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Abstract

Using evidence from two recent data sources – the 2002 Albania Living Standards Measurement Survey (LSMS) and the 2001 Population Census of Albania – the paper documents the phenomena of internal and external migration in Albania, a country that in the past decade has experienced dramatic changes as it makes its transition to a more open market economy. Albania is a country on the move, both internally and internationally. This mobility plays a key role in household-level strategies to cope with the economic hardship of transition and it is perhaps the single most important political, social, and economic phenomenon in post-communist Albania. The order of magnitude of the observed flows is astonishing. Almost one half of all Albanian households have had direct exposure to migration events, either through direct temporary migration of a household member or through their children living abroad. One out of two children who since 1990 no longer live with their parents is now living abroad, primarily in Greece and Italy. For obvious reasons, Greece also remains the preferred destination of temporary migrants, although – and despite the higher costs associated with it – the shares of Albanians temporarily migrating to Italy and Germany have increased substantially in recent years. The paper also provides a micro level analysis of the household's migration decision. The role of household and community characteristics, including relative deprivation and the importance of social networks, in the decision to migrate are assessed.

***Key Words*:** Migration, Albania, Migration Networks, Remittances, Coping Strategies.
JEL: F22, N34, O15, P2, R23.

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I. INTRODUCTION

Migration is perhaps the single most important political, social, and economic phenomenon in post-communist Albania, and has been a dominating fact of everyday life in the last decade. As is documented throughout this paper, since 1990 approximately one fifth of the total population has left the country and is living abroad, and Albania has experienced large scale movements of population from rural to urban areas. Between 1989 and 2001, the total population fell by 4 percent, to 3,069,275 and the rural population by 15 percent. Migration, whether rural to urban or international to Italy or Greece, is the most common livelihood coping strategy in the country, and serves as an important escape valve for unemployment and other economic difficulties brought on by the transition to a market economy.

Official estimates make remittances the largest source of foreign exchange, greater than the combined value of exports and foreign direct investment and constituting 14 percent of GDP (IMF, 2002). While fomenting migration out of rural areas has been seen as a potential solution to the problem of rural poverty in Albania[1], migration is also increasingly contributing to social dislocation and rapid deterioration in the provision of social services in urban areas. Illegal migration is also a source of tension between Albania and its European Union neighbors. While migration, with the resulting remittances, is an indispensable ingredient in Albania's development recipe, there is increasing consensus on the necessity to devise more appropriate, sustainable strategies to lift households out of poverty and promote the country's growth. Ultimately, improvements in the Albanian economy, in rural areas in particular, will serve as the greatest factor in stabilizing migration flows and eventually reducing the propensity of Albanians to migrate.

This paper documents the transition of Albania from a closed and economically, socially and politically rigid society to a turbulent society with open borders and large-scale flows of people and resources within and across these borders. Based on earlier studies and the evidence presented in this paper, four types of migration can be differentiated in the 1990s. First, a comparison of the 1989 and 2001 census shows large scale migration from rural to urban areas and from villages and small cities to bigger cities, particularly Tirana. Second, short term international migration (for periods of days, weeks, or months) is very common, almost exclusively to Greece, particularly from bordering regions. Third, we document the most common type of long term international migration, to Greece and Italy as well as other countries of the European Union. Fourth, a new trend of legal long term international migration to the USA and Canada has been much mentioned anecdotally. Given the nature of the LSMS and the relatively small incidence of migration to North America, we have insufficient data to analyze this fourth type of migration.

The main data source for this document is the Albania Living Standards Measurement Study survey, conducted in 2002 by the Albanian Institute of Statistics (INSTAT), with technical assistance from the World Bank. The LSMS contains information on several types of migration and demographic movements which enable us to characterize both internal and external migration, as well as the formation of networks. A second primary data source are the 1989 and 2001 Population and Housing Census of Albania. In particular, data on inter-censual movements between 1989 and 2001 are spatially analyzed in an attempt to identify major flows of internal migration in the 1990s.

[1] See, for example, World Bank (1997).

