially mathematics, physics and chemistry that were necessary especially in agriculture and industry\(^ {15} \). The youth in its communist commune had to get acquainted with agriculture and industry.

2.5 Moral Education

According to understanding of Owen good is the human who in all its deeds put the fate of the community ahead of its own personal fate. The individual finds his own fate if he contributes to the general happiness of the community. The education as a part of this circle where such perfect moral people are developed influences in the development of a good personality. For this reason the moral education in the educative system of Owen take the first place, and also this education should be without soft, without punishments and rewards\(^ {16} \).

In the moral education that he praised so much, Owen on the contrary of the bourgeoisie individuality, as a value stressed the collective cooperation. This value that was so dominant in his work was a part that gave the utopia socialism the pedagogical meaning and it was so strongly connected with the working class. Also the idea of collectivism introduced by the utopian socialism and supported in prospective was a very good idea. From the ethical point of view this was higher than the “human” ideal proclaimed by the bourgeoisie scholars of that time, and even though these ideals were found then in many things\(^ {17} \). The idea of collective education and the moral of the collective cooperation were founded by Marx and Engels.

But in the moral education was added strongly the incapability and instability of the socio-utopian meaning of the society. If for a new and improved order of community should change the moral of the man and if the new man should be transformed by the education how can a new circle be created by a given circle? We are in the “magic circle”\(^ {18} \). To escape from the old circle it is necessary to improve the working class and improve certain knowledge (natural and social) which in the genius generalisation of Marx and Engels showed the new way to humanity and education.

2.6 Importance

The socialist contribution of Utopian Owen in the history of pedagogy is so great that it cannot pass without being noticed. With his attempts that through education could change the humanity and community and with the deepest feelings and social rights that he expressed so enthusiastically and belief in his work he found some fundamental pedagogical necessities in the improvement of the community, in the birth of this new society and education.

In the middle of these new pedagogical attempts of Owen the ideas of communism education need to be brought up; about the general human development, over the religionless education, about the relation of education with the productive work, about the organisation and development of pre elementary education, about the good teaching and the methodical point of view, and especially the adults education. It is important his ideas about the moral education for the collectivism. It is also important his request for the general education and the care of the state about the organisation of education and learning. With his critics against bourgeoisie education he also discovered the great flows of that education.

Owen was not a scholar-writer or theoretician, but as great warrior for the new world order he gave powerful pedagogical impetus, enriching further the socialist founders such as Marx and Engels in their socialist idea of pedagogy.

3. Charles Fuier (1772-1837)

Among utopian socialists that criticized the bourgeoisie order and bourgeoisie education was the French Utopian Charles


\(^{14}\) Ibid.

\(^{15}\) Ibid, p. 238.


\(^{17}\) J. F. C. Harrison. Robert Owen and ...., p. 85.

\(^{18}\) Ibid.
Fuier who from his point of views is not as important as British utopian Owen. Fuier dreamt for a community where work could be an attraction and human lusts be in a good harmony19.

Amongst the problems that according to him were not sorted properly in the existing community was the educational issue. Fuier criticized the bourgeois education that did not take into consideration the interest and tendencies of the children and they harmed their health, they were overcharged mentally very frequently and this distracted them from the serious learning, because they did not take into consideration their will for change20. Because of all of these the children could not develop properly and above all this system was based into punishment for children. The social order is such that even the children can tell the moral hypocrisy: in other words the reality is different from the words. The division of the words from the deeds cannot be a good basis for a fair and a healthy education

3.1 Education in the “harmonic order” should be different

All the youths should be educated and developed in harmony. Also the “body and soul” should be developed and also the natural inclinations of the children should be taken into account21. The education should be built according to the children will for work and his activity. They should be developed in education and work in contact with practice and artistic one22.

Fuire appraises the knowledge and science. He turns down the systematic educational work and believes that through the work should waken the interest in the children for the science 23. He praises the role of education in work and also underestimate the role of systematic learning. Fuire too believes that the education is an issue of the community.

3.2 Importance

The critic of Fuire against the bourgeois education system is one of his merits. That system takes care firstly only for the education of the smallest and privileged youths. A positive role played his opinion for the attractive part of the work (Frebl) that was the main urge for the general development and especially for the natural inclination of the for the development of activities. It is important that a care should be taken for the psychic qualities of the children. Fuire too agreed with the idea that education with community work and the education has a social character, but he paid little attention the problem of systematic education and school.

The classics of Marxism over the utopian socialists. Marx and Engels praised very much the utopian socialists about their pedagogical problems. Utopian socialists gave to the Marxist pedagogy furthermore the necessity of the education of the new generation and the joint of the education learning and productive work. These two principles were used in “Communist manifest” clearly and in the way of qualitative development.

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21 Ibid.
22 Ibid.
23 Ibid, p. 63
MFIs Commercialization New Opportunity to Sustainable Profit

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Abstract

Microloan determines the methods that create opportunities to offer micro loans to very poor families in order to help them realize their productive activities and offer them the possibility to develop small businesses. Microfinance is not limited to offer small loans to the poor, but also a wide range of financial services to all of which are excluded from the classic financial system. The Albanian financial sector is not only dominated from the commercial banks, but also from a high number of non commercial financial institutions (16 commercial banks, 27 noncommercial banks, 1 representative of foreign banks, 397 exchange offices, 111 credit union associations and 2 credit union association.) (Bank of Albania, 2015). Microfinance institutions cover especially rural and sub urban areas focusing their services in areas, where financial services lack. Particularly in rural areas is proven that these financial institutions have helped farmers to overcome the emergency phase and, subsequently, have spurred development, creating some of the first financial structures in rural areas, as well as enabling villages to manage loans and other development projects. (Salko D., 2000)

The article purpose is related to the future of the microfinance system in the country as a necessity for them to have more consolidated structure in terms of legal framework (transforming them into commercial banks) and the possibility to offer lower interest rate for the offered services. If the first structure is linked to the core changes of these institutions and the second is offering a strategy for market adjustment strategy.

Keywords: MFI commercialization, micro loan, financial sector, microfinance system.

1. Introduction

In its early start microfinance was formed voluntarily to help the people in need. Although nowadays it represents a market solution for poverty reduction.

Actually as never before the world is paying attention the link among finance and poverty and the idea of past decade of low income people who represent a new business segment which is becoming more attractive. (Daryl Collins. 2009).

To predict how the future of microfinance will be, we have to understand a wider range of services well perceived from the market where it operates. Deeper the financial markets, the greater are the benefits from the financial intermediary.

According the Jean Philippe de Screvel: “Commercialization is not a goal itself, but ensures effective products and financial services”. In reality it suggests that microfinance can be a profitable business with effective interest rates at market level and the loan re payment to be at 97% rate, which is much higher than the commercial banks.

At this level we raise the questions below:
1. Which is the actual status of the microfinance institutions that operate in Albania?
2. What is the condition of the financial sector and what is the microfinance long term strategy?

Given the research questions and issues, we raise the following hypothesis:

Ho: The commercialism of the microfinance institutions will bring positive effects in the Albania financial market

Microfinance institutions are being efficient as financial intermediaries, because with their managerial and professional capabilities have restored a nonexistent financial market, lending in regions excluded from the traditional banking system.

Although Microfinance Institutions play a major role they have a disadvantage in terms of higher capital costs. They
should seek to reduce the overall lending costs to balance the high operations costs caused by small amounts of loans. This means that a microfinance institution has much more operational expenditures on staff, logistics etc.

2. Methodology

Our work will be realized through factorial analysis, because we will start from the phenomena and real microfinance cases in Albania and worldwide to explain the phenomena in general, which is linked to the transformation into long term and sustainable institutions with commercialized profile.

A very important part of the information will be used from the Bank of Albania data base. This institution ensures a transparent and credible source of information related to MFIs their financial sources and the way they operate. Bank of Albania makes a descriptive statistical analysis for the stability of micro financial markets.

Public data give detailed information for the average number of loans, number of active borrowers, non performing loans, and financial rapports. The information is elaborated through computer programs, such as Microsoft excel, where some Pivot Tables are made through the Bank of Albania data.

3. Results

The information provided from the microfinance institutions is very formal regarding the regulative side, but not the developing strategies. This gap is generated from the Bank of Albania, because these are the data requested by it. This vigilance of the Bank of Albania justifies the share of microfinance institutions in the banking sector. Some publications are made only by specialists of the Bank of Albania, which have been more descriptive than analytical (Nako A. etc. Buletin the Bank of Albania, 2011).

Compared with the other countries within the region, it is noticed exist spaces for a more active role of the financial intermediaries related to the development of microfinance. The highest level of the average loan compared the gross national income per capita compared to the countries within the region (excluding Kosovo), shows that within the population with low income the penetration of microfinance results insufficient.

The changes of the microfinance regulatory framework has enabled new licensed operators, under the new requirements to be oriented at this segment of borrowers, which represent the main objective of microfinance. Currently the supply of microfinance is oriented mainly into the urban areas of the country leaving uncovered the rural areas with financial services. Depending on the type of the institution and its level of development, there are different levels of customer target groups and different type of loans, which are materialized in the level of the development of the average loan. (Nako A. etc. 2011)

At the end of year 2014, the Albanian microfinance market outside the banking sector results with a gross loan portfolio of 32,230 million Albanian ALL, equivalent to 23.19 million EUR. The performance of this portfolio tends to increase, but at reduced rates during 2012-2013. Under these conditions the number of the active borrowers is increasing from a year to another, but there is a decrease in the average loan portfolio as a reduction in the loan outstanding for new borrowers, mainly during year 2013. This represents one of the measures in response to the financial development in the country.

The level of nonperforming loans appears to have slightly increased, excluding year 2010, where there was a significant deterioration. Microfinance market development analyzes the non banking financial institutions and the SCAs network. Relevant indicators of the banking sector are not included, given the different characteristics of the banking activities regarding the nature of the customers, the maximum credit amount and specifics of the regulatory and supervisory framework.

![Graph 1. Weighted assets on non banking institutions (million Albanian ALL)](image)

**Source:** Bank of Albania, 2015
The active clients have the same increasing trend as the loan portfolio. The highest loan portfolio and number of clients have been in year 2009. The main causes of a not higher portfolio and number of clients are as a consequence of:

- World financial crises of year 2007 involved Albania too. In our country the crises showed its effects in 2009, due to the increase of nonperforming loans (Bank of Albania 2010)
- Reduction of remittances. According the reports of the Bank of Albania in 2007 remittances were 952 million EUR, a figure that fell sharply in 2010 to 690 million EUR, while in 2012 remittances fell to 675 million EUR.

Loan portfolio represents 56.3% of the total assets in the structure of the non banking financial institutions. The rest of the total assets is oriented by cash in hand, deposits and current accounts (22.6%), and treasury bills with different face value (11.8%).

Non banking financial institutions are mainly financed by the loans borrowed (54.6%) and their own capital (37.7%). The loans borrowed are mainly from the domestic banks (40.2% of the loans borrowed) and non resident financial institutions (37.4%) meanwhile there are other sources of financing from other local sources. The major part of the non bank financial institutions’ loan portfolio is made by institutions on giving loans, followed by leasing institutions with 37.0% and the rest portfolio by factoring institutions.

During 2014 the gross loan portfolio of non banking financial institutions had a slight increase of 51.6 million ALL (0.4 million EUR) a total amount of 19.73 billion ALL (142 million EUR) or which represents 3.32% of the total portfolio of the banking sector. Gross portfolio growth is mainly attributed to the activity of lending and microcredit entities (1.64%), as well as factoring entities. (149%). Meanwhile in 2014 the financial leasing continues to decrease (3.94%).

The nonperforming loans (gross) has increased during 2014 with approximately 115.32 million ALL (0.8 million EUR). This growth has led to the deterioration of the nonperforming loan indicators for SFJB. In December 2014, the indicator appears to be 13.74%. The financial leasing portfolio has influenced the nonperforming loans increase of SFJB with approximately 327.22 million ALL (2.35 million EUR) or 32.8% Meanwhile, microcredit loan portfolio has a decrease of nonperforming loans , with an amount of 212.4 million (1.5 million euro) (13.7%) compared with 2013 and 2014, amounted to 11.82%.

In the yield evaluation of non banking financial institutions and ASCs there are differences for the same micro market. This difference is explained with lower capital costs that they use and the high costs that Micro Finance Institutions need the achieve the necessary profitability.

During 2014 the non banking financial institutions have generated the positive income of 754.5 million Albanian ALL (5.4 million EUR). This result has shrunk with approximately 396 million Albanian ALL (2.8 million EUR) (or 35%) compared to the previous year.

In the majority of the non banking financial institutions we notice a weak performance. The profits of non banking financial institutions makes approximately 6.7% of the result of the overall banking system.

4. The Regulative Framework and the Bank of Albania Role in Development and Regulation of the Microloan

The current legislation in Albania for microfinance has been framed in a way that allows this institutions (except for saving and credit unions) to allow them in lending if they have the licences as non banking financial institutions. The legal framework is based on the law “For banks in the Albanian Republic” meanwhile the Law "On Savings and Credit Associations” regulates the activity of savings and loan associations and their unions.

The focus of the Bank of Albania has been oriented toward adopting and developing a legal framework, either to allow sufficient monitoring of microfinance/ microcredit activity or to give a positive an extra incentive to its development.

In February 2009 the new licensing regulation for non banking institutions has defined this activity, excluding it from other activities and enabling easier requirements for initial capital.

This innovation provided in this regulation has enabled the growth of licensing requests for non-bank financial entities, which provide microcredit. During 2015, within the scope of the licensing function, the Bank of Albania has licensed six non banking financial entities, three microcredit financial institutions such as (Micro Credit Albania Ltd, Iutecredit Albania JSC, Agro Partner ltd) two electronic money institutions (Vodafone M-PESA ltd, Easypay ltd), a non-banking financial entity to exercise financial activities factoring and financial leasing (Crimson Finance Fund Albania ltd), as well as license revocation of the non banking institution such as EasyPay Ltd due to its transformation in electronic money institution.

The supervising process has undergone positive developments toward strengthening the supervision and analytical structures. Supervising these institutions even when they do not accept deposits is important, because the Bank of Albania improves their operational management, increasing their reporting standards and healthy loan practices.

This enables more funds thus creating more spaces for business expanding, more customers and a wider range of
products offered and the creation of financial independence.

Supervision of these entities including Saving and Credit Associations are based on the licensing criteria and supervision norms that should be respected. The main aspects of the supervising regulatory framework have to deal with capital adequacy, credit risk, liquidity and foreign currency position. One of the main risk is the loan risk.

Expectation of the portfolio quality indicators are increasing. This mainly affected from the supply side toward the decrease of the loan portfolio in two main aspects:

Referred to the microcredit loan portfolio structure, divided by the economic sectors at the end of 2014, diversification is and should be considered and a long term support of the Albanian economy, such as tourism and agriculture.

It continues to be dominated in business financing (92.3%), oriented toward services and trade sectors. “Trade, vehicle repairmen and domestic appliances” (29.3%); “Agriculture, hunting and silviculture” (12.9%); and “other” (11.9%).

This lending orientation is judged positively in cases when the above sectors represent an important contribution to the per capita growth. According to groups of institutions, the greatest impact on lending to agriculture and silviculture has the Credit and Saving Associations (54% of the total network portfolio). The agriculture is evaluated as one of the most potential sectors in the long term economy development and lending to this sector is strongly encouraged.

At the same time, there is room for an orientation of the microcredit portfolio to other important sectors, such as manufacturing or service industry collective, whose current weight is respectively 7.84 and 8.80 percent.

Compared to other countries in the region, the microcredit in Albania has potentials to expand.

During 2005 – 2013 the weighted average loan portfolio growth is low, compared to the same institutions in the region, affected by the rapid growth of this market in the region. The profitability indicators such as RoA and RoE for banks are calculated in positive values of 0.89% and 10.53% at the end of 2014 showing a noticeable improvement.

The main challenge of microfinance entities, beyond the banking institution remains the fund provisions for an ongoing activity. Providing this fund is vital because the capitalization of profits is not sufficient to handle cash flow, and owners capital increase is deemed as unnecessary by investors as long as it affects the shareholders increase in capital. Often funds are provided by international institutions and therefore they are in foreign currency. Institutions that accept funds in foreign currency face another challenge such as open foreign exchange positions.

As loans are provided in local currency (ALL), therefore microfinance institutions undertake other costs by using the hedging methods to exchange these funds. Therefore clients face higher costs. As a result of additional costs, the microfinance institution increase their rate of return.

In comparison with other microfinance markets, noted that Albanian customers pay higher interest rates. The highest price for the same client, although they know the market now directs the formalization of the latter to services cheaper in the financial sector.

5. Conclusions

- The microfinance industry in Albania has had positive results and could therefore go toward commercialization process. On the other hand the increase in demand for financial services is immediately reflected, by licensing non-bank entities that provide electronic money transactions. These changes are showing self-regulation of non-bank entities to perform all service requiring full commercialization of this market.
- Data from the Bank of Albania database concluded that ROE in microfinance institutions in Albania has created deep fluctuations due to lack of strong supervision in this financial segment.
- Transforming the microfinance institutions will affect the industry in the future to become self-sustaining, transparent and legally regulated. Participation of microfinance as a commercial bank, but not as a consumer financial requires primarily the consolidation of dedicated branches, also an understanding of the local culture, as well as making use of economies of scale and the training of specialists, and successful loan monitoring.

Recommendations

- Microfinance institutions are in the restructuring process and therefore they should dare to undertake radical changes, and leaving behind the old way of doing business.
- Bank of Albania should support more the microfinance sector, through easier policies.
- These policies can focus on: Lowering the dues that Microfinance institutions should pay during the first phase of commercialization.
On the other hand the government should adapt a full micro insurance fund (not partial as already is in place) and attach a full legal framework.

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E-government in Albania

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Abstract

Douglas Engelbart, the inventor of the computer mouse said "The digital revolution is more important than the invention of writing ...". This expression in the beginning seemed like an exaggeration pleasant, but today it is a reality in every area of life. The Albanian government has initiated a program "Digital Albania" as part of govern program for the period 2009-2013- continued. This program essentially it’s not concerns the use of a computer, database or interfaces website, but above all related to their use to promote effective and democratic governance, improving the educational system, information and services that the government provides to its citizens. In Albanian conditions, this initiative is a huge undertaking that requires titanic effort to succeed with the right pace. They have been and are great difficulties after such an effort requires particularly more energy, time and money. It has sought and continues investment major in human resources, the adoption of appropriate legal framework, in planning and establishment of appropriate institutional structures, investment direct technology, etc. Of course Albania continues have shortcomings communication between politics, business, education and producers technology. This is partly due to traditional roles various interest groups, but also due to the fact that Albania did not inherit any tradition, not only technology, but also the potential impact of technology on organizational development and all major industries.

Keywords: digital, governance, programs, information, system.

1. Introduction

Technologies of Information and Communication Technology (ICT) play an important role in achieving the strategic goal for governance to be always the best. Ensure governance through ICT electronics (e-governance), which is nothing but an instrument for a more effective, more transparent and efficiently. Today, the main benefit of e-government technology systems seen in building an open information society through the provision of a wide variety of public services on-line, by promoting partnerships public and private only for some benefits in common. ICT and priorities in European level are too outlined in Europe 2020. Strategy for increase and stable of economy in the European Union, prepare for the challenges in future decade. Digital Agenda for Europe (DAE) 20, it's connected direct with field of technology of information and Communication1.

In analogy with EU priorities of policies, development of ICT and digital agenda are part of program in government of Albanian for period 2013 - 2017. Its set that government must do work in main guidance by targets decided to be measurable:

The first, for increase and promotion the electronics services for citizens, business and administration.
The Second, for use the ICT in education (trained youth).
The third, consolidation of digital infrastructure in all territory of Albania by respected with rigorously principles of European to be competition, cheap and honest2.

ICT it's currently a main driving forces to economy and growth of GDP in European Union that come from ICT

2 http://www.akshi.gov.al/images/Programi_Qeverise.pdf
sector. Investments and innovation in ICT that are expected to contribute in growth and productivity in European Union is with 45% until 2020. In Albania the sector of electronics communication as part of ICT give a contribution 5-6% in GDP.

2. Methods

Political research study is interdisciplinary and therefore the methods used are borrowed from other scientific fields. All these disciplines and their methods are interdependent and also interfere with other factors, which should not be overlooked. But one of the ways search more frequent and more widespread in Political Science is undoubtedly the comparative method, also known as "the queen methods of Political Science.

3. E-Government and e-Participation

The European development model is closely interrelated with the economic development of an information society. This transformation involves engaging the citizenry more fully while at the same time becoming more cost effective and efficient with the resources it currently has and consumes. The Government of Albania has identified ICT as an enabler for the social and economic development of the country. For over a decade, the Government of Albania has gradually been introducing ICTs and new technologies tools in the day-to-day work of Central Ministries and Government agencies. Such activities involved the active support of the donor community in the country.

Reports periodic to UNPAs (Network of administration public to UN) make a rating to e-government Readiness index, and e-participation. Results for web access and services online issued. This is on basis on survey to Site official to website.

In the table there are e-government index in Albania from 2003 - 2014

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<td>e-government Index</td>
<td>0.311</td>
<td>0.340</td>
<td>0.3732</td>
<td>0.4670</td>
<td>0.4519</td>
<td>0.5161</td>
<td>0.5046</td>
</tr>
<tr>
<td>Web measurement sub index/online service</td>
<td>0.083</td>
<td>0.162</td>
<td>0.1615</td>
<td>0.3913</td>
<td>na</td>
<td>0.425</td>
<td>0.4488</td>
</tr>
<tr>
<td>Telecommunication sub Index/ infrastructure</td>
<td>0.049</td>
<td>0.058</td>
<td>0.068</td>
<td>0.1251</td>
<td>na</td>
<td>0.337</td>
<td>0.3548</td>
</tr>
<tr>
<td>Human Capital sub Index</td>
<td>0.80</td>
<td>0.80</td>
<td>0.89</td>
<td>0.8869</td>
<td>na</td>
<td>0.7863</td>
<td>0.7100</td>
</tr>
</tbody>
</table>

Compare the index of e-government with Europe and world in average from 2010 -2014

Table 2:  

<table>
<thead>
<tr>
<th>Year / compare</th>
<th>2010</th>
<th>2012</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albania</td>
<td>0.4519</td>
<td>0.5161</td>
<td>0.5046</td>
</tr>
<tr>
<td>Average Europe</td>
<td>0.5566</td>
<td>0.6574</td>
<td>0.6936</td>
</tr>
<tr>
<td>Average World</td>
<td>0.4406</td>
<td>0.4882</td>
<td>0.4712</td>
</tr>
</tbody>
</table>

Compare the index of e-participation with Europe and World in average from 2010 -2014

5 UN reports: http://unpan3.un.org/egovkb/ProfileCountry.aspx?id=2
Table 3:6

<table>
<thead>
<tr>
<th>Year / compare</th>
<th>2010</th>
<th>2012</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albania</td>
<td>0.1286</td>
<td>0.105</td>
<td>0.5294</td>
</tr>
<tr>
<td>Average Europe</td>
<td>0.5566</td>
<td>0.6574</td>
<td>0.6936</td>
</tr>
<tr>
<td>Average World</td>
<td>0.4406</td>
<td>0.4882</td>
<td>0.4712</td>
</tr>
</tbody>
</table>

Note that in periodic reports of UN tell us that have had an amendment to methodology, thing that can contribute in outcome with landing to indicator for e-participation. In order Albania it's in the place 59 according to UNPAs for 2014.

ICT and digitization processes of modernization in supporting:
- Economic processes, through the improvement of production capacities based on ICT, knowledge economy and the creation of start-ups, development of innovative activities and smart cities and communities, increasing productivity in agriculture, social enterprises etc;
- Social processes, the improvement of services provided to the community and production of the common good, in promoting and facilitating social innovation, creation and exploitation of common resources, and funding etc;
- Institutional and administrative processes, via e-Government services, digital identity, facilitating interagency interoperability, simplify the institutional and administrative procedures, provision of ancillary services online, participation in decision-making of citizens and business alike.

4. Results and Discussion

“Since the advent of a word wide revolution in information and communication technologies many governments in the world have become aware of the potential of using the information and communication technologies particularly internet as a tool in enhancing their services and increasing their efficiency in terms of accessing information and transaction services. These electronic services often referred to as e-Government”. Albania govern is working hard in that field. Major priorities of this strategy that is undertaking from Albania govern are: improving national infrastructure information and communication technology; e-government development and the creation. The multipurpose cadastre. These are long-term priorities, provided and NSDI and extended time in 2015-20208.

1. Improvement of national infrastructure and information technology communication, as the backbone of the rapid development of the Information Society and increased electronic readiness.
3. Implementation of national policy for the establishment of the National Infrastructure Spatial Data (NSDI) and multipurpose cadastre through:

In Digital Agenda for Europe there are identified seven priorities to relate closely with one of them to another:
- A join digital market in EU;
- Standard and interaction;
- Trust and Security;
- Access in internet;
To popular as "crowd sourcing" and "crowd founding"
- Search and innovation;
- Improvement to knowledge and capability;
- Benefits from ICT for all society

The development of technology of information and communication (TIK) affected by the approximation of legislation with EU legislation or international. They are designed and commitments adopted in accordance with the MSA, a package of laws in society information. Filling Legislation and adapting it according to the best practices International is one of the priorities in priority to the development of society Information and communication9.

9 http://www.uamd.edu.al/new/wp-content/uploads/2013/01/ROLI-I-TEKNOLOGJIVE-T%C3%8B-REJA-T%C3%8B-INFORMACIONIT-N%C3%8B-NDIHMES%C3%8B-T%C3%8B-SIGURI%C3%8B-KOMB%C3%8BTARE.pdf
5. Conclusions

The very nature of ICT technology of general interest but also because of the impact growing that the use of ICT, Digital Agenda 2015-2020 extends the effects at all sectors of the economy and social life. Development of the Information Society in Albania is a common objective of all actors, such as public sector, academia, NGOs, civil society and private organizations. The successful realization of this objective relates to harmonization development among all sectors and actors.

But in conclusion of analysis the challenges for digital agenda in Albania 2015-2020 still need for:

- Overuse and improvement legal and regulatory that to answer fast this dynamic development to the ICT field and creation a join digital market (regional and global);
- Development and infrastructure ICT must to orientate in growth and extension access broadband to fast and super to fast in all territory and country;
- Increase and penetration the web-site in family and business and in frame to reduction it the digital gap;
- Development the right roads to deliver the public services through points to contact online and offices with one stop shop;
- Implementation resources to interoperability to systems and services;
- Benchmarking ICT as a warranty for development to integrate and to sustainable the information society in to all sectors;
- Incentive private sector in ICT;
- Development in infrastructure of public administration in central and local level;
- Increase to capacity and knowledge for ICT for administration and users citizens and business;
- Co-operation interagency and in regional and global level for an internet information to secure;

Reference

Strategjia Ndërsektoriale për Shoqërinë e Informacionit, fq 15, http://www.akshi.gov.al/?crd=7,Lng1
Roli i teknologjive të reja të informacionit në ndihmesë të sigurisë kombëtare: http://www.uamd.edu.al/new/wp-content/uploads/2013/01/roll-i-teknologjive-t%c3%8b-reja-t%c3%8b-infomacionit-n%c3%8b-ndihmes%c3%8b-t%c3%8b-siguris%c3%8b-komb%c3%8btare.pdf
Analysis and Assessment of the Regional and Transregional Impacts of Industrial Activities in District 21 of Tehran

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Abstract

Air pollution is an offspring of industrial development exacerbated by population growth and urbanization. Nowadays, this has turned out to be one of the major problems of metropolitans. Being the most populated city of Iran, having specific geographical features, and being home to more than 20% of all Iranian industries, Tehran also suffers from air pollution. Many of these factories are located in district 21 of Tehran where 1391.9 hectares (27 percent) of the area is allocated to industries making it a congruent subject for the present study. This study aims to analyze and assess regional and transregional impacts of industrial activities in district 21 of Tehran. Research methodology of the study was analytic-evaluative (content analysis_case study). Data analysis was performed using the IHWP fuzzy model. In the first part of the present study 8 indices such as air, water, soil pollution, etc. were enumerated and the environmental impacts of the industries active in the district. The results showed that 10 industrial units are at very low damage level, 82 units are at low damage level, 204 units are at medium damage level, 96 units at high damage level, and 8 units at very high damage level where area 2 of district 21 is much more polluted. In the second part of the study, the transregional impacts of industries in district 21 on neighboring districts were brought into focus. The results showed that district 18 has been affected by impacts of district 21, more than other districts.

Keywords: Environmental Assessment, District 21, Neighboring districts, IHWP Method

1. Introduction

In recent years, urban planners have tried to establish a strong link between planning and societies’ public health. In this field, problems such as various diseases, emission of harmful environmental contaminants have led to grow concerns increasingly in the field of increasing environmental contaminants caused by industry development (Forsyth, 2009).

Environment is one of the urban areas’ sensitive and vulnerable aspects and expanding urban consumption pattern has led to spread the influx of some urban pollutant resources. The advent of sophisticated technologies and large-scale industries result in incidence of changes in social, economic and environmental aspects (Hosseinejad, 2009: 5). Many theoretical approaches have considered positive the changes resulting from the entry of technology and advanced industry and according to this, industry and technology are considered as development and change factor, but, one of the important issues for the third world countries is the control of its consequences regarding the transfer of large industries and complex technologies rather than is shifted towards the desired direction. In many cases, the entry of industry and technology has had desirable economic results, however beside it, has imposed destructive social and environmental consequences on society. Severe environmental changes caused by industries and technologies have mostly irreparable damages (Tavakol, 2011: 152).
According to estimates of Tehran Air Quality Control Company, damage caused by air pollution in metropolises is seven to eight billion Toman. Moreover, studies in 2010 show that 5 thousand deaths are attributed to air pollution. In the meantime, the role of particulate matter less than 10 microns is more than 60 percent (Tebyan News, 2011).

In addition, the establishment of a large number of industrial plants in the area 21 dictates that the issue of environmental pollutions of these productive-economic units are considered so that dedicated lands area to industrial land use is more than any other land use that it means it is 1391.9 hectares (27 percent) of the region area and up to 91.6 square meters per capita. Therefore, maintaining citizens’ physical health, protection of environmental resources and decrease in various kinds of pollutions and disturbance of activities would be one of the main axes of environmental issues in this area.

The main aim of this research is evaluating the amount of regional and trans-regional effectiveness of industrial contaminants in area 21 and adjacent areas and its objectives include determining the vulnerability amount of each industry in area 21 and investigating environmental contaminants, in particular air pollution, in adjacent areas.

In the following, several researches in this field will be discussed.

Oketola and Osibanjo (2007) in the study of estimating sectorial pollution load in Lagos by Industrial Pollution Projection System achieved the conclusion that for estimating the cumulative ranking of the pollution load (ton/yr) between all media (i.e. air, land, and water), Chemical and Pharmaceutical (CPH) sectors were the highest polluting sector, followed by Basic Metal (BML), Domestic and Industrial Plastics (DIP), and Food, Beverage and Tobacco (FBT) sectors (Oketola and Osibanjo, 2007:136).

“The analysis of the role and status of urban planning in reducing air pollution (case study: the periphery of fourteen air quality monitoring stations in Tehran) is the topic of Hassan Riazi’s master thesis (2012). This research has been performed with the purpose of investigating the role and status of urban planning in improving air quality through analyzing the indicators of city’s physical construction and the concentration amount of air pollutants in the periphery of fourteen air quality monitoring stations in Tehran. The results of the research illustrate that access and congestion factors have a meaningful relationship with the concentration amount of CO and pm10 and the indicators of access to urban centers, access to main roads, the area of urban blocks, access to transportation stations, the congestion of retail units, the area of open spaces, population density, the incorporation of land uses, the area of green spaces and intersections congestion have the most relation with concentration of contaminants. In relation to air pollutants, including primary and secondary pollutants, show that primary pollutants are increased with the approaching high traffic arteries of the city center and are reduced in areas with more green space (Riazi, 2011: 3).

Barughi (1998) in her master’s thesis (Urbanism Field) studied “Evaluating the effects of industrial estates development on big cities (case study: industrial estates of Rajai and Salimi in Tabriz)”. There are four industrial estates in Tabriz that one of them is specialized (Charmshahr) and others have assigned to establish various types of industrial activities. In this research, the effects of industrial estates development on big cities have been investigated and evaluated. EIA Method has been used to evaluate the environmental effects and consequences of industrial estates (Barughi, 1998: 5).

It is worth mentioning that the main question of the current research is “How much the amount of environmental vulnerability of the area 21 and its adjacent areas in Tehran because of industry?”

2. City and the Effects of Industrial Activities

The Industrial Revolution and, besides it, the development of capitalism changed the old balance between economic and non-economic activities and expanded the market field to all sectors and converted all things to interchangeable commodity so that the belief in the absolute power of industry and monetary success overshadowed everything. In the new urban environment, economic, political and social statuses are changed, job insecurity is created for the working class, and competitive market is expanded for labor and selling goods. Factory is one of the important urban units in this period (Momtaz, 2004: 45).

The main elements of the new urban collection are factory and railway and the city itself is converted to a large slum. Factory formed the city’s main core and overshadowed all city’s aspects. The first factories were constructed in the best urban areas proximity to water sources. In this period, there were not any type of urban management or law to prohibit the establishment of factories in residential areas and prevent polluting the environment (Momtaz, 2009: 43).

The most important of positive and negative effects of industrial activities on adjacent areas as follows:
Table (1): Classification of industrial activities on adjacent areas

<table>
<thead>
<tr>
<th>The field of problems</th>
<th>Problems</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental</td>
<td>• Existence of a variety of environmental pollution (air pollution, unpleasant odors, smoke, vibration).</td>
</tr>
<tr>
<td>Physical</td>
<td>• Creating visual disturbance by buildings and facilities of selected industrial activities.</td>
</tr>
<tr>
<td>Traffic</td>
<td>• Creating disruptions in the transportation network performance due to trucks traffic and their loading and unloading materials and products.</td>
</tr>
<tr>
<td>Economical</td>
<td>• Reducing the price of housing in residential functional areas adjacent to the Swan Oil Factory.</td>
</tr>
<tr>
<td>Social</td>
<td>• Unwillingness of the residents of residential functional areas (where are adjacent to selected industrial activities) to participate in planning for reducing the effects of selected industrial activities.</td>
</tr>
<tr>
<td></td>
<td>• Living socio-cultural groups with a low level in the adjacent of selected industrial activities.</td>
</tr>
<tr>
<td>Planning</td>
<td>• The absence of planning mechanism for reducing negative effects of industrial activities within area.</td>
</tr>
<tr>
<td></td>
<td>• Lack of coordination and alignment of decision-making entities for pollutants industrial activities.</td>
</tr>
<tr>
<td>Juridical</td>
<td>• Lack of executive warranty for the closedown verdict for pollutants industrial activities.</td>
</tr>
</tbody>
</table>

Source: Hoseinnejad, 2009

Industrial pollutions in cities are partner in creating many health problems such as deadly diseases of heart, arterial occlusive, asthma, heart rate and etc. (Marshall et al, 2009). Air pollution is existence of one or more pollutants or combination of them in the exterior or interior atmosphere, in the amount and duration when may cause damage to human, vegetable or animal life or assets unreasonably or interfere with the comfortable enjoyment of life or property (Ejali, 2007: 23).

Air pollution is not caused by one factor and a series of intertwined issues lead to air pollution. In fact, a part is related to industry, a part caused by cars, another part is dependent on climatic parameters (like wind speed) and some cases are also related to geographical conditions (such as mountains, rivers, slope, etc.) (Musavi, 2010: 10). In relation to air pollution in outdoors, primary and basic pollutants are converted to secondary pollutants by chemical changes that should be recognized their ex-structures (the primary pollutants) to determine them. CO and NO are the primary pollutants that are produced by cars mostly. NO2 and O3 are secondary pollutants that are created as a result of a complex series of reactions in the atmosphere (Shafipour, 2008: 20). The World Health Organization has specified six pollutants as the main pollutants. These six pollutants are carbon monoxide (CO), nitrogen dioxide (NO2), sulfur dioxide (SO2), lead (pb), ozone (O3) and pollutant particulates which have been diagnosed very harmful to human health (Sarafi et. al, 2009: 10). In the current research, NO2, CO2, PM2.5 and Pm10 have been considered.

3. Introducing the Case Study

Tehran’s area 21 is expanded as triangular in the end part of Tehran’s west along the roads of Tehran–Karaj to after the Dilemma of the Stone Inn. This area is has been limited to Tehran-Karaj highway from the north, old road of Tehran–Karaj from the south, Kan Watercourse from the east and along the north-south of longitude 51 ° (between Tehran-Karaj old road and highway) from the west. Moreover, this area is adjacent to area 22 from the north, area 5, 9 and 18 from the east, Karaj from the west and Tehran’s south greenbelt and Shahriar from the south.

Figure (1): The position of Tehran’s area 21
4. Calculating the Vulnerability Amount of the Area Study Against Industry Pollution

Estimating the capability of vulnerability has been surrounded by ambiguities and uncertainties because calculating the amount of vulnerability, using Boolean Model, does not allow to vulnerability criteria that becomes membership as a continuous spectrum. For this reason, Inversion Hierarchical Weight Process (IHWP) Model has been used (Shie et al., 2010: 36).

The IHWP Model is a combination of Fuzzy Logic and Analytical Hierarchy Process (AHP) that the first time, Dr. Kiumars Habibi has used from this method in his PhD thesis at the Tehran University and also Sajad Abazarlou has written the mathematical functions of this method in his master thesis at Islamic Azad University Central Tehran Branch (Abazarlou, 2013: 131).

4.1 First step: Presentation of selected indices to identify vulnerable zones against industrial pollution

- Water pollution: Water pollution is increase in the amount of every reagent including chemical, physical or biological that leads to changes in its properties and fundamental role in special consumptions (Anabestani and Ghorbani, 2011).
- Air pollution: Air pollution is the existence of one or more pollutants or combination of them in the exterior or interior atmosphere, in the amount and duration when may cause damage to human, vegetable or animal life or assets unreasonably or interfere with the comfortable enjoyment of life or property (Vark et al., 2009). With the growth in technology and exiting fixed and industrial pollutants resources from cities, fixed pollution resources in the industrial sector has been introduced as the main challenge for the pollution of Metropolises more than ever (Ejlali, 2007).
- Soil pollution: Soil pollution is the existence, distribution or mixing one or several external material with soil and with the amount and duration that its physical, chemical and biological qualities are harmful for humans and other living things. Factors that cause soil pollution as a result of human activities, for example, include: pouring toxic materials such as all kinds of solvents colored materials and detergents extend land and soil pollutions.
- Noise Pollution: Noise has the most emission among all occupational pollutants and there is almost in every industry. Noise not only leads to disease, but also, Hurt and indignation of person. Interference in conversation and preventing from hearing warning sounds cause disasters and reduction in production (Riazi, 2012).
- Congestion of hazardous industrial centers: The purpose of the hazardous industrial centers is the centers in which there is the possibility of ignition, explosive and emissions of toxic material and concentration of these centers would cause environmental hazards intrinsically.
- Access to green spaces: Urban green spaces have an important role in the maintenance and balance of urban environment and mitigation of air pollution. Pollutions caused by industry and technology have been converted cities to hell for its inhabitants (Azizi, 2001).
- Privacy of residential areas: In the establishment of industries, the privacy of residential areas must be observed for the comfort and safety of residents around it which this would cause reduce the environmental impacts of industries.
- Privacy of military and police areas: Military and police areas are one of the most important areas in cities that their privacy must be considered and observed in the establishment of industries.

4.2 Second step: Presenting strategies of Inversion Hierarchical Weight Process (IHWP)

- Determination of the importance and rank of data
  After identifying case layers based on the importance of each factor in vulnerability of pollutions caused by industries, selected Indicators are ranked on the basis of Delphi Method (experts’ and specialists’ opinions). Then, the reverse of each layer rank is considered as the weight of that layer in the IHWP Model. In the Delphi Model, eight mentioned indicators are ranked in different classes with different degrees of its importance according to experts’ opinions. According to this, the most important indicator allocates number 10 and the least important indicator allocates number 0 to itself in terms of the vulnerability importance caused by pollution (Habibi et al., 2009: 25).
- Assumptions of weighting
In this step, 8 indicators of the research are investigated with considering the assumptions. Such as the indicator of air pollution is more important than other indicators regarding its effects that are more than others and the more air pollution, the more it would have negative environmental effects and the more industry access to green spaces, the more the possibility of pollution would be reduced.

Therefore, it is obvious that the more the air, water, soil, noise, pollution, the congestion of hazardous industrial centers and the less industry access to green spaces and the privacy of residential areas and the privacy of military and police areas, the more the negative environmental effects. In Table (2), the assumptions of the research have been reviewed.

Table (2): Average and the importance of indicators leading Delphi questionnaire

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Ranking</th>
<th>Assumptions of weighting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Pollution</td>
<td>3</td>
<td>The more pollution = The more vulnerability</td>
</tr>
<tr>
<td>Air Pollution</td>
<td>1</td>
<td>The more pollution = The more vulnerability</td>
</tr>
<tr>
<td>Soil Pollution</td>
<td>4</td>
<td>The more pollution = The more vulnerability</td>
</tr>
<tr>
<td>Noise Pollution</td>
<td>2</td>
<td>The more pollution = The more vulnerability</td>
</tr>
<tr>
<td>Congestion of hazardous industrial centers</td>
<td>6</td>
<td>The less access = The more vulnerability</td>
</tr>
<tr>
<td>Access to green spaces</td>
<td>5</td>
<td>The less privacy = The more vulnerability</td>
</tr>
<tr>
<td>Privacy of residential areas</td>
<td>7</td>
<td>The less privacy = The more vulnerability</td>
</tr>
<tr>
<td>Privacy of military and police areas</td>
<td>8</td>
<td>The more congestion = The more vulnerability</td>
</tr>
</tbody>
</table>

Source: Research findings, 2016

4.3 Calculating the scores of selected layers by using IHWP Method

In the following table, selected indicators have been shown along with the number of classes for each indicator and their scores.

\[
X = \frac{D}{N} \quad (1)
\]

\[
X = \text{Primary score of each indicator}
\]

\[
D = \text{Scores obtained from the Delphi}
\]

\[
N = \text{The number of classes for each indicator}
\]

\[
J = D - (N - i) X \quad (2)
\]

Table (3): The weight of classified indicators for determining the area’s vulnerability against industries pollution

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Ranking based on Delphi</th>
<th>Reverse Ranking</th>
<th>The number of classes for each indicator</th>
<th>The weight in the IHWP Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air Pollution</td>
<td>1</td>
<td>8</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>It has</td>
<td>It does not have</td>
</tr>
<tr>
<td>Noise Pollution</td>
<td>2</td>
<td>7</td>
<td>2</td>
<td>3.5</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>It has</td>
<td>It does not have</td>
</tr>
<tr>
<td>Water Pollution</td>
<td>3</td>
<td>6</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>It has</td>
<td>It does not have</td>
</tr>
<tr>
<td>Soil Pollution</td>
<td>4</td>
<td>5</td>
<td>2</td>
<td>2.5</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>It has</td>
<td>It does not have</td>
</tr>
<tr>
<td>Access to open space</td>
<td>5</td>
<td>4</td>
<td>5</td>
<td>0.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>It has Less than 200 m</td>
<td>It does not have</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>200 to 400 m</td>
<td>1.6</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>600 to 1000 m</td>
<td>2.4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>More than 1000 m</td>
<td>3</td>
</tr>
<tr>
<td>Congestion of hazardous industrial centers</td>
<td>6</td>
<td>3</td>
<td>5</td>
<td>0.6</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>It has Very little</td>
<td>Little</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1.2</td>
<td>Medium</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1.8</td>
<td>Much</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2.4</td>
<td>Very much</td>
</tr>
<tr>
<td>Privacy of residential areas</td>
<td>7</td>
<td>2</td>
<td>5</td>
<td>0.4</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>It has Less than 200 m</td>
<td>It does not have</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>200 to 400 m</td>
<td>0.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>400 to 600 m</td>
<td>1.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>600 to 1000 m</td>
<td>1.6</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>More than 1000 m</td>
<td>2</td>
</tr>
<tr>
<td>Privacy of military and police areas</td>
<td>8</td>
<td>1</td>
<td>5</td>
<td>0.2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>It has Less than 100 m</td>
<td>It does not have</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>100 to 300 m</td>
<td>0.4</td>
</tr>
<tr>
<td></td>
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<td>300 to 600 m</td>
<td>0.6</td>
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<td></td>
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<td></td>
<td>600 to 900 m</td>
<td>0.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>More than 900 m</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: The author, 2016
• Third step: Combining the maps: Using the tools of Raster Calculate, scores columns related to every one of the created information layers are added together.
• Providing the final vulnerability map of the area: In this step, final map has been produced with data classification in five distinct categories (including very low, low, medium, high and very high) in terms of area’s vulnerability against pollution.

The map of area’s industrial pollution damage is divided to 5 sections. 2.29% of the industries in the area have very low pollution, 20.93% have low pollution, 51.63% have medium pollution, 23.71% have high pollution and 1.43% have very high pollution.

Table (4): The amount of the area’s vulnerability against industries pollution

<table>
<thead>
<tr>
<th>Zoning</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>very low pollution</td>
<td>2.29</td>
</tr>
<tr>
<td>low pollution</td>
<td>20.93</td>
</tr>
<tr>
<td>medium pollution</td>
<td>51.63</td>
</tr>
<tr>
<td>high pollution</td>
<td>23.71</td>
</tr>
<tr>
<td>very high pollution</td>
<td>1.43</td>
</tr>
<tr>
<td>Sum</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Research findings, 2016
5. Suggestions

- Making some changes in the characteristics of urban construction such as residential and population density in the area.
- Creating open spaces and the use of vegetation cover in the area centers and areas where a high density of industry have as the area’s respiratory lungs.
- Observing residential centers privacy in new site selections.
- Hazardous industries should not be located in the privacy of each other.
- Vital industrial centers should have a proper and safe distinct from hazardous sites as possible as.
- Creating the legal context and foundation to observe environmental considerations in the issue of establishing and constructing industries, in dominant laws expressly and specifically.
- Justifying the role and position of environmental considerations in construction and establishment of industries for responsibilities, planners and national policymakers.
- Approving and reviewing criteria and standards of establishing industries with the attention of representatives of the Industry Ministry, environment organization, the Ministry of Agriculture, the Ministry of Interior.
- Providing the administrative regulations of establishing and constructing industries with a focus on observing environmental considerations in collaboration with the Industry Ministry, environment organization, the Ministry of Agriculture, the Ministry of Interior.
- Enforcing the various governmental, public and private departments to observe environmental considerations in construction and establishment time of industries through legal prohibition, judicial approach and preventing their activities.

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Gray Markets

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Abstract

In recent years has been a dramatic growth in the size of the gray market, otherwise referred to as the parallel-import market. Gray market shifts among markets & countries because of its characteristics, its performance quality and the potential of gray market goods. A firm in an authorized marketing channel sells an authorized good to an unauthorized reseller making the good a gray market good. The firm violates in such a way the traditional business assumptions that firms and business people will behave ethically, will honor contracts and deal fairly. On the other hand the free riding of the unauthorized seller is not illegal but is unethical since the gray marketers use authorized goods and the strategy and firm’s identity to achieve their objectives. Gray market goods usually have: high resale potential, trade-marketed brand names, good market recognition, established price and performance, are easily stored and inventoried, are easily transferred and have multilingual packaging. Gray market creates a potential consumer risk and reduces the performance and benefit to society. Moreover gray market can be costly and lessen control in the channel over marketing strategy. The aim of this paper is to explain first of all the meaning of the gray market, the gray market goods involved in the process, and the process itself. In the Albanian reality there is a lack of studies in this aspect therefore this paper will serve as a contribution in better understanding the topic. In the future we believe that it will serve as a base for future research in the area.

Keywords: Gray market, gray market good, authorized good, unauthorized seller, gray marketer.

1. Introduction

The progress of the international trade and the increase in the number of the multinational and global organizations around the world has called for the creation of an enormous number of distribution channels (Pustylnick, 2010). In recent years has been a dramatic growth in the size of the gray market, otherwise referred to as the parallel-import market. Gray marketing occurs when one party possesses the exclusive right to sell a certain product designated by a trademark in a certain area, and another party sells similar products in the same area under the same trade name (Pikard, 1996). Gray market shifts among markets & countries because of its characteristics, its performance quality and the potential of gray market goods.

A firm in an authorized marketing channel sells an authorized good to an unauthorized reseller making the good a gray market good. The firm violates in such a way the traditional business assumptions that firms and business people will behave ethically, will honor contracts and deal fairly. On the other hand the free riding of the unauthorized seller is not illegal but is unethical since the gray marketers use authorized goods and the strategy and firm’s identity to achieve their objectives.

Gray market goods usually have: high resale potential, trade-marketed brand names, good market recognition, established price and performance, are easily stored and inventoried, are easily transferred and have multilingual packaging. Gray market creates a potential consumer risk and reduces the performance and benefit to society. Moreover gray market can be costly and lessen control in the channel over marketing strategy.

2. Definition of Gray Market

Gray market is the selling of a good away from the authorized marketing channels by an authorized seller of the good. Gray markets can arise when transaction and search costs are low enough to allow products to “leak” from one market.
segment back into another (Autrey & Bova 2009).

The development of the international trade and the increased in number of the organizations around the world has created a huge value chain formed by numerous distribution channels that increase many times the price of goods without any changes in the product. It became possible for the small entrepreneurial companies to purchase the goods legitimately in one part of the world, move them to the other part of the world, sell them at the regular markup and still have the price well below the one set through the distribution chain thus forming a gray market (Pustylnick, 2010).

Gray market shifts among markets & countries because of its characteristics, its performance quality and the potential of gray market goods. A firm in an authorized marketing channel sells an authorized good to an unauthorized reseller making the good a gray market good. The firm violates in such a way the traditional business assumptions that firms and business people will behave ethically, will honor contracts and deal fairly. On the other hand the free riding of the unauthorized seller is not illegal but is unethical since the gray marketers use authorized goods and the strategy and firm’s identity to achieve their objectives.

3. What are Gray Market Products?

Gray market goods are usually retail products - frequently are brand name products - that are firstly sold into a selected market but next resold through unauthorized channels into a diverse market. The legal definition of gray market goods - goods of the owner such as goods with a copyright, patent, or trademark that are placed on the market by the owner but subsequently are imported into the domestic market without the rights-owner’s consent. Gray marketing occurs when one party possesses the exclusive right to sell a certain product designated by a trademark in a certain area, and another party sells similar products in the same area under the same trade name (Picard, 1996). Gray market goods usually have: high resale potential, trade-marketed brand names, good market recognition, established price and performance, are easily stored and inventoried, are easily transferred and have multilingual packaging.

Usually gray market is an international activity, with the majority of goods being “gray marketed” crossing at least one border. Brand name goods that are highly desirable “hard goods” are most typically those that are gray marketed. Sometimes the gray markets have played an increasing role in improving competition for domestic goods. On the other hand, several international regulatory authorities have taken proactive attitudes toward the restriction of the firms' efforts for operating in the gray markets.

Gray market takes place in almost every industry and in every market including pharmaceuticals, automobiles, and electronics. Therefore gray markets affect a wide variety of sectors but one sector where gray markets are particularly evident is the technology sector. A survey of large high tech firms by KPMG 2008 estimates that gray markets account for $58 billion per year of lost sales in this sector (Autrey & Bova 2011).

Gray market goods are products originally sold in a market selected by the manufacturer, but then resold through channels not authorized by the producer (Autrey, R. L., et al., 2014). As Pustylnick 2010 stresses the gray marketers would attempt to import and sell the product only if the cost of delivery to the target market would be considerably lower in this way the gray marketer will still make a profit by selling the product at a lower price. An important source for gray market goods are often the emerging markets. Specifically, with two competing manufacturers, gray markets lead to more profits in the emerging market, but they also lead to lower profits in the domestic market (Autrey, R. L., et al., 2014).

Most manufacturers work with a single importer which is authorized to sell and support their products within a given country or geographic region and is the importer that usually establishes a channel of specific, local dealers and distributors which are authorized to resell the imported products. For example Toshiba has a sole authorized importer in Albania which sells Toshiba-branded photocopies and accessory products in the Albania market. On the other hand there are “Toshiba-branded” products that are imported and sold by other parties using non authorized distribution channels. We will refer to these goods as gray market products. With the increase of global economy and the internet tools, gray market products have become gradually more common in the Albanian consumer goods market.

4. Is Gray Market Illegal?

Gray market is not visibly connected or related with a criminal activity. Gray marketing is in the majority of cases not an illegal activity but more of a question of business ethics. Unless the gray marketer has violated an explicit contract provision originating with the good or the trademark they have not performed an illegal act. The essence of this process lies in the

possibility of a person or another company to obtain the goods legally and sell them legally simply without the blessing of the original manufacturer and trademark owner (Schuster 2010). In most cases the offended company will not have supportive laws or their government's judicial authorities on its side. Also even in the case of explicit legal violations, the legal positions of the manufacturer's country may not cross the boundaries that the product did. Governments in the Gray Market Country may have a different laws or legal systems that highly vary from the country of the manufacturer.

