

IMPACT AND CHALLENGES OF IMMIGRATION IN THE ALBANIAN ECONOMY

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ABSTRACT

This research shows the impact of immigration on the Albanian economy. Albania suffered three strong shocks, the earthquake, the pandemic, and the economic crisis that is all over the world. These are strong reasons that are leading to an increase in the number of immigrants to the EU countries in recent years. The study uses data collected through a special survey of 312 questionnaires, about why they want to leave Albania. What is the main reason that is forcing young Albanians to leave Albania? To conduct the study, the literature desk study, descriptive statistical method, and logistic modeling method are used. The study highlights the main factors of the increase in the number of immigrants as the cause of the lack of development prospects in the country, poor economic living conditions, unemployment, or few employment opportunities, which result in insufficient income for Albanian families. Poor health services and public services in general and poor political stability are other reasons for migration. Unemployed people, as well as people who were self-employed in the last country of migration, have a stronger tendency to re-migrate. The study also highlights the lack of effective policies to support youth and emphasizes the need to involve youth in the formulation of the government's political development agendas, which would ensure faster economic development of the country and address more adequate and effective migration issues.

Keywords: Emigrant, Migration, Economy, Statistical Model.

INTRODUCTION

The migration of Albanians, which started in the early 1990s, was one of the most important human events of the post-socialist transition in Europe and helped define a new "map of European migration. The Albanian transition from communism to democracy after the fall of communism can also be shown as a history of migration, both internal and external because one of the most visible features of the Albanian transition has undoubtedly been migration (Osmani, 2022).

Images of overcrowded boats with thousands of Albanians fleeing to Italy to escape a country collapsing into political and economic chaos dominated the media and became part of the global iconography of migration in the 1990s (King R. &, 2002). Not only what we said above, but also nowadays, immigration in Albania is increasing every day towards EU countries as well as the United Kingdom.

According to INSTAT8, five factors are estimated to currently influence emigration toward the EU, including; work opportunities abroad (84%), family reunification (4.6%), unemployment rates in Albania (4.2%), study opportunities abroad (3.5%) and other factors (3.6%). Additional pull factors are also a higher quality of training and educational opportunities abroad. In turn, shortcomings of public services have served as push factors, adversely affecting migrants' efforts and chances to return and settle in Albania (IOM 2. , 2019-2020). According to the Ministry of Interior (2015), in 2011 there were about 1.4-1.5 million migrants, a figure that is 33 percent of the population (Interior, 2015).

The number of migrants continued to increase every day. Research in this area could not only facilitate identifying the causes or reasons for re-leaving but also assess their relevance and contribute to a more complete and realistic investigation of the problem and to the most effective treatment of the problem of migration and, perhaps, in slowing down or overturning his tendencies (Osmani, 2022). The study also highlights the lack of effective policies in support of young Albanians who want to leave, also emigration has led to the maximization of the income of the Albanian state thanks to the sending of remittances.

LITERATURE REVIEW

"Drawing historical comparisons is always a fraught process, especially when the subject is as contentious as immigration" — **James Hannan**

The topic of migration, also for Albania, is one of the most prominent and developed topics today. It focuses mostly on poverty, its causes, factors, trends, and intensity, but also on policies, the role of the government, and their effectiveness.

Around the world, more than 280 million people are international migrants (Nations, 2020). Migration is not a new phenomenon. People have always moved toward other countries, searching for better conditions for themselves, escaping bad weather situations or the ensuing consequences of war. Nowadays, migration is more complex and faceted, involving both societal macro-levels as well as an individual's reality. Nowadays, migration is more complex and faceted, involving both societal macro-levels as well as individual realities. According to the International Organization for Migration (IOM), a migrant is '...any person moving or who has moved across an international border away from their habitual place of residence, regardless of whether the movement is voluntary or not, the causes of the movement or the length of the stay (IOM, 2018) . From the point of view of migration scholars, Albania is a wonderful laboratory for the study of migration in its various forms—international, internal, and return migration (Iir Gedeshi & Russell King , 2018). The role of return migration in shaping the economies of the home countries to which people return has gained considerable attention in the literature that recognizes migrants as important sources of change (Heim, 2022). Albanian emigration represents a unique case in international migration due to the significant size of the population outflow and the type of migration that is almost exclusively directed toward two destination countries, Greece and Italy (J, 2013). After the overthrow of the political system in 1990, the first departure of Albanians to Italy and other European countries began. The Albanian migration to Italy, which started in the early 1990s, was one of the most significant human events of the post-socialist transition in Europe and helped to define an "new map of European migration" wherein, for a time, the Southern European countries took center stage (Eralba, 2021). In less than two decades, the profile of Albanian migrants switched from individual pioneers, mainly young men, to settled families (Eralba, 2021).