Specifically, in Section II, the paper briefly reviews the history of migration in Albania and discusses the principal push/pull factors for international migration. In Section III we provide a detailed descriptive analysis of both internal and international migration. Specifically, we first focus on internal migration and present evidence from both the LSMS and the Census on internal population movements since 1990. Using information from the LSMS, we then analyze external migration, presenting the incidence, duration, and destination of migration and comparing the characteristics of migrating and non migrating individuals and households. We also provide an estimate as to the number of Albanians currently residing outside the country, and we characterize the financial flows remitted back to Albania. In Section IV we analyze the role of individual, household, community, and migrant network factors in the decision to migrate internationally. We conclude in Section V with policy recommendations.

II. BACKGROUND

i. Past and present trends of migration

Albania has a long history of emigration stretching back centuries. The earliest Albanian migrants to Italy in 1448 were soldiers provided to the King of Naples by Skanderbeg – the military commander of the Albanian Alliance of nobles and the national hero of Albania – in order to defeat an internal rebellion. From the death of Skanderbeg in 1468 until the first years of the 16th century, approximately one fourth of the total population of Albania fled their homes, as a consequence of Ottoman invasions. Many of these *arberesh*[2] migrated to Italy and founded several towns in the Southern regions, where ethnic Albanian communities are still present today (Barjaba *et al.*, 1992; Piperno, 2002).

Throughout the 19th and 20th century large numbers of Albanians migrated for political and economic reasons. This migration was directed towards destinations both near and far, including Serbia, Romania, Bulgaria, Egypt, the United States, Argentina and Australia. The prime destination was however Greece, where by the mid 1930s individuals of Albanian descent numbered around 400,000 (see discussion in Barjaba *et al.*, 1992). During the communist period (1944-1990) migration came to a virtual halt. Emigration was officially prohibited and severely punished, as Albania under Enver Hoxha established itself as the most isolated and closed of the communist countries.

The most recent migratory wave began in 1990 and is still underway. The initial spark was the fall of the communist regime. The end of the controls on internal and external migration and the unraveling of the centrally planned economy unleashed a demographic shift at an unprecedented pace, as individuals and entire households started migrating to the cities or leaving the country. The initial political instability, social unrest, and economic downturn associated with the change in government led to the largest surge of Albanian migration in recent times, with an estimated 300,000 individuals leaving the country from March, 1991 to 1992, primarily to Greece and Italy (Piperno, 2002; Pastore, 1998).

Stabilization of both the political and economic situation after 1992 reduced migratory flows, which however remained sizeable. Inflation dropped to less then 10 percent in 1995 from a high of 226 percent in 1992, unemployment fell from 28 percent to 12 percent, and annual real GDP growth rates rebounded from -7.2 percent to approximately 9 percent from 1993 to

[2] The term *arberesh* is used to designate descendants of Albanian immigrants of the 15th-16th century and the language they speak.

1996. Remittances became a crucial component of the Albanian economy, with private transfers quickly dwarfing export earnings and representing an increasing share of GDP (Table 1). Over the period 1995-1999, in terms of official remittances as a share of GDP, Albania was the 6th largest recipient in the world. In terms of remittances per capita, Albania ranked 14th (Gammeltoft, 2002).

The collapse of a series of national pyramid 'saving' schemes in late 1996 sparked another surge in international migration. The pyramid schemes had their origin in a weak formal credit system and a thriving informal market unregulated by the government and fuelled in large part by remittances. At the highest point, over 2 million deposits were made in these schemes, representing over half of 1996 GDP, as people sold houses, livestock and other assets in order to invest on the promise of receiving a 40 percent monthly return on investment. The collapse began on November 19, 1996, and took four months to unwind, bringing down the government and triggering riots in which 2000 people were killed. The country fell into anarchy as the Army and police lost control, armories were looted and foreign nationals evacuated (Jarvis, 1999). Tens of thousands of Albanians fled the country, starting from the Vlore region where the first riots erupted, and then spreading throughout the country until March of 1997. Many of these migrants were repatriated, and a multinational force led by Italy helped restore order and prevent a larger exodus (Pastore, 1998). Beyond the traumatic political and social impact of this crisis, the economic consequences were relatively short lived. While inflation rose and GDP fell 7 percent in 1997, from 1998 through 2002 the economy recovered. The return of political stability and economic growth again helped curb and stabilize the migratory outflow.