Usually, from the gray market gain the short-term consumers who may (or may not) purchase a brand name good at a lower price than was intended in their authorized market. Some consumers groups argue that gray markets promote competition by keeping prices low as a result of a higher competitive pressure and on the other hand the producers argue that gray markets can weaken the company's ability to protect their brand image.

The difficulties that gray marketing causes to consumer and companies manufacturing the goods that are gray marketed are more tangible. They stem from the fact that unauthorized suppliers do not all the time offer proper levels of product support and customer service, and will sometime market old or expired goods harming in that way the reputation of the manufacturer and the trademark image. Thus the damage of brand image occurs when the confidence that the consumer has in the product is diminished.

Often the companies of origin executives are unconscious of gray market activity because it may not be apparent, so they do not recognize the fact that their products are selling in the gray market. Also sometimes managers may have an ethnocentric and somewhat egocentric viewpoint about gray marketing. This viewpoint may lead them to believe that since they consider gray marketing to be wrong doing all of the other individuals in their marketing chain will share the same beliefs whether they are from a different culture or have a different personal perspective.

Ideally a company should discover these markets through their own research efforts and positive business experience rather than by being a victim of gray marketing. Hopefully then they may pursue these markets by making adaptations to their products or marketing them differently in these markets.

5. What Can be Done about Gray Market?

- Prohibitions against gray market goods vary from country to country.
- Some countries or regions recognize international exhaustion of rights (no ability to take action under trademark law after first sale anywhere in the world) and others national exhaustion (legal options available if goods come from outside the country).
- EU has a distinct approach depending on whether goods are from within or outside the region.
- Not all gray goods are illegal; the law of each region or country must be reviewed.

The management of a firm should try to resolve internal causes associated with gray marketing such as pricing, customer service, distributor contacts, sales force, and lack of effective measurements to evaluate the performance of its distribution channels. Management policies which do not recognize the problems and the pressures that higher sales quotas and progressively shortened distribution expectations place on sales managers further down the line are partially responsible for the development of gray markets. Sellers who are forced to meet ever increasing sales quotas may be forced to divert goods.

If a company wants to protect itself from gray marketing, it must put in place some strategies in order to fight against gray market activity. Thus the company should take some actions to avoid, prevent or decrease the effects caused by gray market. In many markets although gray marketing activity is not always apparent therefore it is useful for managers to be focused toward the markets in which they operate, before unauthorized goods affect their efforts.

Advances in information technology may give to the business an opportunity to take advantage of information to recognize and forecast gray market activity. Management may conduct primary and secondary research in order to gather information about the distribution of their products. This may be critical for monitoring, forecasting and identification of gray marketing activity because by using controls over their products and over product services will allow companies to monitor gray marketing activity.

Companies however should consider the effort and the amount of capital they put into the enterprise, intended for discouraging gray markets, as capital that is diverted from other aspects of the development and marketing of the firm’s goods. The company itself will be paying for the investigations and modifications needed to protect their products journey to authorized end markets. A balance must be achieved between efforts to stop the drain that gray marketing makes on the firms resources and using the firm’s resources for doing other business. Hopefully company’s efforts to combat gray market activity would result in a more effective management of sales and distribution channels overall and the effective coordination of the distribution channels.
6. Conclusions

- Gray market shifts among markets & countries because of its characteristics, its performance quality and the potential of gray market goods.
- A firm in an authorized marketing channel sells an authorized good to an unauthorized reseller making the good a gray market good. The firm violates in such a way the traditional business assumptions that firms and business people will behave ethically, will honor contracts and deal fairly.
- The free riding of the unauthorized seller is not illegal but is unethical since the gray marketers use authorized goods and the strategy and firm's identity to achieve their objectives.
- Gray market goods usually have: high resale potential, trade-marketed brand names, good market recognition, established price and performance, are easily stored and inventoried, are easily transferred and have multilingual packaging.
- Brand name goods that are highly desirable “hard goods” are most typically those that are gray marketed.
- Gray market creates a potential consumer risk and reduces the performance and benefit to society.
- Gray market can be costly and lessen control in the channel over marketing strategy.
- In the future we believe that this paper will serve as a base for future research in the area.

References

The Status of Employees and Their Involvement in the Decision-Making Process of a Commercial Company

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Abstract

Labor Law is the branch of law which constitutes a significant part of the legal order in a given society. The importance of this legal order is in the fact that labor relations as legal relations directly affect and relate to the progress of economic and social development of the society, as work is a source of income for the subjects of law. The existence of representative bodies of simple employees in the decision-making process, in an organized manner, is an important aspect, but it also entails some problems. Partnership between the company and employees is a legal, social, economic and political connection, which has considerable impact on society. Protecting the rights of employees in a corporation is better achieved if its management structure would include representatives bodies of workers. Involvement of employees in the management and administration of the company is already an international standard. Globalization of the economy and the crucial role that a business has in a country or wider, makes the involvement of employees necessary.

Keywords: employee, decision-making, trade associations

1. The History and Development of Labor Law

The right to work was born for the first time in the second half of 800’s, having as its source plant legislation, that part of the capitalist civil laws regulating the labor subscription contract, the practice of collective bargaining and those administrative law norms regulating legal relations of civil workers of the state apparatus.¹ Labour Law is one of the newest branches of law which is constantly evolving. It was first presented in capitalist countries by the end of the XIX century. At first it appears in Germany as a result of the birth and development of paid work, whose economy is based on freedom of market and industry. The right to work is a separate discipline and positive legal branch, which has the object of special regulation and study, its purpose, its principles, special legal meanings, institutions, and its categories.² In its beginning, right to work was like any other branch of law since it had failed to separate and it functioned together with other norms of other branches of law. Division of labor law from civil and administrative law happened in later stages of state-building processes in different countries. This division occurred in the period of largest industry development and industrial enterprises. Hired labor in early 19th-century, was subject to the rules of contract principles of reconciliation and service, regulated by the Civil Code of the capitalist countries. Labor relations are mainly treated as contractual relationship regulated by contractual law. Typical in this respect was the Napoleonic Civil Code of the year 1804 and the Italian Civil Code of 1865, the Austrian Civil Code of 1811, which predicted and also regulate the labor agreement.³ With the development of the capitalist countries and the growth and development of labor relations it is necessary to regulate the employment of specific provisions and separate from other branches of law which started in England 1802,1811, 1833, etc., in Germany 1839 and in France 1841.⁴ From the late nineteenth century and early twentieth century labor unions were created, and their reaction and pressure created collective labor contracts, which led to the development of the labor legislation. During this period, capitalist states interfered with legislative initiatives with new legal norms to

² Prof. Dr. Fatmire Lumani “Labour Law”, Tetovë 2013, pg.7.
³ Prof. Dr. Fatmire Lumani “Labour Law”, Tetovë 2013, pg.8.
⁴ Prof. Dr. Fatmire Lumani “Labour Law”, Tetovë 2013, pg.9.
regulate legal labor relations. In some states provisions that regulate the employment relationship stowed in special
codes as in France (Labour Code, 1910, 1912, 1924, 1927), in Austria (1928, Belgium (1900, 1922), the Netherlands
(1919, 1930), in Italy (1927, in Germany (1934), the US (1935).5

2. The Meaning of Labor Law

The right to work has a special significance in social relationships.6 It is a set of rules that apply to dependent
employment relationship.7 This working relationship is constituted on a contract concluded between the parties and called
a labor contract.8 The right to work is as modern as it is old. This is a separate branch of law because it has a special
object9 and subjects and has a special quality.10 Social relationship that serves to establish the working relationship has
special qualities because it is not like any other social relationship that serves to establish a civil legal relationship. The
right to work has its own internal divisions, according to the areas that labor law regulates. In itself the right to work is a
branch of law that regulates the relationship between employers and employees working in a dependent relationship. The
fact that labor law has a special object of regulation and enables study of its existence as an independent branch of law.
Marinko Uçuk gave this definition of the right to work: “The right to work is a separate branch of the positive legal state
composition. It includes general legal rules that govern labor relations, concepts, categories and institutes of labor law of
those legal relations established or legally accepted and regulates, implements directly the legal labor relations, protects
the rights and its subjects. In addition it contains legal norms on the principles, organization of work, safety at work, as
well as institutions in connection with work and relationships at work ”.11 Labor Law of the Republic of Albania is a set of
legal norms in terms of our democratic society regulating dependent labor relations.12

3. Labor Relations in the Legal Entity

Labor relations in the legal person may have several dimensions. These relationships are very important because they
represent some specifics in the legal perspective. From the legal person, working relationships may arise, that are
configured by an employment contract and thus subject to the Labour Code to resolve any conflict that may arise
between the parties. But there could exist working positions in which individuals who establish a working relationship with
a legal entity are placed but that are not subject to the Labour Code. Legal persons can be of various kinds. There are
two major divisions. Legal persons that are public entities and private entities. In the scope of our paper, our issue of
labor relations revolves in the second category of legal persons, including trade associations and nonprofit organizations.
Before analyzing some specific work position we should explain some concepts of the legal person and see how it works.

4. Participation of Simple Employees in Companies

These legal entities are commercial companies that have some important qualities. Generally they are called commercial
companies in a new form of joint stock companies, but in the Anglo-American countries. In the old continent of Europe,
such companies are simply called as a joint stock, limited liability company, etc. Five main structural features of corporate
business are: being a legal entity, has limited liability, capital is divided into transferable shares, usually has a centralized
management in a structure of the board and ownership is shared by contributors of capital. The Corporation has the
property itself. Involvement of employees in the management and administration of the company is already a European
standard. Albania has already consolidated trading law with the European standards to better enable employee
participation in the affairs of ordinary companies. European Union itself has given special importance to the involvement
of employees. Globalization of the economy and the special place that a business has in a country or wider, made

5 Prof. Dr. Fatmire Lumani “Labour Law”, Tetovë 2013, pg.19.
employee undertakes to provide work or its service for a certain period or indefinite within the organization and under the orders of
another person, called the employer who undertakes to pay a ransom.”
11 Prof. Dr. Fatmire Lumani “Labour Law”, Tetovë 2013, pg.10.
involvement of employees needed. The partnership between the company and employees is a social, economic and political relation, which has more impact on society. It is unjust that the relationship between the company and its employees to be a one-sided relationship, where only one party benefits against another party. This relationship is understood in a way that the company is in a position of superiority and therein is required by law to regulate and guarantee the rights of its workers. It is important to study the participation of other ordinary employees in their relationship with the company, not only the analysis that deals with subjects that have special places of work in a company. A business decisions has always constituted its impact on employees. Workers should be involved in decision making at all levels of a company.\textsuperscript{13}\ The model is taken by the European legislation. The latest issue has the effect of Directive 94/45 / EC, "For European works councils," which stipulates the creation of works councils in all business organization stretching across Europe. Also in this context it is Directive 2002/14 / EC "On information and consultation of employees." Regulation 2157/2001 "European Society", provides for the participation of employees with their own councils. As evidenced above, our law is in line with the developments of European legislation. Employee Council monitors the implementation of laws, collective agreements and the provisions of the statute and represents the interests of company employees. The Council participates in decision-making on the use of special funds and other assets of the company, provided for in the collective agreements and statutes, as well as on the distribution of profits that the General Assembly decides to distribute to the employees.\textsuperscript{15} The council may establish internal regulations to organize its procedures.\textsuperscript{16} The legal representative of the company holds council employees informed about the activities and the performance of the company in order to separate the effects of the company’s policies on working conditions, wages, safety, possible division of profits, change of status, pension system, company restructuring and company’s participation in other companies.

The Legal representative, at the request of the Employee Council, presents the state of the accounts, including consolidated accounts, reports on the state of progress of the activities of the company, the Supervisory Board reports or the expert accountant reports. This obligation can be fulfilled by placing this information on the website of the company and informing employees of this council. In contrast, the responses may be required to be in writing, using electronic means of communication.\textsuperscript{17} The above provisions of our law for traders and trading companies is fully in line with the above regulations and the European Union Directive 2001/86 / EC. The Charter may provide that one or several members of the council of surveillance get appointed and discharged by the employee.\textsuperscript{18} All employees in the company, enter into a working relationship and formalize this relationship by an employment contract and governed by the Labor Code. Any dispute between employees and the company is resolved on the basis of the Labour Code. When commercial law provides for the participation of employees in the assembly and the council of employees, it does not create a new working relationship. It can not be called a working relationship. These bodies do not intend to employ employees who are actually employed. Provisions of the law aim to guarantee the right of workers who are already employed in the company, the ability to organize themselves in order to be a unified voice, thus becoming an important voice in the decision-making process and the policies of the company. They are selected in these bodies and do not enter into a contract when appointed. In fact, being employed by the company is a premise that they can be included in these important structures to defend their rights. These are formal structures and the company should ensure the logistics and financial opportunities needed. Also these are formal structures by which cells initiate trade union movements to the creation of unions of employees. This is a constitutional right of workers in an employment relationship. It provides that employees have the right to unite freely in labor organizations for the protection of their labor interests.\textsuperscript{19} Employees have the right to a social protection of labor.\textsuperscript{20} As such it must be guaranteed and taken measures to make its realization possible. It is possible that the legal possibility of creating and participating in these structures is to enable them to exercise their constitutional rights and freedoms. When they are against the decisions of the decision-making organs of the company, it is possible to reject through petitions, strikes and other democratic means.\textsuperscript{21} There can be no parallelism in particular positions of some entities working in a company, offering their services and being rewarded for the job. So

\textsuperscript{14} Law Nr.9901 date 14.4.2008 "For trades and trading companies", Art. 19.
\textsuperscript{15} Law Nr.9901 date 14.4.2008 "For trades and trading companies", Art. 20.
\textsuperscript{16} Law Nr.9901 date 14.4.2008 "For trades and trading companies", Art. 19.
\textsuperscript{17} Law Nr.9901 date 14.4.2008 "For trades and trading companies", Art. 21.
\textsuperscript{18} Law Nr.9901 date 14.4.2008 "For trades and trading companies", Art. 167/4/2.
\textsuperscript{19} Constitution of the Albanian Republic, approved by law nr.8417, date 21.10.1998 amended, Art. 50.
\textsuperscript{20} Constitution of the Albanian Republic, approved by law nr.8417, date 21.10.1998 amended, Art. 49.
these are the bodies that are provided by trade law, but these are formal bodies and of a political character. People who participate in these bodies are also in the same time employees of the company. They are representative dues, as representing all the other employees of the company. These people do not sign a contract, they are just appointed formally in order to preserve the rights of other employees and to make their voice heard in front the organs of the company who can make the decision relevant to their lives in terms of labor relations and investment policy, trading, expansion of activity or in the worst case, the closure of the company due to its bankruptcy. In fact, Albania has these structures provided by law following the best models of the developed capitalist world, where participation of employees in decision making through these structures is necessary to ensure the protection of the rights of employees who are employed in these companies. The European Union and its legislation is one of the models followed.

5. Participation of Employees in Companies in the EU

This issue is not new to the EU legislation. But we can say that until the adopted EU Directive 2002/14 of 11 March there was no act that dealt with that issue. Regulating the issue was due to trade union movements. Before listing the participation of employees in the company under European Union legislation we must clarify the concept of a company in the community. This is a very important notion to be clarified. On the basis of this notion, any work relationship, administration, supervision or control is created. Labor relations on this notion gave rise to some specific working positions. This notion is associated with competition rules. Although it has a very special significant notion of a company, European legislation itself does not provide a definition of what does a trading company mean. The first attempt to give a definition of this notion, is the European Court of Justice. In fact, this body returned in the key of resolving the legal deadlock or legal vacuums. Pursuant to this court’s decision, business is any entity exercising economic activity, regardless of its legal form and method of organization. Economic activity is any activity consisting in offering goods or services in a given market. This is the key feature to distinguish the entity in the sense of a company. At first it was not intended for any organ of the representative of the employees to be created in a company. What was usually needed was to enlarge national corporations or international culture. Defending the rights of workers in a corporation would be better if a worker’s representative body is part of the company’s structure. This makes them more organized and their requirements are more concrete. Directive 1994/45 of 22 September not only anticipated corporate obligation to inform and consult with employees about policies that the company will take, but also provided the obligation to create representative bodies for employees. The principle on which to act, was the principle of defense of workers, the principle of cooperation, the principle of autonomy of the respective parties, the principle of good faith, the principle of subsidiarity, and the principle of confidentiality and consensuality. The Directive provided for the number of representatives in these bodies, depending on the total number of employees in a company.

Later on, Directive 2009/38 of 6 May is another positive step towards engaging employees in decision-making and corporate issues related to the interests of employees. It is possible for the parties to enter into negotiations to resolve various issues. This may create committees with the consent of the parties, which were composed of representatives from both parties. Corporations need to develop consultation under the principle of autonomy before deciding on the matter. The obligation to do so before the decision was in the case of information to employees. After several years, the drafting and adoption of a regulation on collective representation of employees was adopted. It was Reg. 2157/2001. The unification regarding the participation of workers in the decision-making process was higher with the adoption of this Regulation. Many issues not foreseen were already so different from one national legislation of member states to the other. On the legal basis in the European Union, the participation of employees in companies is provided the same under Albanian trade law. Differently from the Administrator of a company which signs a specific contract, no contract is signed by the representatives. The European Union has had a growing amplitude regarding his attention to labor rights, the status of the employee, the employment contract and the rights of employees in labor relations.

23 TFEU, Art. 101/1.
24 ECJ, Case c-41/ 90 e 23 April 1991, "Hofner et Elser".
25 ECJ, Case c-180/ 98 e 12 December 2000, "Pavel Pavlov".
6. Sources of Labor Law Regulating the Status of the Employee

EU resources are divided into two categories. The main sources include the founding treaty of the European Union itself and in secondary sources there are all acts adopted in accordance to the main sources. General principles relating to the mechanisms of control by Member States of the Council regarding implementing powers are also one of the important primary sources.28 In order to know the general principles of law applicable in Community law, reference should be made to the Court of Justice jurisprudence and the doctrine of recognized rules of law of the member states.29 The Court of Justice of the European Union has an excellent contribution to its decisions. Its decisions constitute in a source of law and must be implemented. For example, a principle that the court has established, among the many30, is the responsibility of member states for individuals who experience damage as a result of violations of EU law.31 EU concludes agreements with non-member states and other international organizations and these are the most varied, making these agreements part of its own resources.

Secondary right of the European Union involves a large number of important acts, most of which are cited in Article 243 of the Treaty on the Functioning of the European Union. Article 243 states: "... institutions governing regulations and directives, make decisions and formulate recommendations or opinions." The regulations are very important acts. A regulation shall have general application, it must be related to the people as a whole self and be directly applicable in all member states.32 In addition to regulation, the more important acts are the EU Directives. The Directive is connected with the result that will be achieved on each member state to which it applies, and internal institutions choose the form and method to achieve this result. Directive differ from the regulations in several ways.33 They do not have general application and thus are not even addressed to all member states. They are not directly applicable and the effects of the rights and obligations created of them are felt only when they are brought into law by public institutions. This autonomy allows more flexibility in their implementation. In the category of acts, decisions are also important.34 Decisions are similar to Regulations because there is no direct application and implementation. Recommendations and opinions are not binding.35 They have no binding force although it should be taken into consideration by the domestic courts. The affirmation of the supremacy of Community law over national rights,36 enforcement of the community norms that are directly related to the subjects whose final addresses37 and referral regarding basic human rights can be considered as the real legal community regime.38 Some key acts of the European Union on the right to work and the regulation of their working relation and the status of the employee in this relationship can be: Treaty on the Functioning of the European Union (Articles 44-45 and 145-164), the Convention of the European Union Fundamental Rights, Directive no. 79/7 / EEC of 19 December 1978 "On the progressive implementation of the principle of equal treatment for men and women in matters of social security", the Directive no. 86/378 / EEC, 24 July 1986 "On the implementation of the principle of equal treatment in occupational social security schemes", Reg. 1408/71 of the Council of 14 June 1971 "On application of a social security schemes to employed persons and their families moving within the community", Reg. 859/2003, May 14, 2003 "On the extension of the provisions of Regulation 1408/71 and Regulation (EEC) 574/72 to nationals of third countries who are not covered by these schemes based solely on citizenship", Reg. 883/2004 of the European Parliament and the Council, April 29, 2004 "On the coordination of social security systems".39 Council Directive. 75/117 / EEC of 10 February 1975 "On the approximation of the laws of the Member States relating to the principle of equal pay for men and women teachers with full-time and part-time", Council Directive nr. 92/85 / EEC "On maternity leave - benefit from the rising profits based on women - Increase in salary before or during maternity leave.40"

May also be mentioned, Regulation no. Council 1612/68 dated 15 October 1968, "Regarding the free movement of

28 TFEU, Art. 291.
30 ECJ Cases 5 March 1996. C-46/93 "Brasserie du du pêcheur" and C-48/93 "Factortame".
31 ECJ Cases 5 March 1996. C-46/93 "Brasserie du du pêcheur" and C-48/93 "Factortame".
32 TFEU, Art. 288.
33 TFEU, Art. 249.
34 TFEU, Art. 249.
35 ECJ, Case Costa v ENEL 15 July 1964.
36 ECJ, Case Simmenthal 9 mars 1978.
37 ECJ, Case Van Gend & Loos5 shkurt 1963.
38 ECJ, Case Handelsgesellschaft, 17 December 1970.
40 ECJ, Case C-285/02, GJED, Luksemburg, 27 May 2004.

This list can not be exhaustive, but this is only to bring in the attention the European Union labor law.

7. Conclusions and Recommendations

Analysis on several dimensions of employment and the contract governing this relationship were made. on the one hand, the position of persons who have a special place of work in commercial companies in a comparative view including also the status of employees under the legislation of the European Union and the practice of the European Court of Justice were discussed. On these conclusion are set out some recommendations in function of solving the problems that the law and practice. In a company that usually has a very large extent, the participation of simple employees in this company is important. Generally these companies are called large corporations. Simple employee conclude a contract with the company. But as our drafted commercial legislation was guided by models and better standards of the EU legislation foresees the possibility of participation of employees in commercial society. They can be organized in representative bodies, which are part of the company’s structure. It should be said that the appointment of the employees in these bodies did not hire them for the second time. They do not enter into a contract when appointed. In fact being employed by the company is a premise that they could be included in these important structures to defend their rights. These formal and structured companies should ensure the logistics and financial opportunities that arise. This is a constitutional right of the employee in a working relationship. It provides that employees have the right to unite freely in labor organizations for the protection of their labor interests. Employees have the right to social protection of labor. As such must be guaranteed and take measures to make it possible as its realization. The above provisions of our law for traders and companies is fully in line with the above regulations and the European Union Directive 2001/86 / EC. Workers who should be involved in decision making at all levels of society. Our law for traders and trading company foresees the participation of workers. The latest issue has the effect of Directive 94/45 / EC, "For European works councils," which stipulates the creation of works councils in all business organization stretching across Europe. Also in this context it is Directive 2002/14 / EC "On information and consultation of employees." Regulation 2157/2001 "European Society", provides for the participation of employees.

As evidenced above our law is in line with the developments of the European legislation. Employee Council monitors the implementation of laws, collective agreements and the provisions of the statute and represents the interests of company employees. The council may establish internal regulations to organize its procedures. The legal representative of the company has the duty to hold council employees informed about the activities and on the performance of the company in order to separate the effects of the company’s policies on working conditions, wages, safety, possible division of profits, change of status, pension system, company restructuring and society participation in other companies. People who participate in these bodies are also in the same time employees of the company. They are representative dues, as representing all the other employees of the company. These people do not sign a contract, they just get appointed formally in order to preserve the rights of employees relevant to their lives in terms of labor relations and investment policy , trading, expansion of activity or in the worst case the closure of the company due to its bankruptcy. On the status of employees in the comparison field we can say that this is an area that still requires study and do more research. This paper has focused on some concrete aspects that have also practical value since the status of employees is very important to be understood in all its dimension.

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41 ECJ, Case "Marleasing", 13 November 1990,
42 Francovich and Bonifaci, in 1991, ECJ considers member states responsible for paying damages when caused as a result of failure of full or partial implementation of the Directive.
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Cooperative Learning as a Preference of Adolescent Students: The Case of Dance Activities

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Abstract

There are a number of extracurricular activities, carried out in today junior high schools, which give priority to the interaction between individuals and groups. Dance-as an extracurricular, physical activity with educational characteristics and cooperative elements - is believed to develop social and cultural values, since it creates emotional bonds between the individual and the group. The fact that a learning method is preferred by students can influence their performance. The aim of the study is to investigate students’ preferences concerning cooperative or individual learning methods and the difficulties of group work. The sample of the study was made up of 289 students, at the age of 13. Three groups were created. The first group was constituted of adolescents who took up extracurricular dance activities organized by the state. The second group was constituted of adolescents participating in extracurricular dance activities organized by non profit private societies. The third group was made up of adolescents who did not take up any physical activity in their free time. The Greek version (Goudas, Magotsiou, & Hatzigeorgiadis, 2009) of the «Feelings towards Group Work Scale» (Cantwell & Andrews, 2002) was used. The results showed differences among all groups. The adolescents involving in private dance activity programs presented a higher preference in group learning methods than adolescents involving in state dance activity programs. This is probably due to the higher efficiency of the teachers working in the private sector. The group that did not involve in any extracurricular activity preferred the individual work method.

Keywords: cooperative learning, dance activities, adolescent students

1. Introduction

There are a number of learning strategies adopted in today schools, which are based on modern international tendencies, theoretical pedagogic approaches and school psychology attitudes (Fagan & Wise, 2000; Oakland & Jimerson, 2007; Frisby & Jimerson, 2016). Performance is improved and qualitative characteristics, supportive to knowledge appear, through interaction and communication among groups of students (Joyce & Weil, 1992; Sharan & Shachar, 1988; Slavin, 1989; Cohen, 1994).

Cooperative learning or group work method is a form of learning which assumes a common effort in order to achieve a common target (Dyson, 2002). During cooperative learning, the participants work in miscellaneous groups with internal encouragement and support. The group members use their social skills so as to develop cooperation, through responsibility and positive attitude, aiming at both the personal and group learning, while simultaneously there is an evaluation of the group progress (Johnson & Johnson, 1989). Some characteristics of cooperative learning are cooperative skills, interdependence and personal responsibility. Since preferring cooperative learning can influence students’ performance, it is important that there is a method to evaluate students’ attitude and way of work.

Students’ learning preferences refer to their choices in relation to the structure of the class they prefer to work with. These choices concentrate on whether students prefer a) to cooperate with their fellow students while completing educational units and work material (cooperative structure) which means that they learn better what they have to learn b) to compete among them while achieving any results (competitive structure) c) to work individually, without mingling with their peers, following their own academic targets (individual structure).

In Greek schools there are a lot of group/cooperative programs of extracurricular school activities, which give priority to the interaction between individual and group. These programs mainly divide work into groups, resulting at the improvement of students in all fields. They also require and aim at developing the students’ social skills. In physical education, cooperative learning leads the students to more creative activities, with higher possibilities of success (Barker,
Quennerstedt, & Annerstedt, 2015; Casey & Dyson, 2012). In the frame of Physical Education, there is an increasing interest in cooperative rather than competitive learning structure, as educational approach (Brown & Grineski, 1992; Greendorfer, 1987; Casey & Dyson, 2012; Ensergueix & Lafont, 2010; Goodyear, Casey, & Kirk, 2012).

In 2003, Danish et al highlighted that sport activities can help transport athletic skills to everyday life. Greek dance is a kind of physical activity (Pitsi, Tokmakidis, Serbezis & Goulimaris, 2008) for all ages, which creates an emotional connection among the members of the group (McNeill, 1995). As a physical activity, with educational characteristics and cooperative elements, it is believed to develop social, cooperative and cultural values. In addition, Greek dance is a part of school physical education and is indicative for interaction and development of social skills (Lobo & Winsler, 2006).

The investigation of the students’ preferences concerning work and learning processes during school activity programs is scarce in Greece. This is also true, as far as dance lessons are concerned. This lack of investigation has initiated this study.

So, the aim of the study is to investigate the students’ preferences in relation to cooperative or individual learning methods as well as the difficulties of cooperative work. The authors carry out a comparison among three groups of students; the first group takes part in extra curricular dance activities organized by the state. The second group participates in similar activities organized by non profit private societies and the third group does not take part in any physical activity.

2. Methodology

2.1 Participants

The sample of the research consisted of 289 adolescent students, aged 13. Three groups were created. The 1st group was made up of 91 adolescents, who participated in extra curricular school dance programs organized by the state (Greek dances). The 2nd group was made up of 94 adolescents who participated in dance activities (Greek dances) organized by non profit private societies. The 3rd group was made up of 104 adolescents, who did not participate in any physical activity in their free time.

2.2 Measurement instruments

To evaluate the students’ preference concerning a work method, the instrument used was the “Feelings Towards Group Work (FTGW)” (Cantwell & Andrews 2002), adjusted for the Greek language by Goudas, Magotsiou & Hatzigeorgiadis in 2009. The scale evaluates the attitude and perception of students towards group work and has been used for researches in Greece (Gousia & Kouthouris, 2011; Filippou & Kouthouris, 2014). It consists of 24 issues, categorized in three subscales. 1) The first subscale is “Preference of group learning”. It has 8 issues e.g. “I like working in a group because in this way we help each other”. 2) The second subscale is “Preference for individual group work”. It has 9 issues e.g. “I prefer working individually, because in this way I am in a better mood for learning”. 3) The third subscale is “Feeling of discomfort in groups”. It has 7 issues e.g. “I often feel suffocating and I want to quit working in a group”. The answers were given in a five degree Likert type scale (from 1=I totally disagree, 2=I disagree, 3=I am not certain, to 5= I totally agree).

2.3 Procedure

The meetings with the students took place in the environment where the dance activities were carried out i.e. outside school or in one of the societies. There was a brief time period for instructions and questions before filling in the questionnaires, which had to be returned before the end of the meetings.

2.4 Statistical analysis

To examine the differences among the three groups concerning work method preferences (group work, individual work, group work difficulties) one way analysis of variance (one way ANOVA) was used. There followed post hoc test, in order to check the differences among the groups.
3. Results

Table 1 presents the means and standard deviations of the subscales concerning work preferences among the three groups.

Table 1. Means and standard deviations of the groups concerning work preferences.

<table>
<thead>
<tr>
<th>Subscales</th>
<th>1st M</th>
<th>1st S.D.</th>
<th>2nd M</th>
<th>2nd S.D.</th>
<th>3rd M</th>
<th>3rd S.D.</th>
<th>Total M</th>
<th>Total S.D.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group learning</td>
<td>4.30</td>
<td>0.35</td>
<td>4.66</td>
<td>0.24</td>
<td>4.00</td>
<td>0.65</td>
<td>4.31</td>
<td>0.53</td>
</tr>
<tr>
<td>Individual group work</td>
<td>2.23</td>
<td>0.53</td>
<td>2.16</td>
<td>0.28</td>
<td>2.68</td>
<td>0.63</td>
<td>2.37</td>
<td>0.56</td>
</tr>
<tr>
<td>Feeling of discomfort in groups</td>
<td>1.45</td>
<td>0.37</td>
<td>1.21</td>
<td>0.27</td>
<td>1.86</td>
<td>0.84</td>
<td>1.52</td>
<td>0.63</td>
</tr>
</tbody>
</table>

One way ANOVA shows that there are statistically significant differences in group work $F_{(2,286)} = 51.9$, $p<0.05$, in individual work $F_{(2,286)} = 31.2$, $p<0.05$ and in group work difficulties $F_{(2,286)} = 33.8$, $p<0.05$. The post hoc test Scheffe shows that: a) In the subscale “Preference of group learning” the 2nd group has a higher means ($M=4.66$, $SD=0.24$) than the 1st group ($M=4.29$, $SD=0.35$) and the 3rd group ($M=4.00$, $SD=0.65$). b) In the subscale “Preference for individual group work” the 3rd group has a higher means ($M=2.68$, $SD=0.63$) than the 1st group ($M=2.23$, $SD=0.53$) and the 2nd group ($M=2.16$, $SD=0.28$). c) In the subscale “Feeling of discomfort in groups” the 3rd group has a higher means ($M=1.86$, $SD=0.84$) than the 1st group ($M=1.45$, $SD=0.37$) and the 2nd group ($M=1.21$, $SD=0.27$).

4. Discussion

The aim of the research was to investigate students’ preferences concerning group or individual work learning methods and the perceivable difficulties of group work. There was a comparison among the preferences of the student groups, which participated in extra curricular dance activities outside school, in dance activities in non profit private societies or did not participate in any athletic activity.

The results showed that there are differences in all three groups. The students who belonged in the group that took up dance activities in non profit private societies, preferred group work, showing a preference for the composition and dynamics of their group and displaying a sense of self knowledge, comfort and responsibility as concerns their position in the group. This group had the higher means of preference concerning group work learning methods, in relation to the group that took up extra curricular school activity programs organized by the state. This is probably due to the better specialization and larger experience of the teachers who do not work for the state or it is the result of a different organizing culture between school and non profitable societies. In dance activities, interaction and cooperation among the participants is direct and inevitable. There is a certain behaviour which focuses on “us”, meaning a sense of “belonging together” (McMillan & Chavis, 1986; Sarason, 1974). The concept of the group is an ingredient which is transferred through dance activities to every day life (Bougiesi, Zisi, Grigoriou & Pollatou, 2011).

On the contrary, the students who do not take up physical activities in their free time prefer the individual way of work. It seems that they have a lower appreciation of the structural nature of group work, which is due to low self esteem and reluctance to take the necessary responsibilities when participating in a group. They find it difficult to adapt and embody in a group, they show emotions of insecurity, they fear a possible alienation and rejection from the group and they have difficulties in communicating, which means that they have reduced social skills.

5. Conclusions

The research revealed that group work learning methods are highly preferred by students who deal with dance activities in non profit private societies, followed by students who take up extra curricular dance activity programs in school. As for students who are not involved in any physical activity in their free time, they prefer individual work, having group work difficulties. These results are important, as they are supportive of researches concerning the development of sociability and social skills of students who are involved in dance activities. The identification and classification of the students’ perceptions and emotions contribute to the improvement of adopting learning methods in groups and to the positive results of intervention programs, which aim at ameliorating the cooperative skills of students (Merrel, 2001). Thus, it is highly suggested that similar researches should be carried out, including more adolescent ages.
References


Evaluation of the Main Macroeconomic Indicators and Their Role in the Economic Growth of Albania

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Assistant Professor, Bexhet Brajshori
Assistant Professor, Drita Krasniqi
Assoc. Prof., Edmond Kadiu

Abstract

This project is focused on the link between some macroeconomic indicators as an important factor of sustainable growth and the development economy. Specifically in this study is given a presentation of inflation on years in our country, giving the factors that have influenced it. Also we have received some data from government statistics: Dependence of the nominal stated interest rate on loans from consumer price index, which serves to measurement of (GDP) Gross Domestic Product. Potential product measured using the linear regression method. The results of the methods were compared using time series analysis, for measurement of economy cycles and their intensity. Economic stability is a necessary condition for sustained economic growth of a country and for improving its welfare in the long term. It is also evidenced by the experience of different countries. As the experience as well as theory have shown that the establishment and maintenance of equilibrium within and between sectors of the economy is a necessary condition of economic growth.

Keywords: Inflation, economic growth, GDP - Gross Domestic Product, CPI - Price Index consumer

1. Introduction

Specifically this study gives a presentation on inflation rates by years in Albania and the factors that influenced it. Also, data from government statistics such as dependence of the nominal stated interest rate on loans from consumer price index are used to measure inflation and measurement of (GDP) Gross Domestic Product. Here they emerge to model the variables which consumers.

The CPI one of indicators which is used to measure inflation.

Gross domestic product

The data are for the period Q1 1995 - T2: 2011 taken by the Ministry of Finance, statistical INSTAT ect..

The Econometric program that is used is EViews7 and the variables we have noticed:

1. The nominal interest-rate loans
2. CPI - Price Index consumer, which serves to measure inflation
3. GDP level of Gross Domestic Product

The model that we will present below is the Bank of Albania's efforts to modeling one of this.

1.1 General Issues

In our study we have analysed the relationship between GDP inflation - interest and their role in the economic growth for the Albania's case.

Also this study have analyzed some econometric models, to see the connection that exists between variables, and also to test the statistical significance of the models.

2. Material and Methods

In this study we have received some data from government statistics: dependence of the nominal stated interest rate on loans from, which used to measurement of (GDP) Gross Domestic Product.

The Econometric program that was used was EViews7 and the variables we have noticed: The data are for the
period Q1 1995 -T2: 2011 taken by the Ministry of Finance, Statistical, INSTAT.
Statistical Reports of the Ministry of Finance. Publications by Instad, some topic by "Econometrics" module, some topic by "Money and financial institutions module" etc..

3. Testing the Model with Durbin-Watson Test

Durbin-Watson test that is more useful test for detecting the serial correlation known as autocorrelation. Durbin-Watson test moves from (0, 4). To perform the test, we build hypotheses:

H0: \( \hat{\theta} = 0 \) (no autocorrelation)
Ha: \( \hat{\theta} \neq 0 \) (no autocorrelation)

Durbin-Watson stat in the value 1.018 testifies to the value of the non-existence of autocorrelation (we know that DW2 = 2 or near 2, the base hypotheses is H0: \( \hat{\theta} = 0 \) that means not has autocorrelation).

Assessment of simple linear relationship between interest rates and gross domestic product:

\[
\text{Dependent Variable: I} \\
\text{Method: Least Squares} \\
\text{Date: 11/19/12  Time: 13:06} \\
\text{Sample: 1995 2011} \\
\text{Included observations: 17} \\
\]

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>Std. Error</th>
<th>t-Statistic</th>
<th>Prob.</th>
</tr>
</thead>
<tbody>
<tr>
<td>C</td>
<td>31.01934</td>
<td>4.066870</td>
<td>7.627325</td>
<td>0.0000</td>
</tr>
<tr>
<td>GDP</td>
<td>-0.017542</td>
<td>0.005125</td>
<td>-3.422996</td>
<td>0.0038</td>
</tr>
</tbody>
</table>

R-squared 0.438558 Mean dependent var 18.25882
Adjusted R-squared 0.401128 S.D. dependent var 8.660919
S.E. of regression 6.702233 Akaike info criterion 6.752880
Sum squared resid 673.7989 Schãerz criterion 6.850915
Log likelihood -55.39956 Hannan-Quinn criter. 6.762633
F-statistic 11.71690 Durbin-Éatson stat 1.177222
Prob(F-statistic) 0.003775

The bond that exists between these two variables is expressed by the equation

\[ I = 31.019 - 0.0175 \times GDP \]

We now do the simple linear interpretation:
If GDP increases by one unit then the interest rate will decrease by 0.0175 points.
If GDP is 0 then the interest rate is 31,019

The coefficient of determination R2 (R-squared) is calculated by formula

\[
R^2 = \frac{SKR}{SKT} = 1 - \frac{SKG}{SKT} = 1 - \frac{\sum u_i^2}{\sum y_i^2}
\]

And it shows us the percentage of dependence variance variable NPL / TKB explained by all the variables together. But in our case we have ready from the table of regression the value of 0.438. So 44% of the interest rate variance explained by GDP and 56% is explained by other variables not included in the model.

We do the test to show how important is model
H0: \( \beta_2 = 0 \) (the model isn’t important)
Ha: \( \beta_2 \neq 0 \) (the model is important)

We choose the Student test. We know that:

\[
t_v = \frac{\hat{\beta}_v}{\text{SE}({\beta}_v)} \sim t_{v-4}
\]

From the table of regression we can see that \( |t_v| = 3.42 \) > \( t_4 = 1.96 \) → H0 ↓.

In this case we say that the basic hypothesis falls down and our model is statistically significant. since we are in the two variable model to the same conclusion we will come and if we analyze the table ANOVA and Fisher criteria where if F_v > F_k then we say that the basic hypothesis is rejected (H0 ↓) and accept the alternative hypothesis (Ha ↑) that model is statistically significant.
The opposite if \( F_v < F_k \) which means that the model is not statistically significant \( H_0 \uparrow \).

In our case we can see that \( F_v = 11.71 > F_k = 5 \) which means that \( H_0 \downarrow \) and our model is statistically significant.

Durbin-Watson stat in the value 1.177 testifies to the value of the non-existence of autocorrelation (we know that \( DW^2 = 2 \) or near 2, the base hypotheses is \( H_0: \sigma = 0 \) that means not has autokorelacij).

4. The Multiple Model of Regression

The model in which the number of explanatory variables is greater than regression model. Let's see what happens if we include all independent variables on the model in simultaneously.

Dependent Variable: I  
Method: Least Squares  
Date: 11/19/12  Time: 13:23  
Sample: 1995 2011  
Included observations: 17

<table>
<thead>
<tr>
<th>Variable</th>
<th>Coefficient</th>
<th>Std. Error</th>
<th>t-Statistic</th>
<th>Prob.</th>
</tr>
</thead>
<tbody>
<tr>
<td>C</td>
<td>21.59212</td>
<td>3.194620</td>
<td>6.758901</td>
<td>0.0000</td>
</tr>
<tr>
<td>ICK</td>
<td>0.573860</td>
<td>0.116943</td>
<td>4.907178</td>
<td>0.0002</td>
</tr>
<tr>
<td>GDP</td>
<td>-0.009464</td>
<td>0.003613</td>
<td>-2.619365</td>
<td>0.0202</td>
</tr>
</tbody>
</table>


The relation that exists between the variables is given by the following equation:

\[
I = 21.592 + 0.5738 \times ICK - 0.0094 \times GDP
\]

If CPI increase by one unit and the others variables independently are constant, then the interest rate will increase by 0.5738 units.

If GDP increases by one unit and the others variables independently are constant, then the interest rate will decrease by 0.0094 points.

If all independently variables are 0 then the interest rate is 21.592

Let do the Interpretation of multiple regression model

If in the model we do increase the number of explanatory variables, the coefficient of determination R2 will only increase.

This is because with the increasing number of explanatory variables, the error will be reduced, since the sum of the squares errors (SKG) decreases. The fact that \( SKT = SKR + SKG \), when amount of the squared errors decreases, the amount of squares regression will increase and consequently the coefficient of determination R2 will increase.

In the case of multiple regression model it is necessary to correct the determination coefficient to eliminate the overvaluation and therefore is used the corrected determination coefficient which is obtained by dividing the amount of squares regression with the degrees of freedom.

Then in our case the corrected coefficient of determination is 0.76, which means that 76% of the variance explained by inflation and GDP and 24% of the variance explained of other variables that are not included in the model.

From this higher percent % of this coefficient expect our model to be statistically significant.

We do the test to show how important is model

We will do testing with Fischer, seeing that \( F_v = 26.91 > F_k = 5 \) means that \( H_0 \downarrow \) and our model is statistically significant, based on the highest percent of adjusted determination coefficient.

We do the test of statistical significance of partial coefficients regression.

With the help of Fisher criterion we conclude that whether or not the connection between variables was important.

Namely that at least one of the parameters was different from zero, then it is interesting to carry out a new test to evaluate the parameters that are important, but always knowing that the remains variables have normal distribution.
We build hypotheses:

\( \beta_2 \)- Consumer Price Index, independent variable

- **Ho**: \( \beta_2 = 0 \) isn’t important
- **Ha**: \( \beta_2 \neq 0 \) is important

The null hypothesis will be rejected if

\[
|t_v| > t_k \text{  where in our case } TV = 5.907 > t_k = 1.96 \text{ that brings us to the basic hypothesis is rejected. This means that the partial coefficient of regression } \beta_2 \text{ Consumer Price Index is statistically significant.}
\]

\( \beta_3 \)-Gross Domestic Product, independent variable

- **Ho**: \( \beta_3 = 0 \) isn’t important
- **Ha**: \( \beta_3 \neq 0 \) is important

In our case \( |-2.619| > t_k = 1.96 \), The null hypothesis will be rejected means that \( \beta_3 \) the partial coefficient at GDP is statistically significant.

We conclude that: Since all partial regression multiple coefficients are statistically significant, after testing of their statistical significance then we say that our model is better.

5. **Wald Test**

Let do the testing of equality of two partial coefficients of model.

We are doing the testing the hypothesis if that \( \beta_2 \) and \( \beta_3 \) are equal.

Prepare the assumptions:

- **Ho**: \( \beta_2 = \beta_3 \) ose \( \beta_2 - \beta_3 = 0 \)
- **Ha**: \( \beta_2 \neq \beta_3 \) ose \( \beta_2 - \beta_3 \neq 0 \)

Wald Test:
Equation: EQ03

<table>
<thead>
<tr>
<th>Test Statistic</th>
<th>Value</th>
<th>Df</th>
<th>Probability</th>
</tr>
</thead>
<tbody>
<tr>
<td>t-statistic</td>
<td>5.057359</td>
<td>14</td>
<td>0.0002</td>
</tr>
<tr>
<td>F-statistic</td>
<td>25.57688</td>
<td>(1, 14)</td>
<td>0.0002</td>
</tr>
<tr>
<td>Chi-square</td>
<td>25.57688</td>
<td>1</td>
<td>0.0000</td>
</tr>
</tbody>
</table>

Null Hypothesis: C(2)=C(3)

Null Hypothesis Summary:

<table>
<thead>
<tr>
<th>Normalized Restriction (= 0)</th>
<th>Value</th>
<th>Std. Err.</th>
</tr>
</thead>
<tbody>
<tr>
<td>C(2) - C(3)</td>
<td>0.583325</td>
<td>0.115342</td>
</tr>
</tbody>
</table>

Restrictions are linear in coefficients.

For testing the hypothesis will use student test:

In this case we see from the table that \( TV = 5.057 > t_k = 1.96 \), then the null hypothesis is rejected and thus mean that the partial coefficients \( \beta_2 \) and \( \beta_3 \) are not equal.

6. **Results and Discussions**

In this study we have analysed the relationship between both real and nominal interest rate. In our study we have analyzed some econometric models, to see the connection that exists between variables. Also we have analysed the multiple regression. From result our model was statistically significant.
7. Conclusions

In this study we we test the model with Durbin–Watson test.

Durbin–Watson is a test statistic used to detect the presence of autocorrelation (a relationship between values separated from each other by a given time lag) in the residuals (prediction errors) from a regression analysis. The result of Durbin-Watson test in our case was that not has autokorelacion.

In the case of multiple regression model it is necessary to correct the determination coefficient to eliminate the overevaluation and therefore is used the corrected determination coefficient which is obtained by dividing the amount of squares regression with the degrees of freedom.

From result our model was statistically significant.

In the social and natural sciences multiple regression procedures are very widely used in research. In general, multiple regression allows the researcher to ask (and hopefully answer) the general question "what is the best predictor of ...".

We used Wald Test, to test the equality of two partial coefficients of model.the Wald test in the context of logistic regression is used to determine whether a certain predictor variable X is significant or not. It rejects the null hypothesis of the corresponding coefficient being zero. The test consists of dividing the value of the coefficient by standard error \( \sigma \). The Wald test can be used to test the true value of the parameter based on the sample estimate. In our case we test the model with the student test, and from the result the null hypothesis was rejected and thus mean that the partial coefficients \( \beta_2 \) and \( \beta_3 \) were not equal.

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The Albanian Family Characteristics (Socio-Geographic) during the Transition Period (in the Southeast Region of Albania)

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Abstract

The evolution of the Albanian family has had a direct impact not only on the reproductive potential of the population. For this reason its study is necessary. The situation of employment (possibilities or impossibilities for employment), income levels, economical structure and the development, education level, the level of urbanization, gender and age composition of the population, the birth rate, family planning, mortality general and specific, emigration, the force of tradition, etc., are the main factors that have determined the socio-geographical characteristic features of Albanian society, during the transition political, economic and demographic period in Albania. -The substitution of the centrally planned socialist economy with the free market. -Economic crisis at the beginning of 1990. -The increase of the unemployment. -The reduction of income. -The family planning policy. -The flow of rural population to the cities. -The abandonment of the villages. -The emigration. -The aging demographic. -The change of gender ratio (because of male emigration). -The traditional psychology, -The economic insecurity. These are the main factors that brought evident change in the Albanian family performance and characteristics, marriage, divorce rate and civil structure of the population too, in the south of Albania. This region is distinguished too for a clear profile emigration, because of the positioning of the neighboring country, Greece, and the presence of the Greek minority. The reduction of the total number of the families, marriages too, after 1990 in this area, has been analyzed under the influence of economical changes, which have been an important impact on the creation of new families; meanwhile, the index of divorce rate per 1000 inhabitants is increased, compared to 1989. At the end the Albanian families' trend will depend on the performance of economic, social and demographic development in Albania.

Keywords: aging demographic, gender ratio, structure of the population, the migration, unemployment.

1. Introduction

In Albania, during and after 1990, some political, economic and social changes occurred which greatly influenced the demographic developments. Immigration is one of the most determining factors which brought those changes closely into every Albanian family during this economic transition. Albanian families came from a large unit of two or more pairs (crowns in English), and many family members, while now it is replaced by smaller families (parents) with only two children per family. From 7 children in 1950, down to 5 children in 1970, followed by 4 children in 1980, and down again to 3 children in 1990.

The impact of immigration in the country, mostly affecting the young generation followed by a low birth rate (from 31.1‰ to 7.0‰ 1960 (2011), was reinforced by a decline in marriage rates. Another factor to be mentioned was a high increase in divorce rates which contributed greatly to those factors. In comparison to other European countries, the fertility decline came late, but this process was conducted with the highest intensity. This phenomenon is very striking, especially when it comes to a large family unit, reduced to only three family members (two parents plus a child).

2. The Family Dynamics, the Number of Households and its Structure after 1990.

The family, with it dimension, number structure and its evolution in time and space, has a direct impact on the reproductive potential of the population. In this regard its study constitutes a necessity.

In its evolution have acted several factors with a diverse nature such are demographic, economic, social, psychological, tradition factors etc. The study in the dynamics of the number of families in southern Albania shows that this number has increased up to 17.8%, compared to 1989. After that year (1989), important political and economical changes took place. The sociali...
system was replaced by a free market economy; state ownership was replaced by private ownership, followed by family planning policies, immigration etc.

Dynamics (performance) of the number of families fails to give a complete panorama of the changes that have taken place within it. For this purpose, we have to analyze only the dynamics of the average members per family. According to settlements (urban-rural), this indicator is higher (4.4 members / family) than in the village which result to be 3.7 members per families in the city. The reason is in the high birth rate of the rural population which is motivated or conditioned by the demand for labor as the result of non mechanized agriculture.

Table 1: The number of families in the district of Gjirokastra[1]

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>District</td>
<td>4.6</td>
<td>4.0</td>
<td>4.3</td>
<td>4.1</td>
<td>-20.4</td>
</tr>
<tr>
<td>Urban area</td>
<td>4.2</td>
<td>3.6</td>
<td>4.0</td>
<td>3.7</td>
<td>-7.8</td>
</tr>
<tr>
<td>Rural area</td>
<td>4.9</td>
<td>4.2</td>
<td>4.5</td>
<td>4.4</td>
<td>-27.9</td>
</tr>
</tbody>
</table>

Statistics concluded that increasing of family numbers in southern part of Albania has been slow. This situation is a consequence of the change (decrease) in the number of marriages; increase the number of divorces, declining of birth rate, mobility (immigration) of the population, etc.


In spatial terms, the number of families in the city is increases by 46.4%, while in the village was decreased by 27.9% compared to 1989.

The apparent reduction of families in the village is explained by a higher involvement of this population in the migration to the city, outside the district and abroad.

The phenomenon of family contraction has been greatly noticed mostly in villages where due to migration factors the number of families in the village was drastically decreased, in comparison to the city.

In the countryside, the decrease in the average number of family members resulted from 4.9 members (1989) to 4.4 members (2011), while in the city this indicator has decreased from 4.2 to 3.7 members / family.

Change in size of the family was done in two stages. The first stage was the reduction of large families into small ones followed later by a reduction in having new born children as a result of a lower birth rate. These changes are related to numerous factors such are social and economic ones, as well the rising of urbanization level in the region (urban population), migration of the population outside the region, improvement of women education level etc.

The study of family numbers in territory taken in in consideration in this research study show differences according to the region’s districts

During 1990-s, general number of families was decreased in three districts of the region. Tepelena District (-27.2 %) is raged the first according to the reduction level, while n the second place is Përmet District (-26.2%), followed from Gjirokastër District (-12.3 %), in comperison to 1989.

Picture 1: The number of families in Gjirokastra district by district.[2]
The decrease in the average members / families also appears high in Tepelenë District, the members dropped from 4.9 to 3.9 members. Permet District members dropped from 4.6 to 4.2 members and in Gjirokastra District from 4.4 to 4.0 members / family.

