

ALBANIA OVER THE PAST TWENTY-FIVE YEARS: DEMOGRAPHIC SURVEY AND SOCIO-ECONOMIC RELATIONSHIPS BETWEEN BARI AND TIRANA¹

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1. Introduction

Albania has a long history of migration, although this phenomenon reached its highest degree as a result of the political instability of 1990s, which caused a huge migratory flow together with a domestic redistribution, characterized by a concentration in Albania's major cities. Following the migrant waves of 1990-91s, 1996-97s and 1999s, the international migratory flows, while still significant, decreased and stabilized, as a consequence of both provisions which Albania and the destination countries put in place to regulate the fluxes and of the economic upturn which limited mass migration (CeSPI, 2010).

Since 1990 up to the present about one fifth of the adult Albanian population has changed its residence within Albania and in more than one third of households at least one family member has migrated abroad (INSTAT, 2014). Among destination countries, Italy has a significant role, as shown in this paper: the strengthened presence of Albanian citizens in the country has represented a pivotal moment in the evolution of the integration process *lato sensu* (Ciuffoletti T., 2007). In particular, the necessity to redefine and recalibrate public policies has arisen, in order to implement the most appropriate programs to fit the new needs of the Albanians, both in the first and the second generation, which seek a social ransom and see in the entrepreneurial initiative, to cite an example, a possibility for success and not a subordinate integration (Valtolina G. - Marazzi A., 2006).

Nonetheless, the researches on the Albanian population in Italy show how the strongly negative image of the Albanian migrant in the past is still influential. It seems that Albanians have reacted to this image by aiming for an integration which focuses on the invisibility of their identity, by avoiding a visible socialization, by creating few associations, by preferring, instead, more familiar organizations and within their community (King R. - Mai N., 2009). Consequently, it is possible to

¹ This paper is the result of the collaboration between the two Authors, in particular, the paragraph 1 is attributable to G. Da Molin; paragraphs 2, 3, 4 and 5 are attributable to A. Veshi; the paragraph 6 to both Authors.

state that today the above attitude of the Albanian migrant has generated a positive metamorphosis of their perception in the Italian society, thanks to numerous factors, such as the Albanian capacity to fight for feeling “accepted” (Romania V., 2004). An example of positive integration is represented by entrepreneurial activities started by Albanian citizens (Centro Studi e Ricerche Idos, 2014).

Starting from these considerations, this paper aims, on the one hand, to analysing the presence and the characteristics of Albanian entrepreneurs in the land of Bari, the potential protagonists of integration, and, on the other hand, to detecting the interrelations with the country of origin on the other shore of the Adriatic Sea, by focusing on the role played by the Institutions in promoting, or not, the start, growing and development of foreign entrepreneurial activities.

Undoubtedly, the choice to stay or to return to their homeland is determined by the interconnections with their co-nationals and by the real life conditions in the host country; furthermore, the geographical proximity to both Greece and Italy facilitated circular migrations (Massey D. et al., 1993).

On this question, the most recent literature points out that returning to their homeland, under different conditions, is no more only the consequence of the end of the migratory event or its failure, but it is more often the result of new phenomena arising, i.e. the younger age of the migrants who return, the existence of projects and definite objectives for their future, or also the tendency to contribute to the growth of their country of origin through the realization of investments, the starting of entrepreneurial activities, of initiatives for cooperation and development (Caruso I. - Venditto B., 2008).

Therefore, through the analysis of circular migrations the strong connections between the home and host countries may be detected, along with the double identity of migrants and the positive impacts of these flows on Albania in terms of economic, social, and cultural growth which mitigate the negative effects within the population structure.

2. Destination countries: Italy and the case of Apulia Region

According to the data available on the United Nations Population Division website, Albanians have spread worldwide in 59 countries in all continents, with a higher concentration in European countries. The initial number of legal immigrants was 123,506 in 1990, and surpassed 1 million in the last years.

The analysis of Albanian presence in each continent shows that Europe has the highest percentage of Albanians (89.37% in 1990 and 91.44% in 2013), followed by North America (5.58% in 1990 and 7.78% in 2013), while the other continents register a lower presence (UN, 2015).