According to official figures, by the end of 2001 Albanians accounted for 10.5 percent (144,120) of the 1.36 million immigrants with residence permits in Italy, making Albania the second largest source of immigrants from a single country. Family reunification permits accounted for 26 percent of all residence permits, and Albanians were the largest group in this category. Of the 232,816 permits granted in 2001, 27,949 (over 12 percent) went to Albanians. Approximately 58 percent of Albanian immigrants with a residence permit also held work permits (CARITAS, 2002). CARITAS recommends an aggregate adjustment of official figures for all nationalities of 21.5 percent to account for illegal immigrants (cited in King and Mai, 2002), suggesting that the total number of Albanians in Italy was probably around 175,000 in 2001. The number of Albanians included in population registers in Italy was 127,000 in 2000 and 164,000 in 2001 (Bonifazi and Sabatino, 2003).

The number of Albanians in Greece appears to be much higher. Two large regularization programs in 1998 and 2001 led to a total of 720,000 applications, of which Albanians represented approximately 60 percent, or 430,000.[3] The 2001 Greek census shows 655,000 foreign residents, although critics contend that the number is more likely between 800,000 and 1 million (OECD, 2002). Considering that 720,000 immigrants had applied for legal residence and that by the end of 2001 585,000 immigrants had work permits, the critics' estimates are more likely to be correct.

Thus combining the estimates for the two countries, by 2001 the number of Albanians legally residing in Greece and Italy was approximately 570,000, or about one fifth of the current

[3] OECD (2002) reports that 65 percent of the 370,000 applications in 1998 were from Albanians, while the share decreased for the 351,000 applications in 2001, but without specifying the exact percentage, hence the 60 percent estimate we use above. Approximately 300,000 illegal immigrants in 2001 were also reported, but no information was provided as to their origin.

Albanian population. This does not include the approximately 30,000 Albanians illegally residing in Italy and the undetermined, and likely greater number, illegally residing in Greece. This also does not include the number of Albanians legally residing in other countries of Europe or North America, although that number is likely to be only in the tens of thousands. These numbers are in the same ball park as our estimates on the number of Albanians who have left the country since 1990: 628,000 according to our comparison of 1989 and 2001 census data.[4]

ii. Push and pull factors

Beyond the two big "push" migration spikes in 1990 and 1997 caused by political, social, and economic crises, as Albania transitions to a market economy continued poverty and high unemployment serve as constant push factors for migration. Approximately 25 percent of Albanians, and 30 percent of rural Albanians, live in poverty (World Bank and INSTAT, 2003). The public sector has, in terms of jobs, shrunk to less then one fourth its size in 1990 (see Table 1), while the private sector has only partially compensated for the loss in state jobs. Growth in employment in agriculture reflects not growing productivity but rather refuge and hides high levels of underemployment in rural areas. Unemployment rates have remained in double digits since 1992, and real wages only in 2001 recovered their pre-crisis level of 1995. Poor access to basic services and dismal infrastructure also serve as a push factors, particularly in rural areas. Less then half of rural households have access to running water inside or outside their dwelling, only 40 percent have a toilet inside their dwelling, and only 14 percent of all Albanians receive electricity continuously (World Bank and INSTAT, 2003).

Pull factors have also been important in fomenting migration. Exposure to Italian television during the communist period helped transform that country into the Shangri-La of potential Albanian migrants in the early 1990s.[5] Beyond the allure of wealth and the Italian lifestyle projected through TV, significant wage and wealth differentials between Albania and its European Union neighbors were obvious attractions. In 2002, as seen in Table 1, the Italian per capita GDP was 16 times and the Greek 9 times higher then Albania's.

Other factors serve to temper continued migration. Albanians (as well as other South-Eastern Europeans) are migrating in a political and economic context very different from that of earlier Southern European migrants from Italy, Greece and Spain. Large scale migration from these countries to Northern and Western Europe after WWII took place in a context of official bilateral agreements, legality and insertion into a formal, industrial "Fordist" labor sector (King and Mai, 2002). While discrimination certainly existed – making Italian and Greek treatment of current migrants all the more ironic – the earlier migration took place within a legal context. This migration slowed in the early 1970s as a combination of the oil shock, reversal of migration policies in receiving countries, and improving economic conditions in the sending countries (Bonifazi and Strozza, 2002; Faini and Venturini, 2001).