This paper presents the main trends and drivers of migration in Albania over the last decade and significant insights into the economic and social impact that migration creates. Historically, the major waves of Albanian migration have occurred during important historical and political events in the country (VULLNETARI, 2003). Albanian migration has its own specific features due to the continuous dynamics in the country's development, and the push and pull factors of migration follow this pattern. At first, Albanian migration was considered almost a survival migration. Lack of economic resources, poor health services, and poverty have nurtured the willingness to find a different life elsewhere. The flow of migration is oriented from rural areas to urban; paralleled by the pattern from big cities to other countries (H, 2015) Albanian migration has changed in terms of purposes, gender, age, and country destinations.

Recently, Albanians emigrate to improve their economic state, have better professional opportunities, secure a better future for their children, and leave behind some social and cultural constraints, such as in the case of women and marginalized groups.

DATA AND METHODS

The research is based on primary and secondary data analysis. It consists of a literature review on potential migration as well as qualitative and quantitative methods. The main method of data collection for this study was semi-structured interviews with emigrants who left and those who wanted to leave Albania. The data are entered in Excel and processed with the Statistical Package for the Social Sciences program. We collected 312 respondents from the age range of 18–65 who were asked about the main reasons for emigrating outside the borders of Albania. The results of the study present the reasons for the increase in the number of people who are leaving every day for EU countries.

Table 1: The gender of interview

Description	Frequency	Percent	Valid Percent	Cumulative Percent
Female	266	85.3	85.3	85.3
Male	46	14.7	14.7	100.0
Total	312	100.0	100.0	

Source: Author, 2023

Of the 312 interviewed, 85.3 % are women and 14.7 % are men.

Table 2. The place of living

Description	Frequency	Percent	Valid Percent	Cumulative Percent
Rural	38	12.2	12.2	12.2
Urban	274	87.8	87.8	100.0
Total	312	100.0	100.0	

Source: Author, 2023

According to the data above, 12.2% lives in rural areas, and 87.8% lives in urban areas. After the 90s, a rural exodus occurred in Albania. Most of the Albanian families left the villages and headed towards the urban areas.

Table 3. Education of the interviewers

Description	Frequency	Percent	Valid Percent	Cumulative Percent
Without education	8	2.6	2.6	2.6
High school	42	13.5	13.5	16.0
Secondary school	82	26.3	26.3	42.3
University	180	57.8	57.8	100.0
Total	312	100.0	100.0	

Source: Author, 2023

The table above shows the data on the education of the interviewers. 2.6 % are without education, 13.5% are in high school, 26.3 has finished secondary school and 57.8 are with a university degree.

Gender (0=F, 1=M)	Age	Place of living (0 vilage, 1 city)	Education	Your monthly income	Would you like to emigrate outside of Albania (Yes, no)	If yes, specify the reason	What do you think is a strong reason that makes people emigrate abroad
Gen	Age	Place	Edu	Income	D	Reason1	Reason2

Table 4. What do you think is a strong reason that makes people emigrate abroad

Description	Count of Reason1	Percent %
Low income	104	33.3
Increasing the standard of living	54	17.3
Safety for the future	98	31.4
Educational reasons	56	17.9
Total	312	100

Looking at the answers above, I think the Albanians have strong reasons to leave. In recent years, we see a great tendency of young people to leave.