With respect to destination countries, Italy's record of presence in 1990 was reset by Greece in 2000, when the Albanian population significantly increased and in 2013 it was estimated to exceed the presence in Italy by more than 125 thousand people. In spite of this drop, the Albanian presence is still substantial: ISTAT's data show that the number of residency permits Albanians applied for has risen throughout the years, from 24,886 permits on 1st January 1992 to 498,419 on 1st January 2015, while the Albanian resident population amounts to 490,483 people (ISTAT, various years).

Hence, a regular increase has been recorded both as an absolute value and for the gender and when the number of men shrank (in 1995, 2006 and 2012), this was compensated by women. What is more, throughout the years, on the one hand, the number of residency permits has risen, on the other hand, the gender gap has decreased: by way of illustration, on 1st January 1992, men were given 85.9% of residency permits; on 1st January 2015 the percentage dropped to 51.9%, mostly due to family reunification.

Originally stigmatised and victims of prejudices and mistrust by the Italian population, Albanians in Italy represent an exemplary case of a community which was able to blend and break the wall of fear around them (Caritas di Roma, 2003).

Among all successful experiences in different parts of Italy, this paper focuses on the case of Apulia Region: not only Apulia represents a destination land for many foreign citizens and particularly for Albanians, but also Albania has stronger relationships with the Adriatic regions of the country, in particular with Apulia (CNEL, 2013).

Having said that, economic integration is not the only significant factor: the geographical proximity, the fact that it has been the destination of the first arrivals, has made Apulia Region a land of experimentation where the changing attitude of local population has been mostly perceived, from hostility to welcome.

According to the estimates on 1st January 2015, 117,732 foreign people resided in Apulia, and 23,324 were Albanian citizens followed by Romanian citizens, which represent 4.8% of Albanian population residing in Italy. Considering the distribution on the regional territory, data show that half of Albanians live in the Province of Bari (52.6%), the second half is almost equally distributed in the provinces of Lecce (11.6%), Foggia (11.0%) and Brindisi (10.2%), with only a small percentage in the provinces of Taranto (8.3%) and Barletta-Andria-Trani (6.4%). In other words, the province of Bari has the highest presence of Albanians, which have the first place among the other nationalities.

3. Methodology and data

In order to understand the process of integration of Albanians in Italy, the socio-economic status and cultural, legal or political factors may be taken into consideration, supposing that the bigger was the change in status, from a low to a higher status, the more their integration path was successful (Golini A., 2006).

This research work focuses on the Albanian community residing in the Province of Bari, and, particularly, on the entrepreneurs, and also considers the area of the Province of Barletta-Andria-Trani by following the system of data filing of the Chamber of Commerce of Bari. Thanks to the data supplied by this institution an on-site survey has been carried out *ad hoc*.

The research was conducted through questionnaires for 450 Albanian entrepreneurs, which represent the total amount of the active entrepreneurial activities, according to the most updated data of the first half of March 2015. Data have been skimmed, thus deleting data duplication (as the Chamber of Commerce registers both the main location and the local branches), Italian persons born in Albania, the inactive businesses or in the process of closure. The survey has been conducted mainly *face to face* through questionnaire at the business headquarters, in the most frequented meeting places and, thanks to networks of friendships and acquaintances, by creating the opportunity for group meetings.

The survey consists of five sections related to their relevant sector. Firstly, the socio-demographic characteristics were observed: sex, age, marital status, town of residence and religion. Secondly, the family condition was analysed: the composition of the housing unit, any children, the partner's nationality, the characteristics of dwellings. At the same time, the interviewees were asked about their education and their life in order to investigate the reasons that drove them to leave Albania, the length of their stay in Italy, the typology of their residency permit, the main difficulties they had to undergo when they arrived in the country, the fundamental values inciting them to live here, the network of friendships and the most frequented meeting places in their spare time. Furthermore, the respondents were asked to give a general assessment of their life experience in Italy, to talk about the frequency and features of the link with their country of origin, to give an opinion of their co-nationals in Italy. The last two sections focus, on the one hand, on the previous work situation in order to identify any prior experience in the same field, on the other hand, on the characteristics of their business and the relations with the institutions. In particular, the labour sectors were analysed and the typology of the business they have started from a quality perspective, the motivation, the relations with their suppliers and their clients, the difficulties and, on the other hand, the initiatives where they have been given support in starting and running their business. Finally, the interviewees were asked

to mention those services that, in their opinion, should be improved to better support businesses.