The current Southern European model of migration instead is based on the demand for cheap, flexible and informal labor (King and Mai, 2002). Migration is often illegal—though later regularized—fostering a climate of social marginalization, abuse and exploitation. Albanian

[4] The method used to derive this estimate from census data is found in Section IV.i.

[5] King and Mai (2002) discuss the importance of access to Italian television during the Hoxha years not only as a consumer Mecca but also a "fundamental source of information (including misinformation) for the construction of a political alternative".

immigrants abroad have often been criminalized and stigmatized by the media, blamed for crime and other social ills, far and beyond other immigrant nationalities. Whatever the political, social or economic reasons behind these phenomena,[6] they have certainly negatively influenced the capacity of Albanian migrants, legal and illegal, to participate in Italian and Greek society. A recent study on Italy (Bonifazi and Sabatino, 2003) has shown that in fact while Albanian immigrants are singled out and charged more frequently for crimes, their share of total convictions corresponds to their share in the total immigrant population.[7]

Other factors have also reduced the attraction of migrating abroad. Negative attitudes towards Albanians go hand in hand with increasingly restrictive immigration policies, in Italy with the 2002 Bossi-Fini Law[8] but also across Europe. Finally, illegal migration is inherently dangerous. While the tragic drowning deaths of Albanian migrants crossing the Otranto Channel have diminished drastically compared to the early 1990s—with this drama instead shifting to crossing from Northern Africa to Sicily—illegality facilitates abuse of migrants, both from smugglers, police, and employers.

On the other hand, this mitigation of migration pull factors is partially offset by the relative success of Albanian migrants in Italy and Greece to obtain legal status. There are signs that the nature of migration to Italy in particular is changing.[9] While the context for Albanian migration is clearly more adverse than earlier migration from Southern Europe, as described in the previous paragraphs, the tendency is towards regularization and following of the classic stages of migration (Bonifazi, 2002): labor migration, family reunification, settlement and community formation. Three data trends lead to this conclusion. First, Albanians have taken advantage of periodic regularizations[10] to become the second largest immigrant community with legal permission to live and work in Italy. Second, with increasing frequency women are part of the regularization process, going from 18 percent of legalized Albanian immigrants in 1994 to 34 percent in 2000 (making them the largest immigrant group among women). These permits are primarily for family reunification (Bonifazi and Sabatino, 2003). Third, Albanian children are the largest immigrant group attending schools in Italy, and Albanians are the largest group in terms of receiving residence for family reunification in 2001 (CARITAS, 2003). One final consideration is that Albanian migration to Italy is much more geographically dispersed then other nationalities (Bonifazi and Sabatino, 2003). Albanians have a much higher propensity to settle in smaller regional centers and farms; in the long run this may help further assimilation.

Other migration processes are at work in Albania. While we do not discuss these processes in this paper they do form an important part of the migratory backdrop of the country. First, Albania was a major recipient of migration during the 1999 Kosovo crisis, eventually receiving up to 450,000 refugees, and to a much lesser extent during the Macedonia conflict in 2001 (Piperno, 2002). Second, Albania is an important transit country for illegal immigration from South East and East Asia to Western Europe (Piperno, 2002). Third,

[6] See King and Mai (2002) for a detailed discussion of this issue in the context of Italy, and Lykovardi and Petroula (2003) for a more brief discussion in the context of Greece.
[7] Note, however, that convicted Albanians do show "criminal specialization", constituting almost half of all foreigners found guilty of crimes related to prostitution (Bonifazi and Sabatino, 2003).
[8] While permitting further regularization, this law criminalized undocumented migration and further tightened the rules for expulsion (Chaloff, 2003).
[9] This process is more tenuous in Greece, where family reunification has been discouraged, regularization much slower in coming, and mass expulsions more common (Baldwin-Edwards, 2002).
[10] Chaloff (2003) describes the political and institutional context of these "regularizations (which) occur like clockwork".

Albania also serves as an important link in the trafficking of women for prostitution. Large numbers of women are taken from Eastern European countries – as well as Albania – and sold or forced to work as sex workers in Italy and other European countries[11].

In this section we have identified a number of factors likely to affect migrants' decision to move, both domestically and internationally. In the next sections, based on a thorough analysis of the available data sources, we move on to (a) attempt to characterize the different forms of migration, and (b) explore the key determinants of a household's decisions to migrate.