Table 2: Number of families in Gjirokastra district by district

<table>
<thead>
<tr>
<th>Units</th>
<th>1989 Average members / family</th>
<th>1994 Average members / family</th>
<th>1999 Average members / family</th>
<th>2001 Average members / family</th>
<th>2009 Average members / family</th>
<th>The change</th>
</tr>
</thead>
<tbody>
<tr>
<td>District</td>
<td>4.7</td>
<td>4.0</td>
<td>4.3</td>
<td>4.1</td>
<td>4.1</td>
<td>-20.3</td>
</tr>
<tr>
<td>Gjirokaster</td>
<td>4.4</td>
<td>4.0</td>
<td>4.3</td>
<td>4.0</td>
<td>4.0</td>
<td>-12.3</td>
</tr>
<tr>
<td>Permet</td>
<td>4.6</td>
<td>4.0</td>
<td>4.1</td>
<td>4.0</td>
<td>4.2</td>
<td>-26.2</td>
</tr>
<tr>
<td>Tepelene</td>
<td>4.9</td>
<td>4.0</td>
<td>4.3</td>
<td>4.3</td>
<td>3.9</td>
<td>-27.2</td>
</tr>
</tbody>
</table>

Changes in the size of the family in this district reflect the situation of this decline in towns, cities and villages.

Picture 2. The map of average members / family.\[^3\]

4. The Results of this Analysis

During 1990-s, the analysis about the structure of family size shows:

- The process of "distribution" of large families, with over 6 family members constitutes (by INSTAT) consist in 17.6% of the whole number of families in the region.
- This trend appears to be different among districts. In Tepelenë for instance very large families continues to be the majority of the family numbers, especially in the countryside where they occupy 26.7% of the total number of families (in the village). This shows that the tradition for a big family in this population is still strong.

Picture 3. Families according the number of the members in Gjirokastra region \[^3\]

[^3] By V. Duri
[^4] By V. Duri
• The number of small families with 1 - 2 family members consists in 18.6% in comparison to the total number of families in the region.
• The largest number of very small families with 1to 2 people are those in Gjirokastra district due to the immigration of a massive population to Greece.
• In the first place stand families with two children constitute about 77.0% of the total number of families in the district of Gjirokastra.
• In second place stand families with 3 to 5 children and those with over 6 children who consist in less than 1.0% (0.7%) of the total number of families in the region.

The disintegration of large families and their replacement with smaller families with up to 2 members is due to changes that occurred in Albania after the collapse of the socialist system and extensive development (labor force growth by increasing the population).

Factors such are:
✓ The transition from central planned socialist economy into a free market economy
✓ economic crisis in the late 1980s,
✓ increase in unemployment,
✓ reduction of incomes,
✓ private ownership, family planning, reduction in birth rate by half
✓ influx of population in cities,
✓ abandonment of the villages
✓ the continuation of the immigration
✓ the ageing population,
✓ the decay gender equilibrium (male immigration),
✓ weakening of the traditional psychology,
✓ increased economic uncertainty,

All these were main factors that brought significant change in the performance and features of the Albanian family.

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The Impact of Democracy on Poverty Levels

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Abstract

Robert Dahl argued that individuals living in a democracy can find better alternatives to meet basic needs such as food, health, education and housing. However, there are two assumptions that cast doubt on this hypothesis. First, democracies are usually developed in more unequal contexts. Second, on democracy, inequality can generate higher levels of poverty. By applying multiple linear regressions and instrumental-variables regressions, it was found that, in a democracy, both the context and citizens could influence on decreasing poverty levels. Procedural elements are essential to generate better contexts and citizens, through different types of participation, can influence the government to offer better public policies, especially those related to poverty levels. Higher citizen participation levels and with better procedural elements, individuals could perceive that their democracy is of higher quality and they would support more this type of regime. In the analysis also it was found that per capita income level is an important indicator of efficiency of citizen participation because political action is only efficient in rich democracies.

Keywords: Democracy, Poverty, Non democratic regimes, Citizen participation, Inequality

1. Introduction

Economic, political and social performance depend on a variety of factors. Type of regime and per capita income are two variables that influence on the levels of performance. Compared to other types of regime, democracies, on average, have better levels of wealth, industrialization, education and urbanization. In addition, individuals under this type of regimen could find better alternatives to meet basic needs such as food, health, education and housing. However, the averages do not consider the dispersion of the distribution of resources. For Ansell and Samuels, democracies often arise in more unequal environments. For this reason, whenever analyzing economic, political and social performance, it is essential to analyze the distribution of this among society.

A democratic regime that is representative must see for the interests of the whole society. In low per capita income countries, poverty levels could be one of the main interests of society. In developing countries, citizens associate democracy as the best way to achieve higher standards of living. Democracies have better political and social results than other types of regime. However, the public policies of poor democracies do not differ much from those of poor non democratic countries. Democracies are failing to offer public policies that benefit the poorest, even though they allocate more resources to provide better services to society than non democratic countries. The middle class and the richest are those who benefit most from this type of regime.

The poorest have the hope that their economic and social situation improves with the time. They expect that a democratic regime give them sufficient conditions to improve. In a democracy, individuals have freedoms that allow them to express opinions or influence governments to obtain more and better public policies. The poorest have the possibility of demanding programs that reduce poverty levels.

Poverty levels could be determined through minimum levels of consumption. However, it is not easy to determine what these are. The most indispensable for a decent life could be food, health, education and housing. In this way, poverty could be measured in a multidimensional way. However, each need has other dimensions that make measuring poverty more complex. Although poverty could be measured with elements that go beyond biological ones, food is one of the most important aspects of poverty. Food poverty lines could be questioned because of their lack of precision. However, food poverty could be the best approach to poverty levels.

So, what role could democracy play in reducing poverty levels? Individuals could make use of their civil liberties, such as freedom of expression, individual rights, freedom of belief and rule of law. In addition, they could make use of peaceful political action as marches, referendums, petitions, among others. Citizen participation influences governments to develop better public policies that reduce poverty levels. However, participation in cultural groups has no effect on poverty levels. This type of participation does not necessarily come from the poorest.

2. Methodology

To identify the role of democracy in reducing poverty levels, four groups of analysis were made: poor democracies, rich democracies, poor non democratic countries, and rich non democratic countries. In this way, indirectly, it could be measured the relationship between regime and per capita income through some indicators used in this research.

Descriptive statistics, simple linear regressions, multiple linear regressions and regressions with instrumental variables were applied to these groups. The unit of analysis are the countries. A country with a per capita income above 15,000 dollars is considered as a rich country. Based on the Polity IV methodology, a country is democratic or not.

The selection and combination of variables had a comprehensive review of democratic theory with the aim of validating or rejecting the arguments of important theorists on the subject. Reliable sources were used with the largest number of countries and with all regions of the world. The sources that were used are: World Bank, Freedom House, CIA World Factbook, Global Gender Gap Report, Polity IV, United Nations Development Program, Transparency International and World Values Survey.

The indicators that were used in the descriptive statistics are: per capita energy consumption, percentage of urban population, persons per vehicle, doctors per thousand inhabitants, economic growth rate, unemployment rate in persons aged 15 to 24 years, unemployment rate in persons aged over 15 years, food price volatility, life expectancy, schooling of persons over 25 years, public policy performance, anti-corruption, political stability, human development, gender equity, poverty, confidence in government, satisfied with their life, satisfied with their standard of living, satisfied with the quality of education, satisfied with the treatment of the poor, Gini, palm ratio and quintile ratio.

In simple linear regressions, multiple linear regressions and regressions with instrumental variables, the independent variables that were used are: inequality, civil liberties, political action and procedural elements. The dependent variables that were used are: poverty, public policy performance, importance of democracy and perception of the quality of democracy.

3. Democracies vs. No Democracies, Who Have More Performance?

As shown in Chart 1, among democracies there are different levels of performance. All those democracies with a per capita income below 15,000 dollars have less performance than rich democracies. So, it is not enough to be democratic to enjoy high levels of performance. Rich democracies have higher levels of energy consumption, urbanization and schooling. They have more doctors per thousand inhabitants and more life expectancy. The number of people per vehicle, unemployment rates and food price volatility are lower. However, economic growth rates are quite lower than those of poor democracies.

Although individuals of poor democracies trust more on government, as shown in Chart 2, in these countries the levels of public policy performance, gender equity, political stability and human development are lower than those levels of rich democracies. Also perceptions of levels of health, education or treatment of the poor are lower. It seems illogical that citizens trust in their government when they face high levels of corruption and their levels of poverty are much higher.

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8 Ibid. p. 3.
As shown in Charts 1, 2, 3 and 4, economic, political and social performance varies more by per capita income than by type of regime. On average, independently of their regime, rich countries have higher energy consumption, percentage of urban population, doctors per thousand inhabitants, life expectancy, schooling of persons over 25 years, public policy performance, anti-corruption programs, political stability, human development and gender equity. In rich countries, citizens are more satisfied with their lives, with their quality of education, with their quality of health and with the treatment of the poor. On average, independently of their regime, rich countries have lower number of people per vehicle, unemployment rates, food price volatility and poverty levels. However, on average, independently of their regime, rich countries have lower economic growth rates.

**Chart 1:** Comparison of performance of democratic countries by per capita income in 2013

<table>
<thead>
<tr>
<th></th>
<th>Above 15,000 dollars</th>
<th>Below 15,000 dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per capita energy consumption</td>
<td>6740.63 Kwh</td>
<td>1524.09 Kwh</td>
</tr>
<tr>
<td>Percentage of urban population</td>
<td>73.41%</td>
<td>48.26%</td>
</tr>
<tr>
<td>Persons per vehicle</td>
<td>2.71 persons</td>
<td>30.09 persons</td>
</tr>
<tr>
<td>Doctors per thousand inhabitants</td>
<td>3.01 doctors</td>
<td>0.82 doctors</td>
</tr>
<tr>
<td>Economic growth rate</td>
<td>1.30%</td>
<td>5.08%</td>
</tr>
<tr>
<td>Unemployment rate (over 15 years)</td>
<td>8.94%</td>
<td>11.07%</td>
</tr>
<tr>
<td>Unemployment rate (15-24 years)</td>
<td>20.93%</td>
<td>21.70%</td>
</tr>
<tr>
<td>Food price volatility</td>
<td>26.67%</td>
<td>39.57%</td>
</tr>
<tr>
<td>Life expectancy</td>
<td>78.6 years</td>
<td>66.61 years</td>
</tr>
<tr>
<td>Schooling of persons over 25 years</td>
<td>10.97 years</td>
<td>6.51 years</td>
</tr>
</tbody>
</table>

**Source:** Compiled by author based on Polity IV, World Bank and PNUD

**Chart 2:** Performance of government of democratic countries by per capita income in 2013

<table>
<thead>
<tr>
<th></th>
<th>Above 15,000 dollars</th>
<th>Below 15,000 dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public policy performance</td>
<td>7.35</td>
<td>4.12</td>
</tr>
<tr>
<td>Anti-corruption</td>
<td>6.09</td>
<td>2.48</td>
</tr>
<tr>
<td>Political stability</td>
<td>7.71</td>
<td>6.1</td>
</tr>
<tr>
<td>Human Development</td>
<td>8.87</td>
<td>4.78</td>
</tr>
<tr>
<td>Gender equity</td>
<td>6.79</td>
<td>5.97</td>
</tr>
<tr>
<td>Poverty</td>
<td>15.41%</td>
<td>40.33%</td>
</tr>
<tr>
<td>Confidence in government</td>
<td>39.87%</td>
<td>46.08%</td>
</tr>
<tr>
<td>Satisfied with their life</td>
<td>6.34</td>
<td>5.08</td>
</tr>
<tr>
<td>Satisfied with their standard of living</td>
<td>68.33%</td>
<td>49.46%</td>
</tr>
<tr>
<td>Satisfied with the quality of education</td>
<td>64.49%</td>
<td>63.09%</td>
</tr>
<tr>
<td>Satisfied with the quality of health</td>
<td>67.56%</td>
<td>47.73%</td>
</tr>
<tr>
<td>Satisfied with the treatment of the poor</td>
<td>35.48%</td>
<td>30.55%</td>
</tr>
</tbody>
</table>

**Source:** Compiled by author based on Polity IV, World Bank, UNDP, World Economic Forum, Transparency International and CIA

**Chart 3:** Comparison of performance of non democratic countries by per capita income in 2013

<table>
<thead>
<tr>
<th></th>
<th>Above 15,000 dollars</th>
<th>Below 15,000 dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per capita energy consumption</td>
<td>6329.34 Kwh</td>
<td>977.71 Kwh</td>
</tr>
<tr>
<td>Percentage of urban population</td>
<td>74.94%</td>
<td>40.78%</td>
</tr>
<tr>
<td>Persons per vehicle</td>
<td>4.26 persons</td>
<td>65.21 persons</td>
</tr>
<tr>
<td>Doctors per thousand inhabitants</td>
<td>2.73 doctors</td>
<td>0.79 doctors</td>
</tr>
<tr>
<td>Economic growth rate</td>
<td>2.36%</td>
<td>3.91%</td>
</tr>
<tr>
<td>Unemployment rate (over 15 years)</td>
<td>5.10%</td>
<td>9.82%</td>
</tr>
<tr>
<td>Unemployment rate (15-24 years)</td>
<td>10.82%</td>
<td>20.71%</td>
</tr>
<tr>
<td>Food price volatility</td>
<td>34.95%</td>
<td>46.05%</td>
</tr>
<tr>
<td>Life expectancy</td>
<td>71.48 years</td>
<td>64.44 years</td>
</tr>
<tr>
<td>Schooling of persons over 25 years</td>
<td>9.03 years</td>
<td>5.61 years</td>
</tr>
</tbody>
</table>

**Source:** Compiled by author based on Polity IV, World Bank and UNDP
As shown in Charts 2 and 4, on average, in non democratic countries, confidence in government is higher in rich countries. However, in democratic countries, confidence in government is higher in poor countries. On average, poor democratic countries have high poverty levels and inequality. The people of this type of regime trust that the government could solve these problems. Then, as research hypothesis, in poor democracies, despite developing in high economic inequality environments, there are conditions that help to reduce poverty levels.

4. Inequality Levels

As shown in Chart 5, democracies are more unequal than other types of regimes. The Gini is similar in those countries with a per capita income above 15,000 dollars. In poor countries, democracies have a higher gini. Independently of the income level, palm ratio and quintile ratio are substantially higher in democratic countries. Chart 5 shows that poor countries are more unequal than rich countries. Therefore, poor democracies, on average, are the most unequal countries in the world.

Chart 4: Performance of government of non democratic countries by per capita income in 2013

<table>
<thead>
<tr>
<th>Above 15,000 dollars</th>
<th>Below 15,000 dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public policy performance</td>
<td>4.41</td>
</tr>
<tr>
<td>Anti-corruption</td>
<td>3.35</td>
</tr>
<tr>
<td>Political stability</td>
<td>6.7</td>
</tr>
<tr>
<td>Human Development</td>
<td>7.5</td>
</tr>
<tr>
<td>Gender equity</td>
<td>5.18</td>
</tr>
<tr>
<td>Poverty</td>
<td>20.77%</td>
</tr>
<tr>
<td>Confidence in government</td>
<td>63.75%</td>
</tr>
<tr>
<td>Satisfied with their life</td>
<td>5.99</td>
</tr>
<tr>
<td>Satisfied with their standard of living</td>
<td>67.14%</td>
</tr>
<tr>
<td>Satisfied with the quality of education</td>
<td>61.46%</td>
</tr>
<tr>
<td>Satisfied with the quality of health</td>
<td>57.29%</td>
</tr>
<tr>
<td>Satisfied with the treatment of the poor</td>
<td>54.00%</td>
</tr>
</tbody>
</table>

Source: Compiled by author based on Polity IV, World Bank, UNDP, World Economic Forum, Transparency International and CIA

Chart 5: Inequality levels by type of regime and by income level 2010

<table>
<thead>
<tr>
<th>Democratic countries</th>
<th>Non democracies</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Above 15,000 dollars</td>
<td>35.35</td>
<td>33</td>
</tr>
<tr>
<td>Palma ratio</td>
<td>1.93</td>
<td>15</td>
</tr>
<tr>
<td>Quintile ratio</td>
<td>7.68</td>
<td>19</td>
</tr>
<tr>
<td>Below 15,000 dollars</td>
<td>44.42</td>
<td>39</td>
</tr>
<tr>
<td>Palma ratio</td>
<td>2.64</td>
<td>34</td>
</tr>
<tr>
<td>Quintile ratio</td>
<td>12.06</td>
<td>37</td>
</tr>
</tbody>
</table>

Source: Compiled by author based on Polity IV and World Bank

Chart 6 shows that inequality has an impact on poverty levels. This effect depends on per capita income and type of regime. Inequality has a greater impact on democracies than on any other type of regime. However, in rich countries, the effect of inequality is more perceived.

Chart 6: Impact of inequality on poverty levels

| Democratic countries | n | Coefficient | P>|t| | R-squared | Prob > F |
|----------------------|---|-------------|----------|-----------|-----------|
| Above 15,000 dollars | 67 | 1.036448 | 0.000 | 0.9090 | 0.0000 |
| Below 15,000 dollars | 36 | .9576558 | 0.000 | 0.8555 | 0.0000 |
| Non democratic countries | 45 | .9317474 | 0.000 | 0.8900 | 0.0000 |
| Above 15,000 dollars | 5 | 1.001414 | 0.000 | 0.9649 | 0.0005 |
| Below 15,000 dollars | 40 | .9199682 | 0.000 | 0.8774 | 0.0000 |

Source: Compiled by author based on Polity IV and CIA
If democracies tend to develop in more unequal contexts and if inequality could lead to higher levels of poverty in democratic settings, then it is interesting to analyze whether or not the assumption that individuals living in a democracy could find better alternatives to satisfy basic needs such as food, health, education and housing\textsuperscript{11}.

The effect that democracy could have on poverty levels could be analyzed from two perspectives: from the actions of citizens and from the democratic context. Taking into account the first perspective, compared to political action, as shown in Chart 7, civil liberties have a greater impact on poverty levels. Civil liberties have a greater impact on levels of poverty in democratic countries than any other type of regime. Political action is only effective in rich countries. Then, poor democracies with high levels of inequality could substantially improve their poverty levels if they strengthen their civil liberties.

As shown in Charts 7 and 8, civil liberties and political action have a lower impact on public policy performance than on reducing poverty levels. Political action is only significant in rich democracies.

\textbf{Chart 7: Impact of civil liberties and political action on poverty levels}

|                          | n  | Coefficient | P>|t| | R-squared | Prob > F |
|--------------------------|----|-------------|-----|-----------|-----------|
| Democratic countries     |    |             |     |           |           |
| Civil liberties          | 21 | 1.710759    | 0.000 | 0.8733    | 0.0000    |
| Political action         | 21 | 1.085623    | 0.000 |           |           |
| Above 15,000 dollars     | 16 | 1.938276    | 0.000 | 0.9132    | 0.0000    |
| Civil liberties          | 16 | 1.158732    | 0.000 |           |           |
| Political action         | 16 | 2.779450    | 0.018 | 0.9455    | 0.0127    |
| Below 15,000 dollars     | 5  | -0.781939   | 0.259 |           |           |
| Civil liberties          | 5  | 1.938276    | 0.000 | 0.9132    | 0.0000    |
| Political action         | 5  | 1.158732    | 0.000 |           |           |
| Above 15,000 dollars     | 4  | 1.628131    | 0.008 | 0.9934    | 0.0066    |
| Civil liberties          | 4  | -0.334451   | 0.227 |           |           |
| Political action         | 4  | -0.393978   | 0.353 |           |           |
| Below 15,000 dollars     | 15 | 1.453587    | 0.000 | 0.8654    | 0.0000    |
| Civil liberties          | 15 | -0.302377   | 0.362 |           |           |
| Political action         | 15 | -0.302377   | 0.362 |           |           |
| Non democratic countries |    |             |     |           |           |
| Civil liberties          | 19 | 1.505558    | 0.000 | 0.9003    | 0.0000    |
| Political action         | 19 | -3.344512   | 0.227 |           |           |
| Above 15,000 dollars     | 4  | 1.628131    | 0.008 | 0.9934    | 0.0066    |
| Civil liberties          | 4  | -0.393978   | 0.353 |           |           |
| Political action         | 4  | -0.393978   | 0.353 |           |           |
| Below 15,000 dollars     | 15 | 1.453587    | 0.000 | 0.8654    | 0.0000    |
| Civil liberties          | 15 | -0.302377   | 0.362 |           |           |
| Political action         | 15 | -0.302377   | 0.362 |           |           |

\textbf{Source:} Compiled by author based on Polity IV, CIA, Freedom House and World Values Survey

Taking into account the second perspective, as shown in Chart 9, procedural elements have a greater impact on poverty levels in non democratic countries. However, these elements also contribute to lower poverty levels in democracies. This impact is greater in poor democracies.

As shown in Chart 10, political action is less effective in reducing poverty levels when inequality levels decline. In these circumstances, political action only reduces poverty levels in rich democracies. Conversely, civil liberties take a greater force to reduce poverty levels when inequality levels decline.

\textbf{Chart 8: Impact of civil liberties and political action on public policy performance}

|                          | n  | Coefficient | P>|t| | R-squared | Prob > F |
|--------------------------|----|-------------|-----|-----------|-----------|
| Democratic countries     |    |             |     |           |           |
| Civil liberties          | 26 | 1.247889    | 0.000 | 0.8918    | 0.0000    |
| Political action         | 26 | 1.02038     | 0.000 |           |           |
| Above 15,000 dollars     | 21 | 1.444165    | 0.000 | 0.9050    | 0.0000    |
| Civil liberties          | 21 | 1.024800    | 0.000 |           |           |
| Political action         | 21 | 1.849044    | 0.018 | 0.9632    | 0.0070    |
| Below 15,000 dollars     | 5  | -1.376561   | 0.738 |           |           |
| Civil liberties          | 5  | -1.376561   | 0.738 |           |           |
| Political action         | 5  | -1.376561   | 0.738 |           |           |

\textsuperscript{11} Robert Dahl. Op Cit. p. 73.
Non democratic countries  

|                       | n  | Coefficient | P>|t| | R-squared | Prob > F |
|-----------------------|----|-------------|-----|-----------|-----------|
| Civil liberties       | 19 | .8708386    | 0.000 |          |           |
| Political action      |    | -.2609612   | 0.165 |          |           |
| Above 15,000 dollars  | 4  | .9289487    | 0.033 |          |           |
| Political action      |    | -.7506114   | 0.198 |          |           |
| Below 15,000 dollars  | 15 | .8954156    | 0.000 |          |           |
| Political action      |    | -.2285645   | 0.279 |          |           |

Source: Compiled by author based on Polity IV, CIA, Freedom House and World Values Survey

Chart 9: Impact of procedural elements on poverty levels

|                       | n  | Coefficient | P>|t| | R-squared | Prob > F |
|-----------------------|----|-------------|-----|-----------|-----------|
| Democratic countries  | 71 | 1.181338    | 0.000 | 0.9310    | 0.0000    |
| Above 15,000 dollars  | 32 | 1.141667    | 0.000 | 0.9553    | 0.0000    |
| Below 15,000 dollars  | 39 | 1.272372    | 0.000 | 0.8955    | 0.0000    |
| Non democratic countries | 58 | 1.888005    | 0.000 | 0.8392    | 0.0000    |
| Above 15,000 dollars  | 7  | 2.253752    | 0.000 | 0.8653    | 0.0008    |
| Below 15,000 dollars  | 51 | 1.832332    | 0.000 | 0.8393    | 0.0000    |

Source: Compiled by author based on Polity IV, CIA, World Bank and Transparency International

When poverty levels and inequality decrease, as shown in Charts 11 and 12, civil liberties have a very significant indirect effect on citizens’ perception of whether or not democracy is important and whether or not this type of regime is of quality. This effect is greater in democratic countries. However, there is also an important effect in non democratic countries. Political action only has significance in the perceptions of the citizens of rich democracies so that they think that democracy is important or that this type of regime is of quality.

As shown in Charts 8 and 13, when poverty levels and inequality decline, civil liberties and political action are more effective to promote better public policies. Political action only has a major impact on promoting better public policies in rich democracies.

Chart 10: Impact of civil liberties and political action on poverty levels with the indirect effect of inequality

|                       | n  | Coefficient | P>|t| |
|-----------------------|----|-------------|-----|
| Democratic countries  | 19 | 3.551066    | 0.000 |
| Civil liberties       |    | .4804886    | 0.204 |
| Political action      |    | 3.578117    | 0.000 |
| Above 15,000 dollars  | 14 | .7923726    | 0.003 |
| Civil liberties       |    | 3.450519    | 0.000 |
| Political action      |    | -1.337274   | 0.030 |
| Below 15,000 dollars  | 5  | 1.683615    | 0.000 |
| Civil liberties       |    | -0.5216019  | 0.067 |
| Political action      |    | 1.543398    | 0.000 |
| Above 15,000 dollars  | 3  | .4249544    | 0.194 |
| Civil liberties       |    | 1.697732    | 0.000 |
| Political action      |    | -0.5466747  | 0.104 |

Source: Compiled by author based on Polity IV, CIA, Freedom House and World Values Survey
### Chart 11: Impact of civil liberties and political action on importance of democracy with the indirect effect of inequality and poverty levels

|                      | n     | Coefficient | P>|t| |
|----------------------|-------|-------------|-----|
| **Democratic countries** |       |             |     |
| Civil liberties      | 19    | 3.175634    | 0.000 |
| Political action     |       | .8096089    | 0.000 |
| Above 15,000 dollars | 14    | 2.847841    | 0.000 |
| Civil liberties      |       | 1.067931    | 0.000 |
| Political action     |       | -.473336    | 0.328 |
| Below 15,000 dollars | 5     | 3.507659    | 0.000 |
| Civil liberties      |       | -.473336    | 0.328 |
| Political action     |       | -.473336    | 0.328 |
| **Non democratic countries** | 17    |             |     |
| Civil liberties      |       | 1.753333    | 0.000 |
| Political action     |       | .017785     | 0.910 |
| Above 15,000 dollars | 3     | 1.688642    | 0.000 |
| Civil liberties      |       | -.492003    | 0.107 |
| Political action     |       | -.492003    | 0.107 |
| Below 15,000 dollars | 14    | 1.816774    | 0.000 |
| Civil liberties      |       | -.0325026   | 0.860 |
| Political action     |       | -.0325026   | 0.860 |

**Source:** Compiled by author based on Polity IV, CIA, Freedom House and World Values Survey

### Chart 12: Impact of civil liberties and political action on perception of quality of democracy with the indirect effect of inequality and poverty levels

|                      | n     | Coefficient | P>|t| |
|----------------------|-------|-------------|-----|
| **Democratic countries** |       |             |     |
| Civil liberties      | 19    | 3.091091    | 0.000 |
| Political action     |       | .8159014    | 0.000 |
| Above 15,000 dollars | 14    | 2.720656    | 0.000 |
| Civil liberties      |       | 1.063342    | 0.000 |
| Political action     |       | -.557725    | 0.410 |
| Below 15,000 dollars | 5     | 3.694329    | 0.000 |
| Civil liberties      |       | -.557725    | 0.410 |
| Political action     |       | -.557725    | 0.410 |
| **Non democratic countries** | 17    |             |     |
| Civil liberties      |       | 1.692364    | 0.000 |
| Political action     |       | .1382068    | 0.451 |
| Above 15,000 dollars | 3     | 1.702888    | 0.000 |
| Civil liberties      |       | -.881963    | 0.058 |
| Political action     |       | -.881963    | 0.058 |
| Below 15,000 dollars | 14    | 1.750451    | 0.000 |
| Civil liberties      |       | .0990849    | 0.636 |
| Political action     |       | .0990849    | 0.636 |

**Source:** Compiled by author based on Polity IV, CIA, Freedom House and World Values Survey

### Chart 13: Impact of civil liberties and political action on public policy performance with the indirect effect of inequality and poverty levels

|                      | n     | Coefficient | P>|t| |
|----------------------|-------|-------------|-----|
| **Democratic countries** |       |             |     |
| Civil liberties      | 19    | 2.324857    | 0.000 |
| Political action     |       | .7555084    | 0.002 |
| Above 15,000 dollars | 14    | 2.16710     | 0.000 |
| Civil liberties      |       | 1.014462    | 0.000 |
| Political action     |       | 1.014462    | 0.000 |
Below 15,000 dollars 5
Civil liberties 2.020243 0.000
Political action -.279330 0.364

Non democratic countries 17
Civil liberties 1.023071 0.000
Political action -.323862 0.046

Above 15,000 dollars 3
Civil liberties .809509 0.000
Political action .350957 0.188

Below 15,000 dollars 14
Civil liberties 1.084393 0.000
Political action -.386762 0.044

Source: Compiled by author based on Polity IV, CIA, Freedom House and World Values Survey

5. Conclusions

Poor democracies have an economic performance below than other democracies and other types of regime. In addition, poor democracies have a context of high levels of inequality, this increases the risk that citizens of these democracies could begin to sympathize with non democratic regimes.

Procedural elements, civil liberties and political action help rich democracies to reduce their poverty levels and inequality. They also help to improve their public policies in general. However, unlike rich democracies, in poor democracies, political action is not significant in order to reduce poverty levels and inequality or to improve public policy performance.

When poverty levels and inequality decrease, civil liberties and procedural elements help to ensure better public policies and so that citizens support more a democratic regime because they perceive that this type of regime is of higher quality and because they believe that It is important to support it. This reduces the risk that citizens of poor democracies could sympathize with other types of regime.

References


A General Outlook of the Importance of the English Language in the World Today

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Abstract

No study can be started today about the use of the English language and its learning in the Albanian universities without bringing up first the great importance that this language has in the world. From 4000 to 5000 languages spoken today in the world, English is the most spread language. According to Broughton, it is the most spread language of a great number of states, and besides being the official language of the United Nations and the language used by NATO, it is the official language of the international airborne, and not officially, it is the first language of sport, music, etc. Also today in Albania, in all types of education, it remains the most learned and used language. Today students in Albania are learning this language for different purposes. They plan to start schools abroad, or they plan to find a job where the English language is required, or simply they would like to read or listen to songs in English. Taking into consideration these and other purposes, it was decided to write this article.

Keywords: Teaching and learning English, importance of studying English, the most spread language.

1. English today in the world

We cannot start a study about the use of the English language and its teaching in Albanian universities without bringing up the great importance that is gaining every day this language in the whole world. From 5000 up to 6000 languages spoken today in the world, the English is the most spread language. According to Broughton, it is the most spread language in a number of states. Besides being the official language of the United Nations and the language used by NATO, it is the official language of the international airborne, and not officially, it is the first language of sport, music, etc. As a matter of fact, more than 60 percent of the programs of radio are transmitted in English language and it is also the language of the 70 percent of email exchanges in the whole world.

English language is not only a beautiful and simple language in use but it is also a simple language in grammar (the lack of a complicated system of grammar rules). It is also true that in this language exists a simpler form of conjugation of verbs (compared to Albanian or other Latin languages) which makes it simpler to be remembered. There are also in use some other cases of simplified English such as that created by C.G. Odgen and experimented successfully in other parts of the world. His idea is using approximately 850 words to express the minimum of ideas and opinions in English language in order to be understood and also for practical reasons.

The modern English is a practical language that has absorbed too many words from other languages, especially Latin languages. It is a Germanic language, but because the influence of the Latin languages especially in the beginning of our era and due to the roman conquest, Norman expansion in the land of England, trade, and several other reasons, English language was enriched with many Latin origin words adopted to the English rules of phonology and grammar. As we can see from the statistics, the English language has borrowed from many other languages. According to Joseph M Williams in his work “Origins of English language,” this language has the origin of words mainly from Latin.
Starting from what we said about the origin of the English language very frequently the beginner students of this language who do not have too much knowledge in this language sometimes find it not very hard to understand texts in English because they may have knowledge in Latin origin languages (especially in Italian or French). Even though they may find it difficult to read the texts especially when these texts are difficult, they very frequently may have a general idea about the content of the texts, due to similarities in words between the English and other languages that they may know, making in this aspect much easier and enjoyable the process of teaching and learning.

It is foreseen that about the 2050 about half of the world will be fluent in English language. (According to The Economist “The triumph of English language). According to Westwood, earlier the reasons to learn a foreign language were not clearly defined. The recognition of a foreign language was considered a sign of well education. Today English has more practical reasons to be learned. The practical and ease in use of this language according to the studies conducted with students and generally admitted are as follow:

1) Not having dense and difficult grammar rules especially with the conjugation of the verbs (different from the Latin languages or Albanian language)
2) The use of Latin letters has made easier its usage by many Latin speaking countries (Russian or Chinese for example)
3) Various conquerors and colonization of the countries made by England which today are powerful countries such as Canada, Australia, America etc, but this influence is for the countries conquered by England and cannot explain the importance that this language has gained in the countries where English is spoken as a foreign language and were not invaded or colonized by England
4) The importance that this language has gained especially after the second world war when England and America were placed amongst the winning countries
5) The place in the global economy of the countries which speak English as the first language (such as England, America, Canada, Australia) etc.

Another important reason that why students would like to study the English language is also the fact that global distribution of British literature, has anticipated the distribution of English language. In English language are written many world masterpieces of literature as Volter has claimed: “It is one of the languages that owns the greatest number of brilliant masterpieces”. But learning English is not casual and of course it requires commitment by students and teachers of foreign language, as Murcia stresses out that learning a foreign language requires true actions. Also the dominant role of English urges students to learn this language. Clearly a good mastering of this language is a proof of social and economical improvement for all the students, and a good knowledge of English mean a lot to students. As it was seen students really have good reasons to learn English and as Broughton says: “English is not a property of all the English speaking countries but it belongs to the whole world”.

It is not difficult to find out everywhere you go the first thing that we note as soon as we step into airports, international ports notice boards, tables, warnings posted and the majority of them are written in English. It can be seen that today the role of English in the world is influenced by geographical, historical cultural and political factors. English is the language of media, journals, radio and television. It is also the language of institutions, courts and the language of huge industrial and commercial organisations.

According to Seidlofer the English language has reached the status of lingua franca and it is not important if we see it as a result of language imperialism or as a conscious choice of students or simply because it was found at the “right place at the right time” the number of people that use English as a foreign language for various purposes in different
contexts has led Kachru to consider the countries that use English as “places of closed circuits” and England itself can not consider its language as its own property. Another example is the fact that English is the language of international conferences. Also we can see the trend of English learning compared to other languages according to a declaration for the press of Brussels in article of date September 20th 2012.

Chart 2: About the learning of English language compared to other languages

2. English as a foreign language or a second language

So far according to Broughton the English has been considered by the countries who speak it as a second language but for the rest of the world English is a foreign language, that means it is a language taught at school but it does not play a prominent role in social and national role. Today has been agreed widely that there are more bilingual of English language than monolingual of English language. Recently it estimated that more than a billion people are learning English in the whole world and according to the British Council 750 million of these students traditionally are considered those students that learn English as a foreign language and about 375 million are those who learn English as a second language. However the majority of students of English today are adding English to their repertoire not to replace their mother tongue but they are learning English along with their mother tongue for pre-specified purposes (Albanian student’s case). All the English teachers ask about the purposes of teaching that languages, if they are teaching it as a first or foreign language? According to the international vocabulary of Webster second edition we find these terms found used very frequently. The word foreign derives from the middle English (forein, forene), but also found in old English (foras) and Latin language also meaning an outsider. According to Broughton the distinction between English as a foreign and a second language are not clear cut.

But nevertheless English is a foreign or a second language its teaching is of a great importance. According to a study performed by Liu to the students of an American university confirmed that the fluency in language is required both from students who speak English as a second and foreign language. According to Crystal the English is described as global English for both types of students (those who speak as second language and for those who speak as a foreign language).

The teachers and the lectors of the foreign language may ask what mean “foreign” for colleagues, students and the community in general? Even though someone may contradict the term “foreign” this term is very true if we would take into consideration the way how English is taught in a school in Pattaya Thailand and in a school in Youngstone in Ohio. In Pattaya Thailand the English is taught as a foreign language, meanwhile in Ohio Youngstone it is taught as a foreign language. The contexts of teaching are not the same, not even the teachers and the students are not the same but do these facts change the nature of the language? According to Savignon what may constitute an issue in these cases is the language competence of the students. Is the student a native speaker of English? If not does he consider himself or herself as a bilingual? If so why not? Is it still considered a lack of language competences, or more a lack of faith in communication? According to Broughton students learn English as a foreign language have an option to choose the varieties of the language more than the students who learn it as a second language.

However according to Gradol, English as a foreign language or as a second language is not used simply “as a
chosen language” because it is the only language shared with another speaker; it is used frequently because culturally it is considered as the appropriate language for a special context of communication. Such a wide use of a language as the use of English language is unprecedented. According to Kashru the English speaker today include those living in countries where English is a first language such as USA, England, Canada, Australia, New Zealand or countries like Bangladesh, India, Nigeria, Philippines and Tanzania which use English as a second language or countries like China, Indonesia, Saudi Arabia and Russia which use English mainly in international context or as a foreign language. Through the conservative calculations the number of non native speakers of English today surpasses the number of native speakers more than 2 to 1 and has a tendency to increase. There are also many varieties of English that some scholars talk about “world Englishes”.

At the same time it is seen the need to find out more how the second languages are learnt. In the first sight the meaning of “learning a second language is “transparent” but in fact it requires a careful explanation. In fact in this context “a second” language can be referred to any language that can be learned right after the mother tongue. Also “second language” is not contradictory with “foreign language” and if this language is learned naturally living in a place where this language is spoken or in a classroom through explanation, it is referred normally as “learning the second language”. Learning the second language can be defined as a way through which students learn a language different from their mother tongue, in or outside the classroom.

However the distinction between the English as a second language (ESL) and English as a foreign language (EFL) are not clear cut. The place of English in the life of many students if it learnt as a foreign or a second language it is less easy to define than it was years ago. Nevertheless English language that is taught in our universities is guided mainly toward practical aspect, as it was mentioned above and the reasons that the students learn it are mainly to find a better job, to study abroad, to communicate with other communicators of English etc. According to West the non natives of English language learn this language mainly to express their ideas in this language rather than their feelings. To express their emotions normally they use their mother tongue. This is a general rule showing that the words used to express emotions are of a second hand importance for a non native student of English language, as it is seen English is learnt mainly for pragmatic and practical reasons such as the reasons mentioned above.

3. English language at the school

Taking into consideration the above mentioned factors and too many other factors, it can be seen that English language has taken an extraordinary place in communication and its use by millions and millions of people all over the world, its teaching has become a necessity and not an ordinary subject in the process of education in Albanian universities. As a result of that too many countries around the world including Albania are facing an increase of the demand to learn English since the first classes of elementary school, so by taking into consideration the importance of learning the English language it is seen as a necessity the addition of extra English classes, the curricula of English should be enriched and other important factor for learning the English is the submission of students to final exam of English. According to Broughton this has led an addition of English classes into all the schools of the world, more than any other subject so far.

Naturally the subject of the foreign language in schools is becoming of a special importance, this not only regarding the academic aspect but also in the practical aspect of English as a lingua franca, in business different works or in every day communication. In the teaching aspect not only the method used for this purpose plays an important role, but also several other factors need to be taken into consideration. According to Murcia to reach high results in his work the English teacher has to bear in mind a few things which are considered to be important for him in his daily routine.

First, the teacher has to assess the need of the students to learn English. Why would they like to learn English? Secondly the teacher has to assess several other important factors in learning such as the frequency of classes, the size of the classrooms and the number of students attending the classes, the quality of the materials used in the process of teaching (books, syllabuses etc). Based into this factors the teacher may decide what is important for students and what should he explain during the class, or how to make this material in order to meet the students need and what priorities should be important during his classes.

Studying English or other foreign language in Albanian schools starts early, since fifth or in some schools in third or fourth class. But its early study does not correspond to study of English in other countries of European Community where the learning of this language start since three years according to the declaration about learning English in European Community. Even though the knowledge gained in elementary classes are modest, the students feel as necessity to create their normal behaviour in learning this language, where the traditional teaching of this language happens normally with the teacher centred method, where the teacher is the centre and the main provider of information is mostly the main teaching activity in the schools of villages and towns. In Albania like other countries who study English as a foreign
language the level of students is homogenous where can be found students of different levels of recognition of English starting from elementary level to advance levels.

If the teachers of foreign languages would teach a rare language in Albania such as Chinese or Hungarian very few students would have knowledge about it, and the learning of the language by the students would start from scratch, since none would have knowledge about that language, but since the English language is learnt at the third class and the contact with the language are different for each student, the level of the students who attend our universities is different, so the method used for teaching them would be different. According to Harmer classes of different level of language have their own problems and the teacher has always the responsibility to give an appropriate solution starting from the differentiated work in groups according to their level of knowledge in English, the use of methods according to their level with terms and words appropriate to their age, and to work toward their motivation and stimuli in achieving high results. Also according to Broughton a continuous attempt toward learning the foreign language toward learning the foreign language is much more fruitful than a spontaneous learning. The way of continuous exposure to the language and daily communication makes possible the accomplishment of main purposes since we always bear in mind the fact that we have to deal with groups of various levels of knowledge.

From the point of view “the more someone is exposed to a language the more he learns”, the learning of the modern learning in school has also an educational function, and the student that decides to study English has a clear instrumental reason: he would like to visit England, or to be able to communicate with his English speaking friends, or maybe to be able to read books in English, but also other reasons such as finding a job, promotion etc.

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Standards of Teaching Reading in the Secondary Schools in Egypt in the Light of Some International Experiences: Historical Study

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Abstract

This research aimed at knowing the standards of teaching reading that have been developed in Egypt at the secondary level through the period (2003-2015). And to what extent they are in line with the international standards applied in some international systems and achieved high scores in reading level of their students. There is a complaint from the weakness of the secondary schools’ students in reading, and this is, of course, due to standards of teaching reading, for not applying these standards when teaching reading in secondary schools. Consequently, this becomes the main obstacle to success in university; for not having the right understanding of what they read in the non-linguistic courses. To achieve the objectives of the research, the historical method was used; where access to primary and secondary sources about standards of teaching reading in the secondary schools in Egypt in the period (2003-2015), then analysis and interpretation had been done to reach the most important developments during this time period. Then a description of some international experiences, namely: some states in USA (New Jersey- North Carolina- Pennsylvania), standards of International “Ilia”, New Zealand, Qatar, and the United Arab Emirates, had been done in order to determine their applicability in the Egyptian educational system. Finally, the research submitted a proposal for the standards of teaching reading in Egypt in the light of the results of historical study and the analyses of the international experiences, putting in consideration the Arabian culture, the requirements of the Egyptian society, and the characteristics and needs of secondary schools’ students in Egypt.

Keywords: Standards, Teaching Reading, Secondary Schools, Egypt

1. Introduction

Reading plays a key role in the progress of the societies and promoting it and growing the minds of its individuals, as it is a way of obtaining information and knowledge, satisfying tendencies, gaining experiences, progressing in the various subjects. The Government education plan in England recognized the vital importance of reading, and gave priority to continually raising the reading standards at schools, and since 2010, the concentration was on improving reading in general, setting new national curriculums to encourage reading, as the students who can read overwhelmingly more likely to succeed at school and achieve good qualifications (Department of Education, 2015, 8).

The developed countries, led by the United States of America and European countries embarked adopting education on the basis of the standards, followed by number of Arab countries, such as Qatar and UAE, and this type of development means that the curriculum submitted to the student are subject to the indicators and international standards, as the Arabian student can’t achieve real achievements, unless he masters the necessary skills and knowledge, which prepares him to join local and international universities (Al-Nuseirat, 2015, 1).

1.1 Sensing the Problem

Mastering the Arabic language represents a strategic goal of the public education for any Arab country, and this mastering is achieved when fulfilling the Arabic language standards in the public Education, as the standards determines precisely the acquired by the learners of Arabic languages’ skills, literatures, concepts, knowledge and tendencies towards it, its teaching and learning. The periodic review of the standard levels of the Arabic language content and standards of the rest of the elements of the Arabic language system are the basis of developing these standards (Fadallah, 2016, 88), but the results and recommendations of some following researches and studies proved the following: not engaging or activating of the teaching of reading standards when teaching and educating it at schools,
which requires the development of the standards that can be implemented on the ground, and the Standards of Teaching Reading are known in the countries achieved successes in the reading levels of its students and following the international models (Al-Najjar, 2010, 167), not achieving the international standards of Teaching Reading for the majority of the students (Al-Laboudi, 2011, 244), and the necessity of paying attention to the study, determining and trying the Standards of Teaching Reading to realize the extent of its validity for what it seeks, as it is one of the most important approaches of education development (Al-Kandari, et al., 2010., 248), and as there are no studies about the reading standards in the secondary school books, and no comparisons control and fulfill the standards were studied to find enough evidences for the curriculums used with hundreds of thousands of students, who suffer from reading, and recommended further research on reading, because there is an urgent need to develop the programs for secondary school students to improve reading outcomes for the students suffered from difficulties in reading in their important secondary school years (Slavin, Cheung, Groff and Lake, 2008, 308-309), and the importance of employing the international standards for Teaching Reading when developing reading position (Kalsh, 2016, 292).

1.2 Research Problem

The current research problem determines the need of knowing the Standards of Teaching Reading, which was set in Egypt through various periods of time, and its undergone development, renewal and renovation, the extent of its compliance with the international standards of Teaching Reading in some international experiences, in which these standards were applied in its educational system, as this affects the students level in reading and their following up to the international standard level, which enable their peers at the same age in these countries to pass the tests successfully.

1.3 Research Questions

The current research attempts to answer the following questions:
1. What is the development and innovation took place in Teaching Reading in some international experience?
2. What are the Standards of Teaching Reading in the secondary schools in some international experiences?
3. What is the difference between the standards of Teaching Reading at the secondary schools in Egypt and some international experiences?
4. What are the reading standards at the secondary schools in Egypt in the light of some international experience?

1.4 Research Goals

The current research aims the following:
1. Determining the development, renewal and renovation that occurred in the Teaching Reading at the second schools in Egypt through the various periods of time.
2. Teaching Reading is realized in the secondary schools in some international experience.
3. Setting the difference between Standards of Teaching Reading at the secondary schools in Egypt and some international experiences.
4. Reaching Standards of Teaching Reading at the secondary schools in Egypt in the light of some international experiences.

1.5 Research Importance

The importance of the current research is represented in the following:
1. Providing time and qualitative sequential development, renewal, innovation Standards of Teaching Reading at the secondary schools in Egypt through various periods of time.
2. Providing the field with international standards for Teaching Reading at the secondary schools in some international experiences, which achieved success in this field.
3. Determining the reading standards at the secondary schools in Egypt in the light of the international standards to Teaching Reading at some international experiences.
4. Opening the way for future experiences concerning the international standards to teach languages arts in various educational stages.
1.6 Research Terminology

1. Standards: It is the characteristics and product's features, which the student represents in the educational field, and represents he performance standard, which expectation degree obtained by the student refers to it in a meaningful way (Ministry of Education, Ontario, 2010, 22), it describes what the students should know and be able to do when leaving the public education system (South Carolina Department of Education, 2015, 13).

2. Reading is defined as, "a complicated and complex mental process, includes definition, pronunciation, interpretation of symbols received by the reader by his eyes, with the meanings understanding, which are expressed by those symbols, in additions to the innovative thinking and its criticism" (Yunis, 2016, 5).

3. Secondary school is procedurally defined in this research as, "the public school, which receives primary and preparatory school education outputs, and brings out the higher education inputs, which is a stage in which the students starts choose his major fields; whether its science or literature.

1.7 Research Limits

The current research is limited to the following:

1. The secondary school, as it is the end of the Pre-university education, it is the final product of the public education stages in Egypt, after that the student enters the higher education, so the student moves with any deficiency or weakness in the higher education, as there is a direct relation between them.

2. Standards of Teaching Reading at the Secondary Schools at: (Egypt in 2003, 2005, 2015), (Qatar 2005), (UAE after the document of the year 2002), (ILA International standards 2010), (Some USA states; Northern Carolina 2010, Pennsylvania 2014, New Jersey, 2016) and (New Zealand).

2. Research Methodology and Tools

The current research uses the historical method, as it describes the past facts, and doesn't stop at mere description, but studies these facts and analyzes it on the basis of the precise scientific methodology, with an intention to reach to facts and generalizations* (Arab Organization for the education, Culture and Science, 2013, 128) and it is represented by the following tools:

1. Primary sources, represented in the method's documentation, including the Standards of Teaching Reading in the secondary schools in Egypt during the aforementioned historical times within the limits of the aforementioned research.

2. Secondary sources, represented in the descriptions or interpretations of standards, were set later - after the preparation of method's documents - by researchers, institutions or bodies; in order to be evaluated, analyzed and interpreted.

2.1 Research Procedures

The current research is taking the following steps:

1. Theoretical Framework, including: a brief about reading, its negligence impacts, standards and its importance.

2. Historical study procedures, including: analyzing and interpreting the Standards of Teaching Reading at the secondary schools in Egypt to determine the developments took place during the historical period specified in the research.

3. Reviewing the Standards of Teaching Reading at the secondary schools at some international experiences – previously mentioned – analyzing and interpreting it, to realize the differences between them and the Standards of Teaching Reading in Egypt.

4. Submitting a suggested model of the Standards of Teaching Reading in Egypt, in the light of the historical study results and international experiences in conformity with the Egyptian educational system, Egyptian society requirements, Arab culture, and characteristics and needs of the students in this secondary schools.

3. Theoretical Framework

Reading is one of the means of fruitful knowledge contributes to solve the problems, and successfully pass the vital situations, rapprochement and understanding between individuals, as it is the key of everything in life (Soman, 2009, 73-
74), therefore the community that reads is a civilized community characterized by intellectual and cultural unity of its individuals, so neglecting reading and not learning it leads to negative results at the individuals and communities level, while its development enables its individuals to adapt to life and serve their communities (Lafi, 2015, 137). Reading obtained this importance, as it is considered the main way for international understanding and innovation; it is the gate to education for its relation to innovation, invention, thinking, working and originality (Yunis, 2014, 212, 232).

The failure of many students and their negligence is more (non-linguistic) courses is not due to its difficulty, neither to their mental difficulties, but to their failure to acquire the mechanism of that knowledge, as they lack the right reading, and they don’t have the precise understanding of what is read (Al-Harbi et al., N.D, 5), but it is considered the main obstacle to the success of the higher education for the lack of reading skills, as the students who suffer from that lacks the main requirements of academic study, which leads to more extensive reading, and thereby gain advanced vocabulary and understanding of the content ideologies (Slavin et al., 2008, 290).

Therefore, the United States of America set the common basic standards, the standards of the language arts standards, and concluded that it needs encouragement of all concerned parties to reconsider the Teaching Reading to achieve an effective education, and reading learning evaluation should be requested regardless of the form, as it is ultimately incomplete, if it is not effective (Applegate, Turner, and Applegate, 2010, 608), as basic standards of the countries were set to create the next generation from kindergarten to secondary school to ensure that all the students in undergraduate and professional stage are ready to achieve success in the standards of teaching reading no later than the Secondary Schools (Common Core State Standards Initiative, 2010, 3).

As the standards describe what the students should know, and be able to do when they leave the public education system (South Carolina Department of Education, 2015, 13), and focus on the most important, the standards of reading put the focus equally on the evolution of what the students read and the skill that they read with (Minnesota Department of Education, 2010, 77), as the need to the standards emerge as a result of the enormous increase in the available knowledge amount, which makes the precise choice inevitable, the rapid social changes necessitate the review of the curriculum in the light of the young people need and goals, and the rapid changes took place in the Egyptian and international society (Yunis, 2014, 480).

4. Historical Study

The primary and secondary sources of the Standards of Teaching Reading at the secondary schools were reviewed in Egypt in the years 2003, 2005 and 2015, after studying and analyzing it, the researcher found the following interpretations and conclusions:

- The coincidence between the three curriculum documents on setting the standards and determining the indicators of each standard, in order to determine the required learning outcomes.
- The standards indicators of the year 2003 for the Secondary Schools were set as whole under each standard without specifying the grade levels, while between 2005 and 2015, the indicators of each standard was placed for each school grade separately, and this explains the student growth level to the standard indicators and the extent of progression in complexity.
- The display of the standards of the year 2015 differed from the standards of the year 2003 and 2005, as the standards and its indicators were set through a vertical and horizontal organization shows the elevation of the indicators and its development in a revealing way in consistence with the students' abilities growth through the grades of the Secondary Schools, this is considered a renewal of standards display in terms of shape, while in qualitative terms, this helps in realizing the extend, succession, integration of indicators, themes and concepts without repetition.
- The language teaching approaches were employed in the three documents standards indicators in varying proportions.
- The standards of 2003 and 2005 participated in determining two standards only, they are: The goof understanding of the text, the fast reading while maintaining the understanding, this refers to a focus on reading comprehension, but the two standards indicators varied in each of the documents of them, this may be due to the emergence of some of the intellectual and social changes and their impact on students' needs and the community's requirements.
- The standards of 2015 added to the standards of 2005 and 2003 two standards, it is as follows: learning and pronouncing the language written symbols, appreciating the reading and criticize it, and this may be due to the interest in reading through multimedia, and the indirect impact of language (gestures and signals) to the understanding of the receiver and employing the complementary approach.
- The standards indicators of 2015 included instructing the student to the use of the modern technological techniques, and this is consistent with the digital age requirements in which the students live in.
- The standards' indicators of 2015 introduced by phonetics through the phonetic keys utilization "the stress, pause and intonation" when reading as per the situation and the context meaning in exchange of stress only in the standards indicators of 2005, this refers to the usage of the interdisciplinary and communicative approach.
- The high level of complexity in the reading understanding standard in the standards of 2015 in the second and third secondary school grades, this may be due to the increase in knowledge and growing of the thinking of the students, as a result of the successive digital technology struggle.