When the questionnaires were completed, data were imported and processed through the software S.P.S.S. version 22, the simple frequencies and eventual associations among variables were analysed. At the end, to test the statistical significance of the relations in the double entrance charts, the test of χ^2 was used fixing p-value less than 0.05.

4. Characteristics of the interviewed entrepreneurs

In the population of reference, men represent 77.8% and women 22.2%. The age distribution shows a higher concentration in the age of work productivity, 35.1% between 35 and 39 years old, 34.9% between 40 and 49 years old, whereas the over 50 (19,3%) and under 30 age groups represent about 1/10 of the total². As far as the town of residence is concerned, the Albanian population is concentrated in major cities like Bari, which sets the record with 18,9% Albanian residents, or in the hinterland. What is more, in the towns of Altamura, Trani and Santeramo in Colle there is a massive presence of Albanian citizens due to the presence of several stone works and craftsmanship enterprises. As regards the housing of the interviewees, it is interesting to observe that a few of them, for necessity or for tradition, share their relatives' house (3.8%). Most of them (53,8%) own their house, a sign of positive integration and settling in the territory, of social ransom and financial means.

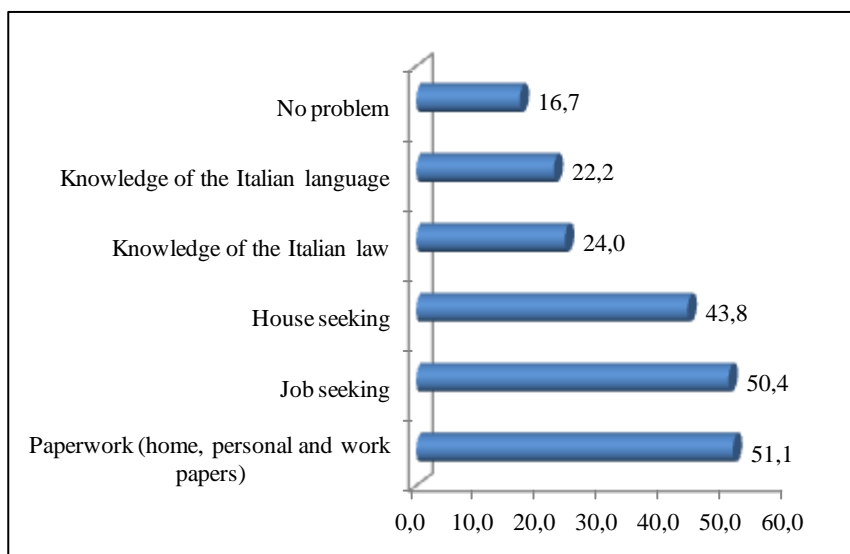
Several more integration signs may be mentioned: most of them are married and cohabitant and have children; they have a good educational level; their family network is founded on the equal role of men and women; their friendship network is stable with both their co-nationals and Italians; some of them have Italian citizenship (37.3%), which denotes a high level of integration.

On their arrival in Italy, they had to face several difficulties, especially if they were unable to trust a family or friendship network (Caritas di Roma, 2003).The

² The limited number of migrants of an older age group is due to this activity having been significantly spread only recently, following the slow legislative journey which allowed migrants to access to self-employed work. In Italy, known for its heritage of migrant entrepreneurship, a series of international agreements used to grant only citizens in destination countries for Italian migrants to start a business in their own country. The "reciprocity" prerequisite was waived only in 1990 by "Act Martelli" (Act 39/90), which allowed legal migrants to work as self-employed. Nevertheless, this provision was not abolished on a general basis and for all foreign legal residents in Italy up to the "Act Turco-Napolitano" in 1998, which enabled all migrants to start a career in industry, craftsmanship and commerce, to do a profession, to start corporations or partnerships, to access to company positions (Micheli S. - Nencioni C. - Benini R., 2006; CNA, 2011 and 2013).

interviewees underlined that the hardest obstacle was paperwork (home, personal and work papers) and job seeking because of the initial hostility (Graph 1).