Table 5. Would you like to emigrate outside of Albania (Yes, no, maybe).

Description	Count of Reason2	Percent %
Yes	198	63.5
No	56	17.9
Maybe	58	18.6
Total	312	100

The data above shows that 63.5 % wanted to leave Albania, 17.9 % don't want to leave Albania and 18.6% are confused.

Table 6. The most populated countries by Albanians

Description	Frequency	Percent	Valid Percent	Cumulative Percent
United state	130	41.7	41.7	41.7
England	44	14.1	14.1	55.8
Germany	24	7.7	7.7	63.5
Switzerland	18	5.8	5.8	69.2
Italy	64	20.5	20.5	89.7
France	32	10.3	10.3	100.0
Total	312	100.0	100.0	

Source: Author, 2023

America, Italy, England and France are among the most populated and preferred countries by Albanians to emigrate to, taking into account the fact that these 4 countries are among the best paid in terms of the workforce, specifically 41.7% want to go to America, 20.5% Italy, 14% England, and 10% France.

Table 7. Is the establishment of the new policy, the increase of remuneration for the birth of children, a fair decision?

Description	Frequency	Percent	Valid Percent	Cumulative Percent
Yes	84	26.9	26.9	26.9
No	228	73.1	73.1	100.0
Total	312	100.0	100.0	

Source: Author, 2023

From the table above, we see that 73% of the respondents do not consider the reward for the birth of the third child as something optimistic, but as a policy that should be looked at in more detail, while 26.9% say that the decision to increase the reward for the birth of the third child is a positive policy.

Table 8. Reasons why;

Description	Frequency	Percent	Valid Percent	Cumulative Percent
High costs of living	220	70.5	70.5	70.5
Expensive medical visits	44	14.1	14.1	84.6
Unemployment	14	4.5	4.5	89.1
Other reasons	34	10.9	10.9	100.0
Total	312	100.0	100.0	

Source: Author, 2023

Logic Model:

$D=f(\text{Gen, Age, Place, Education, Income}) + e$

Model: Ordered Log it, using observations 1-313 (n = 310)

Missing or incomplete observations dropped: 3

Dependent variable: D

Standard errors based on Hessian

	<i>Coefficient</i>	<i>Std. Error</i>	<i>z</i>	<i>p-value</i>	
Gen	0.932530	0.459050	2.031	0.0422	**
Age	0.0500090	0.0302853	1.651	0.0987	*
Place	-0.774721	0.765270	-1.012	0.3114	
Education	-0.0873734	0.237257	-0.3683	0.7127	
Income	-0.0993765	0.0910798	-1.091	0.0352	
cut1	-1.23042	1.48974	-0.8259	0.4088	

Mean dependent variable	0.877419		S.D. dependent var	0.328485
Log-likelihood	-110.2507		Akaike criterion	232.5014
Schwarz criterion	254.9209		Hannan-Quinn	241.4638

Source: Author, 2023

Number of cases 'correctly predicted' = 272 (87.7%)

Likelihood ratio test: Chi-square (5) = 36.5663 [0.0000]

CONCLUSION

Of the 312 interviewed, 85.3 % are women and 14.7 % are men. According to the place of living, 12.2% lives in rural areas, and 87.8% lives in urban areas. According to the data on the education of the interviewers, 2.6 % are without education, 13.5% are in high school, 26.3 has finished secondary school and 57.8 are with a university degree. America, Italy, England, and France are among the most populated and preferred countries by Albanians to emigrate. Taking into account the fact that these 4 countries are among the best paid in terms of the workforce, specifically 41.7% want to go to America, 20.5% Italy, 14% to England and 10% France. Also, we see that 73% of the respondents do not consider the reward for the birth of a third child as something optimistic, but as a policy that should be looked at in more detail, while 26.9% say that the decision to increase reward for the birth of the third child is a positive policy. But it is not sufficient.

It turns out that emigration depends on gender and income (men try more) and age (younger people more). Other factors do not affect them (where they currently live and their education).

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