5. Standards of Teaching Reading at Some International Experiences

Teaching Reading was reviewed at some international experiences – which are previously mentioned in the research limits – to determine the differences between them and the Standards of teaching reading in Egypt, the difference and agreement aspect are realized between these experiences, and then the new in this field shall be reached, and after studying and analyzing these standards, interpretation and conclusions are reached.

- Reading standards through two cores, it's as follows: Information and literary texts, identifying the standards of each aspect, but the indicators of each standard differs as per the privacy of each core, and this is in UAE, New Jersey, North Carolina, Pennsylvania in USA and ILA International, ILA International, New Jersey and North Carolina added a third core of the language includes also the standards, but Pennsylvania used one standard of the language core and set it among the two cores standards of Information and literary texts.
- The two cores standards of the Information and literary texts were defined in the United Arab Emirates on three standards: Analysis of words, fluency and vocabulary development, understanding absorption, literature response, and literary texts analysis. While the standards of these two cores were set in each of ILA International, New Jersey and North Carolina in four standards, as follows: main ideas and details, the art and text structure, knowledge and thoughts integration, reading and the complexity level of text. New Jersey added a fifth standard to the previous fourth standards, which are the vocabulary, acquisition and usage, which was a standard among the language core standards in each of ILA International and New Jersey.
- ILA International, New Jersey and North Carolina set three standards to achieve the language core stated in the reading standard, which are: Standard English language agreements, linguistics, vocabulary, acquisition and usage.
- The reading standards and its indicators in North Carolina are consistent with ILA International Standards completely, while New Jersey made some minor changes from replacement of some indicators or omission of standards and maintaining of indicators without mentioning the standards, this may be due to the standards of North Carolina and Ella were in one year 2010, but New Jersey standards were in the year 2016, this complies with the social and intellectual changes, but the difference is clear in Pennsylvania standards issued in 2014 than ILA standards, and can be due to the social requirements and students needs or adopting goals and philosophy of this particular state.
- ILA standards were set for reading to qualify the students to join the university or the career readiness, as well as in the USA states specified in the research, this is unlike Qatar and UAE standards, which were qualifying the college students.
- The UAE standards relied on the interdisciplinary and communicative approach, and the integration appeared between reading, and the Arabic language branches and skills, especially in the literary texts core, but for the informatics texts core, it included understanding, absorption, thoughts, arguments, views and thinking skills, and so on.
- Qatar document was different than other international experiences in the research, as it includes two levels of standards of each school grade of the Secondary Schools, an establishing level includes reviewing and enhancing the standards of the previous grades with adding some new standards to it, and advanced level including all the establishing level standard with addition of depth and diversity in handling topics, and the student chooses one of the two tracks, which ever more appropriate from him, it allow the existence of two levels for fast promotion of the superior students, and training the students as per their individual needs and personal ambitions.
- Qatar standards were defined in for standards and indicators, which are as follows: Research and study skills, reading to know the meaning, understand the creation of the art of the writer, studying the literary texts; it relied on an interdisciplinary approach in the language.
New Zealand's previous international experiences differed as it is as an educational system, it is divided into levels, each level includes a number of school grades, and the Secondary Schools is in the eighth level and a part of the seventh level, it includes the grades from the tenth to the thirteenth grade, the reading standards are set in it on the basis of reading processes and strategies, and its number is five, including several indicators, and the standards are: merging the information, processes and strategies sources, objectives and masses, thoughts and language features and structure.

- The clear difference in Standards of Teaching Reading in Egypt in most of the previous international experiences are set in the handling of these experiences to the standards through the following cores: Literary and informatics texts, and language, not setting the standards and indicators directly as in Egypt, Qatar and New Zealand, and it was set in order to qualify the college student and not for the labor market, the complexity levels were high in these experiences more than Egypt's standards, with other than that the standards and indictors in Egypt and others of the international experiences were set as per the nature and the specificity of each language, goals and philosophy of each country, with adaptability to the students needs and interests, developments in technology, cultural, social and political changes in their communities.

6. A Proposed Model of the Standards of Teaching Reading in Egypt

After reviewing the Standards of Teaching Reading of a group of international experiences and studying the historical development of the Standards of teaching reading in Egypt in certain period of times, a general framework of a suggested model of education standards in Egypt in consistence with the Arabic culture and Egyptian community requirements, characteristics and needs of the Secondary Schools, the following is a presentation of this framework, which handles the Standards of Teaching Reading through three reading cores, as follows:

1. Literary texts, including the following standards: learning the written language symbols and pronouncing it – understanding the reading text correctly – writer art and the text structure- text-analysis and response to literature – appreciating and criticizing the reading.

2. Informatics texts, including the following standards: main ideas and details – research skills and study – understand and absorption – fast reading while maintaining the understanding.

3. Linguistic texts, including the following standards: analyzing words, fluency and vocabulary development – understanding language through the context – understanding the grammatical and morphological structures.

It includes each of the previous standards several indicators achieve the required learning outcomes, according to the specificity of each field, with taking into account the usage of the integrated linguistic, functional and communicative approaches when handling the standards indicators, and equality between the development of what the student reads and the skill used in reading it, interest in the extended, intense, mature and graphic reading, development of innovative, creative, deductive and criticizing thinking, maintaining the values, principles and tendencies, activating the modern technological techniques, facing the crises of extremism, terror, media directed to achieve intellectual security, and the diversity of informatics texts between narration and interpretation and persuasion, guidance and argument, the literary texts include the various literary arts, and gradient in the level of complexity.

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The Presentation of the Political Transition in the Early 1990s in Albania in the History Textbooks of Primary and Secondary Education

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Abstract

This paper aims to analyse the political system change in Albania, in the early '90s, as presented in the history textbooks for primary and secondary school. In regard to the chronological criteria, as the main principle of historicism, the overthrow of the communist regime and the establishment of democracy appear as a symbiosis of the internal situation and the pressure of the international community. The Albanian government due to the economic hardship, the social backwardness and the political tensions was gradually losing its ruling legitimacy on the basis of Marxist-Leninist ideology. The fallacy of the party-state propaganda caused a general dissatisfaction that led to the organization of anti-communist demonstrations, which culminated with the Student Movement of December 1990 and the institutionalisation of political pluralism, with the formation of the first opposition political party, the Democratic Party. The successive democratic transformations up to the creation of Aleksander Meksi's government, after the elections of 22 March 1992, were as a result of the effect domino, too. The democratic revolutions in the Eastern countries and the influence of the international actors favoured the democratic changes in Albania. The theoretical and empirical analysis of the process of political transition in the history textbooks of elementary and secondary education in Albania, based on the historical discourse analysis, it is important not only for the political turnaround that marks this period of history in the way of building democratic institutions, creating a market economy and the functioning of civil society, but in particular for the challenge of educating young people as worthy citizens of a society that aspires to integrate into the European family.

Keywords: communist legacy, the Student Movement, change of political system, textbooks, discourse analysis

1. Introduction

“History is not a package of knowledge which can be handed over to new generations, but a continuous dialogue between understanding the present, interpreting the past and having expectations for the future” (Minoski, 2001: 163). This phrase highlights the fact that “the school textbook not only serves to impart knowledge to pupils, but also to cultivate attitudes and transmit values and models of behaviour associated with the emotional side of the personality and thus influencing the views, convictions and choices, as well as the behaviour of the individuals” (Balkan Colleges Foundation, 1998: 11).

It is generally acknowledged that “history textbooks are the classical objects of history didactics research. They are still the dominant translation of the curriculum in schools and they continue to constitute the most widely used resource for teaching and learning, despite the development of new media and educational technologies” (Repoussi & Tutiaux-Guilhon, 2010: 156). They are often regarded as the key instructional materials to shape collective memory and foster social cohesion (History education, 2013). But, most of the Albanian history textbooks suffer from the pure, one-sided factography, which has two negative dimensions: a) the historical events are interpreted only from one position, rarely or never opening the question of the “other sided”, which does not contribute to a rational, critical evaluation of the historical processes and, b) the textbooks devote very little, or no space, for the presentation of some more general, common, present values, using the historical events as illustrations. This prevents the teaching of history from being a valuable source for political socialization” (Simoska, 2001: 98).

2. A Quantitative Observation of the Albanian Democratic Transition in History Textbooks

The period of democratic transformations in Albania, in the early 90s, occupies an important place in the content of history textbooks of primary and secondary education. The fall of the socialist regime and the victory of the democratic
system marked the historic turn in the political, economic and socio-cultural development of the Albanian society, oriented towards the most successful achievements of the western states. Therefore, the treatment of the political transition in the history textbooks aimed at serving the historical knowledge and “preparing the future citizen as an active member of the historical perspective of a democratic society” (Kuri & Gjini, 2008: 81).

In the curriculum of history of middle and high schools, general or profiled, it is applied the scientific criteria of periodization of history, which relies on the establishment of a fair report on the examination of various historical periods (Xhelli, 2001: 30). Until 2005, when the primary and secondary education used the same history textbooks, in a national level, the coverage of the political changes in Albania concluded with the legalization of political pluralism. Specifically, in the book “History of the Albanian people 8”, published in Tirana, 2002, with a total of 18 chapters, the political transition is treated only in Chapter XVII entitled: “The collapse of the socialist system (1980-1990)”, pp. 213-221, in the two following lessons: 17.1 “The beginning of the crisis and its expansion” and 17.2 “The political pluralism in Albania” (Korkuti, et.al., 2002). Also, in the textbook “The history of the Albanian people, for the fourth grade of high general school”, published by the School Publishing House, in 1999, one of 22 chapters is dedicated to the democratic changes in Albania, as follows: Chapter XXI – Theme 21.1 “The crisis and the collapse of the political system in Albania”, pp. 318-323 and Theme 21.2 “The anti-communist movement and the institutionalisation of the political pluralism”, pp. 321-323 (Korkuti, et.al., 1999).


In more detail, the place that the democratic transition in Albania occupies in the 13 history textbooks of primary and secondary education, taken into consideration, appears in the table and the chart below:

**Table 1:**

<table>
<thead>
<tr>
<th>No.</th>
<th>The authors</th>
<th>Title of the textbook</th>
<th>Year of publication</th>
<th>No. of chapters</th>
<th>Total no. of lessons dedicated to the political transition in Albania</th>
<th>Volume in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Myzafer Korkuti, Petrika Thëngjilli, Gazmend Shpuzza, Fatmira Rama, Xhelal Gjeçovi, Ajet Shahu, Ana Lalaj</td>
<td>History of Albanian people 8</td>
<td>2002</td>
<td>18</td>
<td>58</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>Myzafer Korkuti, Xhelal Gjeçovi, Agron Gani</td>
<td>History 9: for the ninth grade of the nine years school</td>
<td>2008</td>
<td>14</td>
<td>58</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>Prof.dr. Beqir Meta, Prof. dr. Muhamarrem Dezhgjhu, Ma. Bedri Kola, Xhevair Lleshi</td>
<td>History of Albanian people: for the ninth grade of the nine years school</td>
<td>2008</td>
<td>14</td>
<td>57</td>
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<tr>
<td>4</td>
<td>Petrika Thëngjilli, Fatmira Rama, Valentina Duka</td>
<td>History 9: for the ninth grade of the nine years school</td>
<td>2009</td>
<td>14</td>
<td>58</td>
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<td>5</td>
<td>Menduh Dënguti, Sonilia Boçi, Lejda Dushku</td>
<td>History 9: for the ninth grade of the nine years school</td>
<td>2009</td>
<td>14</td>
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<tr>
<td>6</td>
<td>Bernard Zotaj, Marenglen Kasmi</td>
<td>History of Albanian people: for the ninth grade of the nine years school</td>
<td>2012</td>
<td>14</td>
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This change in the timeline of the teaching material shows that “history is in a process of continuous renovation and expansion because past events as well as the ones of the later eras and their new understandings, makes it necessary that every generation writes its own history anew”. Thus, “history as a discipline is open to the future”. (Höflechner, Hoxha & Gurakuqi, 2004: 20) In this context, the reconstruction of history remains unfinished, because it is impossible to highlight all relations and detail all meanings in the historical material (Aron, 2005: 168).

3. A Discourse Analysis of the Political Transition in Albania in the Early 1990s as Presented in History Textbooks

Discourse analysis implies not only the description and the interpretation of contents and topics of specific discourse and the investigation of the discursive strategies, but also the examination of the linguistic means (as types) and the particular context-dependent linguistic realizations (Reisigl & Wodak, 2001: 93). The approach of the historical discourse will dominate the analyses of the change of the political systems in Albania in history textbooks of primary and secondary education. As an event that belongs to the contemporary period, it faces with the difficulty of being written objectively. Actual history requires a certain time to have a full and impartial understanding to the events and that its characters alive manage to overcome the political passions, which by interfering with the interpretation of the historical events, make them biased (Kuçaj, 2009: 3). Consequently, it is needed a time distance from the events (Mile, 2009: 6) to get closer to the historical truth, that means “judgment and criticism altogether on all sides of a given argument” (Çaushi, 2003: 11). So the historian should be characterized by the historical impartiality, an honest submission to the truth (Bloch, 2003: 145).

Therefore, achieving scientific objectivity in history “requires a description or analysis of a set of events to be seen as object and not influenced by the subject”. (Sinani, 1999: 181)

This process of interpretation of history aims to avoid the confounding between memory and history, which is present in the treatment of the contemporary period. According to French historian Pierre Nora, “memory is always in evolution, open to the dialectic of memory and forgetfulness, unconscious to its deformations, fragile towards instrumentalisation and manipulation and able to long sleep and unexpected awakenings. But history represents the problematic reconstruction and always incomplete of what is not. It requires analysis and critical discourse. History doubts on memory and its real mission is to remove and deconstruct the memory”. (Lubonja, 2007: 7) This is the big challenge of textbooks authors of history in the post-communist Albania.

The crisis and the decline of party state system is described in the history books by the single thought, not historical multi-perspective, which represents the historical phenomena diversified (Fuga, 2009: 28). The collapse of the socialist regime appears as a result of the loss of legitimacy of the ruling government based on Marxist-Leninist ideology, referring to the lack of the socio-economic progress. In one textbook is mentioned that: “Ramiz Alia and party propaganda tried to cover the roots of the crisis, explaining the great difficulties with bad weather, enemies’ sabotage and the global energy crisis, even making comics such as taking a FAO price for feeding the people, which was considered by the public opinion as a mockery and bitter irony for his suffering and misery. Other negative phenomena, that were kept hidden, were the rise in the unemployment rates in the cities, the increased acts of hooliganism, theft and crime in general. The
Albanian society was plunged into a deep economic backwardness and political and spiritual depression". (Meta, Dezhgiu, Lleshi, 2009: 343-344)

This narrative approach prevails in the writing of history textbooks, which beyond the simplified narration "must find new ways to reconstruct not only the social and economic experience, but also the thought, the created values and the views of the social group" (Egro, 2007: 127). The descriptive approach of treating the historical events of '90s in Albania is completed with the synchronic analogoy method, which corresponds to "the comparison of the two historical problems that are simultaneous, but belong to different spaces, peoples and cultures" (Mema, 2005: 16). As it is written in one textbook: "While Western Europe was reborn and was consolidating the welfare state, which managed to provide sufficient food and shelter for all categories of the population, that constituted the greatest social progress throughout the many centuries, Albania, at the end of 1980s, was seriously facing with mass famine and a standard of living nearly misery. More than 60% of the population lived below the poverty level. This was the big difference compared to the East and West of the 45 years of the communist regime". (Meta, Dezhgiu, Lleshi, 2009: 344)

The deepening of the general crisis dictated the Albanian government to emphasize the democratic elements of its ideology. The President Alia was forced to make a first step towards reform, which were superficial, with the intention of changing the form, but not the content of the regime. The textbook authors have written: "In the first half of 1989, it was launched a range of other political, economic and social measures. So they removed some laws that promoted class struggle, as the ban on deportation for agitation and propaganda, the release and the rehabilitation of prisoners of conscience, the abolition of the death penalty for escape from the country. Also, certain international standards were adopted in the field of human rights, such as the freedom of religion, the establishment of the institution of advocacy, which did not exist till that time. A step forward was the legal recognition of the plurality of opinions in the official press etc." (Korkuti, et.al., 2010: 295) "In the economic field, it was undertaken a "new economic mechanism". This measure aimed to finish highly centralized system of economic management. This mechanism essentially sought to replace the administrative-command methods with economic management methods, introducing elements of self-financing to economic enterprises. At the same time, it paved the way for the private sector in the field of handicrafts and trade and economic cooperation with the outside world. For that reason, they abolished the constitutional provisions that prohibited credit and the penetration of foreign capital". (Korkuti, et. al., 1999: 322)

The efforts to reform the system didn’t meet the expectations of different social strata. They were under the influence of “the developments in communist East European countries, which led to the shock of the totalitarian regimes. On the political scene, in these countries came out political parties, organizations, forums, emblems and programs, demanding the overthrow of the communist regimes. Pluralist elections, which took place in some of these countries, were won by the right and anti-communist political forces” (Korkuti, et. al., 2010: 295). The successful democratization in a country spread like a “contagion” in the other countries of the communist bloc. The avalanche or domino effect proved the success of democratic revolutions in the Eastern European countries, where a significant role played the external factors, such as the US mission for the spread of democratic values, the impact of the CSCE to liberalize and open the Albanian society and the Gorbachev reforms in the Soviet Union that helped the collapse of the communist regimes in the eastern bloc (Luku, 2013: 46).

The wave of democratization in the Eastern Europe and the power manoeuvres undertaking half-done reforms, aimed more the propaganda effect rather than improving the system worsened the overall situation in the country. Thus began the first open and organized operations against the communist regime. "On January 14, 1990, in Shkodra, there were attempts to topple the statue of Stalin. On 26 March 1990, an anti-communist demonstration was organized in Kavaja, which was suppressed ruthlessly by the police. On July 2, 1990, a group of people sought asylum in German, Italian, French embassies etc. in Tirana. The event attracted the attention of the international opinion, which put pressure on the government to leave the country" (Dërguti, Boçi & Dushku, 2009: 139-140). The aforementioned paragraph shows the main problem of history textbooks for primary and secondary education, which does not respect the historical relationship between content and interpretive ability. Students are overloaded with events inventory, dates and names, while the learning material does not focus on the creation of skills to select and elaborate information, in order to prepare students to analyse the historical events (Shehu, 2009: 15).

According to a historicist group, the purpose of history is not to count just facts, but try to present them in a causal connection, being interested in the formulation of the historical laws. The initial conditions usually are estimated as the cause of the event in question and the prognosis as a result. Thus the task of the historian is to highlight the causes and identify the range of consequences. This analysis is observed in the examination of the anti-communist demonstrations in Albania. In one textbook is written: "The events of embassies triggered a chain reaction across the country. The protests against the communist regime spread and became more effective. The peak came with the Student Movement of December 1990. Students and professors of the University of Tirana asked for the democratization of the economic and
political life of Albania. Faced openly with the popular discontent, the economic difficulties and the international pressure, the communist regime was forced to withdraw. In a meeting, he had with students on December 11, 1990 R. Alia accepted the legalization of political pluralism. Immediately after this decision, on December 12, 1990, a group of students, professors of the UT and intellectuals, founded the Democratic Party” (Thëngjilli, Rama & Duka, 2009: 148-149).

The authors continue describing that “The new party approved its program which provided political pluralism, economic reforms toward a market economy, check and balance system and guarantee of fundamental freedoms and human rights in conformity with the European standards” (Korkuti, Gjëcovi & Gani, 2008: 187). “This historic event was met with great enthusiasm in the country. The anti-communist movement took legal forms and its main slogan was “Let us make Albania like Europe”” (Meta, et. al., 2011: 152). Thus, “Europe” became a main reference point, whether in a political sense, or in an economic, social, cultural or intellectual context. Such a widespread tendency was embraced by the Albanian historians in order to build a new, post-socialist identity ((Re)writing history, 2004: 26).

The presentation of the historical facts and events in the history textbooks is characterized by the application of the chronological criteria. This means that the authors are taking into account the principle of historicism, which sees the development of human society chronologically and embodied in concrete actions. Without the dimension of time and chronology, the discipline of history would lose its fundamentals. It is not enough to respect the chronology, i.e., simply treat the process by the course of its history, but is also necessary to reveal links between events. While the notion of time is a condition of the complexity of the historical facts and events, it is the plasma where the phenomena are established and the place they are settled. (Xhelili, 2001: 29).

The textbook writers follow the chronological order when they describe the dynamics of the events after the legalization of political pluralism. “The demonstrations in support of the Democratic Party of Albania erupted across the country. There were numerous strikes, organized by the Union of Independent Trade Unions of Albania, the newly established organization. The protests aimed at removing the symbols of communism and postponing the elections for the National Assembly, that were going to be held in February 1991. The Albanian Labor Party agreed to postpone the election date, but made no concessions on the issue of the symbols of communism and especially rewriting of the figure of Enver Hoxha. In early February 1991, students and professors of the University of Tirana went on a hunger strike. Their main demand was to remove the name of Enver Hoxha from the University of Tirana. On February 20, 1991, after a superb rally, the people of Tirana toppled the dictator’s statue, which was in the “Skanderbeg square” (Dërguti, et.al., 2014: 143). This action was followed by the collapse of Enver Hoxha monuments in other cities of Albania.

This chronological paradigm of the historical phenomena intends that the previously acquired knowledge serve as a basis for acquiring logically the new knowledge, which can be interpreted closely related to each other (Kuri & Gjini, 2008: 89). In this way, it is presented the reaction of the socialist government against the overthrow of the dictator busts. “The leadership of the Albanian Labour Party organized a military coup in the United School of Officers in Tirana, where a large number of students of this school and of the Military Academy threatened to attack with weapons the Radio - Television and to restore forcefully the monument of E. Hoxha in the Skanderbeg square. The coup failed due to the resistance of the people of Tirana, which besieged the United School and didn’t allow its military officers to go out. Meanwhile in the most backward areas were quickly organized anti rallies and were established the associations of “Enver’s volunteers” to aggressively counter the democratic processes. Albania was close to a civil war. In these circumstances, the government of Adil Çarçani resigned and, on February 22, was created a temporary cabinet headed by the Prime Minister Fatos Nano, as well as a Presidential Council under the direction of R. Alia. Whiles, the election campaign was announced” (Meta, Dezhiu, Llesi, 2009: 348).

The recognition of this historical past does not always result in the expansion of the objective knowledge in a narrow sense, but often achieving a higher level of thinking in discussion and problem solving (Höflechner, Hoxha & Gurakuqi, 2004: 21). The historian selects between events and characters because he believes that they have had some special “influence”, “power” or “importance”, not disconnected from their characteristics of time and space (Berlin, 2003: 182). Such an attitude is observed in the analysis of the implications of the first multiparty elections in Albania, held on March 31, 1991, which were won by the Albanian Labour Party, providing about 68% of the seats in the National Assembly. It is written in a history textbook that: “Its victory in the elections caused disappointment in the major cities, especially to the student youth. The result of the anger was also the event of 2 April 1991, where the people of Shkodra demonstrated peacefully. In this demonstration 4 youths were killed by the police, among them Arben Broci, whose murder strained more the political situation in the country” (Meta, et. al., 2008: 125).

The interpretation of historical events requires the use of an appropriate language, to be able to draw precisely the contours of the facts, while maintaining the flexibility needed to adapt more and more the discoveries, so a language free of ambiguity, to approach the historical objectivity (Bloch, 2003: 164). These efforts are noted in addressing the political
developments in Albania until the establishment of the first democratic government. The authors of one textbook have written: “The main political objective of the opposition was the overthrow of the communist government and the early elections. With its proposal, on April 29, 1991, the parliament abolished the constitution of 1976 and passed the law “On the main constitutional provisions”. This law had the value of an interim constitution. It established the basic rules that allowed the normal government processes. But Nono’s government was faced with the increasing economic difficulties. Extreme poverty and the country was again in crisis. The situation was further worsened by strikes of the trade unions for better conditions and wages. In these circumstances, the government of F. Nano resigned. To resolve the crisis, the political parties formed an interim government with a pluralistic composition called the Government of National Stability, under the direction of Prime Minister Ylli Bufi” (Thëngjilli, et.al., 2011: 166-167). “His government reduced somehow the political tensions, but it did not succeed in advancing the political and economic reforms and it fell, in December 1991, because of the withdrawal of the ministers of the Democratic Party. Albania, on the brink of starvation, was saved as a result of a great assistance of the Western countries, which successfully hosted the historic relief operation, codenamed “Pelican”. In January 1992, it was established a technical government headed by Vilson Ahmeti, which led the country until the new early elections of 22 March 1992” (Meta, et. al., 2011: 155).

As noted in the above paragraph, the main paradigm in the learning materials remains that of political history based on the positivist belief that documented “facts” will reveal the truth. Thus, the history of the nation is written as a teleological sequence of significant events. The continuing dominance of political history is certainly also influenced by the contemporary experience of the historians that “politics matter” ((Re)writing history, 2004: 18).

Moreover, the teaching materials are dominated by the descriptive method of the historical writing, which brings about monotony in the treatment of various historical topics, even a lack of insight into the problems of particular importance. Anachronistic narrative in the textbooks is identified more with its didactic dimension rather than the scientific one. This pattern is used in the presentation of the electoral campaign and the confrontation of the political parties’ programs, too. The elections held on March 22, 1992 ended with the victory of the Democratic Party, which provided 2/3 of the seats in the parliament. “The country’s President was elected Sali Berisha. Aleksander Meksi was appointed as Prime Minister. The parliament passed laws that enabled the realization of economic reforms. They consisted in the establishment of a free market economy, the beginning of privatizations, the building and consolidation of new democratic institutions etc.” (Zotaj & Kasmi, 2012: 143)

The authors argue that Albania’s foreign policy was focused on the cooperation and integration in the Euro-Atlantic structures. “The countries of the EU and the US, in the early ’90s, offered Albania emergency food aid, technical and legal assistance. Later, there were signed a series of political, economic, military, scientific and cultural agreements. Albania’s European integration is a multifaceted and long-term process, which involves the development of a democratic society, legislation and institutions, development of the market economy, national and regional security policy. After 1990, Albania has made some important progress towards the Euro-Atlantic integration” (Korkuti, et. al., 2010: 304).

The presentation of political system change, in the early 90s, in history textbooks for primary and secondary education in Albania, is based on the psychological characteristics of the school age and their level of formation. The historical concepts reflect a gradual increase of knowledge from one cycle to another (Xhelili, 2001: 33). The language used in the coverage of topics is concise in compliance with the relevant historical terminology. The teaching material adheres to the main didactic demand of pedagogical apparatus. It is completed with the inclusion of visual sources, such as: photos, sketches etc., that serve more to illustrate the knowledge presented in the text rather than as additional information (Kuri & Gjini, 2008: 94-95).

The examination in the history textbooks of the political developments in Albania, in relation to the collapse of the socialist regime and the establishment of a democratic system, carries special importance to create the intellectual skills to students to critically analyse and interpret the historical phenomenon and provide them with the right perception tools of the democratic transformations in the Albanian society, as well as the proper evaluation of the challenge of overcoming the political transition on the path to integration into the European Union.

4. Conclusions

The presentation of the change of the political system in Albania, in the early ’90s, occupies a significant place in the history textbooks of primary and secondary education, particularly after the implementation of the altered text reform. It is examined in respect to the scientific criteria of the right proportion between the historical periods covered in the teaching materials.

The coverage of the political transition in the Albanian society in history textbooks is characterized by:
1. the prevalence of the descriptive method in presenting the political developments in Albania, the crisis and the
fall of the socialist regime until the formation of the democratic government, under the Prime Minister Aleksander Meksi. The facts and the historical events, such as: the deepening of economic and social difficulties, the partial reforms of the party-state to improve the situation, the demonstrations against the communist regime, the student movement and the institutionalisation of political pluralism, the first multiparty elections of 31 March 1991 and the political situation until coming to power of the Democratic Party are described in accordance with the chronological criteria.

2. the disproportion between the historical content and the interpretive skills in general and the reflection of the period of political system change in particular. In history textbooks for primary and secondary education dominates the informative material, given in the form of descriptions, illustrations, examples and facts, rather than the forming one, characterized by the provision of the historical concepts, laws and generalizations to the relevant events.

3. the presence of the necessary pedagogical apparatus, which refers to the language and the overall structure of the educational material on the progress of establishing a democratic system in Albania. It is completed with visual sources that serve more to illustrate rather than add the objective knowledge.

The study of the political transition period in Albania, in the early 90s, is of great importance to develop the analytical and the critical thinking skills in students and to provide them with the right tools of evaluation of these historical events, which marked a significant turning point on the path towards the Euro-Atlantic structures of the Albanian state.

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Political Institutions and Justice Institutes Established by Congress of Lushnjë

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Abstract

State political institutions are established by the decisions of Constituent Assemblies, but also based on legal norms with constitutional force. Is Congress of Lushnjë legitimated for the reestablishment of institutions in Albania and on which legal and constitutional norms and rules it established them? Did we have an institutional tradition? National Assembly of Vlorë declared Albania separately, but it could not create a state with political and legal institutions, neither was internationally known. Albania gained its status from the Great Powers on July 29, 1913. International Commission of Control prepared Albania’s Organic Statute on April 10, 1914, which is also the first constitution of Albania’s Principality. This document with legal and constitutional values was not repealed. According to the chronological criteria of the constitutional right “Lex posterior derogate priori”, the Organic Statute was in force and could be serving on the creation of new political institutions. But it was not used by the Congress of Lushnjë because after the First World War, many historical events had occurred and many political circumstances had changed. The International Institution which gave Albania the status did not exist anymore. Great Forces did not exist anymore; moreover, some of those states had made a pact for its crush. The assembly's delegates unanimously created a package with six legal norms named “Fundamentals of the Kanun of the High Council” known as the Statute of Lushnjë, used as legal norms of constitutional power to fix the relations between powers which had been created through political compromise. On December 22, 1922, pursuant to Article 45 of the “Internal Regulation” the Assembly found the remedy to make legal changes and approve the “Extended Statute of Lushnjë”, which had legal norms with constitutional power to fix the relations among the state’s powers.

Keywords: Extended Statute, National Council, High Council, National Assembly

1. Constitutional and Institutional Albanian Traditions, from the Independence to Congress of Lushnjë

State political institutions are established based on the decisions of Constituent Assemblies, on legal norms with constitutional force.

Constituent Assemblies have the right to approve also the legal constitutional norms on which function the political institutions of the state. On which legal, constitutional norms was the Congress of Lushnjë developed? Was it on the formal sources/acts of constitutional rights or material sources/facts?

On November 28, 1912 Albania was declared separated from the Ottoman Empire, but did not establish the state’s institutions on legal constitutional norms. National Assembly of Vlora elected a provisional government but Albania didn’t have a head of state and legislative power. There was not found an agreement/consensus to elect a Constituent Assembly in order to define the form of the political regime and to establish legitimate institutions, because of the extremely hard historical circumstances and the politicians’ stubbornness.

Mithat Frashëri, one of the ministers of the Provisional Government of Vlora, who resigned in March 1913, wrote an article at “Dielli” newspaper, of Vatra Pan Federation, on September 16, 1915. The major shortage of Albanians according to him was the lack of unity and the inability to cooperate stimulated form jealousy and selfishness. His idea was also enforced by the thought of the German researcher Fallmerayer, who after the formation of states with Christian population in the Balkans, concluded that “the Albanians have not felt the need of the creation of compact national unity and have not accepted the thought of a chairman of their blood.” (Beqir Meta, Tirana: Vatra Pan federation, Globus 2002, pg 131)

Ismail Qemali was conscious for the constitutional and institutional deficiencies of Assembly of Vlora, for this reason he asked the Prefects on December 4, 1912, that “until the establishment of the National Council by elections, the
previous laws, regulations and formalities of the empire would be in force.".¹

National Assembly of Vlora, under the historical circumstances that was developed and based on the analysis of historical and political factors, may had also elected and the head of state.

The head of a state could not be elected without the authorization of the Great Powers, if this thesis is accepted, logically must be accepted that the Independence of Albania and the creation of the Provisional Government were allowed with their "authorization".

This is not true, because the Great Powers did not recognize the Declaration of Independence and the government elected from the National Assembly. Their decision was an expression of arrogance and denial of the internal right of state to express national sovereignty from the legitimate Assembly.

On December 17, 1912 Conference of the Ambassadors in London, put the discussion for Albania in the first place at their agenda, but the main purpose of some ambassadors was not recognition of Albania, but the interests of Serbia, guaranteeing a port at the Adriatic Sea.

At this Conference the ambassador of Austro –Hungary, Mensdorff/Albert von Mensdorff, proposed autonomy for Albania, but the ambassador of Russia, Alexander Von Benckendorff, asked for an autonomous state under the sovereignty of the Sultan. At the first press on December 20, 1912 sir Edward Grey stated that: "the ambassadors declared to their governments that they accepted the autonomy of Albania, under the sovereignty of the Sultan."²

The first Institution established by National Assembly of Vlora was the Leadership of the Assembly, with Ismail Qemali the leader.

The proposal was made by Rexhep Mitrovica and was unanimously accepted. After its constitution, the leadership of the Provisional Government was founded with President Ismail Qemali, and vice-President Dom Nikollë Kaçorrin, proposed form Veli Harçi.³

Their election was made through the cooperation of important political operators with transparent procedures. Discussions were created because of the lack of legal norms for the authority that would propose the name of the ministers and also the institution which could dismiss them. After the discussion was decided that the election of the ministers would be left on the decision of the president of the government. (L. Nosi, Historical Documents, pg 181).

Ismail Qemali presented a list with the ministers' names and explained that they were elected according to the contributions criteria, the recognition that they should have in Albania and abroad, and to satisfy the interests of the Ottoman Empire and Europe. The proposed ministers were: Mehmet Pashë Tetova, Myfit bej Libohova, Aziz Pashë Vrioni, Vehbi Dibra, Abdi bej Toptani, dhe Mid'hat Frashëri (L. Nosi, Historical Documents,pg 180).

The candidates for Ministers were only muslims,because there was not any representative of Orthodox or Catholic religion. With this proposal the diplomat Ismail Kamal did not act in a diplomatic way.Babë Dudë Karbunara, Pandeli Cale, Dhimitër Berati and Qemal bej Elbasani, declared themselves to be against this proposal.

Debates on the composition of the government had been very harsh and the list of ministers proposed by the president of the government was not voted. Ismail Qemali unsatisfied by the situation and in order to find a consensus for the approval of the government, the fifth day of the Assembly asked the delegates compromise for a new procedure, giving up the legitimate right of the ministerial proposal. The right was willingly passed to the National Assembly. The Parliament went into the selection procedure of Ministers by an "Albanian model" unknown from the political doctrine and judicial institutions of the state of justice. Seventeen candidates competed for the post of minister. There is no information on the person who proposed the candidates for the post of ministers. After debates it was decided that ministers would be considered the candidates that would receive an absolute majority of votes.

The election procedure was democratic. Voting was done secretly. At the beginning of the election the secretary guided from Luigj Gurakuqi, declared that at the assembly were 63 delegates. At the elections participated 57 delegates. Minister would be elected the candidate with 29 votes. The voting process lasted more with this procedure. In the first ballot won the minister mandate, Luigj Gurakuqi with 54 votes, Myfit bej Libohova with 52 votes, Mehmet Pashë Tetova with 42 votes, Mid'hat bej Frashëri with 35 votes and Abdi bej Toptani with 32 votes. To choose three ministers with absolute majority, the elections were repeated with 12 candidates who won less than 29 votes. Finally, the ministers elected from the Assembly were Luigj Kurakuqi with 54 votes, Myfit bej Libohova with 52, Mehmet Pashë Tetova with 42 votes, Petro Poga with 40 votes, Pandeli Cale with 39 votes, Lef Nosi with 37, Mid'hat Frashëri with 35 and Abdi bej Toptani with 32 votes. After the second elections the mandate of minister was assured by Petro Poga with 40 votes.

¹ AQSH, Page 245, Ismail Qemali, documentary, page 28.
³ HHStL.A.PA. in AIH, Vj, 22-8-859, confidential report of Lejhanec, for the foreign Ministry of Austro-Hungary, Vlorë, on 29.11.1912.
Pandeli Cale with 39, Lef Nosi with 37, Mid'hat Frashëri with 35 votes, and Abdi bej Toptani with 32 votes. (L. Nosi, Historical Documents, pg.183-184).

On July 29, 1913 with the final decision of the Great Powers was determined the form of government of Albania, Autonomous Independent Principality. (A. Luarasi, Legal Acts of History of the State of Justice, second part, Tirana: Luarasi 1999, pg. 30). Pursuant to Article 6 of the Final Decision of Conference of Ambassadors in London, the draft statute should be completed within January 1914. KNK, had not finished the statute, therefore Prince William of Wied, started the activities of the state without legal constitutional norms. At this time in Albania, there was not a central legitimated institution for the functions of the state. Pursuant to articles 4, 6, 7 and 8 of the Decision of Conference of Ambassadors in London, the functions of the institutions of the Albanian Principality would be performed by KNK. (A. Luarasi, Legal Acts of History of the State of Justice, second part, Tirana: Luarasi 1999, pg. 30).

The first act of Prince William, was the decree of the Government’s President. The decree did not refer to any rule of constitutional or procedural character. The Organic Statute of Albania envisioned as a form of governance the Constitutional Principality, with a representative authority the Constitutional Assembly. Prince William by decree appointed the government’s chairman, in conditions when other institutions lacked the Principality, exercised powers of an Absolute Monarchy. The articles of the Organic Statute of Albania reflected “small politics” of the Great Powers, against Albania. The Organic Statute of Albania ended on April 15, 1914 in Vlora. It was signed by the members of KNK, scholar Klar of Austro-Hungary, who had replaced on March 10, 1914 Petroviçin, Kraveshki of France, Nadolny of Germany, Petrajec of Russia, Harry Lamb of England and Mehdi Frashëri. The Statute had 17 chapters and 216 articles.4

Pursuant to article 8, of the second chapter, called Sovereignty, the Prince should earn the right to exercise the powers after the oath at the National Assembly. But the National Assembly was never created. Therefore, the activity of Prince William and the institutions that were created after the adoption of the Organic Statute of Albania had been in conditions of illegality. The Organic Statute of Albania, was not applied for reshaping the government. Pursuant to Article 73, the Council of Ministers shall consist of the Prime Minister and by four ministries. The Prince decreed the government with 8 ministries. (Aleks Luarasi, Legal Acts of History of the State of Justice, second part, Tirana: Luarasi 1999, pg. 40).

On September 1914, Prince William left Albania. The Organic Statute of Albania was not abrogated, and according to the chronological criteria of constitutional right, “Lex posterior derogate priori” it was in force, but was not used by Congress of Lushnja for establishing new institutions, because it was not implemented from the Congress of Durrës. Delegates of Congress of Lushnja developed their work on January 29 at 9 am with the following agenda:

1. Discussions on the measures to be taken against the decision of three Great Powers for the partition of Albania according to London Charter in 1920.
2. Discussions on the government’s choice of external and internal political views according to the program of the National Meeting of Lushnjes.
3. Temporarily regime of Albania.
4. A discussion of trust or distrust of the National meeting for the provisional government.
5. The elections of the authorities according to the decision that would be taken.5

The assembly approved the second article which defines the government’s attitude in internal and external point of views, after the election of the Commission was approved that: I. the government has acted out of the right and program that was given to it by the Congress of Durrësi; II. The Government has prevented the meeting of the assembly decided from the Congress of Durrës; III. Anarchy has been caused in Albania due to a bad administration. IV. Albania was led to a difficult political situation relying on specific policies. V. Using different intrigues tried to prevent the National meeting which its purpose was to save Albania from dangerous threats. From these and other antinationalist acts was decided the government’s scrapping with 45 votes pro and 6 votes against, which asked to call the government for explanations.6

The assembly started the discussion for the regime that would temporarily Albania have. After many discussions was decided that except the Cabinet of the National Council/ Senate, to be established and a High Council with four members. A Commission of ten members was elected for the details of the Kannun.7 The material/ facts sources and the formal / acts sources served as a source of right in Congress of Lushnjë, by combining the principles of our historical tradition expressed nicely from Sami Frashëri at his paper: “Shqipëria çka qenë, ç'është dhe ç'do të behet”, with a modern political philosophy of Kelzeni constitutional right.

The formula of the creation of the “High Council” was found, according to our historical tradition, consisted of four

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5. Documents and historical materials from the war of the Albanian population for freedom and democracy 1917-1941
6. Historical Documents and Materials from the war of the Albanians for freedom and democracy 1917-1941, pg. 21-23
7. Circulars of the Min. of Internal Affairs of 1920, Shkodër: Nikaj, 1921, pg. 4-5
members, representatives of four religions. Sami Frashëri though the Head of the State as an elderly authority with representatives of 15 administrative units. According to him Albania should have a Republican regime with a collective head of state in charge. The Organic Statute of Albania was respected from the state of justice, which defined monarchy as regime, legitimated the continuity of institutions pursuant to article 29, on July 1913 and the Organic Statute on April 10, 1914. The legal norms which were approved were nominated as “The Basics of the Kannun of the High Council”, there were six paragraphs that affirmed the basic constitutional principles of Albania. (A. Anastasi, Political Institutions and the Constitutional Right in Albania 1912-1939, Tirana: Luarasi 1998, pg. 40).

The norms were: 1. The High Council must approve every project that would be presented from the Cabinet verified from the Senate; 2. has the right in a time of ministry crisis to elect a Prime Minister for the creation of a new Cabinet which would come into force when it would be approved from the Senate; 3. If the election of the Head of the Cabinet, would be refused from the Senate three times in a row, the High Council had to terminate the meeting. 4. The High Council doesn’t have the right to distribute the Cabinet even though if there are objections between them, the general national meeting refutes the council or distributes the Senate. 5. If one of the members of the High Council resigns, the other three continue their duties, if two of them resign, two others will be elected from the Senate. 6. If the King comes in the highest throne the monarchy is considered overthrown. 8

The High Council was the collegial head of state and its highest representative with the executive power belonging to it, applied by the government. Its powers were summarized in two points during the discussions of the Congress: Firstly, for the announcement of Laws and secondly the creation of the new government. (G. Hysi, Organization of Albania and the political war on 1920-1924, pg. 10-13) Regency was the legal position for the temporarily realization of the powers of the head of state at the monarchial form of government. (Gramoz Hysi, Organization of Albania and the political war on 1920-1924, pg. 38). With the proposal of the delegate from Berat, Mr. Iliaz Baj Vrioni, at the High Council were elected: Emzot Bumçi, Aqif Pashë Elbasani, Abdi Bej Toptani and Dr. Turtulli, from them, Emzot Bumçi and Dr. Turtulli would continue their mission in Paris. 9

The Cabinet was the second established institution. Bektash Cakrani, the delegate of Mallakastër, proposed for the Cabinet Sulejman Delvinë, Iliaz Vrioni, Ahmet Zogun, Sotir Pecin, Ndoc Çobën e Mehmet Konicë. 10 The election of the temporarily Cabinet with the head of it Sulejman Bej of Delvina and deputy Mr. Eshref bej Frashërin until Mr Sulejman Beu returned from Paris. The Minister of the Internal Affairs, Mr. Ahmed bej Mati. Minister of Foreign Affairs Mr. Mehmed bej Konitza. Financial Minister Mr. Ndoc Çoba with deputy Mr. Idhomen Kosturi. Minister of Justice Mr. Hoxha Kadri with deputy Mr. Hysejn bej Vrioni, Minister of Education, Mr. Sotir Peci. Two General Directorates were created: the one of Public Affairs with Mr. Eshref bej Frashëri, and the one of the The Post and Telegraph with Mr. Idhomen Kosturi in charge. 11 The Senate was another established institution. It was not a second room, but a genuine monacameral Parliament with one room, which functioned as a representative authority of the Parliament. The delegates decided the senate to have a parliamentary form called National Council, consisted of 37 members elected by the Congress, with the criteria of a representative for 20,000 residents. 12 On January 31, the Ministry of Internal Affairs announced to the Prefectures, A congress was held in Lushnjë, with representatives from all areas of Albania, except Shkodra, Lezhe, Kruje, delegates elected from people of their districts, couldn’t agree with the discussions. To notify people as soon as possible and to bring copies of the declaration to the villages. 13

2. Albania as a Monarchy or a Republic?

The form the state was a matter of political and legal constitutional importance. The delegates of the Congress were led by the idea of the continuity of the Albanian state according to the decisions of the Conference in London, which defined the statute of Albania.

Recognition of monarchy, as a temporary form of governance, presented the case of exercising the duties of the Head of State, in this form of governance at the Congress of Lushnjë. The Congress wanted to remain within the international legal frame for the recognition of monarchy and for the appointment of the Head of State, trying in this way its decision to be based as much as possible on the law. (Gramoz Hysi, Organization of Albania and the political war in

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8. AQSH, Fund.152, of.1920, file 9, pg. 3-4. First opening of the National Meeting, 21-1-1920.
9. Circulars of the Min. of Internal Affairs of 1920, Shkodër: Nikaj, 1921, pg. 3.
10. AQSH, Fund.152, of.1920, file .9, pg. 3-4. First opening of the National Meeting 21-I-1920
11. Circulars of the Min. of Internal Affairs of 1920, Shkodër: Nikaj, 1921 pg 9-10
12. also there
1920-1924, pg. 35).

The maintain of monarchy by the Congress of Lushnë must be treated in two aspects. Firstly, in the internal plan, was related to the compromise between the feudal lords and the bourgeoisie of that time. The compromise emerges as a concession of the new emerging class, of bourgeoisie to the old society, of feudal lords; Secondly in the external plan, which achieved the greatest importance, the maintain of monarchy was related to the critical situation of Albania at that time. The Congress tried not to violate the international decisions for Albania, like the decision of the Ambassadors Conference on July 29, 1913 and later the Organic Statute of Albania, drafted from the International Commission of Control on April 10, 1914. The decisions were signed also from the winning powers of Antanta. In this case Congress of Lushnë wanted to emphasize the existence of the Albanian state and the recognition that had received from the international decisions. (Gramoz Hysi Organization of Albania and the political war during 1920-1924, pg. 33-34).

The Basics of the Kannun or the Statute of Lushnje represents one of the most important constitutional acts in the history of the Albanian state and its echo was present throughout the period of years 1920-1924. Regarding the time of action, the constitutional document was temporary, as said at the discussions of the delegates until the final approval of the constitution by a Constitutional Assembly, the congress determined its meeting as the end of the Albanian case at the Peace Conference. There was created a controversy between de jure form of the Albanian state and the form of governance implemented in practice, in the years 1920-1924.

This happened because it was applied a republican form of governance, an original form with a collegiate head of state in charge. (Sali Hidri, The High Council and the form of the regime of the Albanian State in 1922-24). At the: “Democratic and revolutionary issues of Albania during 1921-1924”, Institute of History, 1977, pg. 77).

The High Council, was mostly approached with the head of state in republican form of governance, due to its features and addiction to a large extend of the National Council. (Gramoz Hysi Organization of Albania and the political war during 1920-1924, pg 61-63).

The Congress, with the creation of the new government headed by Sulejman Delvina, the High Council of State and the election of National Council, achieved the constitutionality and legitimacy of the Albanian state, as a sovereign, with institutions established by the Albanians. (A. Anastasi, Political Institutions and Constitutional Right, pg. 40).

The establishment of the High Council was a solution of „sui generis”. What was the High Council a “Collective Monarchy”, or a “Collective Presidency”? At the Fundamentals of the Kannun of the High Council it was stated that “With the arrival of the king on the throne, the High Council would be surrendered”, so the High Council was the regency who exercised the rights of the King. The Council of the Regency, composed of four members, would be the head of the Albanian state, until the form of the regime would be defined by a Constitutional Assembly. How was the administration of the High Council organised? Based on the documents of the Central State Archive it appears that in its composition was a legal advisor a chief secretary who spoke foreign languages, two secretaries and a recorder. 14

The High Council created many interpretations. The High Council was the collective head of the republic, for some senators / deputies. Noli referred to the High Council as our beautiful Republic. Vërlici called it our Monarchy. Uncertainty continued at the discussions of the National Assembly on January 1922. Seifi Vllamasi at his book titled “Political Confrontations” states that members of the National Union agreed to the creation of a collegial republic, as it was decided by the Congress of Lushnjë. The Democratic Group of Gjirokastra called it Collegial Republic, having in its fundamentals the High Council. *(S. Vllamasi, Political Confrontations in Albania 1897-1942, Tirana: Neriada, 2000, pg. 286).

The uncertainty was resolved by the extended statute of Lushnë. Article 45 of the Regulation of National Council served as a legal norm to approve the extended statute of Lushnje. It sanctioned that the National Council with a majority of two thirds of the number of its members may approve the extension or the improvement of the Statute of Lushnë. (A. Mema, https://drive.google.com/, PhD Thesis, pg.37).

The definite form of the regime could not be defined with the extended Statute of Lushnje. According to the decree of the Congress of Lushnë, the form of the governance would be defined only by a Constitutional Assambley established by free democratic elections.

The elections for the Constitutional Assamble were held on December 1923, the time when Ahmet Zogu was the Prime Minister. There were not discussions about the form of the regime when the Assambley started its exercise in 1924. The debate was concentrated more on the legitimate of the elections and the powers of the High Council rather than on the form of the regime. Albania was declared Republic and Ahmet Zogu its President on January 21, 1925.

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The Importance of Online Exposure when Applying for a Job

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Abstract

The rapid growth and development of information and communication technologies enabled the transition to a global and dynamic communication model. Among the many communication tools that have emerged, online social networks have proven to be the most popular. Its success has to do with the ability to converge several features into a single space, allowing users to share knowledge and experiences, maintain contact with their peers, as well as communicate freely and spontaneously. However, using these virtual platforms we are, inevitably, creating an online history that can affect our personal and professional lives. Facing a difficult and competitive job market, companies seek to capture the best talents, within their list of job candidates. In this context, companies are starting to screen online profiles to validate candidates' personal characteristics in a non-professional environment. The main purpose of this study is to understand the importance of the activities in online social networks when applying for a job, especially among recent graduates, who are seeking their first professional experience. Results show that even though recent graduates take caution when using social networking sites, especially Facebook, online exposure is not considered an important factor when undergoing employment processes.

Keywords: Online social networks; network society; recruitment; selection; internet; online exposure.

1. Introduction

The impetus of the human being to seek constant contact with his peers was a determining factor in the development of a dynamic and flexible communication model. Individuals seized new technologies and created new ways of communicating. Among the many tools that have emerged, online social networks, such as Facebook, Twitter or Hi5, have proven to be the most popular.

Online social networks can be defined as web platforms with several features that allow individuals to connect with others, share experiences and values, as well as maintain and strengthen ties (Boyd & Ellison, 2007). The backbone of all of them culminates in profiles with personal information about each user, such as the name, age and a list of friends who are also users. As the web, itself, became more interactive, this type of website has been evolving, gradually giving more power to its users, making it possible to upload and share any type of content (e.g. videos and photos), creating applications for personalized users' profiles, rating motives and books, playing games, creating groups with various purposes, among other available options.

However, privacy has always been a matter of importance in the analysis of social networking sites. In fact, individuals are no longer mere consumers. They are active participants in the process of creating and sharing any kind of information, challenging local and global dynamics, both in public or private domains. In the so-called web generation the paradigm changes: by default, what is published is visible to the network, as a whole, thus contributing to the redefinition of the concept of privacy.

The fact that individuals can now create and disseminate content results in a massive and unrestrained sharing of information about the individuals' personal lives. This practice is related with the fact that people want to have a visible online presence, and they achieve this by sharing their interests, aspirations and experiences.

But an excessive sharing associated with an increasingly transparent and public environment, may have impacts
on a person’s image. It can result in the creation of an online reputation (which may really affect the social reputation), allowing other users to form opinions and make judgments about what is published, and one’s self. Photographs, videos and comments, user interests, experiences, political opinions, sexual orientation and beliefs, can contribute to raise negative impressions or even false perceptions – with an impressive personal and social impact. Furthermore, internet users often lose control over the true audience of their online behaviour. Social networking sites constantly appeal to expanding the network by adding new friends online. Individuals often add co-workers and acquaintances from other contexts with whom it may not be appropriate to share certain content.

Another important element of social networking sites is the astronomical capacity of storage and content replication. These sites reflect a loss of control over the contents that circulate and how they can be used. For example, when using search engines - a reality in most of these sites - an excessive amount of information may come from publications, either by the user himself or by other members of the network that may have made references about a person.

Companies may use these platforms to validate each job candidate – by knowing the behaviours they reveal online. The popularity of these sites, the high levels of exposure, easy access and low costs, lead companies to use online social networks to validate candidates and look for signs that could prevent a possible hiring (Black & Jonhson, 2012; Kluemper & Rosen, 2009). In this context, appears a new strategy of selection through social networking sites.