Graph 1 – What are the main problems you faced just arrived in Italy?(%)



Source: our processing on survey's data

By analysing their previous jobs, half of the interviewees were employed before becoming entrepreneurs; men (63.4%) show a lower degree of unemployment (6.6% men, 9.0% women) and few of them have attended a course before starting their own business (15.4% men, compared to 30.0% women); on the other hand, it seems that women have been more educated and audacious, as from students they have become entrepreneurs, or from housewives (9.0%) they have become self-employed, by necessity or for the will to take a challenge. Of 325 interviewees who were employed before starting a business, almost a half focus only on two fields: 26.5% were employed in agriculture and 23.1% in personal services.

With respect to labour agreements, widespread job insecurity and illegality is still confirmed: only less than an half of respondents (47.4%) had a subordinate contract; 15.7% had to open a VAT number to start their job and 36.9% had no legal contract.

In spite of this evident job insecurity, most of Albania's wealth is the result of migrant remittance which strongly contribute to their family and relatives' wellbeing in their home country, despite a substantial decrease caused by the recent years' recession. The interviewees stated that they transfer money to Albania

through relatives or friends (51.3%). The majority, 83.1%, transfer to their parents, 11.3% to their brothers and sisters and the remaining 5.6% to other relatives. Even so, these data must not be misleading as the frequency of relationships with their country of origin, due to the geographical proximity, represents for the Albanian entrepreneurs the possibility to bring what is needed to sustain their family. Effectively, only 1/5 of the interviewees return to Albania only on special occasions (for work or family anniversaries), while most of them declare they return at least once a year or several times in a year. These data confirm the previous hypothesis, i.e. there is a tight link between the Albanian entrepreneurs of the Province of Bari and the country of Eagles, constant relationships which allow to interweave and maintain reciprocal exchanges, both on the economic and socio-cultural point of view (Centro Studi e Ricerche Idos, 2008).

5. Difficulties and outlook of Albanian businesses

Besides the difficulties aforesaid, the interviewees have encountered more difficulties related to the start of the entrepreneurial activity. In addition to the limited financial availability to invest (40,4%) and, more specifically, the possibility to get bank loans (23,7%), the main difficulties in the initial phase of their business were, and in some cases still are, the excessive bureaucracy for more than a half of respondents, the company management and some difficulties with their clients and suppliers.

The analysis of the business sectors has highlighted a diverse situation, although, in general, there is a concentration of businesses in the fields of construction and craftsmanship (39.8%), where 46.9% are men entrepreneurs, while women represent only 15.0%. Conversely, the sector where women have a prominent role is commerce (25.0% are retailers, 7.0% are wholesalers and 5.0% are pedlars). Women entrepreneurs in this sector are 37.0% out of 20.0% of men. In addition, a high presence of women is also registered in personal service (18.0% out of 6.3% of men in the same sector), while their presence decreases in catering and tourist hospitality (11.0%), which has a high presence of men (8.0%) like in wholesale field.

Equally distributed in the sector of company services, Albanian entrepreneurs seem not very interested in the industrial sector, apart from manufacturing, where they have implemented their *know how* acquired in their country of origin or as subordinate workers in Italy. Probably, the easiest explanation seems linked to the fact that, generally, migrants who start an economic activity have limited financial resources. Consequently, they are rarely able to reach highly technological sectors,

but they focus on hard manual labour jobs where they could, however, start an unfair competition for Italian local SMEs.

As far as business typologies are concerned, a gender difference has not been recorded, while the small dimension of activity may be significant: 75.1% of the Albanian entrepreneurs interviewed have started an individual company, together with family-run businesses, managed by a husband and a wife, who both own a VAT number. A fragmentation can be noticed and shows a difficulty to unite and constitute more stable and organized businesses, as shown by the numbers of those who have started partnerships (8.0%) or corporations (14.0%) or cooperatives (1.8%) and associations (0,2%), where they have faced a higher risk of failure and worsening of their condition following the economic downturn for lack of team play (ISTAT, 2015). Furthermore, these are businesses where mostly all partners are Albanians (more than 60.0%), but there are also mixed businesses with both Albanian and Italian partners. Considering the number of employees, the small dimension of enterprises is confirmed by the following numbers: 46.7% of interviewees have no employee, 37.6% have 1-2 employees, while 14.2% merely have between 3 and 15 employees, finally 1.6% have more than 15 employees.

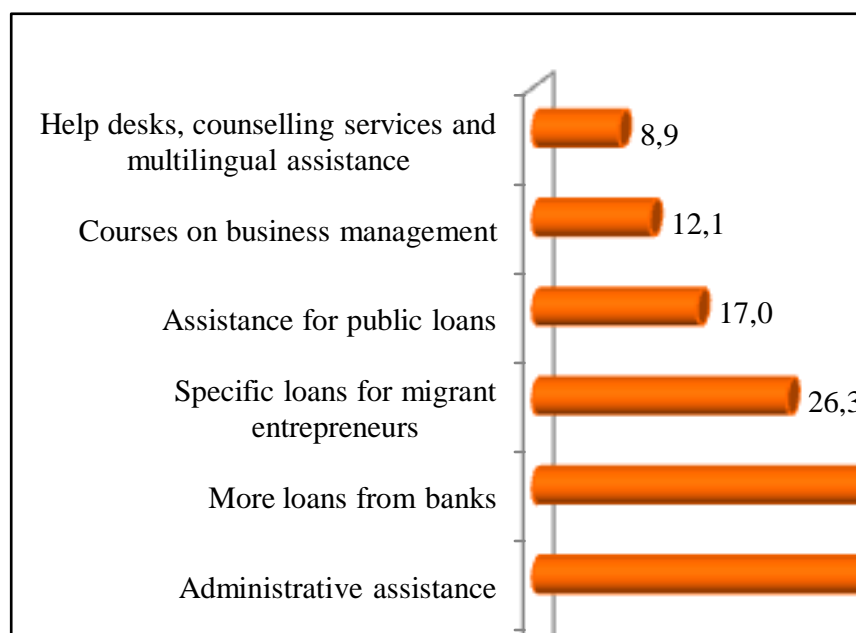
A further feature related to the business dimension and stability, to the number of partners and employees, is the data on the years of activity and the sales volume. These enterprises are relatively young, are on average 5.92 years old, were able to resist the negative situation despite some difficulties, as the numbers of sales volume demonstrate: 40.2% of the entrepreneurs interviewed have a sales volume between 10,000 and 20,000 euros (women are 48.0% and men 38.0%); then 28.2% have a higher sales volume but by 50,000 euros, with no gender differences; a higher percentage of interviewees admit they have a low sales volume, by 10,000 euros, with a men–women gap of 6.6 points; finally, only 7.8% have a sales volume of over 50,000 euros and fewer over 100,000 euros.

The initial investment to start their business has been relatively small and data show that for 81.6% of respondents the start-up capital was under 10,000 euros, while it was higher for a few women entrepreneurs. The data highlight that these are not highly technological businesses, mainly due to the difficulty in finding loans and public incentives, and to the inability to start stable businesses which could enjoy *ad hoc* measures both on a regional and on a national basis, like the support policies by SMEs, the enterprise micro credit, the incentives for cooperatives and several guarantee funds.

The pivotal protagonists who allowed the start of their business were the Albanians themselves; followed by accountants, trade associations and legal counsel, and for some the banks which trusted their projects. The help desk for productive activities of the Chamber of Commerce, the centre for financial assistance, charitable institutions and public bodies have helped them more with

bureaucratic paperwork than with the support of their activity; to conclude, a few cite trade unions, but a high percentage affirm they have received no support. Among the services which should be improved to better support Albanian enterprises, the interviewees underlined the necessity to have a better financial and administrative support, as the bureaucracy and ever changing regulations represent a heavy obstacle; in addition, they stress the importance to have bank financial support to get subsidized interest rate loans; more specifically, 26.3% of the interviewees said that they would find non repayable loans for foreigners useful for their enterprise and 17.0% would like to receive better assistance on the procedure and prerequisite to access to public loans (Graph 2).