The widespread of new technologies, namely the Internet, to the business fabric, in the 90’s, led to a strong organizational restructuring process. Since collaborators are, and always were, the elementary basis of any company, the redesign of new strategies of attraction and selection of candidates was also a priority (Reynolds & Weiner, 2009). Recruitment and selection processes should be aligned with the company’s strategy, as it is intended to select candidates with specific competencies that allow them to achieve the organisational objectives.

Faced with an increasingly competitive and constantly changing market, companies felt the need to adopt strategies that allow an effective and efficient decision-making in the selection of the best professionals.

Today, companies need not only qualified candidates, but also professionals who are able to adapt themselves to the organisational culture, values and goals. Choosing the ideal candidate is the key to avoid costs with new processes of recruitment, integration and training.

So, the main concern of HR consultants are: (1) the candidate’s lifestyle; (2) inappropriate comments and publications; (3) inappropriate videos, music, photographs and information; (4) offensive remarks about employers, clients and colleagues; (5) communication, that is, how a person writes and addresses to others in online platforms; (6) the groups to which a candidate is associated and his interests; and (7) the presentation of false information in the public profile. The majority of companies that use these platforms as a tool in the selection process, argue that they are collecting vital information for a better decision-making (Black & Jonhson, 2012). But although the information found on these types of sites could be decisive in the selection process, it can also result in the creation of false perceptions about the candidate, negatively influencing the chances of being chosen. Often, the information that users have on their profiles is false or exaggerated, and sometimes individuals have no control over the information that is published in their name.

Although online social networks are excellent tools that allow new ways of communicating, they also pose risks to their users, particularly at a professional level. As the use of these platforms as a tool for the recruitment and selection process is a reality, with a tendency to increase, it is essential that candidates ask themselves if the information they make available in their profiles should be public, and whether this information could harm their professional careers, invalidating them as potential candidates, when applying for a job.

2. Main Objective

The fact that the most frequent users of online social networks are among the youngest people, usually individuals between 15 and 25 years, and that more companies are using these online platforms in order to validate their candidates, leads to an interest of understanding the importance given to personal online exposure.

Thus, the following question arises:
What is the importance given by recent graduates to online exposure during the application process?
Therefore, with this study we intend to:
- Verify which social networks are most frequently used and what activities are performed;
- Determine which elements are considered important when applying for a job;
- Validate which online actions are considered important in an application process;
- Analyse the importance of online exposure to recent graduates.
3. Method

Based on the literature review and the objectives defined, a questionnaire was prepared, with a distinct set of questions, using Likert-type scales, in which the minimum level corresponds to 1 (Never) and the maximum level to 5 (Very Frequently).

These questions were related to: sociodemographic characterization; the use of online social networks, particularly Facebook; perception of privacy and online caution and the importance given to online exposure. The survey form was made available on online platforms, such as social networking sites, and also distributed through personal and academic contacts.

The data collected was analysed with Excel and SPSS tools. At an initial stage, all the survey questions were analysed through descriptive statistics. In order to obtain the most significant dimensions of the elements considered important in a job application, and the perception of security and privacy, as well as online caution, we carried out some principal components analysis (PCA).

This study involved 101 participants (N = 101) of both genders, aged between 20 and 52 years, recent graduates of different education cycles. Regarding gender, 59.4% were female (N = 60) and 40.6% were male (N = 40). In relation to age approximately 92% were up to 35 years old (N = 93) and the remaining 8% were over 35 years old (N = 8). Also, 48.5% of the respondents were finishing their minor degrees (N = 49) and 48.5% were concluding their major degrees (N = 49).

4. Main Results

The results showed that Facebook is the online social network used by most participants, followed by YouTube and Instagram (cf. Table 1).

Table 1: Use of social networking sites

<table>
<thead>
<tr>
<th>1. How often do you use the following social networking sites</th>
<th>Average</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facebook</td>
<td>4.71</td>
<td>.52</td>
</tr>
<tr>
<td>Youtube</td>
<td>4.42</td>
<td>.68</td>
</tr>
<tr>
<td>Instagram</td>
<td>3.36</td>
<td>1.71</td>
</tr>
<tr>
<td>Linkedin</td>
<td>2.91</td>
<td>1.23</td>
</tr>
<tr>
<td>Google+</td>
<td>2.45</td>
<td>1.29</td>
</tr>
<tr>
<td>Academia.Edu</td>
<td>1.47</td>
<td>1.04</td>
</tr>
<tr>
<td>Twitter</td>
<td>1.43</td>
<td>.91</td>
</tr>
<tr>
<td>Tumblr</td>
<td>1.33</td>
<td>.80</td>
</tr>
<tr>
<td>ResearchGate</td>
<td>1.26</td>
<td>.64</td>
</tr>
<tr>
<td>Myspace</td>
<td>1.13</td>
<td>.46</td>
</tr>
<tr>
<td>Badoo</td>
<td>1.12</td>
<td>.43</td>
</tr>
<tr>
<td>Orkut</td>
<td>1.05</td>
<td>.26</td>
</tr>
</tbody>
</table>

According to studies carried out by OberCom, Hi5 was the most popular but it was quickly exceeded by Facebook in the past few years (Cardoso et al., 2014).

Table 2: Activities carried out on Facebook

<table>
<thead>
<tr>
<th>2. What do you usually do on Facebook?</th>
<th>Average</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online chatting</td>
<td>4.26</td>
<td>.93</td>
</tr>
<tr>
<td>Doing Likes on posts</td>
<td>4.03</td>
<td>.94</td>
</tr>
<tr>
<td>Send messages</td>
<td>4.00</td>
<td>1.01</td>
</tr>
<tr>
<td>Comment other posts</td>
<td>3.41</td>
<td>1.06</td>
</tr>
<tr>
<td>Share news or articles</td>
<td>3.04</td>
<td>1.11</td>
</tr>
<tr>
<td>Share music and videos</td>
<td>2.74</td>
<td>1.25</td>
</tr>
<tr>
<td>Join groups on Facebook</td>
<td>2.65</td>
<td>.81</td>
</tr>
<tr>
<td>Make posts on your own page</td>
<td>2.47</td>
<td>1.16</td>
</tr>
<tr>
<td>Join or support causes</td>
<td>2.43</td>
<td>.84</td>
</tr>
</tbody>
</table>
Regarding the most frequent activities on Facebook (cf. Table 2), results show that, first of all, users use this type of virtual platforms to communicate online, via chats, and to send messages (Avg= 4.26), followed by liking posts (Avg= 4.03), making comments or posts (Avg= 4.00), sharing news and articles related to current issues like politics, human rights, and others (Avg= 3.41).

As to what concerns the importance of online activity, the majority tends to consider it as important for human resources technicians and specialists (Avg= 3.45), however, one part proves to be indifferent (cf. Table 3).

Table 3: Importance of Online Activities

<table>
<thead>
<tr>
<th>What you post on Facebook is important to whom?</th>
<th>Average</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>You</td>
<td>3.55</td>
<td>1.01</td>
</tr>
<tr>
<td>Friends and family</td>
<td>3.50</td>
<td>0.97</td>
</tr>
<tr>
<td>HR technicians and specialists</td>
<td>3.45</td>
<td>1.10</td>
</tr>
<tr>
<td>School / Work colleagues</td>
<td>3.35</td>
<td>0.90</td>
</tr>
<tr>
<td>Acquaintances</td>
<td>2.86</td>
<td>1.04</td>
</tr>
<tr>
<td>Facebook users in general</td>
<td>2.34</td>
<td>1.08</td>
</tr>
</tbody>
</table>

There is a tendency not to value the activities performed on social networking sites in the application processes (cf. Table 4). Academic and organizational skills are the most valued. These results may be due to the lack of knowledge by recent graduates that human resources specialists use these platforms to validate candidates (Baym, 2010).

Table 4: Elements considered important in an application process

<table>
<thead>
<tr>
<th>Which elements do you consider most important when applying for a job</th>
<th>Average</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisation skills</td>
<td>4.41</td>
<td>0.65</td>
</tr>
<tr>
<td>Foreign Languages</td>
<td>4.38</td>
<td>0.66</td>
</tr>
<tr>
<td>Management and leadership skills</td>
<td>4.29</td>
<td>0.61</td>
</tr>
<tr>
<td>Informatics skills</td>
<td>4.26</td>
<td>0.59</td>
</tr>
<tr>
<td>Academic qualifications</td>
<td>4.25</td>
<td>0.64</td>
</tr>
<tr>
<td>Years of professional experience</td>
<td>4.22</td>
<td>0.73</td>
</tr>
<tr>
<td>Academic and scientific experience</td>
<td>4.17</td>
<td>0.80</td>
</tr>
<tr>
<td>Complementary training (e.g. Workshops, post-graduations)</td>
<td>4.12</td>
<td>0.85</td>
</tr>
<tr>
<td>Participation in Academic and scientific projects</td>
<td>4.07</td>
<td>0.59</td>
</tr>
<tr>
<td>Academic and scientific publications</td>
<td>3.87</td>
<td>0.84</td>
</tr>
<tr>
<td>Universities and Institutes</td>
<td>3.86</td>
<td>0.80</td>
</tr>
<tr>
<td>extracurricular activities</td>
<td>3.76</td>
<td>0.76</td>
</tr>
<tr>
<td>Subscribing Professional and Social networking sites</td>
<td>3.21</td>
<td>0.97</td>
</tr>
<tr>
<td>Online Activity</td>
<td>3.00</td>
<td>0.97</td>
</tr>
</tbody>
</table>

In relation to the importance given to online actions as evaluation elements when applying for a job (cf. Table 5), participants tend to value online communication (Avg= 3.93), sharing articles and news (Avg= 3.42), as well as comments.
or publications related to human rights, politics, among others (Avg= 3,46). A Cross-tab study, conducted in 2010, indicates that HR technicians and experts also give a greater importance to online communication. The way users express themselves gains weight in what is the assessment of candidates’ soft skills. Academic publications are other of the valued elements. Nonetheless, sharing personal information and photographs and the number of friends on the network are relatively unimportant to recent graduates, but for recruiters these can be signs that may prevent a hiring. (Black & Johnson, 2012, Hazelton & Terhorst, 2015).

Table 5: Online actions considered important in an application process

<table>
<thead>
<tr>
<th>5. Online actions considered important when applying for a job</th>
<th>Average</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online Communication</td>
<td>3,93</td>
<td>.95</td>
</tr>
<tr>
<td>Write posts related to current issues like human rights, politics,</td>
<td>3,46</td>
<td>.94</td>
</tr>
<tr>
<td>Share news and articles</td>
<td>3,42</td>
<td>1,03</td>
</tr>
<tr>
<td>Join causes on Facebook</td>
<td>3,29</td>
<td>.98</td>
</tr>
<tr>
<td>Share personal information online</td>
<td>3,26</td>
<td>1,09</td>
</tr>
<tr>
<td>Write posts about companies, clients or colleagues</td>
<td>3,26</td>
<td>1,19</td>
</tr>
<tr>
<td>Share photos, music and videos</td>
<td>2,78</td>
<td>1,25</td>
</tr>
<tr>
<td>Join groups on Facebook</td>
<td>2,70</td>
<td>1,03</td>
</tr>
<tr>
<td>Share events</td>
<td>2,68</td>
<td>1,12</td>
</tr>
<tr>
<td>Liking other posts</td>
<td>2,62</td>
<td>1,00</td>
</tr>
<tr>
<td>Write posts about your personal life</td>
<td>2,54</td>
<td>1,19</td>
</tr>
<tr>
<td>Online friends (e.g. how many friends you have on Facebook)</td>
<td>2,33</td>
<td>1,09</td>
</tr>
</tbody>
</table>

With regard to issues such as privacy, security and online caution, the results showed there is indeed a concern with being online. Nevertheless, participants have a poor perception of possible consequences for their professional career (Avg= 2,82). These findings highlight the lack of knowledge about the use of online social networks in the selection process.

Table 6: Perception of privacy, security and online caution

<table>
<thead>
<tr>
<th>6. Perception of privacy, security and online caution</th>
<th>Average</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>I know how to change Facebook privacy settings</td>
<td>4,51</td>
<td>.64</td>
</tr>
<tr>
<td>I have already changed my profile privacy settings</td>
<td>4,48</td>
<td>.61</td>
</tr>
<tr>
<td>I am careful with the friend requests I accept</td>
<td>4,43</td>
<td>.62</td>
</tr>
<tr>
<td>I know how to change Facebook security settings</td>
<td>4,41</td>
<td>.80</td>
</tr>
<tr>
<td>I am careful with the posts I do on my Facebook page</td>
<td>4,34</td>
<td>.71</td>
</tr>
<tr>
<td>I am careful with the information I share on Facebook</td>
<td>4,30</td>
<td>.76</td>
</tr>
<tr>
<td>I am careful with what I publish online</td>
<td>4,21</td>
<td>.98</td>
</tr>
<tr>
<td>I am careful with my comments</td>
<td>4,15</td>
<td>.84</td>
</tr>
<tr>
<td>I have already changed my profile security settings</td>
<td>4,12</td>
<td>1,03</td>
</tr>
<tr>
<td>What I share on my Facebook page can undermine my personal life</td>
<td>3,72</td>
<td>1,27</td>
</tr>
<tr>
<td>I know Facebook’s Security Policy</td>
<td>3,31</td>
<td>1,07</td>
</tr>
<tr>
<td>What I share on my Facebook page can undermine my professional career</td>
<td>2,82</td>
<td>1,37</td>
</tr>
</tbody>
</table>

5. Discussion and Conclusion

The evolution of new information and communication technologies led to enormous challenges in our society. The Internet plays a leading role in a new technological paradigm, which resulted in profound changes in the way we communicate. In a highly competitive market, companies felt the need to innovate and define alternative plans of action. As far as recruitment and selection processes are concerned HR specialists and experts defined new strategies to seek the best talent in the market. The Internet thus has provided new ways of mediating the relationship between companies and candidates, overcoming some of the main limitations of these processes.

At the same time, individuals have seized new technologies to generate new ways to communicate and maintain their relations. Among the many communication tools that have emerged, online social networks have been gaining prominence over the last few years. These spaces are perceived as an extension of the offline world, in which individuals
can show who they are by sharing their experiences and beliefs, as well as communicate freely and spontaneously, challenging the concepts of space and time, public and private.

However, it is necessary to take into account the challenges that may arise from an inadequate use of new technologies, especially in a professional context.

Do to the popularity, high levels of exposure, easy access and low costs of online social networks, like Facebook, more companies are turning to these type of sites in order to validate candidates and look up for signs that could prevent a possible hiring. It is therefore our interest to understand the importance given to online exposure when applying for a job in the eyes of those who are now starting to look for the first professional experience.

In order to achieve the objectives outlined in the present study, we analysed the main online social networks, as well as the online activities performed, the importance given to online exposure and the perception of privacy and risks online, especially on Facebook. This choice was not random. According to a study carried out by OberCom, Facebook appears as the social network with the largest number of users (Cardoso, et al., 2014), and our results reinforced this data.

We found that, among the recent graduates we surveyed, the most used social network is Facebook, followed by YouTube and Instagram, and that they focus on the activities that allow direct contact between users. These results are similar to those found in other studies carried out by OberCom (Cardoso, et al., 2014). In addition, the main reasons that induce people to subscribe to this type of sites are the ability to maintain relationships at a distance and to reinforce ties created offline (Cardoso, et al., 2012).

With regard to the importance given to online exposure as an element of evaluation in a job application process, most participants consider that the activities performed online may be an important factor for HR specialists. However, online presence is considered somewhat indifferent on a job application process. Participants also disagree with the fact that online activity may harm them in a professional context. The tendency is to value academic competencies and those developed in an organizational context, believing that these will be decisive in a possible application process.

Even with some limitations, the results obtained allowed to verify the proposed objectives, as well as to break ground in the field of online exposure research and its importance as an element of evaluation in job application processes. This study allowed us to enrich knowledge about the impacts of new technologies on human resource processes, a topic still under-explored, drawing attention to the importance of raising awareness for new trends in recruitment and selection, as well as boosting the use of online social networks for a successful professional future.

References


CareerBuilder (2012). Number of Employers Passing on Applicants Due to Social Media Posts Continues to Rise, According to New


The Role of Hospital Funding in Albania: A Situational Analysis

Rudina Degjoni

Abstract

This abstract is to provide a concise description of the role of hospital funding in Albania. For many years, hospitals in Albania been funded on an historical and line-by-line basis. From year to year, the budgets has based on the previous year’s funding with adjustments based on inflation and political factors. The Health Insurance Fund of Albania is preparing to take over funding decisions with respect to hospitals in January 2017, in the event they are requested to do so. This abstract proposes a five year program in which Health Insurance Fund of Albania could begin immediately with changes to hospital funding which would generate greater equity among hospitals in terms of funding based on population served. The additional data collected will also enable the Health Insurance Fund of Albania to move toward implementation of a case mix model, which be used for funding but is recommended to be used only as a method to improve the allocation process by putting cost values to cases treated including resource intensity weights reflecting the cost of services. In brief, the current situation in Albania includes the following problems as insufficiency in health financing; the national health insurance scheme is still not consolidated; planning and budgeting are not coordinated; inefficient management of financial resources and lack of transparency and accountability. These reform proposals are ambitious and require detailed planning for their implementation. Significant efforts will be required from key players in the health sector.

Keywords: health care regulation, financing health services, funding hospitals

1. Introduction

In Albania, the Law no.10383, dated 24.02.2011, "On compulsory healthcare insurance in the Republic of Albania", as amended, according to the establishment and implementation of the compulsory health care insurance scheme in Albania. The objective of this Law is to set out not only the legal status, but also the structure, the functions and the activity of the compulsory Fund of Albania. The health care insurance fund manages the financing of health care services in the compulsory health care insurance scheme. According to this, the fund finances the packages of health care services. The health care packages includes medical check-ups, all the examinations and treatments in the public primary health care public, hospitals medical, examinations and treatments in private primary health care, hospital providers, drugs, medical products and treatments by contracted providers of health services. Compulsory Health Insurance Fund of Albania is based on the contributions of employees, employers, state and other sources for other people, as provided based on the principle of solidarity. Compulsory Health Insurance Fund, scheme intends to cover the population with hospital health care services, financed by the public and private sector. Either more, the success of the funding methodology of the Albanian hospital is to create the selected hospital health care providers register, where the public and private hospital service providers will selected by the qualities criteria. The success is also, dependent on the skills of the management team of the hospitals. These skills are what will determine if the fund will use effectively and efficiently, if the incentives built into the funding model motivation for the hospital quality. The motivation, that desired, is possible only if the people involved are skilled enough to understand the Albanian hospital funding system. For the health insurance fund of Albania is the best time to do something, to measure the activities of the health care hospital system. Releasing, hospital resources could be used by the management to increase the level of population coverage. Some of these actions would aim to improve efficiency in the area of the Albania hospital, but at the same time would address the encouragement unshared in the health financing hospital, how services delivered on time to costumer and how the

1 Law no.10383, dated 24.02.2011, "On compulsory healthcare insurance in the Republic of Albania", as amended
3 WHO (2015) “Using available resources in the most efficient and equitable way”
providers will be paid for the way of allocating. The management should be search to improve performance by using operational approaches, when allocate resources to providers and to costumers, related all the decisions in the health needs using the providing health care hospital quality. A method that Albanian hospital financing is orderly today may also be a fountain of not efficiency, because the mechanisms used to select and to pay the providers are critical in the environment of hospital health care. Even that, we may see increased opportunities for efficiency gains by using the data base selecting the question, which are the best hospital health care providers in Albania with highest performance.

2. The Role of Hospital Funding in Albania: A Situational Analysis

Providing hospital care in Albania, improve the mechanism of financing by the fund. To prepare a strength role of the Albanian hospital is necessary to create the autonomy of hospitals, to develop standards, to increase capacities and competencies. The policies of the hospital funding must introduce new diagnostic, treatment and techniques medical practices, evaluating the performance through appropriate indicators and developing the accreditation system.

This abstract presents the situation in Albania hospital services and stresses the importance of hospital autonomy and their financing by historical budget.

In the public hospital service to our country is the greatest player that plays the main role in the welfare of the Albanian society. It is undeniable that the public hospital service has an important role in meeting the health needs of the population, especially for the "underprivileged financially". Public hospitals to us, need for autonomy management, financial and contractual arrangements in order to be able to operate with more dexterity, the more effectively responding to market changes hospital. The dictionary defines "autonomy" as the quality or state of being autonomous, self-existing or able to exist independently. What is today, relevant and important is the effect of the degree of autonomy for the operation of the hospital to the extent that it promotes positive results and reduces the negative results in the hospital.

Regulations for public hospitals, the word "autonomy" was not used, although Article 11 of Law no. 9106 date 17.07.2003 “On Health Service in the Republic of Albania” stipulates that hospitals operate on “the basis of independence”, in which case the law uses the word “independence” which for practical purposes can be considered functional “autonomy”, the law also provides and the establishment of the hospital and the board of the country’s hospital has authority, but actually since 2003 until now these boards are never raised with the exception of the regional hospital “pilot” of Durres. The Albanian hospitals today implement national health strategies and health policies approved by the Ministry of Health. Passing their autonomy hospital means that the board of directors of the hospital autonomous will approve strategies and policies of development and will develop programs technical and financial programs and technical health hospitals activity in compliance with health policies and draft development plan university hospital strategic services based on the law of higher education and the research.

Some of the Albanian hospitals are nonprofit institutions, and therefore cannot relate merely to the term cost-efficient. In this way, the public values go beyond based on results and efficiency. The country currently ranks among the countries with hospital care expenditures among the lowest compared with costs in hospital budgets of European countries. History financing of public hospitals in the Albania, launched in 2009 realized through the process of contracting with hospitals financing institution that period. This process was initiated by the DCM No. 1661 date 28.12.2008, which clearly define the ways and contracting elements, especially payment of hospital human resources. The decision was based on Law no. 7870 date 13.10.2004, “On Health Insurance in the Republic of Albania”, as amended Law no. 9106, date 17.07.2003 “The Health Services on the Republic of Albania”, which predicted and that the list of hospital services should offer a public hospital by his level of Regional and University City. Thus, management and contracting until today performed with 40 hospitals, of which 24 municipal-level public hospitals, 11 regional hospitals and public level 5 University-level public hospitals. Based on this fact, the reality of our public hospitals reflect that hospital managers have limited ability to generate income and hospital resources allocated to meet the market demand for their authority over decisions have centralized bodies. Financing of public hospitals is conducted through general taxation, budget allocations based on historical budget process and needs hospital not in evidence (eg number of cases for diagnosis, number of patients). Hospital manages a budget divided by categorization by not having freedom of movement from one budget item to another according to the needs that may have hospital. Nevertheless, autonomy hospital financial management of the hospital will be based on factors inherent and together with secondary income will implement its financial management and use of secondary income, without limitation, regarding approvals bureaucratic

5 Law No 9106 date 17.07.2003 “On Health Service in the Republic of Albania”
centralized preliminary or sharing in the percentage specified items. The financial management will adopt policies as part of
the budget process that will depend on the real needs of the hospital, will create the possibility of opening a bank
account of an autonomous public hospital thus ensuring independence from the treasury system. Today, leasing and
financing to increase access to private hospitals, almost has increased significantly and the need of public hospitals to
compete connected not only with quality but with costs to all private hospitals funded.

Table 1: The Budget for the Ministry of Health in Albania 2010-2015

<table>
<thead>
<tr>
<th>Year</th>
<th>The budget for the Ministry of Health</th>
<th>Change of the value of budget for MH (Annual basis)</th>
<th>Revenues from contributions for health insurance</th>
<th>Change of the revenues from contributions for health insurance (Annual basis)</th>
<th>The total funding for Health</th>
<th>Change of funding for Health (Annual basis)</th>
<th>Population</th>
<th>Change of the value of population (Annual basis)</th>
<th>Financing of health per capita</th>
<th>Change of health financing per capital (Annual basis)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>25,872,835,000</td>
<td>-1.18%</td>
<td>6,014,000,000</td>
<td>2.30%</td>
<td>31,886,835,000</td>
<td>-0.54%</td>
<td>2,918,674</td>
<td>-0.60%</td>
<td>10,925</td>
<td>0.06%</td>
</tr>
<tr>
<td>2011</td>
<td>28,774,944,000</td>
<td>11.22%</td>
<td>6,610,000,000</td>
<td>9.91%</td>
<td>35,384,944,000</td>
<td>10.97%</td>
<td>2,907,361</td>
<td>-0.39%</td>
<td>12,171</td>
<td>11.40%</td>
</tr>
<tr>
<td>2012</td>
<td>29,490,208,000</td>
<td>2.49%</td>
<td>6,436,459,243</td>
<td>-2.63%</td>
<td>35,926,667,243</td>
<td>1.53%</td>
<td>2,902,190</td>
<td>-0.18%</td>
<td>12,379</td>
<td>1.71%</td>
</tr>
<tr>
<td>2013</td>
<td>28,726,330,000</td>
<td>-2.59%</td>
<td>7,310,000,000</td>
<td>13.57%</td>
<td>36,036,330,000</td>
<td>0.31%</td>
<td>2,898,782</td>
<td>-0.12%</td>
<td>12,432</td>
<td>0.42%</td>
</tr>
<tr>
<td>2014</td>
<td>30,319,500,000</td>
<td>5.55%</td>
<td>8,619,000,000</td>
<td>17.91%</td>
<td>38,938,500,000</td>
<td>8.05%</td>
<td>2,895,947</td>
<td>-0.10%</td>
<td>13,446</td>
<td>8.16%</td>
</tr>
<tr>
<td>2015</td>
<td>32,420,542,000</td>
<td>5.55%</td>
<td>8,800,750,000</td>
<td>2.11%</td>
<td>41,221,292,000</td>
<td>5.68%</td>
<td>2,895,947</td>
<td>0.00%</td>
<td>14,234</td>
<td>5.86%</td>
</tr>
</tbody>
</table>

Source: Ministry of Finance, INSTAT (2016)

Based on the calculation of the Ministry of Finance the total funding budget for health care services in Albania consists of
the budget earmarked to the Ministry of Health and Income mainly from contributions that are administered by the Health
Insurance Fund of Albania. Ministry of Health has increased the budget on health spending per capita7 over years, but
the most highlighted years are 2011, 2014 and 2015.

The year 2011 represents the year with the highest annual growth of health financing per capita. This year the
budget for the Ministry of Health, increased by 11.22% or 2.9 billion ALL compared to the previous year.

Table 2: The Financing of Health Care Albania per capita.

![Health budget per capita (in ALL)](health_budget_per_capita.png)

Source: Ministry of Finance, INSTAT (2016)

According to the quarterly statistical bulletin8 (INSTAT, 2016), the years 2012, 2013 have had a modest increase of
health funding per capita in Albania, but the situation for the health budget per capita changed in 2014 and 2015. Its value
amounted to 13,446 ALL from 12,432 ALL that was the corresponding value at 2013 and its value amounted to
14,234ALL from 13,446 that was corresponding value at 2014. This increase was caused almost to the same extent by
increasing the budget of the Ministry of Health (1.59 billion ALL or 5.55%) and increasing the amount of contributions
(1,309 billion ALL or 17.9%). This means that despite the promise for free health care, the increased health financing
during 2014 was largely due to increased revenue from contributions.

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7The health care budget allocated by the Ministry of Finance (2016)
8 INSTAT “Quarterly statistical bulletin brings information for social and economic indicators” (2016)
Table 3: The Population of Albania and Budget per capita

![The trend of health financing, population and health budget per capita (in %)](image)

Source: Ministry of Finance, INSTAT

In Albania, the hospitals (district hospitals, regional hospitals, tertiary hospitals), have traditionally been funded by a “global budget”. This means that a single amount of money provided treatment and care of all patients within a certain period of time. Even though it provided the needed budget, this approach was criticized for its lack of transparency, promoting political and historical inequities between regions. Global budgets also misplace financial incentives, rewarding those that keep the cost of Albanian hospitals below their budgets, regardless of the quality of the health care provided, rather than those that address the needs of the Albanian population through patient centred care.

Table 4: The revenues from contributions for health insurance in Albania

![Revenues from contributions for health insurance](image)

Source: Ministry of Finance, INSTAT

3. Ethics of Funding Decisions for Hospital Albanian Services

It may be obvious but it is worth documenting the fact that in a health care system such as this one in Albania, there is a limited amount of money available for health care that is fixed in the budget from one year to the next. This means that if some services are approved and provided, others will not be provided for lack of funds. While the governments through the Ministry of Finance or the Council of Ministers are responsible to establish the budget, they do not take direct responsibility for the allocation of funds in a manner that most effectively benefits the population. It is a major responsibility but there are many tools and a great deal of international experience to draw upon to help ensure success. To illustrate the situation, it is obvious that if Albania decides to fund 10 heart transplants each year, at an approximate cost of 50 million Lek (10 procedures X 5 million per procedure = 50 million) that perhaps 8 patients will live, assuming an 80% success rate. It also means that 50 million Lek will no longer be available for the many other hospital services that could benefit thousands of patients. It should be noted that most advanced nations will provide many more than 10 heart transplants per year, more than 100 kidney transplants etc for just 4 million population and even at Albanian costs, 5 million Lek is not an unreasonable cost to support a program to perform 10 transplants. While the heart transplant example is an extreme and perhaps dramatic example, there are many less dramatic, which also are important to the patients who receive the service or fail to receive a service as a result. Another example, the cost of one kidney transplant will save the life of one patient and provide a good quality of life for that person. On the other hand, the cost may mean 10 other kidney disease patients will no longer receive kidney dialysis treatment three days a week for the next 5 years. The trade off here is one life of good quality health compared to five years of life for 10 patients who have life but of limited quality. At what point is a trade off equal or beneficial and justifiable. Taking the example one step

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9 Law no. 10383, "On compulsory healthcare insurance in the Republic of Albania"(2013)
further, what if the patient receiving the kidney transplant is 10 years old and in Albania might live another 60 years while the dialysis patients are on average 40 years old and might each live a lower quality of life for only 20 years each. In each case, there are patients who will live and others who will die or some patients who will live a life of good or poor quality.

The health care literature from OECD (2014) provides two tools, which assist in making such, help decisions. This is can help also the health insurance Fund of Albania, taking decisions based on Potential Years of Life Lost (PYLL). It is less a mathematical calculation than a principle to be considered as was done in the examples above. A similar tool is documented as a Disability Adjusted Life Year (DALY). DALYs for a disease or health condition are calculated as the sum of the Years of Life Lost due to premature mortality in the population and the Years Lost due to Disability for people living with the health condition or its consequences. This concept is a measure of the number of years lost due to ill health, disability or early death. It tries to quantify the disease burden a person will suffer. The calculation is:

\[ \text{DALY} = \text{YLL} + \text{YLD} \]

The YLL correspond to the number of deaths multiplied by the standard life expectancy at the age at which death occurs. The basic formula for YLL (without yet including other social preferences discussed below), is the following for a given cause, age and sex:

\[ \text{YLL} = N \times L \]

Where:

- \( N \) = number of deaths
- \( L \) = standard life expectancy at age of death in years

Because YLL measure the incident stream of lost years of life due to deaths, an incidence perspective has also been taken for the calculation of YLD in the original Global Burden of Disease Study for year 1990 and in subsequent WHO updates for years 2000 to 2004.

3.1 The Hospital Beds in Albania

Reform of hospital services has always made a challenge, and this not only in the case of Albania, but also to other European countries. System financially sustainable and universal accesses to health services for the entire hospital population are vital to economic and social development of the country. Access to hospital health care for all citizens is one of the fundamental principles of social security requirements. Albania currently introduced in countries with hospital health care costs from the lowest compared with European countries. Albania has 50 hospitals district, regional and university of which 49 reported bed activity in 2015. Based on the statistical from the Word Bank Organization of health care publicate for the health care in Albania (2015), this report have concluded that “the average of 1.53 hospitals per 100,000 inhabitants, Albania reports similar hospital densities as Croatia (1.78), Hungary (1.76), Turkey (1.66), and Slovenia (1.4), but a considerably higher density than the Netherlands (1.2) and Sweden (0.9)”. While Albania has one of the lowest bed densities in the ECA region, several Western countries, including Sweden, Finland, Spain, and Turkey, report lower densities than Albania.

Based of the decision to change from time to time, the health insurance fund has contracts on year 2015, 39 hospitals by these 24 municipal level hospitals, 11 district hospitals and 4 hospitals at university level. In the bilateral contract defines the rights and obligations of the parties, the manner of recordkeeping and reporting methodology for calculating the costs, indicators of quality and performance, ways of exercising control of health insurance fund, referral system, ways of identifying insured, ways of resolving disputes. Even that, the health insurance fund to achieve the costing hospital services has decided to unify technical documentation activity as financial hospitals, applying the new card format of the patient, application of new forms of record keeping (records, forms etc). It was requested that the fulfillment of records of patients, would be realized in a way to identify all the services that the patient was taken to hospital (medicine, imaging and laboratory examinations, etc.).

It was decided as a contractual requirement, establishment of cost accounting centers in every hospital. For the first time the hospital in 2009, installed the data collection program, which collects and processes all the information

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10 OECD (2014), PYLL: “Potential years of life lost, all causes, females”, Health: Key Tables from OECD, No. 16.
11 OECD (2014), DALY: “Disability Adjusted Life Year”, Health: Key Tables from OECD, No.16.
12 OECD (2014), YLL: “Years of Life Lost”, Health: Key Tables from OECD, No. 16
13 OECD (2014), YLD: “Years Lost due to Disability”, Health: Key Tables from OECD, No. 16
16 WHO (2015) “Hospital beds in Albania”
requested, by the data card of the patient electronically, as well as data on the salaries of staff medical assistance, as well as expenses other necessary to enable the calculation of the real costs per patient.

The health insurance fund carries out continuous monitoring of economic activity - technical issue hospital through the process of soft data in hospitals, as well as the process of calculating costs, taking advantage provided by hospitals on:

- Number of hospital services as a cost center for each hospital
- The number of diagnoses treated by ICD 9 coding
- The number of diagnoses treated by each hospital service
- Expenses for drugs, other materials
- The average cost per diagnosis for each hospital
- The average cost per diagnosis for every service
- The average cost per case for each hospital
- The average cost per case for every service
- The frequency of diagnoses
- Cost per diagnosis.
- The average duration of stay for hospital service, diagnosis, etc.

Which complicates the process of issuing the actual costs in hospitals as based on the improvement of methods of payment in the hospital services, and support from their hospital performance. Know that public hospitals are non-profit institutions, and therefore cannot be related simply to the term cost-efficient. In this way, the public values go beyond based on results and efficiency. Hospitals at municipal level (Delvina, Devoll, Kucova, Rovers, Lac, Mallakaster, Bulqize Malesia Great, Kruje, Kavaja, Puke, Kolonje, Has, Tepelenjc) do not justify public functions for which they were created and financed.

The activity of these hospitals is in the level of service day as emergency, outpatient visits, which carries out specialist doctors or general (are hospitals that offer 1 to 4 services, have bed utilization levels 1 to 30 %.) Even services at regional level, they lack some essential specialties and in particular in medical technology, where in some hospitals is extremely deteriorated. At the same time, the indicator of hospital beds provides by the data program the measure of the resources available for delivering services to inpatients in hospitals in terms of number of beds that are maintained, staffed and immediately available for use. All the hospital beds in Albania include acute care beds, psychiatric care beds, long-term care beds and other beds in hospitals. The indicator is presented as a total and for acute (curative) care and psychiatric care. It is measured in number of beds per 1 000 inhabitants17. But in Albania based on the report of INSTAT18 the number of population from 2000 – 2016 is in decrease from year to year. The population of Albania on January 1st is 2,886,026 inhabitants, compared to the population of 2015 there is a decrease of 6,276 inhabitants.

The population of Albania consists of 1,461,326 males and 1,424,700 females. The sex ratio of this population is 102.6 males for 100 females. The median age of the population of Albania on January 1st 2016 is 34.7 years.

Table 5: The population of Albania by year

<table>
<thead>
<tr>
<th>Year</th>
<th>Population by Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>3,063,320</td>
</tr>
<tr>
<td>2002</td>
<td>3,057,018</td>
</tr>
<tr>
<td>2003</td>
<td>3,044,993</td>
</tr>
<tr>
<td>2004</td>
<td>3,034,231</td>
</tr>
<tr>
<td>2005</td>
<td>3,019,634</td>
</tr>
<tr>
<td>2006</td>
<td>3,003,329</td>
</tr>
<tr>
<td>2007</td>
<td>2,981,755</td>
</tr>
<tr>
<td>2008</td>
<td>2,958,266</td>
</tr>
<tr>
<td>2009</td>
<td>2,936,355</td>
</tr>
<tr>
<td>2010</td>
<td>2,918,674</td>
</tr>
<tr>
<td>2011</td>
<td>2,907,361</td>
</tr>
<tr>
<td>2012</td>
<td>2,902,190</td>
</tr>
<tr>
<td>2013</td>
<td>2,898,293</td>
</tr>
<tr>
<td>2014</td>
<td>2,895,000</td>
</tr>
<tr>
<td>2015</td>
<td>2,892,302</td>
</tr>
<tr>
<td>2016</td>
<td>2,886,026</td>
</tr>
</tbody>
</table>

Source: INSTAT (2016)

Table 6: The beds number of Albanian Hospital

<table>
<thead>
<tr>
<th>Region of Hospital</th>
<th>Number of beds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shkoder</td>
<td>469</td>
</tr>
<tr>
<td>Kukes</td>
<td>372</td>
</tr>
<tr>
<td>Diber</td>
<td>510</td>
</tr>
<tr>
<td>Lezhe</td>
<td>323</td>
</tr>
<tr>
<td>Durres</td>
<td>550</td>
</tr>
<tr>
<td>Elbasan</td>
<td>718</td>
</tr>
<tr>
<td>Fier</td>
<td>670</td>
</tr>
<tr>
<td>Berat</td>
<td>385</td>
</tr>
<tr>
<td>Korce</td>
<td>746</td>
</tr>
<tr>
<td>Vlore</td>
<td>483</td>
</tr>
<tr>
<td>Gjirokaster</td>
<td>368</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,594</strong></td>
</tr>
</tbody>
</table>

Source: Health Insurance Found of Albania (2016)

Table 6: Hospital beds in the world

<table>
<thead>
<tr>
<th>Tertiary Hospital of Tirana</th>
<th>Number of Beds</th>
</tr>
</thead>
<tbody>
<tr>
<td>QSUT</td>
<td>1410</td>
</tr>
<tr>
<td>Materniteti 1</td>
<td>217</td>
</tr>
<tr>
<td>Materniteti 2</td>
<td>163</td>
</tr>
<tr>
<td>Sanatorium</td>
<td>124</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>1,914</strong></td>
</tr>
</tbody>
</table>

Source: OECD (2016), Hospital beds (indicator)
4. The Methodology of Calculating Albanian Hospital Beds

4.1 The steps of calculating Albanian hospital beds

The first step in calculating a reallocation of funding for hospitals is to divide the main envelope with all of the hospital funding available for the country into two smaller envelopes, one for the Tertiary Hospitals in Tirana and one for the Regions. At this time, there is no data or evidence to guide us as to whether the current allocation between these two envelopes should change. This is because we have very limited information reported from the Tertiary Hospitals, we do not have the data to allow us to calculate how much care is referred from the regions to Tirana and we do not have any measures of cost or value to put on such services. The process that the Health Insurance Fund of Albania will follow is:

- To calculate hospital beds number per 1,000 population of Albania.
- To multiply by occupancy rate of hospital in order to get average filled beds, “this called effective beds”.
- To calculate adjusted beds by taking “the effective calculated beds”.
- To added the sufficient beds with resulting occupancy rate.
- To re calculated adjusted beds per 1,000 population and to compared.
- The reduced the number of beds in any small hospital.

The number of beds per 1,000 populations is very low by international rates. The number of occupied beds is lower still. While this is a concern, the adjusted beds still give more information than a large hospital with mostly unoccupied beds. Because the adjusted bed numbers are lower than actual is not reason to dismantle the remaining beds as hopefully with a greater confidence by the population there will be use for those beds in future. In fact, it would be reasonable to expect the number of beds in use to increase from the current one (1) bed per 1,000 population to about two (2) beds per 1,000 population or even more.

5. Recommendation

For the beginning of the several years, the Health Insurance Fund of Albania has managed the flow of the funding from the Ministry of Health. This has required decision making on the part of Health Insurance Fund because is the Ministry of Health that made it clear how much of the funding will distributed to each hospital each year. In future, the funding functions of hospital need good financial management to separate the responsibilities of functions. Albanian hospitals need good informed on the matter of how well hospitals are managed their activities and their financial fund to deliver hospital services with efficiency and effectiveness. The Health Insurance Fund of Albania needs to continue receiving financial reports from Albanian hospitals but will also need reports from hospitals on matters of patient care, hospital management and performance including financial performance. For these reasons, both hospitals and Health Insurance Fund need to work together. The Health Insurance Fund should deal with hospitals as one entity so that hospitals recognize that Health Insurance Fund is well coordinated. The purpose of this abstract is to present to the Health Insurance Fund of Albania and to the Albanian Hospital the following information:

- The new role of the introduction to the new funding methodology of Albanian hospital.
- A clear indication of the changes to the funding levels of the Albanian hospitals.
- The requirements of the Albanian hospitals in return for the funding.
- The new responsibilities of the Health Insurance Fund of Albania.

Even those, in Albania hospital system have the opportunities to improve data and information about hospitals, which will be useful to provide hospital management, reducing non-effective beds and to create an environment with the performance indicators to improve their hospitals’ performance. Improved the funding of Albanian hospital will allow Health Insurance Fund of Albania to complete and compare the performance of hospitals which will assist in funding hospitals but also in determining incentives to improve hospital management.

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The Corruption in Juridical and Criminal Overview, Based on Judicial Practice of Tirana District Court

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Abstract

Given the investigative and judicial experience in relation with the issue posed by the investigation and trial of criminal offenses of corruption, I have chosen to treat this figure of crime, which was and is a disturbing phenomenon in the activity of the structures of the state and public administration, performed by employees entrusted with public functions. This crime has affected all the links of government, emerging from different forms of it. Today, in our society, it is a problem too serious for the mere fact that this crime is creating a consistency in its existence and, as a result, the employees of state administration and justice system are distancing themselves from their professional ethics. As a figure of crime, corruption affects all the links of the three powers of the Republic of Albania, so it affects the legislative, executive and the justice system, where the ways of committing acts of corruption depend on the kinds of these powers. The method used in the treatment of the object of this paper is that of analyzing the concepts related to abuse of office and corruption, identifying the motives and circumstances that affect the commission of this crime. The subject of the criminal offense, in the abuse of office (Article 248 of the Criminal Code) and passive corruption (Article 259 of the Criminal Code), it is always special. The subject, as a rule, is sufficient to be in working relationship in state and public bodies. However, it should be noted that the outcome of these actions can be the result of violation of the rights and freedoms of citizens recognized these from Constitution of the Republic of Albania, which the Article 15 states: "The organs of public power, in fulfillment of their duties, must respect the human rights and freedoms as well as contribute to their realization." The methodology used in the realization of this paper is based on the comparison of figure of the crime of abuse of office and corruption at different periods. With the method used, was done an analysis of the criminal offenses of corruption, aiming to highlight the features that characterize these figures as well as comparisons with other criminal offenses that compete with abuse of office and corruption.

Keywords: corruption, abuse of office, judge, prosecutor, administration

1. Introduction

The rule of law, its principles and acceptance of the values, means faith in justice. In order to exist the confidence of citizens in the system, the justice system and state administration professionals should be able to provide reliability. They need to have ethical and exemplary professional behavior. Given these special requirements, in this study we have analyzed the integrity of public, judiciary and state administration and how it can be damaged by abuse of office and corruption.

Standing in front of a historical reality very bitter, where the phenomenon of corruption has affected all structures of state and public administration, I want to touch and crust surface, covering fairly well the actions related to abuse of office and those corruptive performed by employees entrusted with state and public functions. These two crimes have affected all the links of government, appearing in various forms. Today in our society, corruption is posing a problem too serious for the mere fact that this crime constitutes a "cancer" that has penetrated into every link or particle of functioning of the state apparatus in its entirety, but, on the other hand, it has almost destroyed the report of public trust with the state.

The corruption as a key component of organized crime today is not myth or legend, but it is a tangible reality, as it has become a regional, national and globa phenomenon, with frightening proportions. Also, corruption as a very compromising tool in the hands of criminal organizations, regional, national and international, each separately, but also in alliance with each other, it constitutes the main problem and challenge to all institutions, organizations and structures of law enforcement, international police agencies, state and social structures in general, the threat to the democratic system, society, liberties and human rights.

This complicated social, political, legal, criminological and environmental background of occurrence and
development of this phenomenon, sensitize and draw attention, in addition to society, politicians and other important actors on the one hand, but also creators, researchers in the field of jurisprudence, sociology, criminology on the other hand, with the hope that the Reform in Justice: Law no. 76/2016 dated 07.22.2016 “On some amendments to Law no. 8417”, dated 21.10.1998, “The Constitution of the Republic of Albania”, as amended, and legal package of 7 laws in implementation of these constitutional amendments, will bring positive results awaited for years by the whole population in Albania.

It is therefore imperative to be treated in detail the corruption in legal - criminal overview, based on the judicial practice of District Court of Tirana as one of the main courts in our country, focusing on active corruption of judges, prosecutors and other officials of justice, referred to article 319 of the Criminal Code and passive corruption (bribery) of judges, prosecutors and other judicial bodies, referred to article 319/c of the Penal Code. The criminal judicial issues arising from the analysis of the investigative and judicial practice of judicial decisions of Tirana’s Court for the period 2007 -2012, as well as criminal policy against corruption.

2. The Corruption in Juridical and Criminal Overview

The crime of corruption, heavy affects, the economic interests of the people, their morals and conscience, the judicial authority and public confidence, the proper functioning of the state of law, the democracy, the financial system up to the national security of the country. (Albanian newspaper, 2013).

For this reason comes to the fore, firmly combat of this negative phenomenon and taking measures for its prevention.

Fighting this powerful weapon, is effective the criminal legislation of the Republic of Albania which, in accordance with the Conventions and Recommendations of internationals, foresees the criminalization of criminal offenses of corruption and their penalization with criminal sanctions, based on the principles of legality of guilt, criminal responsibility, protection of human rights and fundamental freedoms of individuals in the fight against criminality.

This legislation concerning the criminalization and penalization of corruption has undergone its evolution during the transition period, by completing and toughened constantly the punishment.

After passing Albania on political pluralism, in 1995 came the Criminal Code of the Republic of Albania. In the code were foreseen only four crime figures of corruption. Firstly: proposal for remuneration addressed to an official that carries a state duty (Article 244) and the giving remuneration to an official that carries a state duty (Article 245). In both cases, active subject is itself the citizen and, secondly: the ask for giving bribes (Article 259) and taking bribes (Article 260), where the active subject is the employee who exercises public functions.

If the designation, as well as their content, these criminal provisions were unclear, solid and incomprehensible, regarding the variety of forms of realization of corruption crime and his whole concept.

Besides the above, the analysis highlighted the lack of appropriate legislation; the difficult nature to understand this crime; the special need of structures’ training of law enforcement and justice; the difficulties in collecting and managing evidences in a such criminal trial as well the known difficulties of international cooperation, were main factors in the lack of the efficacy of law enforcement structures and justice in the fight against this phenomenon so widespread.

These gaps were filled with legal changes of 2004, Law no. 9275 dated 16.09.2004, based on the Criminal Law Convention on Corruption of the Council of Europe (Strasbourg, 1999), ratified by the Albanian state law no. 8778 dated 26.04.2001.

With this law became the unification of terminology with that of the Convention, replacing the term taking bribes with term "passive corruption" and giving bribes with the term "active corruption" under the influence of globalization on legal language because our people know the words "bribe" or "under the table".

The novelty of these changes consists not only in increasing the criminal sanctions for this offense, but also to expand and involve more active constituent elements of corruption, whether in the public or private sector according to international standards.

However, most importantly was that by the law of 2004 was predicted punishable new criminal offenses: active and passive corruption in the private sector (Articles 164/a and 164/b); active and passive corruption of persons exercising public functions (Articles 244 and 259); corruption of high state officials or local elected officials (Articles 245 and 260); active and passive corruption of judges, prosecutors and other Justice authorities (Articles 319 and 319/c). Pursuant to the Additional Protocol of the Criminal Law Convention and Recommendations of the Group of States against Corruption (GRECO), (International juridical acts, 2006) in 2012 and the Law no. 23 dated 01.03.2012, there were other changes and amendments to the Criminal Code, by criminalizing and penalizing criminal offenses of active and
passive corruption, for the international court judges, juries, domestic and foreign arbitrators (Articles 319/a to 319/e). Currently, the Criminal Code contains 21 articles that criminalize the criminal offenses of corruption. While the European Convention has 13 articles (11 of which are their undervariants). From the appearance of above results that our state has implemented satisfactorily the approximation of criminal legislation with Criminal Convention of the Council of Europe and GRECO's recommendations for combating the active and passive corruption.

In our code, are frequently made over 250 additions and changes, including articles on corruption. (Criminal Code of the Republic of Albania, 1995). Most of them are taken mechanically without studying and consulting. Many of the articles on corruption can be summarized. Italian Penal Code has only 5 articles, Criminal Code of Kosovo - 2 articles. In their formulation, legal technique is not respected.

In the Code were not involved aggravating circumstances of corruption - conducted by a structured group, with constriction, in large proportions. Let us hope that the new Penal Code, which is the need to prepare and fill further.

The active corruption (judges, prosecutors and other justice officials)

From studies of criminal decisions of different levels of the judiciary, evidenced their activity in the trial of criminal offenses of corruption, but there are few decisions (Cases of judges to the Court of Saranda and Lezha) concerning the self-corruption of judges, prosecutors and other justice officials.

For these reasons, I see it necessary to pause in this important aspect of the fight against corruption because it is actual and concern for our state and society, as well as international opinion, which is expressed of judicial corruption.

In a judicial survey conducted by the Center for Transparency and cheaper Information, in cooperation with the British Embassy was included 68% of the judges of first instance in the whole country (14 of 29 in total) with the participation of 58% or 117 judges. From 305 in total, are provided the following answers: 25% of the judges said that the judiciary in Albania is corrupt. Approximately 58% think that corruption is only perception, while 18% see the justice system not corrupt. (Gazeta Shqiptare, 2012).

To protect the authority of the judicial power of judges and prosecutors and other justice officials, as well as the moral and interests of citizens, Criminal Code, after legal changes over the years 2004-2013 provides for the punishment of criminal offenses of active and passive corruption (in Articles 319 and following), with the following content:

“The promise, offer or giving, directly or indirectly, of any irregular benefit for himself or for other people, judge, prosecutor or any other employee of judicial bodies to act or not an action related to the task or its function, is punished with imprisonment from one year to four years”. (Article 319).

With this criminal provision is placed in special legal protection not only the operation of regular and honest judges, prosecutors or other officials of justice, but also the rights and interests of citizens, not to give money (bribe) or other benefits for the resolution of their judicial issues.

According to Article 319 of the Criminal Code, the criminal offense of active bribery, objectively, is performed when, a bribe-giver provides money or irregularly benefits, directly or indirectly. For example, giving money or other material benefits to driver of the judge or prosecutor, to deliver that to judge or prosecutor to perform or not an act related to the exercise of his duty. (For example dismiss the case, or to change the legal qualification of the criminal offense in favor of the defendant).

For the active corruption of judges or prosecutors or other employees of justice, has criminal responsibility the person, subject of the criminal offense that promises, proposes or gives an irregular profit. In this sense becomes the criminalization and penalization of bribe-giver (the person - general subject of active corruption). According to the study of criminal judgments, of courts in Tirana results that, is not punished any person who has given a bribe (over active corruption), or because they are not detected by the police or are not taken as defendants. Such a practice is wrong, harmful and illegal, because it favorises the spread of active corruption and not its limitation and fight.

3. Juridical-Criminal Issues, Arising from the Analysis of Investigative and Judicial Practice

a. The most important problem of the District Court of Tirana is that of the not - analyzation of all elements of figures of the offense of corruption, in close relation with the case object of adjudication. The analysis of the constituent elements of figures of the offense is necessary to conclude, if the defendant is responsible or not for the right and legal designation of criminal offense and punishment.

The essential elements of the figure of criminal offenses of corruption are common, but each figure of the offense has also its features.

The concrete object (the items) that are given and taken in active and passive corruption can be different, with
the economic values. This includes the money, check, valuable paper, other valuable items and transport tickets, various services, such as transport of goods, provision of residential apartments, rent-free or donation. In the literature discussed if in the subject of corruption enter diplomas, workbooks etc. Given that, with the diplomas of private universities, supplied not only Albanians, but also foreigners. I think there is no place for discussion, but to be accepted as the subject of corruption.  
Among the constituent elements of figures of the offense of corruption is important the clarification of the OBJECTIVE SIDE-how is committed the corruption, with active actions or inaction, whether the benefit is given and received before or after the commission of the favorites, in the the interest of the bribe-giver. It is important to clarify the consequences if they are serious or not, and the causal link. By report-study, in Decision no. 679 dated 30.04.2012, on the issue of corruption in the private sector, is not clarified the causal link and the defendant was convicted.  
Important it is explanation and clarification of the subject of criminal offense of passive corruption because they are special entities. In addition, the analysis whether there are accomplices, who has been mediator. If a person takes money from another to give the judge or prosecutor and appropriates, it is responsible for fraud whereas bribe-giver, for complete attempt of active corruption.  
The other element (the objective side) is to specify in the decision that these criminal offenses committed intentionally and for profit. (Elezi, 2009).  
The presentation of the elements of figures of the offense, without regard to the fact of the offense in judgment is formal and it has not practical values. Only closely, relating to the subject of the jugement, it has the required effectiveness and proves that the defendant has committed or not the offense of corruption and so bases its criminal liability.  
b. On the basis of this analysis of the constituent elements of figures of the offense becomes the fair and accurate legal qualification of concrete criminal act, which serves to distinguish when there is competition or approximate criminal offenses, for example: the corruption to abuse of office.  
From the review of criminal court decisions in Tirana, provided many examples of the different application and interpretation of articles of the Criminal Code related to corruption, particularly for distinguishing corruption from abuse of office, and as a result, have brought about changes in the legal qualification of offenses on conviction of defendant.  
This issue has no formal legal character, but it has principle character for the rule of law, rendering justice, the protection of human rights and freedoms, especially of defendants. The distinction of the crime of corruption from that of abuse of office has become clear in the doctrine of criminal law (special part) to any lawyer. These crime figures are separately but when the abuse of office accompanied by corruption, then we have their competition.  
In the criminal offense of abuse of office, when to the person exercising public functions have brought unjust tangible or intangible benefits, he operates in conflict with the law. While in the offense of passive corruption, the person requests or receives benefits, to perform or not perform an action that is related to the task, but does not act contrary to his duty.  
Another problem associated with corruption is the failure to implement regularly the criminal law, specially the impunity of the crime of corruption, notably against the high officials of justice, and the state in general. The causes and factors operating in this direction are different, with objective and subjective character. The Non-implementation of law and the impunity of the the criminal offense is related to subjective factors, the professional incompetence of judges and prosecutors, the ignorance of the law or wrong interpretation of the provision, because of collision of different provisions and contradictions between them. The additions and amendments to the Criminal Code are numerous and frequent. Knowing and understanding them is essential. This is achieved by reading the juridical literature of foreign countries, commentaries and through organized trainings in collaboration with law faculties. European standards can not be achieved fully only through legal baggage benefited at University or the School of Magistrates, but requires high professionalism, qualification and continuous study, a genuine European juridical culture. The irregular enforcement of law and impunity of the crime are the result of political pressure, especially when it comes to high functionaries accused of corruption, a phenomenon often encountered in practice. The impunity may be the result of outside interference to relatives, acquaintances, friends, comrades that mediate the judge or prosecutor to cease the issue or give innocence, these in Albanian society as a small and numerous links, reflect more on rendering justice by the court, especially against the defendants for corruption, consequently the impunity.
In rendering justice from the courts, must prevail: "There are qualities of judges as professionalism, stability and moral principles, character virtues uncorrupt, particularly with regard to the truth and correctness makes them invincible to any attack to contribute in the quality of decision making and the independence of the court". (Sadushi, 2012).

Naturally, noting several factors directly related to the judiciary in combating corruption will be remembered that the decisive factor is the political, serious, effective will of government officials. This factor accompanied and propel other factors that were highlighted above, as well as organizational, educational factors of training judges, prosecutors, etc.

4. Conclusions

1. The Albanian public opinion and study report criminal court decisions arrive in an indisputable conclusion: that corruption, as international negative phenomenon poses a concern for Albania in general and the justice system in particular.

2. Fighting corruption in the justice system in a comprehensive manner intended to be hit hard as society plague because heavy damages the morale, conscience, vital interests and human resources, law, the authority of the justice system, the construction and operation of the rule of law, rendering justice, human rights and fundamental freedoms and up to national security.

3. Fighting corruption in the justice system does not become only to get the status of candidate country to the European Union, without underestimating the importance of its policies, but to save the authority of justice and to strengthen the public confidence in it, fighting the crime of corruption linked to organized crime, money laundering etc.

4. Fighting corruption in the justice system is not realized with strong political will, without interruption, in a collective and comprehensive measures preventive, educational, organizational, structural, and through the application of criminal punishment, putting before the criminal responsibility, especially the higher public officials, as well as those of justice.

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The Impact of Monetary Instruments in the Development of Monetary Policy in the Republic of Macedonia

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Abstract

In the function of accomplishment of the macroeconomic and monetary policy goals, the monetary authority, i.e. the central Banks in each country are competent to conduct a regulation of the monetary factors. While conducting the procedure of monetary regulation, the central bank uses different monetary instruments. The instruments of the monetary regulation although numerous, among themselves differ: as from the aspect of the time when their implementation began (historical aspect), also from the aspect of their impact over the process of monetary regulation. Having that a starting point, each country implements different instruments of monetary regulation, according to the specifics and characteristics of each country separately.

1. Introduction

In regard to the issue of the choice of instruments of monetary regulation, there are different, views and opinions in the monetary theory literature, which often are opposed. According to some theorists, the use of a large number of monetary instruments in modern developed market economies can only complicate the conditions, rather than helping in solving the problems. According to them, the effects of the implementation of one or another monetary instrument can be reduced and even abolish, with the same time use of another or more other instruments of the monetary policy. According to other representatives, the procedure of monetary regulation can be successfully conducted if it’s implemented only one branched monetary instrument.

The decision which instruments will be used, in what time and with what intensity depends on the level of development of the economy, the phase of the economic cycle of the economy of one country, the level of monetarism, i.e. the level of development of the financial market, the characteristics of the financial system and the goals of the macroeconomic, and in those frames the goals of the monetary policy. In the countries with developed financial market, the process of monetary regulation is acting relatively fast and efficiently. In these countries it can be efficiently conducted the policy of monetary regulation, with one or more instruments of the monetary policy, due to which, in conditions of development, the actions of the monetary authority are transferred much faster and more efficiently among all the actors and institutions of the financial sector, and later on the other sectors in the frames of the national economy. It’s totally different the approach, the impact and the effects in implementation of the monetary policy in the countries with insufficiently developed financial market. Those are countries with a lower level of economic development, with a lower level of monetarism, and countries with insufficient institutional capacities for implementation of the process of monetary regulation.

In the function of accomplishment of the macroeconomic and monetary goals, the Central Bank of the Republic of Macedonia in the period after the monetary independence until today uses numerous instruments of the monetary policy in order to efficiently regulate the monetary factors. The choice of the instruments of the monetary regulation (although different in separate time periods) was conditioned by numerous factors. As the most important factors which affected while choosing the instruments of the monetary regulation are:

- the insufficient level of development of the financial market;
- the great dependence of the commercial banks from the Central Bank. The loans of the Central Bank are very important source of funds to the commercial banks. On the other hand, part of the funds of the commercial banks, in the form of mandatory deposits, funds on the accounts of the commercial banks, the funds of the reserve fund of the commercial banks, are kept in Central Bank accounts;
- the common practice of crediting by the state, in the function of financing the deficit of the budget of state. It’s about the crediting of the state by the Central Bank, independently from the monetary credit and economic movements, which implies to the insufficient level of independence of the central authority;
relatively low level of the interests of the loans of Central Bank, which means that the funds of the primary emission were considered as a highly preferred additional source of financing the commercial banks. A basic criterion in deciding about the choice of the instruments of monetary regulation is the intent, i.e. the goals that want to be achieved in the process of monetary regulation. If it known that in the process of monetary regulation is covered the offer and demand of the monetary factors (offer and demand of money and loans), then the instruments of the monetary regulation are divided into:
- the instruments which is regulated the offer of the monetary factors;
- the instruments which is regulated the demand of the monetary factors.

According to the previous practice of the implementation of the instruments of monetary policy, the instruments of the monetary regulation are divided into two groups: the instruments with which is regulated the offer of money and instruments with which is regulated the demand of money.

2. Basic Instruments of the Monetary Regulation

In the monetary policy literature can be met a bigger number of classification of the instruments of monetary policy depending on the criteria which is used during their classification. Still, the most significant is the classification of the instruments of the monetary policy in:
- Instruments which regulate the offer of money;
- Instruments which regulate the demand of money.

Given the fact that the offer of money consists of numerous monetary aggregates, than is logical that in the process of regulation of each separate monetary aggregate to be conducted one or more instruments of the monetary policy. According to the previously stated, the instruments which regulate the offer of money are divided in:

a. Instruments for regulation of the primary money.
   - crediting by the Central Bank;
   - issuing obligations and treasury bills;
   - buying and selling of paper and bond, as well as monetarism of the other financial forms of funds;
   - buying and selling of foreign currencies.

b. Instruments for regulation of the monetary multiplier.
   - determination and change of the rate of mandatory reserves of the commercial banks at the Central Bank;
   - other mandatory deposits at the central bank.

c. Other instruments for regulation of the offer of loans.
   - prescribing the minimal rates of liquidity of the commercial banks, as is the timely structure of the placements;
   - limitation of the volume of the credit placements;
   - inter-banking agreements for crediting.

The demand of money consists of the demand of cash and demand of loan funds, as two of the most important monetary factors. According to the structure of the demand of monetary factors, different instruments of the monetary policy are implemented, in the function of regulating the demand of money. In the group of the instruments which regulate the demand of money are:

a. The instruments which regulate the amount of cash in circulation;

b. The instruments which regulate the interest rate of the loans from the primary emission;

c. Prescribing the minimal general conditions for crediting by the borrowers.

Depending on whether the instruments of the monetary policy directly or indirectly affect the process of monetary regulation, the instruments of the monetary policy are divided in:
- Direct instruments of monetary regulation;
- Indirect instruments of monetary regulation.

The previous practice of the implementation of the instruments of monetary policy in function of regulation of the offer and demand of monetary factors implies that, the monetary authority in the country, specifically the Central Bank can successfully conducts its function of a regulator of the monetary trends. The function of the Central Bank in macro plan is to regulate the credit potential, and through that the liquidity of the banking sector. Through the emission policy, i.e. through determining the quantum of the primary money, the Central Bank influences on the credit potential of the

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1 Dr. Shaban Prevalla, Instruments of monetary regulation, Published in the weekly Business, 2006.
commercial banks, while through the monetary multiplication it regulates the amount of money in circulation.

3. **Direct Instruments of the Monetary Regulation**

Characteristically for the so-called direct instruments of the monetary regulation is the fact that although through them can be influenced directly on certain positions in the balance of the commercial banks (active and passive) in the process of monetary regulation, still their use in the process of monetary regulation does not bring a change in the active and the passive of the balance of the Central Bank.

The frequently used instrument from this group of instruments is the limitation of the placement of commercial banks. This instrument is used in practice only if with the indirect instruments of the monetary regulation was not achieved the scheduled goal, i.e. the regulation of the amount of money in circulation. Given the fact that the long term use of this monetary instrument causes multiple negative implications, its use is only possible in rare cases, i.e. when measures for quick and efficient reaction of the monetary authority are needed, with the aim to overcome the serious distortions of the monetary trends. The effects of the long term use of this instrument are reflected in:

- It discourages, i.e. dissimulate the savings;
- It causes moving of the capital from the banking sector;
- It limits the competition in the banking sector;
- It leads to incorrect allocation of the resources.

The long term use of this instrument of monetary regulation can bring to the regulation of the monetary trends, but the negative implications of its long term use, even more complicate the condition. This long use of the instrument directly reflects on the level of savings, and through that on the credit potential of the commercial banks. From those reasons, the use of this instrument can only be a temporary solution, and that is in conditions of significant distortions of the monetary trends, when fast and efficient changes of the monetary trends are needed. This instrument was used in the past in the function of monetary regulation, as one of the qualitative instruments of monetary policy.

4. **Indirect Instruments of the Monetary Regulation**

Beside the direct instruments of the monetary regulation, the NBRM also uses indirect instruments of monetary regulation. Through these instruments, the NBRM acts in regulation of the monetary offer. In that process of regulation it comes to certain changes in the positions of the active and the passive of the NB, which changes enable creation of primary money, or they cause changes which request implementation of a procedure of withdrawal of the surplus money in circulation. In the group of the indirect instruments of the monetary regulation are:

- refinancing of the commercial banks through the so-called rediscount loans;
- buying and selling of deposits in auction;
- auction of treasury bills;
- determining the mandatory reserve;
- determining the minimal rate of liquidity;
- interest policy.

4.1.1 **Refinance of the commercial banks through the so-called rediscount loans**

Refinance of the banks through the rediscount loans, beside the fact that it belongs to the group of the so-called market instruments of monetary regulation, by the end of 1993 was used as the only instrument of monetary regulation in our country. Through the process of refinancing of the commercial banks with the so-called rediscount loans, the NBRM essentially makes a direct regulation of the monetary trends and through them in indirect way affects on the monetary aggregate M1. Through the use of this instrument, the NBRM succeeded to:

- Neutralize the monetary effects from the foreign currencies transactions and in that way to maintain the exchange rate of the denar;
- Accomplish the selective function of the monetary policy, i.e. to influence in directing the loans of the banks in financing certain priority projects.

The essence of this indirect instrument of monetary regulation consists on the fact that the NBRM was conducting

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rediscounting of the loans which the commercial banks would have approved to the final beneficiaries for certain purposes, which were defined with a Decision of the Assembly of the Republic of Macedonia and in function of accomplishment of the selective monetary-credit policy. But, due to the great fluctuations in demand of money for prioritized purposes, it happened often that a huge discrepancy would appear between the increased needs and the possibilities for financing. Such a discrepancy was amortized through the mechanism of limitation of the possibilities for rediscounting the loans that the banks have approved for those purposes. Quotes were determined, foe every quarter, as the maximal possible frames to which the banks were able to the refinance the loans approved to the final beneficiaries.

The use of the rediscount loans as an instrument of the selective monetary policy continued until April of 1994 when this instrument of monetary regulation was abolished. The reason for this abolish of the so-called selective monetary placements consists of the fact that the rediscount loans turned into ineffective instrument of monetary regulation which was also shown in practice. Most often, this instrument of monetary policy was used to finance projects in the area of agriculture and livestock.

4.1.2 Auction of treasury bills

The NBRM started with auctions of treasury bills in February of 1994, and that meant a beginning of implementation of one of the basic instruments of the monetary policy, the so-called operations of open market. This instrument of monetary policy is considered as flexible, markedly oriented and quite efficient instrument of monetary regulation.

Contrary to the auction of deposits, which are conducted on regular (daily) basis, the auction of treasury bills is conducted on request, respectively a call from the NBRM. A right to participate in the auction of treasury bills has all registered commercial banks, while the savings banks has a right to participate in these auctions only indirectly, i.e. through the banks. The participation of the commercial banks in auction is confirmed with their offer. If the offer of the commercial banks is accepted, then the commercial bank is obliged to pay the price stated in its offer. The period of maturity of the treasury bills can on 7, 15, 30, 60, 90, 120, 150 and 180 days. But, the commercial banks can submit them for payment at the NBRM also prior to their period of maturity. The commercial banks can use the bough treasury bills also as collateral to gain the so-called Lombard loans from the NBRM. Also, the NBRM can initiate buying of the previously sold treasury bills before the period of their maturity, if the NBRM evaluates that its intervention is needed in the function of increasing the amount of money in circulation.

4.1.3 Determining the mandatory reserve

The mandatory reserves apply as a very important instrument in the process of monetary regulation. When using the mandatory reserves as instrument in function of the monetary regulation, the amount of the rate of mandatory reserves is from a great importance. In the moment of monetary independence of the Republic of Macedonia, the rate of mandatory reserves was placed on a very high level and it was 27,2%. Such a high level of placement of the rate of mandatory reserves was conducted with the aim to keep (maintain) the price stability through the regulation of the offer of monetary factors. Later it was approached toward gradual decrease of the rate of mandatory reserves, the first decrease was conducted in June 1992, and then two more times until the end of 1992. The first decrease of the rates of mandatory reserves in 1993 was conducted in June, when the rate of mandatory reserves of demand deposits and time deposits up to three months decreased from 15,0% to 12,0%, while the rate of mandatory reserves of the other types of deposits remained unchanged. Such a decrease of the rate of mandatory reserves brought an increase of the liquidity of the banking sector for 80 million denars. The second decrease of the rates of mandatory reserves followed in September, and the third in November of the same year. If the is added to that, than we can easily detect the points and the reasons of the increase of liquidity of the banking sector. But, the decrease of the rates of mandatory reserves, as well as the abolition of the obligation of separating the mandatory reserves of deposits of the sociopolitical communities, even more increased the liquidity of the banking sector in the country, which created the basis for implementation of more relaxed monetary policy, although such procedures brought in question the maintenance of the price stability in the country.

5. Conclusion

Highest monetary authority in all modern organized states are their central banks, while in our country the role of the

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3 Dr. G. Bishev, MA Tome N., Financial order and banks, NAAM-Skopje, 1995, page 42
Central bank after the monetary independence has the National Bank of Republic of Macedonia. The main goal (ultimate goal) of each monetary authority, and therefore the NBRM is to maintain the price stability as one of the basic prerequisites for ensuring macroeconomic stability;

Monetary policy, as part of the overall macroeconomic policy of one country has a great impact on the overall socio-economic and social development, and in this framework and the development of the banking sector of a country;

The impact of the monetary policy on the changes of real economic flows on one hand, and the impact on the stability of the financial system, and thus the monetary flows, on the other hand, is in the function of stimulating the overall economic and social development, and within this framework the development of the banking sector. Through the application of measures and instruments of the monetary policy it seeks to sustain the price stability as the ultimate goal of monetary policy, while through the mechanism of monetary regulation, the stability of the purchasing power of money in the internal market and exchange rate stability of the national currency.

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From Productivity to Process: Flipping the Writing Group

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Abstract

Although research productivity is the most important component in academic promotions, faculty are left on their own to excel, often without resources, sufficient support, or information. This isolated aspect of workloads can become oppressive and work against the outcome: scholarly productivity. This paper outlines the literature on writing groups, focusing on benefits in and outside of academia, and presents a case example of the authors' own writing group. It discusses a paradigm shift in the writing process as the group worked together: they moved from accountability to establishing healthy habits, from surveillance and punishment to self-care, and from external validation to intrinsic motivation by finding identities as writers.

Keywords: productivity, writing groups, academic writing, writing identity, collaboration

1. Introduction

We tell ourselves myths about writing (Boice, 2000), conceptualizing it as a solitary endeavor (Muller, 2014), difficult, mysterious, and magical, requiring inspiration from a muse. Or, we regard writing as insurmountable – a process demanding large blocks of time, requiring struggle and suffering. Or, we perceive the talent for writing is innate – we are born great writers (or not).

Many academics struggle with writing (Sorcinelli, 1998; Muller, 2014), and academics may be the most troubled writers (Schneider, 2003). Their self-identified barriers are diverse, including lack of time, workload issues, and fear about failing (Boice & Jones 1984; Rickard et al., 2009; Steiniert, McLeod, Liben & Snell, 2008). Schneider (2003) traces writing troubles to our process of indoctrination, suggesting we sustain the dissertation experience throughout our careers as the “committee in our head,” a collection of everyone who has critiqued our writing.

We cannot fall prey to this. As academics, writing is one of our most salient responsibilities. Publications weigh heavily in hiring, promotion, and tenure; as higher education focuses on output tallying, it creates ontological insecurity through the publish-or-perish model (Elizabeth & Grant, 2013). We realized that to thrive in this environment, we needed to deconstruct these myths, and this is where our writing group (WG) originated. This paper describes our process for creating an effective WG model, focusing on our realizations within that journey.

2. Our WG Origins

Our WG formed in the fall of 2012. We come from different backgrounds and academic disciplines; at first glance, we seem an unlikely group. When the WG was forming, Dayna had recently completed a PhD in Curriculum & Instruction. Her goal was to move into a research or faculty position, and she knew she would need to develop a track record of publications. As an administrator in the learning center, she was neither recognized for nor encouraged to do research. Rebeca teaches Spanish language and culture in the Department of Languages, with a research agenda in film studies.
She was missing intellectual stimulus and sought a community of researchers with whom to share ideas and to renew her passion for scholarship. Zeynep is a sociologist who was shifting her research focus. She was struggling with her transition to Alaska, and was unsure how to align her interests with her research agenda.

Despite outwardly different backgrounds, our goal was the same: to increase productivity. We all needed publications, and the WG was primarily conceptualized as an accountability strategy. Additionally, we needed support in navigating the university setting. Like many new faculty members (see Sorcinelli, 1998), we felt disillusioned: our interactions with colleagues were reduced to small talk. We longed for intellectual exchange.

We started with feedback meetings to review one another’s pieces and provide individualized critique; meeting on alternate weeks, we each presented work every six weeks. However, we found ourselves scrambling at the last minute to produce pieces when our turn came up. To combat this, we incorporated a daily blog, adapted from Rockquemore’s writing boot camp (National Center for Faculty Development & Diversity, n.d.). Each day, we reported writing activities, how we rewarded ourselves for working, and our writing goal for the following day. The blog created daily accountability, and helped us set and hold one another to short-term goals. This ameliorated the issues of avoidance, and we saw a rapid increase in papers. Additionally, the blog became a place to chronicle our history, trajectory, and compiled resources.

After a year of meeting and blogging, we organized our first annual retreat to reflect on writing habits and set personal writing/research agendas. Using Boice’s (1990) work, we reflected on fundamentals: audience, the submission and review process, writing blocks, and organizational strategies. We articulated our habits—good and bad—and how they affected our work. Though we had been writing together for a year, we had not considered these facets, and this self-discovery became an opportunity for us to learn about one another’s writing processes, rather than our writing products (see also Murray & Newton, 2009).

Understanding how we approach writing helped us both work more efficiently as individuals and support one another. Dayna will tinker with a paper incessantly, including more citations or repeatedly revising the language while realizing diminished returns. The WG responded by helping her set submission deadlines, interrupting the cycle of unproductiveness. Rebeca writes quickly, producing papers rapidly; however she loses steam and neglects some of the editing process. Here, the WG encouraged her in the opposite direction—to review papers more thoroughly before submission. Zeynep has a difficult time getting started, but once she begins, she gets into a groove and is exceptionally productive. For her, the WG encouraged her to start writing, and also helped to establish a healthier and regular writing schedule that limited binge-writing (Boice, 1990) and facilitated short-term goal-setting (see also Kearns, Gardiner & Marshall, 2008). Knowing one another’s needs became key to giving customized support, which strengthened our process.

Following our first retreat, we also considered the social aspects of the writing process. Responsively, we incorporated weekly write-on-site (WOS) meetings—a standing two-hour weekly meeting at a local coffee shop. Though we work on individual projects, this change of scenery and silent support diminishes the feelings of isolation that sometimes characterize the writing process.

Initially we were concerned that our interdisciplinary conglomerate would inhibit constructive feedback. As we worked together, we realized separation was a benefit. Because we were not in the same department or aspiring to the same journals, we had no competition, but the interdisciplinary feedback also helped us write more clearly and free of jargon. In reflection, this may have helped our grant applications, which are usually reviewed by multidisciplinary panels (see also Buissink-Smith, Hart & van der Meer, 2013; Cuthbert et al., 2009).

The impact was a tripling of our research output (publications, grants, and conferences). As we reviewed literature around WGs in academia, we were surprised to find relatively little. Instructive publications are largely limited to writing theses and dissertations; for faculty writing, studies are almost exclusively limited to psychology and nursing (see Alonso 2007; Cumbie, Weinert, Luparell, Conley & Smith, 2005; McGrail, Rickard & Jones, 2006). Overall, though the literature documents benefits of WGs in academia (McGrail, Rickard & Jones, 2006), there is not much empirical information about structuring or organizing them.

Though we encountered WG and writing strategy information in faculty blogs and op-ed pieces, we found more instructive works in the genre of creative writing. Table 1 provides an overview of WG models we identified in the literature, and we realized that we had intuitively combined several approaches Reading about different strategies and reflecting on our own process, we realized we had flipped the WG from its traditional presentation. With a mind to productivity, we developed mechanisms to facilitate accountability to manage increasing demands. However our activities and processes shifted our focus to habits, self-care, and identities as writers. The impact was ultimately an increase in productivity, but that was a byproduct of a shifted focus in process. Figure 1 depicts this evolution.
3. From Accountability to Healthy Habits

Empirical studies about WGs report increased productivity (Alonso, 2007; Cumbie et al., 2005; Curtis, 2011; Muller, 2014; Ness, Duffy, McCallum & Price, 2014; Sonnad, Goldsack & McGowan, 2011; Steiniert et al., 2008; Stone, Levett-Jones, Harris & Sinclair, 2010), and this was our initial interest. Several reasons are advanced for this outcome: WGs emphasize accountability (Alonso, 2007; Curtis, 2011; Muller, 2014), promote time management (Friend & Gonzalez, 2009), and facilitate goal-setting by making writing a more structured and efficient enterprise (Cirasella & Smale, 2011). Additionally, a strong sense of goals and commitment helps writers reframe blocks as states constructed by the writer (Boice, 1990; Nelson 1993), which thus can be deconstructed.

As untenured faculty and staff, we grappled with feelings of powerlessness: pressure to accept every miscellaneous department task or committee responsibility, and a lack of familiarity with institutional politics. Our experience was not unique; junior faculty frequently lack clarity around expectations and receive little feedback about their processes (Austin, 2002). Research and writing being largely independent, they are accountable to no one – until it is time to submit a tenure file. This vagueness and isolation can lead to significant morale drop (Sorcinelli & Billings, 1993); unfortunately, the pressure and ensuing stress are antithetical to production.

In truth, productive authors do not have more free time (Boice & Jones, 1984) or discipline (Schneider, 2003) than less productive ones, rather they approach the task differently. Productive writers in all genres cite a writing schedule. They set parameters in different ways, some bizarre, but regardless of method, regular writing is key, and maintaining forward momentum breeds productivity (Lehfeldt, 2015). Our blog forced time management and adherence to a writing schedule. It focused not on product (minutes writing or pages produced) but simply on writing every day. Its structure promoted short-term goal-setting with reasonable limits to avoid burnout. WOS also facilitated accountability and time management, requiring us to set fixed times for writing, and to make the act public.

The impact of these accountability strategies was the development of healthy writing habits. With clear goals and good habits, we found ourselves writing regularly, no longer relying on the accountability crutch. This outcome-oriented thinking and behavior aids in day-to-day wellbeing as it reinforces literary and therapeutic goals (Grundy, 2007). The key was identifying these goals and structuring writing to achieve them.

We each developed different writing schedules, writing at different times, in different places, and using different self-monitoring strategies. When we planned and scheduled daily time for writing, it became easier to maintain momentum. Ultimately, productivity did increase, but not simply from accountability. Rather, the processes we instituted helped us develop habits that forced us to work more efficiently and with intentionality. WG, then, simply reinforced these habits.

4. From Surveillance to Self-Care

Traditionally, academia has not regarded writing as a community effort (Mueller, 2014); isolation characterizes the profession (Austin, 2002). The public nature of writing for publication is a stressor for junior faculty who often receive no training in navigating the treacherous waters of academic publishing (Aitchison & Lee, 2006). Prior to WG, our response to these challenges was self-surveillance (e.g., If I don’t write, I can’t have dessert), and pressure or guilt diminished the excitement of doing it (Elizabeth & Grant, 2013). As we put off writing, then chastised ourselves, outcome was a downward spiral of self-deprecation.

WG help break this cycle as they diminish isolation (Hara, 2009; Sorcinelli & Elbow, 2006), improve collegial relationships (Cirasella & Smale, 2011; Friend & Gonzalez, 2009), and create a sense of belonging in an intellectual community (Buissink-Smith et al., 2013). WG membership facilitates a healthier approach as members replace self-destructive ego maneuvers with self-care, thus facilitating creative processes (Nelson, 1993). Psychosocial benefits of WGs include developing a safe space (Grant & Knowles, 2000; Grzybowski, Bates, Calam, Aired, Martin, & Andrew, 2003) and forum to “exchange energy and ideas without fear of ridicule” (McGrail et al., 2006, p. 30), and helping members develop self-awareness to incorporate feedback (Grzybowski et al., 2003; Miller & Muhlenkamp, 1989). Frequently described as a community of practice (Wenger 2001) WGs serve as peer support networks to facilitate development (see Bosanquet et al., 2014; Devenish et al. 2009; Murray & Newton, 2009). This seems especially poignant for women and minority faculty (Buriça & Tavares, 2006; National Center for Faculty Development and Diversity, n.d.; Sonnad et al., 2011; Tierny & Bensimon, 1996; Turner, 2004).

Setting up our WG, we knew we needed support – both to facilitate productivity, and to navigate our careers. We rotated meetings in our homes, and always had food for one another. This created a sense of intimacy, which established trust and solidarity. At first, we thought this trust was important so we could receive constructive feedback from one
another; as we developed this relationship, we realized that the support nurtured far more than academic critiques.

With social support, we reframed our punitive approaches with positive thinking and rewards. We realized that our grueling work schedules had distanced us from personal interests, a phenomenon familiar to junior faculty (Sorcinelli, 1998). Thus in addition to our semester writing goals we also set personal ones (e.g., attending tango classes, biking to work, regular jogging), and we were just as encouraging with those commitments as the writing ones.

This self-care spurred us to focus on writing spaces and physical needs. We had previously regarded office decoration as too frivolous to merit attention, and resultantly, our offices were not places we wanted to be - much less work. We avoided them, instead working in spaces not designed for writing. Hunched over a laptop on the couch, Dayna and Zeynep developed backaches when they worked for long periods. This created a significant physical barrier to productive writing. Beautifying our offices and attending to our ergonomic needs helped us to spiritually and physically feel better when we wrote.

We learned the importance of recognizing accomplishments and celebrating successes (see Buissink-Smith, et al., 2013). Some celebrations are small, and some are more substantial, but the point is we pause to reflect and share the success with others who understand the meaning of the accomplishment. These celebrations reinforce our social bond and give us energy and encouragement to push through with work and responsibilities. This healthy self-care facilitates positive attitudes and nurtures capacity for productivity.

5. From External Validation to Identities as Writers

One of the most interesting outcomes of our WG was a need we had not recognized – enjoyment in our work that allowed us to stop relying on extrinsic validation. By setting clear goals, writing regularly, and exchanging support, WG members find pleasure in the act of writing (Nelson, 1993), which facilitates meaning-building (Leander & Prior, 2004). With this mindset, WG members regard writing as a pleasure, rather than a chore (Schneider, 2003), and develop healthy affect (see Bosquet, 2014; Bryan & Olsen 2003). Incorporating principles of mindfulness (Boice, 2000) helps develop a state of happiness and self-confidence, which are conducive to productivity (Curtis, 2011; Hara, 2009; Sonnad et. al, 2011).

When we first came to the WG, we had not reflected on who we were as writers – we regarded writing as a job duty. In retrospect, we had low feelings of self-efficacy. Zeynep was questioning whether she belonged in academia at all – she had internalized negative feedback she received from a mentor in graduate school, and allowed it to stymie her progress (see also McGrail, et al., 2006). Dayna was on the verge of abandoning writing while she performed administrator duties, because she could not find a way to incorporate it into her workload. Rebeca lacked opportunities to talk about her work with colleagues, and feelings of isolation stalled her curiosity; she needed confirmation that research was a worthy part of our job, rather than invisible and peripheral (Murray & Newton, 2009). When we identified these needs in our retreats, we explored how we could use writing to connect to our passions, and how to reframe writing as a central part of our academic identities (see Gainen, 1993).

Our experiences were not unique; Sommers (cited in Schneider, 2003) notes that academic writing fails to bring life and writing together. Focusing on how writing could nurture our creative interests – not just pad our CVs – we shifted our approaches. First, we focused our research agendas, considering our work five to ten years into the future and building a scholarly agenda, rather than publishing isolated articles. By aligning our work with our passions, we found greater enjoyment and connectedness; therein, we started to acknowledge writing as a legitimate use of our time - equally valid as teaching or service. As we incorporated daily writing we found ourselves identifying as writers and scholars, which we had never done before (see also Murray & Newton, 2009). When we developed a track record of publications, this confidence allowed us to undertake more rigorous projects.

As we pursued more competitive journals and grants, we had to reframe our response to rejections. With strong identities as writers and competent scholars, we were able to detach ourselves from the writing product (Boice, 1994), dissociating rejection or R&Rs from self-worth, and no longer acquiescing our scholarly competence to an anonymous reviewer. When we stopped regarding the peer review process as a binary of success or failure, it no longer felt like a dehumanizing, soul-crushing experience (Hoelscher & Werder, 2010a, 2010b). Our regard for ourselves and for one another as capable professionals overpowered the external review (see also Gainen, cited in McGrail, 2006).

With this healthier self-regard, support, and the successes we actualized, we became consistently more productive. The enjoyment of scholarship that initially defined our interest in academia was restored. Investment in what seemed to be non-academic aspects of the writing process resulted in greater confidence, control, and agency, along with higher job satisfaction.
6. Impact

Because we work in a university that is teaching- and service-intensive, the WG is our antidote to the trap of putting off research. Our WG has been working together for over four years, and we have not lost momentum. When we recently met to set goals for the semester, we each expressed excitement about new projects and opportunities. This reflects changes in our process and products – not just in counts and tallies, but in the nature of the work we do.

First, our scholarly horizons have expanded – we have all branched into new research areas and taken our scholarship to a new level, publishing in more prestigious journals and getting more external grants. We also find ourselves more open to collaborative projects, coauthoring papers with colleagues for projects that previously would have fizzled after a conference presentation. We also co-authored with each other, noticing the overlaps among our fields.

As a result of working together, we are trying new things in our writing. When we became more familiar with one another’s processes, we became inspired by their styles. Dayna’s frequent use of diagrams and schematics, Zeynep’s use of clever titles, and Rebeca’s project management and organizational strategies have been adopted and adapted by all, making writing a more engaging and creative expression.

Pleasure for writing and a healthy regard for one’s self as a writer may seem difficult to maintain in an environment that operates on criticism; we posit that a positive self-concept is the only way to thrive. Ultimately, our process made us happier, more engaged writers. As we focused more on process and less on product, we found that we had therein flipped the WG. Our initial goal of productivity became a happy byproduct of good habits, passion for our work, and clear identities as writers (see also Cuthbert et al. 2009).

7. Conclusion

A detrimental perspective on WGs is the perception that faculty who need social support and accountability checks are not suited to academia (see Muller, 2014). We could not disagree more. Though we came to the WG from a deficit paradigm, that view has been obliterated. The WG is not a crutch; at the end of the day, producing an article is, by and large, an individual endeavor. The WG did not write the papers, we did these on our own, just as we did before the WG.

Rather, the WG gave us the structure, support, and discipline to enjoy writing and the motivation to do it more frequently. Because we work in a university that is teaching- and service-intensive, the WG is our antidote to the trap of putting off research. Our WG has been working together for over four years, and we have not lost momentum. When we recently met to set goals for the semester, we each expressed excitement about new projects and opportunities. This reflects changes in our process and products – not just in counts and tallies, but in the nature of the work we do.

First, our scholarly horizons have expanded – we have all branched into new research areas and taken our scholarship to a new level, publishing in more prestigious journals and getting more external grants. We also find ourselves more open to collaborative projects, coauthoring papers with colleagues for projects that previously would have fizzled after a conference presentation. We also co-authored with each other, noticing the overlaps among our fields.

As a result of working together, we are trying new things in our writing. When we became more familiar with one another’s processes, we became inspired by their styles. Dayna’s frequent use of diagrams and schematics, Zeynep’s use of clever titles, and Rebeca’s project management and organizational strategies have been adopted and adapted by all, making writing a more engaging and creative expression.

Pleasure for writing and a healthy regard for one’s self as a writer may seem difficult to maintain in an environment that operates on criticism; we posit that a positive self-concept is the only way to thrive. Ultimately, our process made us happier, more engaged writers. As we focused more on process and less on product, we found that we had therein flipped the WG. Our initial goal of productivity became a happy byproduct of good habits, passion for our work, and clear identities as writers (see also Cuthbert et al. 2009).

References

Cuthbert, D., Spark, C., & Burke, E. (2009). Disciplining writing: The case for multi-disciplinary writing groups to support writing for publication by higher degree by research candidates in the humanities, arts and social sciences, Higher Education Research &


Muller, E. L. (2014). Developing the faculty as a writing community. *Academe*, 100(6), 34-38.


Note: We started the WG to meet our perceived needs, but as we worked together, we developed processes that supported productivity.

Figure 1: Flipping the writing group

Table 1: Writing Group Models

<table>
<thead>
<tr>
<th>Traditional WG</th>
<th>Writing Accountability Group</th>
<th>Write-On-Site</th>
<th>Online WG</th>
<th>Coaches &amp; Nags</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Description</strong></td>
<td>Small group has regular meetings to read and critique one another's work</td>
<td>Small group meets weekly and last week's members come to designated space to write for coming week</td>
<td>Participants commit to daily writing, report daily activities, and track progress over time, and engage in discussion</td>
<td>Coach provides consultations to develop productive strategies, nag calls to initiate writing and check in to verify progress</td>
</tr>
<tr>
<td><strong>Function</strong></td>
<td>Provide substantive feedback</td>
<td>Create social contract; support, accountability, peer mentoring</td>
<td>Creates interruption-free space for regular writing; minimizes feelings of isolation</td>
<td>Provides support, accountability, and tracks progress over time; may incorporate feedback</td>
</tr>
<tr>
<td><strong>Commitment</strong></td>
<td>Meeting time; provide comments; produce and share work regularly</td>
<td>Regular meetings; report and follow-through on stated goals</td>
<td>Regular attendance and participation; nurture relationships; meeting organization</td>
<td>Cost; regular contact</td>
</tr>
<tr>
<td><strong>Pros</strong></td>
<td>Social pressure to produce pieces for discussion; feedback provided at all stages of writing process</td>
<td>Social pressure to report progress; Variable group sizes; members can have diverse goals</td>
<td>Asynchronous interactions; connects writers across geographic spaces</td>
<td>Push comes from neutral third party, instead of friends or colleagues</td>
</tr>
<tr>
<td><strong>Cons</strong></td>
<td>Interests and abilities must align sufficiently to provide meaningful feedback; limited daily accountability</td>
<td>Feedback focuses on habits over goals; projects must be portable; Commercial groups may charge membership</td>
<td>Cost; may not motivate all writers</td>
<td></td>
</tr>
</tbody>
</table>
The Importance of Empathy in Teaching: A Case Study in the Albanian School Environment

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Abstract

This paper attempts to assess the empathy as a skill needed in teaching. It also will note the importance of future teachers' role in society. The application of new methods of teaching is gaining attention nowadays, but a special importance has still to be given to the social, psychological, and emotional relationship between the teacher and the student. The ability to move from one's psychological perspective, to apprehend, to understand the other is a crucial element needed in teaching, which is considered as the skill of empathy. This case study endeavors to measure the level of empathy of in-service teachers and if they regard it as an important element in teaching. Future teachers will also be taken into consideration in order to evaluate their ability of understanding not only perceptions, thoughts and beliefs of their future students but also their needs, feelings and emotions. Another important form of empathy, also called “compassionate empathy”, takes our attention in this case study. It has to do with the ability to experience feelings that show care and emotional connection with other people’s feelings, concerns, situations, or circumstances. This paper tries to identify the current level of empathy as a skill in some schools in Albania, but it also furnishes future teachers with information regarding empathy as a skill, its importance and tools needed in order to implement this skill for a more accurate teaching process. It also will help future teachers to build a friendlier environment and make their pupils feel at ease and help them become better citizens for our society.

Keywords: empathy, skill, future teachers, relationship, ability, feelings, concerns

1. Teaching Process and Implied Teaching Skills

Teaching is considered a sublime profession, which holds the infinite passion for the future. Teachers carry the responsibility of the next generation in all fields that is why teachers play a crucial role in our society. Because of this importance, teachers have always been searching for new forms, for new methods and creative ways of organizing their everyday job so that they could please not only themselves but also the students and their parents and families. In many aspects teachers succeeded in their profession although, the teaching process has changed with the passing of time. This change is considered radical in terms of new methods and new approaches, and the teaching process is seen as a dialogue that transmits knowledge from teacher to students. Teaching nowadays have taken a shift from traditional methods of desks in rows and students eager to listen and apprehend the “show-and-tell” teaching to new methods of considering students as critical thinkers, creative learners and active participators in the class. This urges the adaptation of innovative practices, which cooperate between a knowledgeable person that is a teacher, who cares about the motivation of a child to acquire knowledge. However, we should take care not to turn education into an act of depositing, as Paul Frere (2000) says, in which students are the depositories and the teacher the depositor1. All these perspectives seem difficult to achieve in societies with social and economical problems at a large scale, like ours, but we have to admit that some changes are occurring at least in more developed areas and big cities. The hardest and most important thing to change is the mentality of the teachers. Once achieved this, it will result for sure in the change and prosperity of the next generation, where teachers have everyday access to affect.

The teaching process also involves the parents and the community in a wider aspect. Parents help teachers in understanding the emotional needs, the social and cultural background of their children. In this way the teacher does not only mechanically repeat the same lesson for years in front of the class for all the students the same, but the teaching

process takes another dimension in bringing the teacher closer to any of the student’s needs and feelings that directly affect their motivation and self-esteem. This attention to students’ qualities, as a fold of empathy, helps teachers identify gifted students towards bright ones.

2. Empathy as a Set of Skills

When we mentioned the change of mentality as the hardest thing to achieve, we first thought of ourselves as teachers. Our everyday job at the university with future teachers makes it less difficult to admit but more difficult to manage. Pedagogical obstacles are various and numerous, no matter how homogeneous a community is. The biggest obstacle is the origin of mistakes, ignorance and thoughtlessness. If a teacher explains the lesson at his best without taking into consideration all sorts of prejudices or empirical ideas, that students already have, according to John Dewey, then the teaching process becomes far more difficult to progress. Therefore, teachers should possess other skills, not only professional ones. The competence model that Council of Europe presents in their document gives a list of skills teachers should have in order to raise democratic awareness and prepare better citizens for our society. The list includes:

a. autonomous learning skills as the skills required to pursue, organize and evaluate one’s own learning in accordance with one’s needs, in a self-directed manner, without being prompted by others;
b. analytical and critical thinking skills as the skills required to analyze, evaluate and make judgments about materials of any kind, (e.g. texts, arguments, interpretations, issues, events, experiences, etc.) in a systematic and logical manner;
c. skills of listening and observing as the skills required to notice and understand what is being said and how it is being said, and to notice and understand other people’s non-verbal behavior;
d. Flexibility and adoptability as the skills required to regulate one’s thoughts, feelings or behaviors so that one can respond effectively and appropriately to new contexts and situations;
e. Linguistic, communicative and plurilingual skills as the skills required to communicate effectively and appropriately with speakers who speak the same or another language, and to act as a mediator between speakers of different languages;
f. Co-operation skills as the skills needed to participate successfully with others in shared activities, tasks and ventures and to encourage others to co-operate so that group goals may be achieved;
g. Conflict – resolution skills as the skills required to address, manage and resolve conflicts in a peaceful way by guiding conflicting parties towards optimal solutions that are acceptable to all parties; and what we have considered as the key skill needed in the process of teaching,
h. Empathy as the set of skills required to understand and relate to other people’s thoughts, beliefs and feelings, and to see the world from other people’s perspectives.

Considering this list, we built a questionnaire to measure most of these skills of in-service and pre-service teachers with special attention to empathy. We do believe that empathy as a set of skills, which requires to put ourselves in the other’s shoes, is the core element that teachers need to have and develop during their professional career. This entails inner ability of the teacher to be empathetic, firstly, and then some other benefits to build an atmosphere of empathy in the class. Effective teachers give students the opportunity to think about their personal interests and goals and use strategies to help them become self-motivated and responsible for their own learning. This is what we mainly teach in our Master programs for teachers and what teachers mostly admit already know, understand and implement during their classes. However, the persistent question of why effective teaching fails to have quick effective results is not only related to the slow development of generations in general, but we assume that good practice is still lacking in most of our schools. This led us to have this survey about the level of teaching competence in general and of empathy in particular.

3. Questionnaire Findings

A questionnaire is used in order to measure the knowledge of competences a teacher should have and to evaluate empathy of the teachers in the school environment. This questionnaire was distributed students being in-service and pre-service teachers attending Master programs in Teaching at the University of Durrës and Elbasan, Albania. The number of

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2 Dewey, J., Moral Principles in Education, Houghton, 1909, Boston, USA
3 Council of Europe, Competences for Democratic Culture, 2016
the student-teachers involved in this questionnaire sums up to 458, where 77% of them were females; 68% belong to the 21-26 age group, 24% to 26-40 age group and the rest 8% to the age group over 40 years old. We also put them into four categories according to their working experience.

We introduced them with the objective, expectations, reason and structure of the questionnaire, which in the whole measures teacher competences. We introduced them our idea of evaluating empathy as a skill, its importance in our common profession and our keen interest to have progressive classes and motivated students. For new, inexperienced student-teachers we gave the clearest definition of the term: Empathy – the action of understanding, being aware of, being sensitive to, and vicariously experiencing the feelings, thoughts, and experience of another of either the past or present without having the feelings, thoughts, and experience fully communicated in an objectively explicit manner; also: the capacity for this.5

A set of questions was meant to assess empathy and passion of the teachers (see Annex 1). Question n. 1 “How do you do your job as a teacher” faces us with different results, where pre-service and less experienced ones showed much devotion to it (almost 62% of each category chose a. and b.); while Option d. (other) was left blank. We encountered interesting findings with question n. 3, “When you were first called “teacher”, how did you feel like”; where less experienced teachers in majority answered with option a. This might reflect the lack of motivation to become teachers for passion but for the only reason to find a suitable job for them. In terms of emotional aspect, this finding needs special attention because it directly affects students in class. The most motivated ones seem to have been the category of the most experienced ones, the ones who in majority answered option C. We are not sure if the result also holds some nostalgic feelings in itself or this category was really excited at its very first beginnings. The most interesting finding was with pre-service teachers, they almost answered option d. (other) where they expressed their feelings when students called them “teacher” during their Active Practice Classes at schools.

Another set of questions (6-10) was mainly focused in the teacher activities in class to increase, enhance and motivate student engagement during the lesson. In question n. 6 about effects on students’ behavior, all categories agreed mostly on mutual understanding and trust as the main reason for a rooted and constructed dialogue between student and teacher. There were few options of answer a., because of the question was not very explicit. In option d. (other), some explained reason of option a., that is “tough behavior and strong discipline” affected student’s behavior negatively. Most experienced teachers also chose option c., we think because this comes mostly from personal experience. This category is convinced that a strong reason of students’ good behavior is a good explanation, which makes lesson more interesting and calls their attention. What we argue and do not fully comply with, is the dependence on the subject itself. This holds the thesis that Math teachers, for example, are very good at explaining Math but this does not affect the behavior of the students.

If we give a closer look at question n. 8, “What do you do to engage students in the learning process”, we notice that answer a. got the maximum from category of over 10 years of experience. None of this same category gave any other option, that is d. we also notice that pre-service and young teachers have more or less the same values. The graphic values below are related to this question.

5 Definition offered by Webster-Merriam Dictionary: https://www.merriam-webster.com/dictionary/empathy
Chart 3. Ways to engage students

When we analyzed question n. 10, we found that almost all pre-service teachers answered option a., and the majority of the fourth category gave option b.; while motivation strategies had more or less the same values for the two mid categories of teachers. These two mid categories also had the same values for competitive situations, which makes us believe that the teachers of these categories have still some problems with the management of time for their subjects, that is why they do not risk organizing competitions or similar activities that are not included in their curricula or yearly program outlines. The most experienced teachers, on the other hand, know the value of competitiveness in class and are already used to managing it. This results in tracing gifted or bright students at given subjects, and our recommendation goes to the other categories not to stay stick to the yearly program outline, but try to have as much competitive spirit in class as possible. But on the other hand, motivation experts discourage competitiveness in the classroom, which is found to detract from students’ intrinsic motivation to learn.\(^6\) Even though the questionnaire contained another similar question with more same logical options (see Appendix 1, Question n. 7), the results were almost the same. We made this on purpose so that we could compare later the results.

Chart 4. Ways for effective activation

Students were asked to answer some questions regarding the profession of the teacher, which they will carry out in the nearest future or that they are already experiencing. It was interesting to notice in the findings that most of the expectations were fully met by in-service teachers who already have a job experience between five to ten years. Thus, in questions regarding concrete situations, this category was straightforward and had clear cuts with the reality. The chart makes it clearer to us Question n. 14 of the questionnaire:

Chart 5. Students with special needs

Regarding question n. 15, we have more or less the same chart values between group 5-10 and over 10 years of experience. This explains the fact that in-service teachers know better how to deal with students with special needs, either because they have had such students in their classes or because they have taken further training modules about

this issue. We can notice by the answers of pre-service or less experienced teachers that either they do not know how to
deal with the case or they pay more attention than needed to this group leaving behind the rest of the class. In both
cases, teachers of these two categories have to take into consideration the time limitations school programs permit.

Chart 6. Measurement of teacher’s reaction

The last chart below shows results to question n. 17 where some alternatives of behavior are given and student-teachers
have to choose one of them. The results give us quite an interesting tableau where the third category has more or less
the same values for three alternatives and a note in the last alternative: it depends on the case. We can also notice how
alternative d. You talk with him aside, shifts its values from pre-service teachers having high level, to 1-5 years the lowest
level, then to 5-10 years higher, and the highest level is taken from the most experienced ones. This question is related to
problem solving and conflict resolution and the way teachers might deal with it. From the answers, we can notice that pre-
service teachers are self confident theoretically, but in the first years of experience where their friends are, we see that
this method almost vanishes to flourish later in the third category and reaching the peak at the last category. In a typical
conflict resolution scenario, teacher and students hold a class discussion about how a problem can be solved. To
maximize its effectiveness, experts recommend teaching students communication skills, activating students’
understandings of conflict resolutions by discussing examples (for instance, how countries solve their problems), and
assigning a classroom area and time for the conflict resolution activity.7

Chart 7. Teacher-student conflict solving

4. Conclusion and recommendations

This case study helped us be more attentive to the real needs our students have in order to develop themselves
professionally and emotionally. We do believe that the findings of this questionnaire will be important for our student-
teachers as well as for pre-service teachers. An accurate importance is given to questions that measure the level of
compassionate empathy, although in an indirect way. The questions were built in a way where special attention took
class management in many folders and perspectives, like creating a flourishing learning environment, where they can
engage more in the class assignments. Effective classroom management focuses on prevention rather than intervention.
Teachers can prevent management problems when they carefully plan instruction and demonstrate strong organization
skills so that instructional time is maximized. It is critical for teachers to involve parents in their classroom management
plan and collaborate with other teachers to identify obstacles to students’ learning and find ways to overcome such
obstacles. Misbehaviors range from minor and moderate rule and routine violations to serious offenses such as violence
and aggression. Specifically, teachers should consider the following intervention progression: differential reinforcement,
extinction, cueing, contingency contracting, token economies, and applied behavior analysis. Sociocognitive interventions
focus on providing techniques that help students self-regulate their behavior, such as supporting students’ goal setting,

self-monitoring, self-instruction, self-evaluation, and self-reinforcement. Teachers should take into consideration all these elements and consider them as prior needs for their students. Teachers should also encourage their students to make use of these techniques because they help them become better citizens, avoid hate speech and conflict behavior amid each other.

We judge that the recommendations of our case study are valuable not only for teachers but also for policy makers at local level or central one, as well as for curricula development in our universities.

References


Council of Europe, Competences for Democratic Culture, 2016


Dewey, J., Moral Principles in Education, Houghton, 1909, Boston, USA


Moreno, R., Educational Psychology, John Wiley & Sons, Inc., 2010.


Annex 1: Sample Questionnaire.