Graph 2 – Which services could be improved to better support your enterprise?(%)



Source: our processing on survey's data.

To cite the strengths of Albanian businesses, on the one hand, some enterprises aim for competition with low prices of their produce and services, on the other hand, some combine other qualities such as the exclusivity and/or typicalness of produce or services offered; a significant percentage aim for the excellent relationship import-export with Albania and on innovation of produce more than process, i.e. it is not a technological innovation of machines but mainly creativity in craftsmanship.

6. Conclusions

For the Italian society, eliminating the still present obstacles and opening spaces for foreign entrepreneurship might contribute to the growth of the entrepreneurial offer and increase competition, with possible income for the market's dynamism.

From the interviewed entrepreneurs' point of view this represents a great opportunity for social promotion and ransom from a destiny of subordination. However, if there is no other support than the spontaneous protagonists, only the strongest ones with resource availability and being in relationships' networks able to give multi typology of support might catch this opportunity. Vocational training and counselling are necessary prerogatives in order to avoid an improvised business start and to help the entrepreneurs-to-be to extricate themselves in the obscurity of current regulations and necessary procedures. Furthermore, a change in the access to loans is needed, since foreigners are still penalised for being unable to provide traditional guarantees.

In fact, if, on the one hand, foreign entrepreneurs, in this case Albanians, are on their own potential couriers for the internationalization of the country, on the other hand, those that are going to start a business encounter more difficulties than Italian entrepreneurs when accessing loans, obtaining the relevant information, understanding the language, dealing with the complex bureaucracy.

Communication and information spreading of all opportunities offered by public institutions should be better enhanced, in order to meet the needs of those who work all day and have a little time to acquire notions and keep updated on regulations of opportunities of personal and economic growth. By way of illustration, short period evening courses could be planned at the Chamber of Commerce or the Town Hall after 7 or 8 pm, when entrepreneurs are more available, but also plan information campaigns where the interviewees work, thanks to the cooperation of representatives of the Albanian local community.

Therefore, this survey shows that, entrepreneurialism represents an extremely interesting dimension of migratory phenomenon, because it allows to identify the changes of new dimensions of migratory projects and different forms of the presence of migrants, allowing to go beyond excessively stereotyped and schematic interpretations.

Italy, that on its own has the merit of having exported the culture of work in Albania, is now in the position to adapt in a more and more competitive market, and must see Albania as a land of strategic importance for the stability of the entire area of Balkans. Only through an intensive and mutual economic, political, social and cultural exchange both countries and their populations will better benefit in a perspective of co-development.

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SUMMARY

Albania over the past twenty-five years: demographic survey and socio-economic relationships between Bari and Tirana

Many researches on the Albanian population in Italy show the weight of the negative image that characterized the Albanian migrant, especially during the early years of immigration. Nowadays, however, a metamorphosis into a positive perception of the Albanian citizens by the Italian society can be seen.

An example of a successful process of integration could be represented by the presence of entrepreneurial activities put in place by the Albanian citizens. The results of a survey conducted in the Province of Bari will be reported, in order to outline the potential of the entrepreneurs to become protagonists of integration and co-development between Italy and Albania through circular migration. The data provided by the Chamber of Commerce of Bari have been used, in order to achieve an *ad hoc* field survey, interviewing 450 Albanian entrepreneurs who represent the whole universe of the active Albanian companies in the land of Bari. The findings of this analysis highlight, for instance, the difficulties and, at the same time, the initiatives for these entrepreneurs in order to support them in establishing and managing an enterprise, in the access to the funding resources, in obtaining appropriate information, in understanding and dealing with the paperwork. The results may be useful to give some suggestions about the services that could be improved to support more entrepreneurial activities, within a perspective of mutual benefit for the two countries.

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