1. How do you do your job as a teacher:
   a. With too much love
   b. With devotion
   c. A job like all the others
   d. Other _______________

2. How do you cultivate empathy in the class?
   a. Working with communication strategies
   b. Being collaborative with the students
   c. Identify common values as well as differences among students
   d. Other _______________

3. When you were first called “teacher”, how did you feel like:
   a. As something normal
   b. As an objective realized
   c. As an incentive to keep on with this profession
   d. Other _______________

4. A teacher feels accomplished when:
   a. Manages to put into work all his objectives
   b. Lesson is fully acquired by the students
   c. The class has high results
   d. Other _______________

5. What is your relation to your colleagues:
   a. Social
   b. Understandable
   c. Distant
   d. Other _______________

6. Reasons that may better affect students’ attitude are:
   a. Tough behaviour and strong discipline
   b. Mutual understanding and trust
   c. Explanation at the best of the lesson
   d. Other _______________

7. One of the reasons that most encourages the student to learn is:
   a. The affinity that you as a teacher show to him/her
   b. Help you give during the class
   c. Evaluation with positive words
   d. Other _______________

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8 Moreno, R., Educational Psychology, John Wiley & Sons, Inc., 2010, 444-5.
8. What can you do to engage students in the learning process:
   a. Put assignments adoptable to the level of students
   b. Assure to have an interactive method of teaching
   c. Create jokes related to the topic
d. Other _______________________

9. How do you organize your class in order to have a higher level of learning by your students:
   a. Putting in the first rows only active students
   b. Dividing your students in groups
   c. Putting in pairs active students to passive ones
d. Other _______________________

10. Which is the most effective way for each student to get activated in the class:
   a. Rewarding positive behavior
   b. Enrolling them in competitive situations
   c. Motivation strategies for all students
d. Other _______________________

11. Which should be the teacher’s role during the class:
   a. Being empathetic
   b. Being unrelenting
   c. Being ambitious in achievements
d. Other _______________________

12. Which should be teacher responsibilities in the class:
   a. Being sensible towards problems that arise in the class
   b. Not ignoring students’ problems
   c. Being concerned about each student’s personality
d. Other _______________________

13. If you have students with outside problems, how do you react:
   a. You ask the help of the school psychologist
   b. You talk with the student privately
   c. You help him/her within your possibilities
d. Other _______________________

14. If you have a students with special needs, how do you react:
   a. You let him understand as much as he can
   b. You include him/her in the group works in class
   c. You give him more attention than you give to others
d. Other _______________________

15. If you are put to a difficult question, what do you do:
   a. You accept you don’t know the answer
   b. You tell them you’ll get info about it
   c. You pretend you didn’t hear that
d. You pay no attention at all
e. Other _______________________

16. If a student interrupts your teaching, what do you do:
   a. You pay no attention and keep on teaching
   b. You get his attention by blaming
c. You punish him by sending him out
d. Other _______________________

17. If you ever got into a conflict with a student, what is your reaction:
   a. Abrupt
   b. You try to keep calm
   c. You notify his parents
d. You talk with him aside
e. Other _______________________

18. When student’s answer is not the right one, what do you do:
   a. You oppose it
   b. You approve it
c. You oppose it by completing
d. Other _______________________
Albania’s European Integration Process and the Impact it Has on the Business Climate between Albania and Italy (Vlora City Case)

Dr. Zamira Sinaj
PhD. Rezarta Hasanaj
Prof. Dr. Fatmir Memaj

Abstract

Economic and political links between Albania and Italy dating back hundreds of years before Christ. Have had ups and downs with significant impact while maintaining a constant continuity with each other. Modern relationships, of about 100 years, had some sort of patronage of Italy affected by the development of Albania low following a series of historical events. Relations between the two countries culminated during the reign of King Zog in Albania, followed by a dark period with the start of World War II and the rule of the Communist regime in Albania. Italy regained his place important economic and trade policy relationships with the arrival in Albania on democracy country, becoming one of the most important strategic partners. This paper is about the facilities that the Albanian economy has benefited from the EU integration process.

Keywords: EU customs policy, Roles of Governments, European Community, Situation in Albania, The business environment

1. Economic Cooperation with Italy

The cooperation between Albania and Italy is strong and durable, and exceptional relations based on historical, cultural and economic. Italian Development Cooperation (KIZH) is present in Albania since 1991, to support social and economic development of the country through programs aimed at strengthening of production systems, to connect with regional networks of infrastructure, promotion of sustainable management of resources and strengthening institutional capacity together with social, education and health.

As Italy, as well as Albania they have pledged to support and participate actively in the donor harmonization and aid coordination process by fully implementing the principles laid down by the resolution of Monterrey (March 2002), further emphasized by the subsequent Rome Declaration on ‘harmonization (in February 2003), the Paris Declaration on aid effectiveness (March 2005), the Accra agenda for action (September 2008) and the partnership for development of Busan (December 2011). As a facilitator of the Fast Track Initiative of the EU Division of Labour of Albania, Italy has helped the Albanian Government in launching this initiative (FT-DOL). In 2010, he accepted and signed a Memorandum of Understanding (MoU) between the Albanian Government and the donor community of the EU, which determines the main donors in each sector. Italy has been designated as the lead donor for the development of the private sector, and has been recognized as a contributor in question and donors active in the Department of Social Development (Employment / AFP, Gender Equality, social inclusion, health and education) and agricultural and rural development.

Table 1. Data on trade with Italy

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exports (E)</td>
<td>547.07</td>
<td>564.97</td>
<td>469.53</td>
<td>591.73</td>
<td>755.76</td>
<td>779.89</td>
<td>813.81</td>
<td>950.32</td>
</tr>
<tr>
<td>Imports (I)</td>
<td>833.21</td>
<td>945.46</td>
<td>813.1</td>
<td>969.72</td>
<td>1195.17</td>
<td>1206.19</td>
<td>1214.82</td>
<td>1174.35</td>
</tr>
<tr>
<td>Trade volume</td>
<td>1380.28</td>
<td>1510.43</td>
<td>1282.63</td>
<td>1561.45</td>
<td>1950.93</td>
<td>1986.08</td>
<td>2028.63</td>
<td>2124.67</td>
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<tr>
<td>Trade deficit (E-I)</td>
<td>-286.14</td>
<td>-380.49</td>
<td>-343.57</td>
<td>-377.99</td>
<td>-439.41</td>
<td>-426.3</td>
<td>-401.01</td>
<td>-224.03</td>
</tr>
<tr>
<td>Coverage ratio</td>
<td>65.66</td>
<td>59.76</td>
<td>57.75</td>
<td>61.02</td>
<td>63.23</td>
<td>64.66</td>
<td>66.99</td>
<td>80.92</td>
</tr>
</tbody>
</table>

Source: INSTAT
Italy is the most important trade partner for Albania. And ‘the partner with the largest share of exports to Albania, which occupies 46.3% in 2013 from 51.1% in 2012. The products that have dominated Albanian exports for 2009-2011 are the active processing exports of textiles and footwear. While in 2012-2013, there is a decrease of exports of these products, an increase in groups of mineral products due to higher chrome ore exports. The weight of imports from Italy continued to grow over the past five years, reaching 33% in 2013 from 26% of total imports was in 2009.

Italy continues to be the main partner in trade of Albania, while maintaining stability with the growing trend. Also in 2014, the volume of trade which covers 36% of the total. The largest increase was in exports to the extent of 16.6% compared to 2013 while imports fell by -3.5%

Table 2: Active foreign enterprises and Joint (Albanian + foreign) by the state and counties

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Berat</th>
<th>Dibër</th>
<th>Durrës</th>
<th>Elbasan</th>
<th>Fier</th>
<th>Gjirokastrë</th>
<th>Korçë</th>
<th>Kukës</th>
<th>Lushë</th>
<th>Shkodër</th>
<th>Tiranë</th>
<th>Vlorë</th>
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<tr>
<td>Total</td>
<td>4,654</td>
<td>30</td>
<td>14</td>
<td>524</td>
<td>111</td>
<td>126</td>
<td>58</td>
<td>125</td>
<td>20</td>
<td>79</td>
<td>158</td>
<td>3,200</td>
<td>209</td>
</tr>
<tr>
<td>Italy</td>
<td>1,903</td>
<td>17</td>
<td>4</td>
<td>309</td>
<td>41</td>
<td>68</td>
<td>11</td>
<td>11</td>
<td>47</td>
<td>95</td>
<td>1,181</td>
<td>116</td>
<td></td>
</tr>
</tbody>
</table>

Source: INSTAT

The following table shows annual direct Italian investments in Albania title. The items are in millions of Euros.

<table>
<thead>
<tr>
<th>Description of indicators</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Italy</td>
<td>220.1</td>
<td>321.46</td>
<td>347.86</td>
<td>386.79</td>
<td>427.36</td>
<td>124.77</td>
<td>-132.82</td>
</tr>
<tr>
<td>Total FDI</td>
<td>1,829.58</td>
<td>2,061.15</td>
<td>2,261.44</td>
<td>2,435.97</td>
<td>3,399.90</td>
<td>3,261.53</td>
<td>2,854.19</td>
</tr>
</tbody>
</table>

Source: Bank of Albania External Sector Statistics

Interest is important Italian companies in the mechanical and IT industry which will allow a variety of industry development and economic sectors.

Great opportunities for Italian companies in the fields of various not supplied such as infrastructure, environment, water supply and sanitation sector, tourism, enegjia, ICT. Of course, the production, the sector in particular fason, represents another important opportunity to strengthen trade and economic relations between Italy and Albania. Increase competition and the challenges of a clock with the macroeconomic situation created, it triggered a reorganization of the sector-oriented products with higher quality and more advanced from a technological point of view. Therefore, it is clearly in need of internationalization of Italian businesses in areas with lower costs, such as Eastern Europe, East Asia and North Africa. In this regard, Albania, a country close to Italy, offers significant opportunities not only in terms of wing cheap labor, but also in specialist Albanian companies at different stages in the process of producing publications, thus ensuring a top products quality.

the ICE Office of Tirana has the mission to facilitate the internationalization of SMEs, providing information and delivery services. ICE is the implementing agency of the Law 84/2001 which regulates the Italian participation in the stabilization, reconstruction and development of countries in the region, including Albania. Under this law, the Office of Tirana is the active monitoring of the various funds (national, European and international) and the coordination of interventions by the European and international initiatives.

2. The Vlora Region in Space between Two States

Vlora has a natural connection with Italy is the closest geographic point for the shipment to be one of the most Albanian cities tied with Italy, for historical reasons. Via the port of Vlora we provided goods and passengers every day with the Adriatic coast of Italy, mainly in the region of Puglia.

Valona had approximately 80 companies with Italian capital where we can mention the company Petrolifera Italo Albanian, Orikumi marina, GFA Asphalt, Vlora Confection, bank branches Intesa San Paolo and the Veneto Banca, etc.
Vlora is located in the base of the Italian Konfindustrias offices in the country and expects the Italian consulates in Albania. Both of these institutions have been and remain a factor in the promotion of bilateral cooperation.

A good part of the bilateral agreement between the governments was the subject of investment in the Vlora region, where the best example is the project of the port of Vlora. Part of the investment was directed to the restoration and maintenance of monuments of culture and cultural heritage.

Vlora has important natural resources that offer ample opportunities for investment. The region has reserves of oil, natural gas, bitumen and salt. Natural conditions offer good opportunities for the production of olives and olive oil produced, the result of all kinds as a source of grape wine, oats, honey, corn, cotton, etc.

Italian language is widely spoken by the people of the region, which in addition to the space for cultural cooperation creates incentives for capital investment came from Italy. A significant number of students have chosen Italy for their education oriented by knowledge of immigration, part language is in Italian. The latter has helped to channel a portion of remittances in the South. The contingent of immigrants with the financial resources provided in Italy have invested in Vlora bringing a part of the culture and products of the Italian country.

According to the Gross Domestic Product by Region for 2013 published by INSTAT, the region of Vlora is the fifth important place in Albania after Tirana, Fier, Durres and Elbasan in terms of gross production.

### Table 7: GDP 2013

<table>
<thead>
<tr>
<th>Region</th>
<th>GDP at current prices (million leks)</th>
<th>GDP Real growth</th>
<th>growth 2013/2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Republic of Albania</td>
<td>1,332,811</td>
<td>1,350,555</td>
<td>1,11</td>
</tr>
<tr>
<td>South</td>
<td>416,251</td>
<td>422,287</td>
<td>1,2</td>
</tr>
<tr>
<td>Vlora</td>
<td>82,425</td>
<td>80,792</td>
<td>-1,4</td>
</tr>
</tbody>
</table>

Source: INSTAT

Regarding the structure of gross domestic product, Vlora has the most developed agricultural activities, followed by the construction and catering trade. Based on the comparison of the data in the region of Vlora in Albania in all, it seems that Vlora has not fully exploited its potential in trade, transportation and hospitality, even though it is an important point that connects the southern region of the country, has the the most important ports and has a wide and attractive coastline. All these factors must have played a more important role in the development of Vlora.

### 2.1 FDI in Vlora

Official information on the distribution of foreign direct investments in Albania by region is lacking. The information requested is only possible to find a 2006 edition of the Bank of Albania, which analyzes foreign investment in retail in the country in 2004. Based on this analysis, by 2004 the Vlora region can only withdraw 4% of foreign investment in the country. Vlora is then places like Gjirokastra, Elbasan and Shkodra, leaving behind not only from Tirana and Durres, which absorbed 67% of foreign direct investment, but also from Korca and Fieri.

Source: Bank of Albania

It is estimated that it is important to carry out further analysis to figure out who were the positive factors that have made the attraction of foreign direct investment in some regions and which were hindering factors to attract foreign direct
 investment in some other regions. FAKORA among them who they have contributed to a relatively low attraction of foreign direct investment in Vlora, which is considered as one of the regions with the most development potential in the country.

2.2 Investment in accommodation capacities

According to data of the district of Vlora now we operate 128 rooms, of which:
- With 1-10 are 67 rooms with beds 2846 accommodation units or 80% of total
- With 10-20 rooms are 42 apartments
- With 20-30 rooms are 13 units with 1304 beds or 16% of total
- With 30-40 are 3 rooms accommodation unit
- With over 40 rooms are only 3 units with 464 beds or 4% of the total
- Number of beds for all units is 4614.

The number of travel agencies has been increasing year by year and today in the district of Vlora 20 this function.

However, the potential of many natural and historical that exist are not administered properly, such as in infrastructure, hotels and services, organizing urban population centers, preserving the environment, the activities to promote the right of choice available, etc.

Other problems related to the development of the difficulties of this sector, with electricity supply, inadequate road infrastructure, the presence of the informal economy elements that lead to increased costs to businesses and inhibit proper development. Similarly the problems of the judicial system, the pazgjidhuara conflicts over land ownership, bureaucracy and corruption of customs and taxation and other administrative issues that deal with other businesses that are facing difficulties in terms of business.

2.3 Geographic location

Vlora has a favorable geostrategic position of some other countries. His appearance in the sea creates the opportunity for fast connections to Europe via Italy. Bay of Vlora forefront panoramic entrance Sazan Island, which was opened recently by the government to be visited by tourists, and the Karaburun peninsula with which Vlore keeps a key position to the Strait of Otranto.

Vlora Bay has many natural resources, rich biodiversity and ecological corridors. Vlora city lies between the cold water and Zverneć. The plane in which the city of Vlora height from 6 meters to 76 meters above sea level. The length of the coastline is 90 km from the mouth of the Vjosa until Karaburun part revealed that the government as a priority area for the development of tourism. Currently, the city of Vlore continues to expand in all directions, especially to the shore especially towards Jonufrés and cold water.

2.4 Port development

Region which preserves an ancient name was mentioned by a number of historians. Vlora Bay is mentioned for the role they had initially important port of Orikum and subsequently Aulonën. At different times of boom periods referred to shipping arrangement, as well as the input output, to a wide range of goods provided substantial assistance to the area's economy. agricultural products produced in the area and the border regions as recognized Mallakaster Myzeqeja or increased exports through the port of Vlora. In today's situation it offers opportunities which are not yet exploited all their skills.

2.5 Sights of nature

National park near Vjose-Pish-Poros in Vlore on the Adriatic Sea has an area of 1,770 hectares. Llogara National park in Vlora, at the foot of Mount Cika, has an area of 1010 hectares, it is one of the most attractive tourist destinations for locals and foreigners.
Island Zvernec monument of culture, declared by the Albanian government, the hills with olive groves, woods Soda and its lagoon and the island of Sazan.

Vlora coast Narta lagoon and found Orikumi. Narta lagoon has a 41.8 square kilometers. This area receives solar radiation at high around 2761.9 hours of sunshine annually. Natural habitats in this area constitute a special meaning. The biodiversity of this lagoon is too high and its importance, the scale second only to Karavasta republic. Projects in the Albanian coastal zone management and the lagoon is included, that beyond the effective fishing, includes about 75 species of algae and micro.

Natural monuments including many living objects of nature, such as trees of special features that bring the scientific, aesthetic, recreational and tourism: Palasa plan at sea, etc. Pine flag in Llogara. Flag Pine in Llogara, has taken on the appearance of the flag where the wind effect, is 20 m high with a 75 cm diameter and 105 years.

Caves are another object of the spine already exists in the nature of the area where the cave of which Kurvelesh Petes Lek, Haji Ali Karaburun caves, grottos and caves Lepenica Velca in Vlora. Cave while Velca Vlora bear traces of the Illyrian culture. Since the '30s, areologu Italian Pirro Marcone says. "Settlements first Velca cave as he and others in the Balkans, providing a rich archaeological material indicating the culture of primitive peoples, their working tools, customs and pagan rites beliefs,"Welch said there are several caves in the cave Skotës, Macie cave, the stone cave, which have attracted the attention of cavers and tourists. Cave of Haji Ali, is located northwest of the Karaburun Peninsula, near Cape Gjuhzës. To its input has a width of 10 meters and a height of 10-15 m. This cave served as a refuge for sailors in stormy moments. The cave was named Haji Ali sea captain from Ulcin, who was one of the most skilled soldiers of the Turkish navy in the Mediterranean.

2.6 Archaeological Parks

Orikum Archeological Park. This archaeological park contains a particular value because it traces the early development paragrek, Greek and Roman. In the fifth century BC, it was one of the largest ports of the Adriatic Sea, which has become one of the most important battles of the Romans against Illyrians maqedonësve. Éshtëzhvilluar in this country one of the battles between Pompey and Julius Caesar perandorëveromakë. Near the center it is also archaeological Marmiroi Church and the domes of the 12th century, the floor, which has the shape of a cross.

Amanties archaeological park, located 25 km depth environmental Vlora huge sums archaeological wealth of tourist. Until the third century BC was one of the most important centers of political, economic and cultural amant tribe. Archaeological excavations have brought to light the old stadium with 1500 seats Olympics, akroplin, the walls, the temple of Aphrodite, etc. Near the historic center, near Kota is the ancient city of Olympia.

3. Advantages and disadvantages of investing in Vlora

3.1 Advantages

- Geographic location
- The presence of natural resources
- The presence of tourism potential and tradition of hospitality
- The presence of monuments
- Presence of resources conducive to the development of agribusiness and agro-tourism
- The tradition in crafts and trade
- low labor costs
- The average age of the young population
- The presence of the University "Ismail Qemali" University Collection "Independence", etc. Commercial High School.
- The presence of vocational training centers
- The presence of a supportive community changes
- The process of decentralization. of true writing and its economic development strategy
- National strategies to support small and medium-sized
- The presence of ancillary services such as bank branches
3.2 Disadvantages and difficulties

- Issues mentioned that the discomfort companies
- Lack of projects for the development of tourism
- Low occupancy
- There is a mismatch in the demand for training and professional qualification, with territorial training offer
- The lack of enforcement of planning legislation by the NCRT and local legislation
- mismanagement of public property and their lack of registration
- engineering Depreciation cities
- Low level of implementation of the projects and their control
- The lack of control over the territory of the Municipality
- illegal interventions in the provision of drinking water and electricity distribution network Network
- The low level of local revenue
- Lack of transparency
- The lack of a strategy for environmental protection • The lack of capital investment by the central government,
- The lack of adequate infrastructure
- The presence of informal market and tax evasion
- The lack of a security policy for the internal market
- High corruption
- Migration from rural areas and forced migration of brain

4. Conclusions and Recommendations

Vlora has many natural and historical potential, but numerous problems continued and reduce the opportunities for tourism development and the transformation of these potential, Vlora as a reference point for the tourist destination. While tourism has remained projects, the beaches are polluted and is epapërshtatshme infrastructure. Many buildings are made without adding more criteria. holiday costs are equal or perhaps greater than in neighboring countries.

To create a suitable and sustainable tourism development environment should government intervention and local support for the following:

- Improve infrastructure;
- Orientation spending function to create services for area businesses
- The promotion of auxiliary services for tour operators
- Environmental Protection
- the promotion of a convenient marketing or tourist guides
- Attracting foreign investment in the tourism sector

In terms of tourism development in the Mediterranean region is the growing competition between points dukeu tourists are becoming more intense. This intensity brings the need to adapt to market developments and customer expectations. The presence of cultural diversity of the country and natural and historical possibilities that the area offers combined with the low cost of labor will have to return to a competitive advantage Vlora.

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Complex Preparation of Players 9-10 Years

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Abstract

From the point of view of diversity of large sports and enthusiasm sports to people around the world, football is an impact phenomenal, which spectacle and attractiveness of extraordinary keeps to himself the interest and enthusiasm of billions of people of different ages and gender all over the planet. The specific characteristics of football game of football activities require assessing in the content aspect of technique and tactics prerequisite for motor activity. According to some authors, technical player’s actions express a special process of expression of specific skills and are exclusively dependent on the level of motor skills players. Football is a sport that kind of game is always connected with the participation of two teams. The aim of the game is in accordance with the rules of competition to score more goals in the opponent’s gate and take victory. Typical for the football game are actions that are performed especially in the lower limbs and less in other parts of the body. It is forbidden to play with hands except goalkeeper and prescribed in a particular area. Player who controls the ball aims succeeding his players through collective action and the efforts of all the team players to pass the field areas in order to reach the gate of the opposing team to score a goal. In general football as a collective game it provides excellent opportunities for personal and collective expression of the intellectual motor skills of people of different ages.

Keywords: Sports activities, Football game, Teenage players, Teaching training

1. Introduction

From the point of view of diversity of large sports and enthusiasm sports to people around the world, football is an impact phenomenal, which spectacle and attractiveness of extraordinary keeps to him the interest and enthusiasm of billions of people of different ages and sexes of the various the entire planet (Rachev, 1971; Godik & Shishkov, 1983).

The specific characteristics of football game of football activities require to assess in terms of technique and tactics content prerequisite for motor activity. According to some authors, technical player’s actions express a special process of expression of specific skills and are exclusively dependent on the level of motor skills of the players (Kostov, 1987; Boychev, 1987).

At the same time technical elements occur efficiently when actions are supported by a sufficient level of physical preparation in the preparation stage set perennial players.

In this mode, we believe that the idea located in our study for the definition and evaluation of complex preparation of teenage player’s age 9-10 years will contribute to the objective in training learning process (Rachev, 1971; Mardov & Gadev, 2001).

1.1 The Purpose

The purpose of our study was to learn the characteristics that influence the development of complex preparation to the players (9-10 years old).

1.2 Assignments of the study

To accomplish the purpose specified have decided to solve the following assignments:
2. Analysis

2.1 Features of the game of football.

Football is a sport game type of game is always connected with the participation of two teams. The purpose of the game is in accordance with the rules of competition to score more goals in the opponent's gate and take the victory.

Typical football game is mainly performed operations in the lower limbs and less in other parts of the body. It is forbidden to play with hands except goalkeeper and described in a particular area (Buchvarov, 1992; Mardov & Gadev, 2001).

Player who controls the ball aims succeeding his players through collective action and the efforts of all the team players to pass the field areas in order to reach the gate of the opposing team to score a goal (Godik & Shishkov, 1983; Dimitrov, 1985; Kostov, 1987).

Football game develops great emotions and creates unique experiences depending on the game and the movement of the result (Gavriiski, 1987; Boychev, 1987; Dimitrov, 1985).

In general football as a collective game provides excellent opportunities for personal and collective expression motor skills and intellectual people of different ages (Rachev, 1971).

2.2 Multifunctional characteristics and motor body of the child.

Growth and development of the human body is a process wherein the amount of accumulation, increasing the number of cells, weight, dimensions of the body and the other leads to new structures and functional changes.

At the age of 7-8 years old growing child's body size. Biomechanics and movement in the structure are almost identical to those in adults. Anthropometric indicators height and weight from year to year increase.

At the age of 9-10 years old in the growth of specific body parts of boys and girls did not find significant differences. At the age of 7-11 years, children grow by an average of 5-6 cm in length and add 2.5-3.5 kg. in weight.

The cardiovascular system of children is in the process of intensive growth and physical growth. Blood pressure is significantly lower and does not provide significant resistance peripheral vessels. In girls pulse is larger than that of boys of all ages.

The surface of the lung in adolescents is higher than the body in adults. At the age of 8-9 years opening prevails chest. With the advent of prepuberty and puberty, and especially the emergence of gender differences to remain breathing chest girls, and boys through the diaphragm.

Maximum oxygen consumption is showing lower value, and is a key criterion for determining the cardio respiratory. This work depends on three main components: the minute volume of the heart, lung respiratory area and the content of hemoglobin in the blood.

2.3 Selection of 9-10 year old footballers

Pre-selection, as part of a system for the preparation of sports perennial in football, suggests objectivity prediction about the prospects of development of those involved, on the basis of a sufficient number of tests information and prediction tests for the force, which will ensure progressive dynamics of individual indicators, the final values.

Experience and practice pedagogical and sports show that disclosure suitable for this age individual / optimum combination itself anatomic-morphological, functional, data motor and mental / focusing on developing football, is a task the solution of which involves a number of features and objectively derived from these difficulties.

3. Methods

Research and experiments have been conducted in accordance with the metrological requirements for precision
measurement (Dimitrov, 1985).

First, it affects the metrological verification of the equipment and facilities, and the accuracy of several methods worked research, confined to erroneous measurements in individual testing with minimum implementation.

For this purpose they are given and specific indicators were observed methodological experienced people, and also people who have completed the study.

To accomplish the assignments that appear before the study used the following methods:
1. Analysis of Literature
2. Sports Pedagogical Testing
3. Mathematical and Statistical Methods

Table 1. Pedagogical testing sports

<table>
<thead>
<tr>
<th>No.</th>
<th>Naming test</th>
<th>Measuring values</th>
<th>Measurement precision</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Comfortable hand force</td>
<td>kg</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Abdominal muscles</td>
<td>no</td>
<td>1</td>
</tr>
<tr>
<td>3</td>
<td>Pumps</td>
<td>no</td>
<td>1</td>
</tr>
<tr>
<td>4</td>
<td>Traction</td>
<td>kg</td>
<td>1</td>
</tr>
<tr>
<td>5</td>
<td>Flexibility</td>
<td>cm</td>
<td>1</td>
</tr>
<tr>
<td>6</td>
<td>Start 20m</td>
<td>s</td>
<td>0.01</td>
</tr>
</tbody>
</table>

4. Results and Discussions

- No.1 Test: Comfortable hand force.
  Measuring the strength of the hand with dynamometer comfortable realized wrist. Hand be held slightly sideways and forward of the body. We made two tests and marked with the best evidence.

- No.2 Test: Abdominal muscles.
  The maximum number of take-offs marked, which can fulfill the ECJ player tested by sitting down until the condition for 20s, where feet are focused and not moved. The realization starts when the person gives signal tests.

- No.3 Test: Pumps
  By extending opening state hands as the size of shoulder and realized pumps marked maximum number which is able to perform the test player for 30 s.. The realization begins with the signal.

- No.4 Test: Traction
  By bending at the knees and the condition of the body leaning forward to establish dynamometer soles of his feet with both hands and caught up with the barrel and retiring guiding force measured by body and knees. The result measured by dynamometer.

- No.5 Test: Flexibility
  The player tested feet threw him on a bench that is 50 cm high. Done before bending the body and right hands are close to each other. Measurement of results becomes vertically meter that is where they are located where the soles of his feet is equivalent to 100cm. Reaching hands down soles marked with / + /, and feet above denoted by / - / We made two tests and marked the best evidence.

- No.6 Test: Start 20m
  The test takes place on a runway lined prior to which is recorded starting line and the finishing line running. Measurement of results is done with the aid of a stopwatch. Footballer of the test is placed in the line of departure and suppressed signal and stopwatch. Stopping the stopwatch test done when the player touches the finish line. Made two measurements and measurements better marked.
Table 2. Description of tests.

<table>
<thead>
<tr>
<th>Tests No. =&gt; Indicators</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>kg</td>
<td>No.</td>
<td>No.</td>
<td>kg</td>
<td>cm</td>
<td>s</td>
</tr>
<tr>
<td>X</td>
<td>18.13</td>
<td>21.95</td>
<td>35.72</td>
<td>53.16</td>
<td>101.20</td>
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<tr>
<td>m_x</td>
<td>0.44</td>
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<td>1.75</td>
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<tr>
<td>Me</td>
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<td>35.00</td>
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<tr>
<td>Mo</td>
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<td>S</td>
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<td>91.00</td>
<td>3.20</td>
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<tr>
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<td>59.00</td>
<td>81.00</td>
<td>109.00</td>
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</tr>
<tr>
<td>V%</td>
<td>18.81</td>
<td>18.4</td>
<td>18.48</td>
<td>25.53</td>
<td>3.65</td>
<td>7.46</td>
</tr>
</tbody>
</table>

5. Conclusions

From the above studies and the conclusions that come from being pulled some conclusions and recommendations that would like to summarize:

1. Data from preliminary testing confirms our view that the new time and environment, to develop the game of football and in particular the development of new players requires updating of indicators for assessing the benefit of their complex preparation.

2. Development of force and strength indicators in this age period is required to be made in terms of indicators of the same dynamic and plasticity in building muscle in order, create a sense necessary to use appropriate force in space and time, which is characteristic of the technique and application of elements in football.

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Integrated Border Management in the EU: The Albanian Experience

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Abstract

Albania has recently applied for EU membership following overwhelming popular support and ongoing electoral promises from both sides of the political spectrum. Consequently, Albania has had to reform not only its core legislation but has also signed various treaties with the EU in order to implement in partnership common policies and practices, in particular with regional EU members. This paper will focus on border security from the perspective of Integrated Border Management (IBM), which promotes a model/approach first introduced in the EU/Schengen in 2006, to become the standard practice in the field of border security administration. This model has recently been taken over by Albania and integrated in its legislation, strategic targets and shapes practices related to the management of its borders. Primary data were collected from the following activities: meeting with immigration officials at various levels, brainstorming sessions focusing on the key legal and institutional issues; field assessment of procedure applications and periodical monitoring. This study highlights several factors which exercise encouragement and deterring pressures, favoring and hindering legal harmonization of Albanian legislation with the IBM model. This factors include underdeveloped infrastructure which needs continuous improvement and capacity building, with regular checks and monitoring, bilateral cooperation with measures in external borders particularly related to cross-border surveillance, human trafficking, organized crime, screening and returns of irregular immigrants. While legal harmonization between Albania and the EU has to a high degree been achieved, several factors may hinder the successful implementation of the IBM model. Best practices and initiatives need maintenance and regular checks to ensure that infrastructure and capacities can respond to new border-related situations and that cross-border collaboration continues to be a guiding principle for EU and non-EU neighbours.

1. Introduction

1.1 IBM in EU

In one of the most recent publications of FRONTEX can be read the following: “An EU border guard has on average just 12 seconds to decide whether the traveller in front of them is legitimate or not, or to assess if their documents are genuine.”1 This can by no means be achieved only on the basis of the information available at the border. Instead it needs an Integrated Border Management-system – a strategy as it was first adopted in the Council conclusions of the 2768th Council Meeting on Justice and Home Affairs (held in Brussels, 4-5 December 2006), where the first Integrated Border Management Strategy based on the so-called four-tier access control model was adopted. In those Council conclusions the following was mentioned: “The Council recalls the importance of the concept of integrated management of the external borders for the progressive establishment of an area of freedom, security and justice, from the Tampere Programme of 1999, the Schengen catalogue on border control, the Commission’s Communication “Towards an integrated management of the external borders of the Member States of the European Union” followed by the Plan for the Management of the external borders of the Member States of the European Union of 2002, the Hague Programme of 2004, the Global Approach to Migration of 2005 and the Council Conclusions on reinforcing the southern external maritime borders of October 2006.

Work towards integrated management of the external borders has been appraised as successful regarding the following aspects: (a) Cohesion regarding legislation, in particular the Schengen Borders Code and local border traffic regulations; (b) operational cooperation and solidarity between Member States through mutual coordination and established funds.

Integrated border management is a concept consisting of the following dimensions: (a) border control (checks and surveillance, risk analysis and crime intelligence); (b) detection and investigation of cross border crime (c) four-tier access

1 Twelve Seconds to Decide; In search for excellence; frontex and the principle of „best practice”; James Fergusson, Warsaw 2014, pg. 15
control model (measures in third countries, cooperation with neighbouring countries, border control, control measures within the area of free movement, including return); (d) inter-agency cooperation for border management and coordination.

To sum it up, the whole concept needs comprehensive international coordination and efficient inter-agency cooperation among all the relevant authorities at national level and finally also effective intra-service cooperation within the agencies in charge of borders and trade facilitation to allow open, but well controlled borders. Integrated Border Management was also once called one of the core compensatory measures for the assurance of free movement within this concept of a free internal market. Dealing with irregular migration is pressing, and combating organized crime already doing preventive work while preserving human rights. Following such strategic lines in the field of external borders, borders may be kept open for trade and the movement of persons while offering public safety and security for all of those entitled to benefit from the common market. In the following paragraphs, the model will be explained in further details.

2. Literature Review

2.1 Activities in third countries (of origin and/or transit)

Advice is generally required from liaison officers and legal experts in third countries (of origin and/or transit) as potential risks for irregular immigration. This requires training of officials working abroad for the Schengen States’ consular posts in order to detect document forgeries before allowing further travel, at the phase of visa issue or sea/air boarding towards Schengen States. This would be an added security to the inspection and checks already carried out by the Schengen States’ consular representations when issuing visas (see Regulation (EC) Nr. 810/2009 of the European Parliament and of the Council of 13 July 2009 establishing a Community Code on Visas (Visa Code; OJ L 243, 15.9.2009, p. 1; hereafter “Visacode”), the Handbook for the processing of visa and the modifications of issued visa and the relevant annexes). This includes inspecting documents and making queries in the Schengen Information System and the relevant national databases. The implementation of the Visacode and handling of the Visa-Information System enables tackling effectively the phenomenon of illegal immigration. Intensive consular cooperation is crucial, third-country nationals carried by air, sea or land, (see Article 26(3) of the CISA), should have the travel documents necessary for entry into the territory of the Schengen States. “Travel documents” should be valid document with a valid visa/residence permit. If third country nationals are transported to a Schengen State without regular travel documentation, carriers are subject to sanctions forced to take them back. That is why training in handling such phenomena is indispensable.

2.2 International border cooperation and bilateral agreements

International cooperation regarding border management can be local, bilateral or multilateral. Agreements with neighbouring countries are seen as an efficient way to improve border security. Efficient cooperation can be achieved by exchange of information through appropriate communication channels, shared emergency protocols, incident handling avoiding political complications. Additionally common patrolling, cross-border surveillance and hot pursuit are necessary to tackle organized cross-border criminal activities. Regional cooperation infrastructure should be established and functional bringing together countries and key players involved in the sections between the authorized border crossing points.

It seems also necessary that transit states apply coherent readmission and repatriation practices, in case there’s no right of admission on humanitarian grounds or international law (e.g. the Geneva Convention relating to the Status of Refugees).

2.3 Measures at the external borders

The key elements of any relevant strategy is having consistency in border checks and surveillance, organized in light of up-to-date a risk analysis. Article 6 of the Schengen Convention sets out clearly the framework to be implemented and the Practical Handbook for Border Guards and its Annexes deliver the necessary further details and explanations on how to implement the system in full compliance with the so-called Schengen-system. All persons are checked regularly upon entry and exit and border surveillance prevents bypassing and illegal crossing. For any system to be built up in compliance with the Schengen system coherent legislation based on the EU- and Schengen-Acquis is required, respecting data protection policies.

Appropriate infrastructure of border checks and surveillance is crucial, as well as having an adequate number of
trained professionals. Adequacy of the numbers depends on several factors, like the (geographical situation, the volume of border traffic and the specific risks and threats and can be a constantly changing phenomenon, which therefore needs to be regularly assessed and adapted, if need be. A clear concept of training is needed – oriented at FRONTEX Common curricula covering operational skills, foreign languages, etc. International cooperation should be implemented in practice (such as, exchange of information, cooperation at shared border crossing points, handling of readmission situations and information-exchange through dedicated police-Cooperation Centres). When preparing full implementation of Schengen, also further special requirements are crucial, such as, a separation of passenger flows in airports between non-Schengen and within Schengen-flights with separations.

2.4 Further management activities in Schengen states

Prevention of illegal immigration and cross-border crime inside Schengen territories requires checks and surveillance measures based on national intelligence regulated by national law, including police cooperation agreements pursuant to Article 39(4) and (5) of the Schengen Convention. Surely, problems of illegal migration and organized crime are restricted to geographical locations. Therefore international traffic routes become the focus of national police forces. In line with public policy or national security a state may, after considering threats to the public safety and security, opt for a limited period national border checks carried out at internal borders. Similar measures may also be set – as a matter of last resort – and after several other support-measures i.a. through FRONTEX have not led to the necessary positive results – in case of a mass influx of irregular migrants. In such cases it has to be underlined that the main aim still remains to assist the country at the external border at risk (e.g. either through FRONTEX or EASO), but as additional safety measure – to (re)assure security and safety at the internal border, the re-establishment of controls at the internal border (for a limited period of time) is legally possible.

Repatriation should be in accordance with national legislation (see Directive 2008/115/EC of the European Parliament and of the Council of 16 December 2008), if no right to stay is granted based on compelling humanitarian grounds or international law directives. In this respect – and in compliance with the aforementioned Return Directive - a system is to be established that give irregular migrants in general the possibility to return home voluntarily and reduces the number of forced returns to a limited number of exceptional cases.

3. Research Methods

Primary data were collected from the following activities: meeting with immigration officials at various levels, brainstorming sessions focusing on the key legal and institutional issues; field assessment of procedure applications and periodical monitoring.

4. Results & Discussion

Integrated Border Management in EU is a dynamic, ongoing, refinement oriented process which aims to achieve its overall objective for open, but secure borders by foreseeing possible changes in specific and general conditions.

Currently, discussions have started to again further develop the current system of Integrated Border Management towards even more intensive cooperation, but no clear vision has been made available yet. Still, also the “Border Package” presented already in 2008 embodies the Commission’s vision of the future of the integrated border management, making use of integrated technologies as part of an infrastructure that can guarantee required checks and quality surveillance at the EU’s external borders anticipating future challenges.

4.1 IBM in Albania, comparing to EU standards on it

The laws which are directly linked with Integrated Border Management in Albania are The Law no 9861/2008 on Control and Surveillance of State Border and the Law on Aliens no 108/2013. Besides other orders and Decisions of the Council of Ministers, also, the new Strategy on Integrated Border Management 2014-2020 as adopted in 2014 has to be mentioned here.

The Border and Migration Police conducts its activity, besides the mentioned legal acts, also in compliance with the other state legislation related to border or aliens, such as e.g. the Law on Maritime, the Law on Civil Aviation and the Customs Code. Due to its nature of work, the Border and Migration Police (hereafter "BMP") also has to closely take into account the relevant bi- and multilateral agreements, which regulate border security issues, aliens, asylum and all other
related work fields. All pieces of legislation – and also the bi- and multilateral agreements – have to be aligned with the relevant *Acquis Communautaire*. Planning and implementation of Integrated Border Management has currently been updated in the National IBM Strategy and Action Plan 2014-2020, the second of its kind following the one of 2007-2013. The Strategy has been drafted with the assistance of international experts, aiming at having a product in compliance with European standards and includes the principles, commitments and steps regarding inter-agency, intra-agency and international cooperation. The current Strategy envisages – in an updated version - the activities of the BCP, the Customs and the National Food Authority (for phytosanitary matters), as well as of other actors operating at the border or related to the border and the cooperation between all authorities and also with other countries – all in accordance with the European Integrated Border Management Model (with international cooperation e.g. including agreements on opening shared BCPs and PCCs, joint operations and joint patrolling, exchange of information, return and readmission ). Overall, and once again based on the EU four tier access-control model, the current level of IBM in Albania can be summarized as follows:

4.1.1 Issues related to countries of origin and/or transit

There are no documentation experts in third countries which have the largest flow of citizens requiring a visa to enter Albania. Furthermore, there are no direct airlines to Albania. The only activity in this field is through the liaison officers of the State Police, with a wide-range focus in the police information, and not only to border and migration. Currently, Albania has deployed liaison officers in transit countries regarding illegal migration toward Albania, like Turkey or Greece, however there are deployed liaison officers in UK, Germany and Italy too, considered as destination countries for Albanian illegal migrants. Document training within the BMP is currently, with the assistance of international partners, being enforced and this might eventually even lead to further activities in this field.

With regards to visa application and issuance for third country nationals, the Law on Aliens, the by-laws and the electronic visa system enable the prevention of attempts for irregular migration, because the analyzing and verification is conducted by three different institutions which have access in the system. The likelihood of undetected forgeries is therefore low. At this moment, there is no standardized way of training on forged documents for the Albanian Consular Staff, but also here – with the assistance of international partners – first ideas to improve the situation are under development.

The Law on Aliens adopted in 2013 has clarified and strengthened the sanctions against carriers regarding their obligations for cases of foreigners lacking proper documentation or valid visas to enter Albania. Implementation is enforced regularly.

International cooperation in the framework of border security is regulated through bi- and multilateral agreements between Albania and other countries. These contain mainly provisions for the opening of shared BCPs, for joint operations and joint patrolling, for the exchange of information and for the opening of Police Cooperation Centres. The Common Police Cooperation Centers with Macedonia and Kosovo are currently operational, pending the opening one also with Montenegro. Work is ongoing to agree on opening such a center with Greece. Joint patrolling with Montenegro, Kosovo and Macedonia continue according to the schedule defined in cooperation between parties. At present, there is no agreement on joint surveillance or hot pursuit between Albania and the neighbouring countries.

With regards to the issue of returns and readmissions, the Albanian legislation has been aligned with the European standards in this field. The agreement between Albania and EU is signed in 2008 and there are signed in further protocols with certain countries within EU, when it was necessary for the implementation of the agreement. Currently Albania is progressing in signing agreements with countries considered origin or transit of illegal migration and this process is – as in any other country – constantly ongoing to also cope with any newly arising challenge. Albania accepts its nationals who are returned from EU/Schengen as countries of origin and the nationals of third countries in cases when Albania is a transit country. Third country nationals entering and staying irregularly in Albania are currently mainly returned to the transit countries. FRONTEX continues during 2014 the training on collective joint return operation and the escorting returnees thus enabling the Albanian police personnel to apply European standards also in this field.

4.1.2 Measures at the external borders

At present in Albania, all citizens crossing the state border are registered at the electronic system TIMS. The BCPs are equipped with the basic equipment for first line and second line control. Basic equipment for checking luggage and goods is in place, but not standardized at all BCPs. The same applies to the equipment for searching in vehicles and goods at second line. The equipment is suitable at the main BCPs, but, being mainly donated by international organizations like
EXBS, CARDS, OSCE, there are often problems in maintenance hindering the full use.

The Border Police Stations conduct their activity for the surveillance of the green and blue border. The current equipment for border surveillance (blue and green border) has been achieved either through donations or was again co-financed through different EU-financing mechanisms. The equipment for the surveillance of the green border has to be assessed as scarce at some places compared to the dynamics of this border line. Despite the deficiencies, achievements were marked in the surveillance of the green border. The BMP is in any case committed to have an effective surveillance of the border, yet it has to be admitted that — as regards manpower and the training of the personnel as well as infrastructure, mobility and equipment — there are still considerable investments needed to achieve a fully satisfactory level.

Also the infrastructure of several BCPs and border stations at the green and blue border has been renovated with the support of different EU-co-financing instruments like CARDS and IPA. This process is ongoing and the overall goal is to eventually reach a level in infrastructure, which can cope with border dynamics and border traffic.

With regards to training, the BMP has adopted the annual training matrix, which includes the basic BMP training, whose curricula are drafted in accordance with FRONTEX core curricula. Due to the current way of organization and functioning of the general police training in Albania, there is yet currently a handicap regarding the modalities of aligning the border police training curricula with those of FRONTEX and work to improve is definitely needed in this field.

Leadership and management training for BMP personnel are also conducted, as well as various training on documentation, blue and green border, human trafficking, crime investigation, stolen vehicles, legislation, etc. Along with training developed by the Police Education Center and BMP, a part of these training are delivered by international partners assisting the State Police such as PAMECA, ICITAP, OSCE, etc.

Inter-agency cooperation – especially with the Customs Services – is in general in place. Inter-agency cooperation with other services often depends on their presence at the respective BCPs. As the Customs Service is often focused more on financial duties (according to their field of responsibility) cooperation in this field just still can be improved and directed more towards joint activities, joint risk analysis and joint development of risk profiles — all then be used for the common goal of achieving border security.

4.1.3 Further activities inside the territory

In compliance with Law 9861 and Law 118/2013, the BMP performs controls inside the territory to detect third country nationals, who do not or no longer fulfil the conditions to stay or who might have bypassed border checks by crossing the border illegally. In this field there is good cooperation between the structures of the police and border police, but there are also still shortcomings with regards to citizens who have legally entered Albania but have violated the rules for the duration of stay (“Overstayers”), further as regards cases pointed out by other police structures and related to violations not primarily related to migration. Better cooperation and improved notification of possible cases is definitely to be pursued. The Law on Aliens and its implementation as regards the returns of aliens stipulates the voluntary returns, as well as forced returns when necessary.

5. Conclusions

As mentioned before, Albania has recently adopted the updated National Strategy on Integrated Border Management and its Action Plan for the period 2014-2020. In this strategy, further steps have been listed as regards training, infrastructure and equipment to be needed for the control and surveillance of the state border. The BMP, due to its competences and area of responsibility, continues to be the driving force in reaching the European standards as regards to border security, ranging from harmonization of legislation with the Acquis, implementation of recommendations and best practices of Schengen Catalogue, bringing infrastructure up to EU-standards and also enforce training on equipment to be used for the control and surveillance of state border. Customs Service, as well as other services and actors involved in IBM, are on board, but cooperation needs to be even further enhanced. Analyzing the current activities in the field of IBM the following conclusions can be drawn: (a) Albania has currently only minimal activities in third countries with regards to migration issues. Even in countries where police liaison officers are deployed, they are not focused on border and migration issues. However, the basic legal provisions and the implementation is in compliance with Law 118/2013 as regards e.g. the obligations for carriers and training in the different fields is increasing. (b) With reference to the bilateral and international cooperation, Albania has offered its support and willingness regarding exchange of information, returns and readmissions, as well as joint patrolling. The experience of common police cooperation centers is still at a low level, as only the centres to Macedonia (Qafe Thane) and Kosovo (Morina) are operative, which the centre to Montenegro
(Muriqan) still awaits finalization and the idea for a possible centre with Greece and Italy is currently being developed. Considerable work will have to be invested there to first of all achieve a harmonized level within Albania towards all of its neighbours and secondly to achieve a level, where the Albanian centres will also be able to participate as full-fledged centres on EU-level. (c) There is also room for exploration regarding a possible joint surveillance of the border with some of the neighbours as well as the implementation of other instruments like cross-border surveillance and hot pursuit. (d) A lot of work has been done in the field of border surveillance to meet EU standards. However, at both the blue and green border more investments are needed to achieve full EU- and Schengen-compliance in infrastructure and equipment as well as in methodology. (e) There is still to be done regarding harmonization of legislation in the field of border security. As already mentioned, this is a fixed element in the Strategy 2014 - 2020 and the process is expected to start soon (in this context also the by-laws and Standard Operation Procedures will need to be adjusted). (f) Training within the BMP is quite intensive, which has a considerable influence on the performance of BMP personnel, yet, in view of the existing ERU-standards in this field (FRONTEX core curricula) a periodical review and a better orientation of the whole Albanian training system should be envisaged. (h) The equipment used for border control has a great importance to bring positive results in the fight against irregular migration and the combating of trans-border crime. However, despite the donations by international partners, a lot remains to be done in this respect and also increasing attention should be given to the question of maintenance. (g) Inter-agency cooperation e.g. between BMP and the Customs Service is in general in place, yet there is the need for further improvement at all levels in order to assure that all authorities involved in border security are adequately aware of their responsibilities and competencies and cooperation wherever possible (especially in assessing the risk and threats and exchanging any information on operative results). (j) Inland activities to possibly detect persons who do not or no longer fulfil the conditions for stay are generally conducted by the BMP. Also here further activities to enhance cooperation and a more intense exchange of information between the BMP and other ASP-structures, but also with other authorities performing checks in the inland should be pursued.

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Extended migration profile for Albania3013


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Possible Capture of Votes Fraud in 2015 Local Election in Albania

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Abstract

The paper concentration is on the number of votes each political party acquired in the 2015 local elections. A constant debate and dispute is performed regarding vote counting manipulating, such as vote steeling, uncounted votes, corruption of vote counters, vote buying etc. Thus, statistical calculation on 2015 national results are subject of first digit Benford’s Law application. The result shows that all first digit number groups of parties’ normal distribution rate of votes do not correlate to the 1BL distribution rate. It is clear that there have been a probable vote fraud/manipulation in this election. Out of three main political parties of Albania, being also parliamentary ones, only one the Socialist Party shows lost vote’s number in the group it belongs. Instead the Socialist Movement for Integration and Democratic Party show an increasing one.

Keywords: voter turnout, Benford’s Law, detection of election fraud/manipulation

1. Introduction

This paper follows the first author analyses of 2014 paper “Statistical detection of vote count fraud (2009 Albanian parliamentary election and Benford’s Law)”. The analysis focuses on the last Albanian electoral results, local election of 2015. This paper mainly relates to the obtained number of votes of each political subject (political party) during the 2015 election. Even though there is a seven – year difference from the 2009 analysis of possible fraud election votes, the situation about this problem is still concerning many of the political arena as also the social field. “The central and local elections are often characterized from a constant debate on manipulation from one party or the other deriving from vote stealing, uncounted votes, disrupting the will of the voters or of the vote counters, purchase of votes etc.” (Bërdufi 2014, pg. 755). “Some concerns were expressed about election day procedures, particularly in the vote counting and tabulation” (OSCE/ODIHR, pg. 2). Other problems reported with vote counting are: “unjustified interruption of vote count, prohibition of independent observers in the process of delivery and receiving voting materials, delays and blockages of the counting process. CEC received 23 formal complaints about the count by political party’s observers etc.” (KZLNDQ, pg.56). As it is a statistical formula, it can be applied only in the tabulated results of vote count, not to the hole process of voting, concentrating only in this marginal aspect of the process which in itself has a great importance. “One should perhaps not expect too much from a test that has only the vote counts themselves to work with.” Deckert, Myagkov, and Ordeshook (2011, 248) are not deterred by such caveats, arguing that “any inference that the analysis of official returns can begin and end with Benford’s Law or that we can dispense with measuring other variables such as the socioeconomic correlates of voting is unwarranted.” (Mebane, 2011, pg. 269). In terms of the upcoming 2017 parliamentary election and the main political party’s discussion of electronic voting, these results can serve as a support of electronic vote. In this case, we take for granted that there will not be electronic vote manipulation if it is applied. Therefore, we can avoid vote manipulating my humans (commissioners, etc). Nevertheless, it still remains one form of trying to map the election vote possible manipulation. Thus, statistical calculation on 2015 national results is performed to try evidencing if there is any change from the first digit of the Benford’s Law results for the parties involved in the local elections.

2. Methodology

“Benford’s law, also known as the First – digit or Significant – digit law, is the empirical gem of statistical folklore that in many naturally occurring tables of numerical data, the significant digits are not uniformly distributed as might be expected, but instead follow a particular logarithmic distribution. In its most common formulation, the special case of the first significant (i.e., first non – zero) decimal digit, Benford’s law asserts that the leading digit is not equally likely to be any one of the nine possible digits 1, 2, . . . , 9, but is 1 more than 30% of the time, and is 9 less than 5% of the time, with the probabilities decreasing monotonically in between” (Princeton University, pg. 1). “This method is based on tests of the distribution of the
digits in vote counts, so all that is needed are the counted vote counts themselves. (Mebane Jr Walter R., July 17, 2006, pg. 1).” (Bërdufi, 2014, pg. 756). The results of each of the 2015 years are grouped into two: one group of parties based on 1BL vote increase and the other one based on 1BL vote decrease. This analysis has a deficiency related to evidencing the vote percentage for each party being part of the nine first digit groups. Regarding the detailed result for each of the parties, researchers there should be further statistical analyses. The Benford’s first digit formula as follows:

\[ P(d) = \log_{10} (1 + \frac{1}{d}) \]

### 3. Results and Interpretation

Election results calculated as per Benford’s Law point of view are shown in table 1 and graph 1. The first column of Table 1 shows the first digit of the vote number, the second columns shows the statistical percentage of the normal distribution rate of first digit of the counted electoral votes, the third column shows Benford Rate percentage, while in last column is shown the difference between the two distribution rates ‘Sample Rate – Benford Rate’. As it is shown in the table and graph there is no empty field of the first digit Benford’s Law; but also, none of the two rates match with each other, meaning that there is a possible electoral vote count fraud (vote count manipulation / problems).

The results of the group of parties based on 1BL that had a possible increase in their number of votes are the parties which number of votes that start with 2, 3, 5, 7 and 9. Thus in this group of parties, we can presume that there are parties is this groups that obtained more votes than they statistically should have. Parties that form this five groups are respectively: the parties 1BL that start with 2 are the Right Thinking Liberal Party, Christian Democratic People’s Party of Albania, Socialist Movement for Integration, New Democratic Spirit, Christian Democratic People’s Party of Albania, Social Democracy Party of Albania, Labor Party of Albania, Party of Albanian Muslim Union, Albanian National Reconciliation Party, Albanian Affairs Party, Social Democratic Party of Albania; the parties 1BL that start with 3 are the Democratic Party, Democratic Movement for Change, Albanian Party of Democratic Reforms, Path of Freedom Party, Europeanisation and Integration Party, Macedonian Alliance for European Integration, Party of Deprived Rights, Alliance for Equality and European Justice, Ethnic Greek Minority for the Future Party; the parties 1BL that start with 5 are the Republican Party, Party for Justice, Integration and Unity, Youth Force Party, New European Democracy Party, Albanian Homeland Party; the parties 1BL that start with 7 are the Conservative Party, Demo Christian Alliance of Albania, Albanian Future Party, People with Disabilities Party, Left Front Party, Candidate proposed from electorate; the parties 1BL that start with 9 are the Albanian Democratic Union, G99, Alliance for Democracy and Solidarity, Communist Party of Albania 8 November. The first digit group of 7 is the one of five ones having the largest difference between sample rate and Benford’s rate of 4.04% followed by the first digit group of 9 at a rate of 3.62% more than the statistical normal expectation. The following deviance results from the first digit of 3 at a rate of 2.26%. None of the seven – actual parliamentary parties are part of the two first groups, while in the third one we find one of three main parties of the Albanian political arena, the Democratic Party. According to the theory, these groups have more possibilities for fraud vote resulting from counting process, vote manipulating, etc. In the other two groups with first digit 2 and 5 there is not a high difference of rates of 0.42% and 0.28%. In this circumstance, it is accepted that the last two group’s normal distribution of 2015 election votes is almost equal to the 1BL. As a consequence, we assert low expectation of vote count fraud for this group of parties. In this two first digit groups are included four of the parliamentary parties, Christian Democratic People’s Party of Albania, Social Movement for Integration, Republican Party and Party for Justice, Integration and Unity. Together with the Democratic party, we can say that from seven parliamentary parties five of them belong to the group of parties that probable benefited more votes than they should have as per statistical data.

<table>
<thead>
<tr>
<th>First Digit</th>
<th>Sample Rate</th>
<th>Benford Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>27.3%</td>
<td>30.0%</td>
</tr>
<tr>
<td>2</td>
<td>12.32%</td>
<td>12.0%</td>
</tr>
<tr>
<td>3</td>
<td>9.20%</td>
<td>9.2%</td>
</tr>
<tr>
<td>4</td>
<td>7.20%</td>
<td>7.2%</td>
</tr>
<tr>
<td>5</td>
<td>1.63%</td>
<td>1.6%</td>
</tr>
<tr>
<td>6</td>
<td>1.38%</td>
<td>1.4%</td>
</tr>
<tr>
<td>7</td>
<td>5.32%</td>
<td>5.2%</td>
</tr>
<tr>
<td>8</td>
<td>2.23%</td>
<td>2.2%</td>
</tr>
<tr>
<td>9</td>
<td>2.23%</td>
<td>2.2%</td>
</tr>
</tbody>
</table>

Graf 1. 2015 local government electoral results 1BL calculation
The results for the group of parties based on 1BL that had a possible decrease in their number of votes are the parties with number of votes that their first digit starts with 1, 4, 6 and 8. Thus, we can presume that there are parties is this groups that lost their votes compared to what statistically they should have acquired. Parties that form this four groups are respectively: the parties 1BL that start with 1 Movement for National Development, National Front, Democratic National Front Party, Legality Movement Party, Environmental Agrarian Party, Liberal Democratic Union, Time Albanian Party, True Socialist Party '91, Moderate Socialist Party, National Arbore Alliance, Democratic Alliance Party, Green Party of Albania National Unity Party, Unity for Human Rights Party, Democratic Movement for Progress, Wealth and Values, Ecologic European Alliance, Popular Alliance Party; the parties 1BL that start with 4 Socialist Party of Albania, Party for the Defense of the Rights of the Emigrants, Albanian Movement for Justice, Social Workers Party of Albania, Communist Party of Albania; the parties 1BL that start with 6 New Party of Deprived Rights; the parties 1BL that start with 8 are: Albanian Demo Christian Union, Law and Justice Party. Most of the vote lost according to theory happened to the group of parties that start with the first digit of 6 at the rate of – 5.06%; followed by the group of the first digit of 1 at the value of – 2.23%. In the second one we can find a parliamentary party 'The Human right Union Party'. In the case of the first group, since there is only one party ‘New Party of Deprived Rights’, we can be more secure to assert that this would have more votes than it obtained in the 2015 elections. The other two groups affirm lower loss of votes, respectively the first digit of 4 at the rate of – 1.49% and the first digit of 8 at the rate of – 1.84%. In the first group, we find the other main political party of Albania the Socialist Party. Interesting to state is that the two main Albanian parties belong to two different groups, the DP on the side of getting more votes and the SP on the side of getting less votes as per the normal distribution compared to the Benford’s one. The third main party in this country the Socialist Movement for Integration, which actually is a co – governmental party, as the DP is part of the group which has more votes than it theoretically should had.

Table 1. 2015 local government electoral results 1BL calculation

<table>
<thead>
<tr>
<th>1BL</th>
<th>Count</th>
<th>Sample Rate</th>
<th>Benford Rate</th>
<th>SP – BR</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>17</td>
<td>27.87%</td>
<td>30.10%</td>
<td>–2.23%</td>
</tr>
<tr>
<td>2</td>
<td>11</td>
<td>18.03%</td>
<td>17.61%</td>
<td>0.42%</td>
</tr>
<tr>
<td>3</td>
<td>9</td>
<td>14.75%</td>
<td>12.49%</td>
<td>2.26%</td>
</tr>
<tr>
<td>4</td>
<td>5</td>
<td>8.20%</td>
<td>9.69%</td>
<td>–1.49%</td>
</tr>
<tr>
<td>5</td>
<td>5</td>
<td>8.20%</td>
<td>7.92%</td>
<td>0.28%</td>
</tr>
<tr>
<td>6</td>
<td>1</td>
<td>1.64%</td>
<td>6.69%</td>
<td>–5.06%</td>
</tr>
<tr>
<td>7</td>
<td>6</td>
<td>9.84%</td>
<td>5.80%</td>
<td>4.04%</td>
</tr>
<tr>
<td>8</td>
<td>2</td>
<td>3.28%</td>
<td>5.12%</td>
<td>–1.84%</td>
</tr>
<tr>
<td>9</td>
<td>5</td>
<td>8.20%</td>
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4. Conclusions

As a conclusion is asserted that all first digit number groups of parties in 2015 Albanian election normal distribution of votes does not correlate to the 1BL distribution. From the above analyses, it is clear that there have been a probable vote fraud/manipulation in the local election of 2015. Only one of the main political parties of Albania, the Socialist Party, is part of the group positioned on the vote’s number losing side, while the Social Movement for Integration and the Democratic Party stand in the other direction group of getting more votes than statistically as per the Benford’s theory should have. More logically is that smaller parties vote to have shifted in the course of the main parties. However, to assert this point of view, there are needed further statistical analyses. A possible avoidance of this vote count inconsistencies could be the electronic vote count, with one condition of no machine human manipulation.

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Annex

2015 election party distribution as per Benford’s Law:

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Social Economic Development and the Human Resources Management

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Abstract

Bratton & Gold (2000) stated that socio economic development is playing crucial role in managing human resource progression in developed and developing countries. In the contemporary era developed countries such as USA, UK, Australia and many other European countries are using such progression strategies. National Socio-Economic Development Plan is one of the major strategies that involve welfare of unemployment, poverty, infrastructural development and transportation up gradation. Moreover, socio economic development also includes set up of hospitals and educational institutions (Bambangi, 2007). Such development statistics and process are outlined in various newspapers, magazines and periodical articles. These informative papers help the local human resource management in gaining proper insights on working and economic policies. In the current study importance and relation between socio-economic development and the human resources management will be outlined.

1. Meaning of Socio-Economic Development

Mainly socio-economic development can be referred to up gradation of social, political, and technology used in the operational in order to increase welfare of stakeholders. Such policies are helping the countries and firms in developing lifestyles of the stakeholders. They are having the option of educational support, income development, enhancing employee skills and creating more feasible employment. Such development modules are divided into two different segments social and economic (Bristol & Tisdell, 2010).

Chow (2004) defined Social development as process of leading transformation into the social system and institutions. It is having the objective of improving the capacity of societal members according to the objective of the government or United Nations. Social development implies qualitative change of the peoples in terms of maintaining responsibilities. Currie & Kerrin (2003) argued that developed countries like USA aims to increase the rate of progressive attitudes and behavior among the peoples in order to increase the proficiency of human capital available in the country. Integrative trainings are provided to the community members for adopting advanced technologies. Social development also includes establishment of various educational and learning systems. However, Gilmore & Williams (2009) argued that USA and UK faced cross cultural factor, as these countries are having highest foreign immigration. Workplace conflicts are increasing rapidly in the firms which employ people of different backgrounds. Social development policies are aiming to increase collaboration, positive interaction and exchange of beliefs among the employees.

Economic development on the other hand referred to growth of economic prosperity of the country or areas. Residents of the countries like USA, UK, China, India, Australia and many other developed and developing countries are considering economic growth as one of the major responsibility. Financial growth and purchasing power parity are considered as the major indicators of the economic development (Ghorpade, 2004). Countries are using the parameters like the gross domestic product, real national income, and per capita income in order to judge the economic capacity of the peoples. Economic development refers to more in depth boost of country capacity. Such development process is used by the nations in order to improving the economic, political, and social beneficiary of residents and other peoples involved.

Gross Domestic Product (GDP): gross domestic product is the indicators of contrast of the national income generation and production cost within one particular company. Such index is mostly popular indicators of country’s economy. GDP is mainly representing the total value of products and services within country borders yearly. Gross domestic income (GDI) is similar to GDP according to their functionality (Hadwen & Galloway, 2008).

National Income: it is the overall income generated by residents of any particular company. Income generation covers the labors and capital investments made within the country. Total income includes wages of employees, profits generated by local companies, interests of the debt and investments, rents of the national positions and pension payments. Mainly country’s national income is contrasted for one year or six months (Kramar, 2013).

Per Capita Income: in this index calculation entire national income is divided by population of a country. Such
statistics will be helping firms and government in terms of the developing pricing strategies and marketing channel as per purchasing capacity. The index outlines individual or per head income generation (McDonnell, 2012).

2. Human Resource Development

According to Martin (2009), economic development depicts the income level development of the peoples whereas human resource development outlines development of the skills, knowledge and capability of the peoples. Mainly the strategy covers various employee welfare activities that are adopted by the organizations. Various requirements of the personal lifestyles are required to be maintained in order to motivate and satisfy stakeholders. Mainly HR development strategies are including factors like “economic, social, political, cultural, educational, physical, biological, mental and emotional traits of the peoples related to any organization or country economy” (Kurihara, 2008). Income is a small part of the managing human resources. Individuals are posing diversified needs, which negotiate employee motivation and satisfaction.

“Abraham Maslow’s Hierarchy of Needs motivational model” depicted various types of motivational needs of the employees or the individuals (Kramar, 2013). According to Noe (2006), the model employee or human resource development is driven by seven or eight different types of needs recognition or motivational strategies. HR managers are required to maintain all of these factors in order to develop any development strategies. Firstly, individuals are concerned organic and physiological needs it is the most basic requirement. Secondly, development strategies must consider safety or protection needs of the individuals that offer more stability (Pacewicz, 2012).

Apart from the above mentioned needs, socio economic requirements are also need to be maintained in the development strategies. Third part of the model outlines love and belongingness needs of the individuals (Peng & Li, 2014). Employees will be developed and motivated by increasing the interpersonal relationship, acquaintance, familiarity, fondness and adore among the work groups. Fourth, segment is outlining esteem needs that outlines employees attraction for their organizational positions (Parise, 2007). Moreover, HR managers have to employ cognitive strategies like knowledge and skill development strategies, aesthetic needs like appraisal and motivation, self-actualization needs like potential personal growth and experiences gathering.

However, Qerimi, Hasani & Rexha (2014) criticized that managements are required to maintain the Human Development Index (HDI) and United Nations Development Program (UNDP). These policies are increasing certain complexity in making smooth transition in employee development and change. Annual Human Development Report policies are used by firms or local authorities. Thus, sustainable development of the human resource is one of the crucial strategies of the management which includes certain sub sections. Social, economic, environmental and individual development is the major sustainable development policies (Bambangi, 2007).

Figure 1: Sustainable development of Human resource
Source: Parise, 2007, p. 361

3. Socio-Economic Development and Human Resource Development

According to Bristol & Tisdell (2010), socio economic development policies are increasing popularity among the globalised businesses as HR management strategies. Firms are using corporate social responsibilities in order to increase the welfare of human resources. Knowledge development, training, educational system developments are the
major part of the CSR. Infrastructural development and technological upgradation are crucial part of the social development (Reinert, 2004). It helps the firms in increasing the productivity and employees engagement. Appraisal, effective compensation, value added provisions, and environmental sustainable strategies are crucial responsibilities of HR managers of the globalised firms like Ford, Microsoft, Nike, Puma, Walmart, Tesco and Adidas (Abdelgalil & Cohen, 2007).

It has been observed that majority of developed countries like UK and USA based firms are using the “United Nations Development Program (UNDP)” and “Human Development Reports” since the year 1990 (Ti, 2004). In such countries socio economic challenges are incorporated in order to develop human resources. The reports of the above mentioned trials are used by the firms for the future strategic orientation. These policies will be increasing the rate of the affiliation of the firms among the employees or other individual stakeholders (Pacewicz, 2012).

Abdelgalil & Cohen (2007) stated that human resource management policies of big firms influence socio-economic development of different countries. Earlier it has been observed that economic development strategies did not covered the social wellbeing (McDonnell, 2012). Human resources management strategies are promote growth of employees or stakeholders and economic condition with the help of various factors. International human resource managers are incorporating the political and social instability as per different countries. Henceforth, quality of human capital increases as employees are more satisfied with the help of the CSR or Socio-economic welfare strategies (Noe, 2006). It results high productivity and retention of the loyal employees. According to the globalised business environments productivity is the key of achieving success. Productivity of the employees also depends on the various factors like educational level, management policy and training modules (Pacewicz, 2012).

In addition, Kramar (2013) criticized that the socio economic development also leads to a low wage cost along with higher productivity. This is possible with value added proportions like appraisal and motivation. On the contrary, Gilmore & Williams (2009) stated that global labor market outlines that in order to make high productivity wages will gradually lift up. Human resource managers are adopting the strategies for increasing on job trainings for the entry level graduates. Such policy helps in increasing the capability of the firms and local labor force. Henceforth, economy of the country will gain a growth and development.

4. Conclusion

From the study it has been observed that the socio economic development and human resource management are closely related. CSR and employee engagement are the major socio-economic development strategies of the firms. Mainly HR managers are responsible to increase the motivations and wellbeing of the employees or the stakeholders of the firms. It has been observed that major global firms like Nike, Tesco, ASDA, Walmart, Adidas, Ford and many other are using socio-economic development strategies in order make effective recognition of the employees. These firms are using highly effective reward and motivation strategies in order to increase operational efficiency. Maslow’s Hierarchy of needs models are used as the key factors to motivate employees to perform better. Social economic development strategies are one of major aspect of the human resource management. Management need to identify the areas of development and make proper plans to motivate employees that indirectly leads to enhancement of productivity and social responsibility. Socio-economic development strategies that involves creating jobs so that employment level increases along with the personal economic conditions. Henceforth, human resource development will enrich nation GDP level in the developing countries.

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Abstract

The Development of Information and Communication Technologies (ICTs) has recently been changing almost every aspect of society and economy. Within the new technologies, Internet with has impacted the interactivity between people and the variety of products and brands. When the discussion is not simply about a common product/service, but about a tourist destination, the concepts of marketing and ICTs are even more intertwined. An important aspect of tourist destination marketing is its branding. Destination Branding concept is very important because it make possible for a destination to differentiate from competitors through an unique name and identification in the perception that the target market will have. The aim of this paper is to investigate the impact that Internet has in destination branding, especially for relatively new destinations. The role of Internet is present through a variety of tools, such as web-sites, e-mail, social networks, blogging etc. We will bring the Albanian Case as a new destination to illustrate how the use of Internet and its related tools has helped in constructing a good brand image. Nowadays people find themselves firstly searching for information online about the destinations they want to visit, through Internet and the various platforms, so they are becoming very important as means for branding a destination. Many Internet elements can make a difference in branding if included as needed in the e-marketing strategy of companies that are making the important work about destination branding. The most important elements that have a positive impact in Albania, are content and keywords of Websites and a good level of sharing with social media. While there is much more to do with forms such as blogging, very important tools in SEO and the use of the right elements to raise brand awareness and differentiation.

1. Introduction

The Development of Information and Communication Technologies (ICTs) has recently been changing almost every aspect of society and economy. Within the new technologies, Internet with its Web 2 applications has impacted the interactivity between people and business. The boost of Websites, social networks and their connection, is impacting more and more the relationship with the customer and the marketing function of organizations. With all the diversity of businesses, products, brands and their websites online, trying to attract the attention of customers, in the growing competitive environment, a good website development is necessary.

When the discussion is not simply about a common product/service, but about a tourist destination, the concepts of marketing and ICTs are even more intertwined. A tourist destination may be included in the group of destinations recalled mostly by the consumer, but still it is not enough. An important aspect of tourist destination marketing is its...
branding because the destination must be unique in the mind of consumer as well as differentiated from competing destinations in order to be selected as a final decision. According to Qu et al (2011) the concept of destination branding is critical for a destination to be identified and differentiated from alternatives in the minds of the target market.

According to Inversini and Buhialis (2009) before making any decisions about their travel reservations, travelers spend time locating appropriate information on the Internet, checking different information providers (Vermeulen and Seegers, 2009). So, a lot of studies in the online information search field (Xiang et al., 2008), have attracted the attention of researchers. As a result, one of the most researched topics by academics has become online information search (Pan and Fesenmaier, 2006) because of the importance that the search has in the information that is given to the traveler and the image that can be communicated through the results of search.

The aim of this paper is to investigate the elements that Internet uses to design web-sites and other Internet tools with the right principles of branding a destination in general and illustrate with the case of a relatively new destination such as Albania. The role of Internet is present through a variety of tools, such as web-sites, e-mail, social networks, blogging etc. This paper will focus more on web-sites and Search Engine Optimization (SEO) and their relation with social networking.

The core of destination branding is to build a positive destination image that identifies and differentiates the destination (Cai, 2002). According to Aaker (1996) and Konecnik and Go (2008), consumers have to develop a relationship with a particular brand through a value proposition that either involves benefits or gives credibility, based on the desired identity of the particular brand. In addition to the function of identification, a destination brand differentiates itself from its competitors based on its special meaning and attachment given by consumers.

According to Buhalis et al. (2011), tourism destinations gain with the development of ICTs because it raises efficiency and help in re-engineering communications strategies. While according to Morrison (2013) the Internet and online platforms become the most important venue for destination branding, as well as being the first option when citizens decided to search for information on destinations (Morrison, 2013). The impact of Internet marketing in tourism industry today is profound as it reaches the stage where destination branding cannot be effective without the support of online promotion. This is the way to build up brands from bottom up perspective.

But which are the most important elements present on Internet that must be used to effectively construct brand destinations? Is there a relationship between brand constructing elements of a destination and the Internet search process of travelers to choose the preferred destination? How can a new destination such as Albania implement effectively the Search Engine Optimization Tools to affect the customer perceptions and differentiation from competitive destinations?

2. Literature Review

2.1 Destination branding and its importance

According to Buhalis (2000, p. 98) a tourism destination is a “geographical region which is understood by its visitors as a unique entity, with political and legislative framework for tourism marketing and planning”. Moreover they can be recognized as “a perceptual concept, which can be interpreted subjectively by consumers, depending on their travel itinerary, cultural background, purpose of visit, level of studies and past experience” (Buhalis, 2000).

According to Morrison and Anderson (2002) destination branding is defined as “a way to communicate a destination’s unique identity by differentiating a destination from its competitors”. Destination brands, like brands in general, exhibit two significant functions: identification and differentiation. The literature that deals with branding shows that the meaning of “identification” deals with the description of the product source to consumers. Florek (2005) has defined place as a product as large entity, which uniqueness is formed by various material and non-material elements. Generalizing the identity of a destination in a brand could not be avoided, because it has a complex nature. So to generalize the desired characteristics by the supplier, brand identity is crucial. In this case, by the desired characteristics, it is meant what the supplier wants the target market to perceive about the destination. Fan (2006) in this context explains the importance of defining a target market because of some aspects of a destination which may be evaluated by one segment while impaired to another. The construction and communication of brand identity of a destination in fact is based on two components, the value of the destination perceived by target market (supposed travelers) and the differentiation from competitive destinations. A destination should focus in this value that it is delivering for the traveler, according to types of tourism that is offering and types of tourism services, where according to Baker (2007) tourism destinations point out strengths such as best accommodation, quality restaurants and food, well-designed public spaces, etc. It is more critical to understand what associations of a brand are advantageous over competitors (i.e., points of difference). Points
of difference associations help consumers positively evaluate the brand and attach to the brand (Keller, 2008, p. 107). Nowadays planning and strategy for branding a destination is very important for tourism industry in a destination. A destination tries to be differentiated by its unique characteristics, to give the right information to visitors and to promote the image, through branding.

3. What is the Role of Internet and SEO in Branding Destination

Digital marketing, as an important approach developed in the times of Internet, is used along with other marketing techniques in branding strategy as part of an overall marketing program. This part deals with, as according to Charlesworth (2009), how digital or online marketing can impact the process of destination branding.

The role of Internet includes firstly the capability it has to fill the gap between destination organizations and tourists, side by side with offline marketing. The role of Internet in e-marketing and especially in e-destination marketing, is present through a variety of tools, such as web-sites, e-mail, social networks, blogging etc. Nowadays, the impact of Internet in tourism industry is visible in the destination websites to support online promotion. But the goal is to have a more profound effect, because online marketing is a really important support for the effectiveness of destination branding. This is how brands are built from a bottom up perspective (Eurocities 2010).

On the other hand, some issues in destination branding, such as communication costs or getting world-wide distribution in a short time, are solved by the use of Internet marketing tools.

Sheehan (2010) has mentioned that important tools in website marketing that show their usefulness in destination branding are search engine optimization and social media marketing.

3.1 Web sites and SEO

As part of an e-marketing strategy Search Engine Optimization (SEO) deals with the process needed to achieve the highest possible rank in the search results in a search engine, with the need of proper keywords, resulting in an increased number of visitors. A set of optimization methods are used by a website to achieve a good result in SEO. The key element is the way how a search engine filters the results by the match of keywords used by the visitors with those of the website. The chance of visiting the site by the searcher raises if the website is ranked higher by the search engine. This probability is higher with a good match as mentioned earlier.

Olbrich and Schultz (2008) and Thelwall (2001) state that the literature strongly reasserts the crucial role of SEO as an strategic element of internet marketing, which use can increase the ranking for website, making possible the market domination of the product/service of the website.

SEO is not only about search engines. It is about the people, which in case of destinations are the travelers. The most important factor to achieve SEO from this people point of view is to provide the information they are searching at every stage of the travel planning process. The updates that search engines are constantly undertaking in their algorithms, are not used by them to hinder the lives of marketers, but to bring benefits to both the traveler and tourism operators (or destination), as long as visitors meet with the highest quality search results.

Web 2.0 applications are offering more ways for web developers to create websites with friendly appearance, better exposure, and options for customers’ feedback. But website development process and their content need to include the principles of SEO to raise exposure, information and ranking. Related to destination branding, the information about the brand and its desired characteristics by the target market should be important keywords to develop website not only by destination management organizations or other destination administration and marketing organizations, but also by individual hotels, travel agencies and tour operators. In fact, each of the individual website of hotels, resorts, tour operators, etc. should support building up the destination brand through the appropriate elements that meet brand image and SEO.

3.2 Web 2.0 and Social media

Gruber (2008) says that users have an important opportunity for sharing knowledge, opinions and product information online, because of Web 2.0 application development. The growing influence of this trend on tourism promotion, marketing and sales (Buhalis & Jun, 2011) is making possible a two-way information communication between tourism sector and travelers.

The existence and spread of Social media has led to the power of consumers. In the case of tourism industry,
travelers depend of comments about past tourism experiences of others to decide in an effectively informed way, depending on official websites (e.g., destinations and hotels) as well as on unofficial ones (e.g., tripadvisor.com, blogs) as stated by Inversini and Buhalís, (2009). Buhalís et al., (2011) continues that, to increase tourism revenues and enhance innovation and competitiveness, web pages and social media should be used correctly for communicating the destination uniqueness. This will affect positively in supporting interoperability, personalization and constant networking. While Morrison (2013) claims the important role of Destination Marketing Organizations (DMOs), in the process of websites design and development or social media account content, for providing reasons and purposes for a visit. Using social networks, such as Facebook, Instagram, Youtube, Twitter, Pinterest, etc, not only as separate e-marketing tools but linked to official websites is becoming an usual practice for tourism destinations, by DMO’s and other interested tourism operators. The goal is to build and maintain communities of interest and to collect content generated by the user, which is more reliable and varies in multimedia.

4. Methodology

The methodology of the study includes an exploratory case study that includes two steps both using secondary data. First of all we will investigate the promotion campaigns of Albania as a destination in the last five years. The first analyses with serve to identify by a semantic analyses the key words that may lead to the search for this new destination in the two main search engines, Google and Yahoo.

The second step will identify and include observation of all the websites that communicate the image of Albania after searching with the key words that are supposed to be used by the visitors. The set of around 70 websites according to both main search engines have been observed according to the elements that construct brand image and Internet strategy that literature review has pointed out.

The case study as a research method investigate contemporary real-life phenomenon through detailed contextual analysis of a limited number of events or conditions, and their relationships. Yin (1984:23) Since the case study method enables a researcher to closely examine the data within a specific context (Stake 1995), the case study of Albania will focus on identifying the key elements that are constructing its brand as a destination through digital tools as SEO and social media.

5. How Web Marketing Tools are Contributing in Branding Albania as a Tourism Destination

5.1 Actual branding strategy of Albania

In the last five years, in fact since 2009 Albania has tried to identify itself in the international tourism market as a valuable and excellent destination of choice. In this market, where technology is very important because of the very nature of tourism product and the way information is delivered to tourists, the branding of Albania as a relatively new destination is very important. It is for this reason that last two Albanian governments had paid attention to the communication strategy and promotion. The last two slogans of Albania in fact are: Albania – A new Mediterranean Love” (from 2009 to 2014) and “Albania, Go your own way” (2014-2016).

The comments for the first slogan were not very promising. In fact the slogan tries to identify Albania as one of the Mediterranean destinations giving an image of love, to impress and stay in the mind of the tourist. According to Matador, the world’s largest independent travel publisher, with over 12 million unique monthly visitors, this tourism slogan had good intention: “a signal to the world that it is a newly emerging destination with coasts that are still unspoiled”1. Anyway the comments found it to come across wrong, while sounding a bit promiscuous. While the blogger Nathan Griffits says that another good example from the slogans of 2012 is Albania, ´A New Mediterranean,´ “which gives you a completely different idea about Albania to the one you probably have before you go”2.

The second slogan, on the other hand, was born as a need to adapt to reality and an effort of the Albanian government to increase the number of tourists, foreign ones in particular, among other reasons. The aim was to launch the new image of Albania and its tourist potential, for a European Albania, an Albania of the next Generation. The logo and the slogan aim to convey Albania through a message that represents the country and for a better promotion of tourist potentials.

Does the core of both slogans in the last five years help in finding this destination as the right one from Web

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searchers? Is Albania identified as a distinguished destination through the Websites? And how can help other tools such as SEO and social media in this process? The second phase of exploratory research continued to answer these questions.

5.2 Analyses of Websites

The observation of websites through two search engines was done according to two groups of keywords. The first group was selected based on place: with the keywords: “visiting Europe, Mediterranean, Balkans”, supposing that the searcher knows the region where he/she would go. This search is reasoned on two elements of the first slogan: “Mediterranean” and “New”, which are used to identify Albania as a New destination in Mediterranean. Place is the basic segmentation in the first slogan.

The second group of keywords tested the motive of travel, because this is thought to be the meaning of the second slogan. The differences in search results with the keywords “visiting” and “vacations” are shown in the table below.

After analyzing the sites, we can see that Albania has not appeared in anyone of the websites as a result of the searches in Europe and Mediterranean destinations. Other destinations in the Balkans such as Montenegro and Serbia, appear only occasionally in these test searches, except for Croatia, which is the Balkan destinations most included in the Tour operators, Internet Distribution Systems (IDS) and other Information agent Web-sites. In fact, the challenge to identify Albania as a new destination in Europe can not be considered successful from these test results in the Web.

Table 1: Results of Web search according to place keywords

<table>
<thead>
<tr>
<th>Key words</th>
<th>Europe</th>
<th>Mediterranean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common Websites for both search engines</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>Frequency of Albania</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Frequency of a Balkan destination</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Total of web-site visited</td>
<td>20</td>
<td>20</td>
</tr>
</tbody>
</table>

Source: Authors study

Another element that can be analyzed is the difference in search results in different search engines. Since this is an exploratory study, it is important to know if there is differences in results in different Search engines, because the Websites to be seen by different searchers. We can see that the number of common web sites for both search engines is very low and there is little difference according to keywords used.

Table 2: Results of Web search according to motive keywords

<table>
<thead>
<tr>
<th>Key words</th>
<th>Balkans</th>
<th>Visiting Balkans</th>
<th>Vacations Balkans</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common Websites for both search engines</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Frequency of Albania</td>
<td>9</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Total of web-site visited</td>
<td>35</td>
<td>17</td>
<td>18</td>
</tr>
</tbody>
</table>

Source: Authors study

Types of companies that are shown in the web-site results of the search can be seen in table 3. It can be seen that the most results are Web-sites of Tour Operators, IDS and Blogs. In fact, organizations that can contribute for the brand image of a destinations may be private operators and not only public ones and/or DMS. Since the most frequently presented are blogs, we can say that individuals with a certain reputation and experience in traveling and tourism can also be very important in distributing image of a destination. In fact, some of the blogs, especially in the searches related with Balkans, were helpful regarding the information for different competitive destinations. In fact, Albania should confront with the reality of a raised number of articles written by this bloggers and the User generated content shown in other social media sites.
Table 3: Types of organizations that resulted from key word search

<table>
<thead>
<tr>
<th>Tipology of Web-site</th>
<th>Google</th>
<th>Yahoo</th>
</tr>
</thead>
<tbody>
<tr>
<td>Media</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>IDS</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Blogg</td>
<td>10</td>
<td>9</td>
</tr>
<tr>
<td>Organizations</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Tour operators</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>Social media</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>32</td>
<td>33</td>
</tr>
</tbody>
</table>

Source: Authors study

The third phase of the research continued with the specific search for Albania with keywords, visiting Albania or Vacations in Albania, as a logical result of the first search where this destination is shown 9 times in the Balkan search destinations. The web sites are categorized from the point of view of organization type as shown in the table 4. Then, they are observed according to the elements that must be considered crucial for the brand and according to the proper elements for SEO. The results are shown in the table 5.

Table 4: Type of Organization for search with keyword “Albania”

<table>
<thead>
<tr>
<th>Tipology of Web-site sponsors</th>
<th>Albania</th>
</tr>
</thead>
<tbody>
<tr>
<td>Media</td>
<td>6</td>
</tr>
<tr>
<td>IDS</td>
<td>3</td>
</tr>
<tr>
<td>Blogg</td>
<td>3</td>
</tr>
<tr>
<td>Organizations</td>
<td>15</td>
</tr>
<tr>
<td>Tour operators and other private agencies</td>
<td>10</td>
</tr>
<tr>
<td>Social media</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>37</td>
</tr>
</tbody>
</table>

Source: Authors study

In case of Albania, typology of organizations that sponsored for the websites shown in the search results is divided more between Private Tour operators and agencies in tourism industry and other public, non governmental and governmental organizations. But about 50% of these organizations are not sponsoring tourism sites. Only 22 out of 37, which is about 60% of the sites are tourism sites, which include the private Tour operators and agencies, blogging, IDSs\(^3\) and organizations dedicated to branding Albania. In fact only three Web sites are public organizations that are aimed to Brand Albania in the international tourism market\(^4\). Media is also doing part of the job in branding Albania as a new destination in Balkans, Mediterranean or Europe. Media such as The Guardian, Tirnatimes, Telegraph UK, have articles which are showing the great nature and heritage in Albania, and in some cases include elements of Albanian Brand, but there are not present structured elements of the brand and the right keywords related to brand image.

Table 5: Analyzing websites from SEO perspective

<table>
<thead>
<tr>
<th>Elements for SEO</th>
<th>Number of sites</th>
</tr>
</thead>
<tbody>
<tr>
<td>The existence of keywords related to brand image</td>
<td>9</td>
</tr>
<tr>
<td>Brand-awareness</td>
<td>4</td>
</tr>
<tr>
<td>Blog</td>
<td>5</td>
</tr>
<tr>
<td>Sharable content</td>
<td>14</td>
</tr>
<tr>
<td>Total web-sites (Albania)</td>
<td>37</td>
</tr>
</tbody>
</table>

Source: Authors study

\(^3\) The IDSs are Lonelyplanet, Tripadvisor dhe booking.com

\(^4\) Albania National Tourism Agency (with 2 links) and “Invest in Albania” an NGO.
As table 5 shows the elements for SEO, they are only partly included in the websites visited. Websites that are talking about Albania lack very important elements of brand awareness, elements which are not structured as needed. Keywords also are lacking in most of the websites, but they are present in almost 25% of the sites. Elements such as blogging that impact substantially the SEO, are present only in 13% of the cases, while sharable content is present in almost 38% of the Websites.

6. Conclusions

This research found about the elements of electronic media that nowadays are very important in a marketing field such as branding for a destination. Internet is playing a great role in tourism industry, as in many other industries, to raise profitability through raising customer satisfaction, where brand awareness has a special importance.

The research of the case study linked three important issues: keywords which serve in searching for destinations, site description according to keywords and the recommendation that may lead to a better branding based on the help of technology, especially the use of SEO and social media and user generated content.

The study of Albanian case shows that the most important elements that have a positive impact are content and keywords of Websites, and a good level of sharing with social media. While there is much more to do with the update of information in forms such as blogging, which are very important in SEO and the use of the right elements to raise brand awareness and differentiation from other competitive destinations in the region.

Being an exploratory research about the Albanian case as a new destination in Mediterranean and the Balkans, further research may be very helpful for answering hypothesis such as:

- Different Search engines impact in search results with the same keywords.
- Different keywords according to visitor needs result in different search result about a destination
- Including the right branding elements depends on type of Web-site sponsors

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ETC/UNWTO . 2009Handbook on tourism destination branding, World Tourism Organization, Madrid, Spain
Venetians in Arberia and the Role of Venetian Language in Everyday Communication

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Abstract

This paper aims at presenting a comprehensive overview of Venetian Albanians and the interplay of Venetian language in their everyday communication. In the everyday relations between authorities and the inhabitants of this province, language became a barrier to understanding at a basic level. The local Roman language spoken over a long period of time in Arbëria was slowly substituted by the Venetian dialect. Patricians had knowledge of it before the Venetian period, since otherwise they would have had to rely on translators or soldiers and common clerks who were bilingual. Other language problems Venetians faced with language concerned Serbian in translation offices, a language widely used in Arbëria. It is most likely that there was such an office in Shkodra where in 1409, Ginus Juban, aka Gjin Jubani, appears as a translator. Although he bears a typical Arbër name, it cannot absolutely be stated what his official language was. The superiority of the Venetian language in the judicial and commercial areas had an effect in the Arbëria language as well. Serbian, which had played an important role under the Balshajs among bishops as their official language, became extinct with the fall of these states. Greek was marginalized from Durrës to further south, where there were found islands of Greek settlements around the city of Vlora.

The Archbishop of Tivar Ëilhelm Adae (1332) wrote that Tivari, Ulqini, Svaçi, Shkodra, Drishti were inhabited only by Latin people, but Venetians distinguish here between the Latin and Albanians (1404). The local Roman language was substituted among them by the Venetian dialect, which the patricians knew before the Venetian period. In addition, the Albanian element had penetrated here in the caste of ruling noble families, as has been demonstrated to us by the names of Albanian families and clans like Malliocus, Maliocus (1376 Albanian - malok). Shkodra, apparently, was Albanized completely in XIV; with the onset of the Venetian rule (1399), the bookkeeper (latin comes) was obliged to get a translator because he could not understand the language1.

In the everyday relations between authors and inhabitants of the province, language became a problem in understanding at the basic level. As a rule, the Venetian authorities did not recognize the local language and did not learn it either before they arrived or during their stay in Arberia. Since after their service they could be sent to Italy, Greece, Crimea or Egypt, they could not learn the respective languages. It was only a few Venetian aristocrats who had such a good mastery of the Balkan languages that they could communicate easily with the local people. They must have communicated easily in the cities with the remaining Roman populations. On the contrary, they would have had to rely on translators or soldiers, or clerks of the lower level who were bilingual. Venetians also faced issues with the language of Serbian missions, which were spread throughout Arberia. Since Balsha and Serbian bishops, these powerful neighbors, used in their documents the Slavic language, Venetian authorities were obliged to translate all the texts in Latin or Venetian. Most likely, there was one such translation mission in Shkodra. In Shkodra, one finds in 1409, Ginus Juban, aka Gjin Jubani as a translator; although he bears a typically Arber name, it cannot be stated ultimately what language he operated in. The same uncertainty characterizes the case of Dobrosani from Shkodra (1458). It is different, however, with Stefan Sabini, who as an “arbër translator” definitely used the Arber language (1459)2.

It can clearly be stated that the warfare of the time period was not favorable for the development of cultural life in the Arber area. The conditions for embracing humanist ideas, which had pervaded the 15th century Dalmatia, especially the region of Ragusa, were widely lacking in Venetian Arberia: they were missing an educated lay class which made a living from trade with the far-away countries; for material reasons, the municipalities did not hire intelectual Italians to serve them, Italians of the rank of Philippus de Diversis, who could make the description of the cities in energetic human Latin; what they were lacking were not only financial means, but also a laymen environment with literary interests, like

1 Milan Shuflai Qytetet dhe këshjtellat e Shqipërisë, kryesisht në mesjetë, Onufri 2009, fq. 77.
they had then in Ragusa. In these conditions, under economic and political hardships, it was impossible to experience a bloom of remarkable spiritual life in the Venetian province. Neither the tradesmen nor the authorities and soldiers of Venice could give the lay Arber society any remarkable spiritual life. The key “intellectual” life positions, those of notaries and secretaries in missions, were held in most cases by Italians. The consequences of this were that Latin and Italian in Venice marginalized the old languages in the missions, Serbian and Greek, and – as the statute books in Shkodra demonstrate – they also overlapped the dalmatian dialect of the cities. The “Romanization” of written documents under the Venetian rule can be observed in the documents preserved by the Shkodra mission as well as by the disappearance of the old Slavic mission in Shkodra with the death of Thomas Sclavo, the official and owner of great influence (1429)\(^3\). The superiority of Venetian in the judicial and commercial life had an impact in the role it played with the Arberesh language. Serbian, which had played an important role under the Balashaj-s among the bishops as the language of documents, dissapeared with the fall of these states; Greek was marginalized from Durres further south, around Vlora in the Greek settlements. Never before had the language of missions in Middle and Northern Arberia had such a unified Roman character as it did under the Venetian rule. This resulted in cities being connected strongly in the mediterranean circle through trade. Venetian citizens in Arberia felt that they belonged to the Adriatic cultural space, and so did the citizens of Dalmatian trade.

Debizantinizzazione.

The “debyzantinizatio” of Arberia had reached its climax in the second half of the 15th century. However, it was not followed by any “Arberenization” of the written language. With the only exception of a small attempt by the archbishop Father Pal Enjëlli, who recorded in 1462 a baptism formula in Arberesh language, this language was not used in its written form\(^4\). The Venetian rule instead brought the popularity and solidification of the Roman element. These cultural influences, however, only affected the slight layer of those who could write. As far as the other uneducated group and the language they used and the way they thought, almost nothing can be stated with certainty.

The lack of intelectual activity among the layman cannot, however, be used as an argument that the cultural change in Arberia did not affect Venetian inhabitants. Humanists of Arberesh descent like the famous astronaut and one of Scanderbeg’s most trusted men Gjon Gazulli (aka Johannes Gasulus), could not find the necessary material and intelectual conditions, that is why they immigrated. Gazulli had a career in rich Ragusa\(^5\). Before him, numerous religious men had immigrated to Dalmatia and Italy. This brain drain was caused in essence by the numerous wars in the Arberesh area and by the uncertainty they brought, as well as the frequent stagnations of economic life. It was not talents that were missing in Arberia during Venetian times, it was the general favorable conditions.

Life in the center of the catholic church developed differently. The Arber clergymen relations with Italy had been stiff for a long time and higher clergymen like Pal Engjëlli and Gjergj Pelini knew the Apenin Peninsula well from their frequent trips, which brought them in contact with the humanist movement. Clergymen were in demand in remote municipalities, like Drisht, for their reading and grammar abilities\(^6\). Through the church, especially through the Archbishop Residency of Durres, Middle Arberia saw the renaissance thought in the second half of the 15th century. Scanderbeg recounts in a document how he had been told about the Epirotan origin of his people. The Archbishop Father Pal Engjëlli showed an even higher interest, who most likely, had an impact in the historic consciousness of prince Kastriot. Pal Enjelli, a proud man for the stratification of nobility, spread the myth of his family’s relations with the Byzantine empire dynasty of Angles, a legend which the archbishop’s descendants migrating in Italy used to decorate themselves. Engjelli was especially interested in prince families originally from Byzant or Serbian, who had once ruled in the Arber area. He used for this, as his friends and peers also did, slavic forms for the names. In this spirit, he called the Topia-s in their “Karloviçi” name; he called himself Johan Balsha before the senate “Ivan Balsic or Stezh”\(^7\). These slavic first names demonstrate how around 1465, in Drisht and other generous areas, in such a Catholic and antiserbian place, there were still remnants of the Serbian cultural influence from the royal times\(^8\).

The only two historic works from the pen of inhabitants of the Arber area came out at the beginning of the 16th century in the Italian migration. It is almost certain that the nobleman Johan Muzaki, and the priest from Shkodra Marinus Barletius, author of a family chronicle a biography of Scanderbeg and a history on the siege of Shkodra (1478), had been deeply influenced by Father Pal Engjëlli and other members of his kin. The Angles played an important role during and

\(^{4}\) Elise, History 134v.
\(^{5}\) Elise, History I 27-31.
\(^{6}\) Novak-Sulfai 20.
\(^{7}\) Schmitt, Actes Nr 68 “Juani Balsich alias Stexi”.
\(^{8}\) Schmitt, Angelus.
after the Venetian rule, in creating a historic overview of Arberia, and in their center the immense figure of Scanderbeg and the diverse layer of the high society.

The cultural proliferation of the circle of Angles in their settlement in Venice – let’s remember only the many translations of the work of Barleti, which determined the image of Scanderbeg in the West – should not create on us any illusion that as a great and talented Latin user Barleti, as well as Johan Muzaki, who narrates in a very good Italian, their works were not written in their country but in Italy.

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Milan Shufai Qytetet dhe kështjellat e Shqipërisë, kryesisht në mesjetë, Onufri 2009, fq. 77.
Schmitt, Actes Nr 68 “Juani Balsich alias Stexi”.
Complicity in Committing Criminal Offenses According to the Albanian Law and Law Theory; a Brief Theoretical and Practical Analyze

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Abstract

One of the institutes of the Albanian criminal law is the "collaboration" that is presented in two ways: as a specific circumstance of the particular criminal offense and as aggravating circumstance for offenses in general. Committing an offense in cooperation means actions which exhibit a higher degree of social risk than when the offense is committed by a single person. The issues this paper aims to analyze are: the meaning of collaboration; the law provision; the conditions that must be met in order to have cooperation; its application in practice. The collaboration in crime is going to be analyzed both from a legal and from a practical point of view.

Keywords: criminal law, complicity, accomplices, criminal offense, agreement.

1. Introduction

One of the institutes of the Albanian criminal law is the "collaboration". Provided in the Criminal Code, this criminal institute is presented in two ways: as a specific circumstance of the particular criminal offense and as aggravating circumstance for offenses in general. Committing an offense in cooperation means actions which exhibit a higher degree of social risk than when the offense is committed by a single person. This is why the legislator has found appropriate to impose a more severe sentence in the case of committing the criminal act in cooperation. But what is the collaboration? How does the law provide it? What are the conditions that must be met in order to have cooperation? How is it applied in practice this law provision? In addition to the Albanian Criminal Law, the Supreme Court of Albania has unified the judicial practice for the "collaboration" implementation since judges has applied it in different ways. So the collaboration is going to be analyzed both from a legal and from a practical point of view.

2. The Meaning and Conditions of Collaboration in Crime

One of the institutes of the Albanian criminal law is the "collaboration". Provided in the Criminal Code, this criminal institute is presented in two ways: as a specific circumstance of the particular criminal offense and as aggravating circumstance for offenses in general. Committing an offense in cooperation means actions which exhibit a higher degree of social risk than when the offense is committed by a single person. This is why the legislator has found appropriate to impose a more severe sentence in the case of committing the criminal act in cooperation. But what is the collaboration? How does the law provide it? What are the conditions that must be met in order to have cooperation? How is it applied in practice this law provision? In addition to the Albanian Criminal Law, the Supreme Court of Albania has unified the judicial practice for the "collaboration" implementation since judges has applied it in different ways. So the collaboration is going to be analyzed both from a legal and from a practical point of view.

In the chapter IV, Article 25 of the Criminal Code of Albania it is provided the basic understanding of the collaboration.

"Complicity of Persons in Committing Criminal Offences

Article 25

Meaning of complicity

Complicity shall be the commission of the criminal offence by two or more persons in agreement with each other."

So, according to this article there are some conditions to be fulfilled in order to have collaboration, which are:

1. To have a committed criminal offense;
2. The offenders should be at least two;
3. To have an agreement between them for committing the offense.

In order to have a better understanding of what the accomplice does, the legislator has provided two other articles that explicitly explain their roles: organizers, executors, instigators, and helpers. These are provided in articles 26 and 27 of the Albanian Criminal Code.

"Article 26
Accomplices
The accomplices in committing a criminal offence shall be: the organizers, executors, instigators, and helpers. Organizers are those persons who organize and manage the activity to commit the criminal offence. Executors are those persons who carry out direct actions to carry out the criminal offence. Instigators are those persons who instigate the other accomplices to commit a criminal offence. Helpers are those persons who, through advice, instructions, provision of means, abolition of obstacles, promises to hide the accomplices, traces or proceeds stemming from the criminal offence, help to carry it out."

Article 27
Liability of accomplices
Organizers, instigators, and helpers shall be liable same as the executors for the criminal offence committed by them. In determining the sentence for the collaborators, the court should consider the extent of participation and the role assumed in committing the criminal offence."

Due to its social danger, the legislator has also provided the collaborations forms which are: the criminal organization, the terrorist organization, the armed gang, the structured criminal group.5

3. Unified Practice of the “Collaboration in Crime”

Above, we have mentioned the law provision on collaboration in crime. However, it is worth saying that this provision does not constitute the whole necessary regulation of the collaboration. The reason is that, many judges use to interpret and apply these provisions in different ways in cases where one of the accomplices is unknown or irresponsible for his actions. In some cases, judges have described the involvement of an unknown person or with an irresponsible person as collaboration and in other cases as not collaboration which led to applying the same provision in different ways in different defendants. This has also infringed the famous criminal principle “the law should be applied equally on everyone in the same or similar conditions”. To solve definitely this issue, the Unified Panels of the Supreme Court of Albania with the Unifying Decision no. 4, dated on 15.04.2011 set a unified practice that should be followed by all judges which reviews the criminal offenses. The question raised in this decision were:

1. If it is proved that the offense was committed by two or more persons, of whom only one has been identified, would this offense be qualified as committed in complicity even though the second person or other persons have not been identified? Should it be taken in consideration that the other person is responsible by law (because of age or mental status)?
2. Would the criminal offense be considered as committed in complicity, if by the prosecution because of the failure to identify the accomplice/accomplices, is not filed any charges against the other person or the issues are not separated?

A crime committed by two or more persons is related with the danger that this offense represents. This is the reason that the Albanian Criminal Code has provided collaboration in two forms:

1. As a qualified circumstance the offense is committed through;
2. As a aggravating circumstance of the offense committed.

If the collaboration is provided inside the article in its second or third paragraph, the judge applies only this article and the punishment foreseen in it. On the other hand, if the collaboration is not provided inside the article, then the judge refers to the article 50/gj of the Albanian Criminal Code. In this case two articles are applied altogether to qualify the

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1 Albanian Criminal Code
2 Albanian Criminal Code
3 Article 28 of the Albanian Criminal Code
4 Decision of the Unified Panels of the Supreme Court, no. 4, dated on 15.04.2011
5 Provided in the second or third paragraph of the articles of the Albanian Criminal Code.
6 Article 50 of the Albanian Criminal Code.
offense: the article which provides the criminal offense and the article 50/gj. As for the punishment, in the second case, the judge applies the one foreseen in the article by taking into consideration its minimal and maximal punishment. The crime committed in collaboration constitutes a more dangerous crime, so the punishment shall be more severe.

4. The Agreement as One of the Criteria of Collaboration

Another element required by the article 25 is the agreement between the accomplices. The agreement should be real and proven. This is another moment where the unifying attitude from the Supreme Court was needed. So, the agreement can be reached before, during or after the crime commission. What is important is the fact that the offender aims a certain result. As it is already known, an agreement to be reached needs a bilateral or multilateral expression of will by the parties included in crime commission. In our case, if one of the accomplices is irresponsible due to age or mental state or remains unidentified, do we still have an agreement in the criminal sense as required? Well, the answer is yes. No one can get rid of their responsibility of committing crime in collaboration if the crime is committed with other persons not responsible. This attitude is based also on another principle of the criminal law which is the individual responsibility. Despite the circumstances the crime is committed everyone has its own responsibility. Even though one or more accomplices do not have criminal responsibility (because of age and/or incapacity) the other/others that fulfill the criteria do have the responsibility for a crime committed in collaboration. The criteria needed to be present are:

1. Two or more offenders involved in the same crime;
2. The crime is committed through all its material elements;
3. Each of the offenders have undertaken actions which are part of the crime;
4. The knowledge of at least one of the offenders that they are collaborating with others to commit the offense.

Different criminal laws of different countries provides different provision on this regard. The Italian\textsuperscript{7} and Greek\textsuperscript{8} Criminal Codes provides the same regulation as the Albanian Criminal Code. The German Criminal Code provides the opposite: the person who pushes another person to commit crime, and who knows that the second one is unable to understand its action and thus is not legally responsible, is not charged with committing crime in collaboration but for pushing or using another person to commit an offense.

A similar case is foreseen in Albanian Criminal Code: if a person pushes or pulls another person under 14 years old to commit an offense without being involved in the actions of this offense, then he is accused for pushing or pulling minors to commit a crime.\textsuperscript{9} On the other hand, if a person involves himself in actions part of the crime with a not more that 14 years old, then he is responsible for pushing and pulling in crime and also for collaboration.

5. Conclusions

As a conclusion to this study, one of the most important institutions of the criminal law in Albania is the collaboration. Provided in the Albanian Criminal Code, this criminal institute is presented in two ways: as a specific circumstance of the particular criminal offense and as aggravating circumstance for offenses in general. According to this article there are some conditions to be fulfilled in order to have collaboration, which are:

1. To have a committed criminal offense;
2. The offenders should be at least two;
3. To have an agreement between them for committing the offense.

In addition to the Albanian Criminal Law, the Supreme Court of Albania has unified the judicial practice for the “collaboration” implementation since judges has applied it in different ways. According to the Supreme Court, the criteria needed to be present are:

1. Two or more offenders involved in the same crime;
2. The crime is committed through all its material elements;
3. Each of the offenders have undertaken actions which are part of the crime;
4. The knowledge of at least one of the offenders that they are collaborating with others to commit the offense.

The Supreme Court in its decision is based on the individual responsibility. Despite the circumstances the crime is committed and everyone has its own responsibility. Even though one or more accomplices do not have criminal responsibility (because of age and/or incapacity) the other/others that fulfill the criteria do have the responsibility for a crime committed in collaboration.

\textsuperscript{7} Articles 112 and 119 of the Italian Criminal Code.
\textsuperscript{8} Articles 45 and 49 of the Greek Criminal Code.
\textsuperscript{9} Article 129 of the Albanian Criminal Code.
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Albanian Criminal Code, Articles, 25, 26, 27, 50, 129.
Italian Criminal Code, Articles 112, 119.
Greek Criminal Code, Articles 45, 49.
Decision of the Unified Panels of the Supreme Court of Albania, no. 4, dated on 15.04.2011.