III. CHARACTERIZING ALBANIAN MIGRATION

From the end of the WWII until 1989, the population in Albania grew on average at over 2 percent per year. Between 1989 and 2001, however, the total population fell by 3.5 percent as an estimated more then 600,000 individuals left the country (INSTAT, 2002). This emigration was particularly evident among males, whose population dropped over 20 percent. During this period, Albania also became increasingly urbanized. From 1989 to 2001, the total rural population fell 13 percent, while the urban population increased 14 percent, so that by 2001 the share of the total population living in rural areas had fallen from 64 to 58 percent (INSTAT, 2002). In this section, using data from the 2002 LSMS and the 1989 and 2001 PHC, we characterize the different patterns of migration which drive these overall trends. Specifically, we focus on internal demographic mobility, temporary domestic and international migration by current members of the household, and permanent migration abroad by former members (children) of the household. We also characterize access to migration networks.

i. Internal demographic mobility

A first view of recent internal mobility of the Albanian population can be obtained from the LSMS dataset. Information was collected on whether individuals have continuously lived in their current place of residence. In those cases in which they have moved to the current place of residence in the 1990's, additional information was collected on the date and reason of the move, as well as the place of origin.

In Table 2, we characterize internal mobility based on the movements of the head of the household. Two thirds of household heads are currently living in the same municipalities where they were born, while 22 percent moved to the municipality where they currently live before 1990 and 12 percent after 1990. Having moved to a new location within Albania is much more likely among household heads who now live in Tirana – where only 40 percent of current residents have always lived there – in the cities on the Coastal stratum (47 percent) and in the urban areas in the Mountain region (31 percent)[12]. By contrast, 76 percent of all rural Coast, 76 percent of rural Center and 94 percent of rural Mountain households have always lived in the same area. These numbers suggest significant rural-urban migration with regions, particularly in the Mountain region. Overall, and in all urban areas with the exception of Tirana, most of this rural-urban migration took place before the fall of the communist regime. Tirana has the highest share of household heads having moved since 1989 (29

[11] See the Human Rights Watch, www.hrw.org, and International Catholic Migration Commission, www.icmc.net, websites for information.

[12] The LSMS data are representative at the level of four regions, that roughly reflect a partition of the country along agro-ecological as well as socio-economic lines. The four strata are Tirana, and the Coastal, Central and Mountain regions. For more details see World Bank and INSTAT (2003).

percent), followed by the urban Mountain (23 percent) and urban Coastal (20 percent) regions. In both Tirana and the urban Coastal region most of these households have migrated after 1995.

Looking in more detail at household heads who moved after 1990 (Table 3), we can see how the incidence of internal mobility remained quite stable overtime. The peaks coincide with major economic events, such as the fall of the communist government and the collapse of the pyramid schemes. In almost three quarters of the cases, post-1989 internal migration by the household head was due to economic reasons such as starting a new job, looking for a better job, or having insufficient land (Table 4).

Looking at the matrix of inter-regional movements presented in Table 5, overall Tirana is the main absorbing area, accounting for 30 percent of the in-flow of head of household migrants and almost no outgoing internal migration. The Coastal region is another important absorbing area. The Mountain and the Center regions, on the contrary, are strong expellers, with a net balance of 18 and 24 percent of outgoing household heads, respectively. Quite interestingly, the single most important flow of internal migrants is from Center to Center, which reflects rural to urban migration within the same region.

Migration at the district level

Data from the 1989 and 2001 PHC can be used to explore these same flows at the district level. We use a balancing equation to rank districts by an index of expelling and absorbing migrants. We began with the following equation for a given district:

$$P_{01} = P_{89} - D + B + M_d - M_i$$

where

- P_{01} population in 2001, taken from the 2001 PHC.
- P_{89} population in 1989, taken from the 1989 PHC.
- D number of deaths between 1989 and 2001, calculated by multiplying the district level death rate (data for the year 2000, from the Institute of Public Health) by the mean of the 1989-2001 population.
- B number of births between 1989 and 2001, as reported in the 2001 PHC, which collected data on date and place of birth of all individuals[13].
- M_d net district-level inflow of internal migrants between 1989 and 2001, based on the 2001 PHC, where a positive number reflects a net inflow and a negative number a net outflow.[14]
- M_i net district-level outflow of international migrants. As this is not explicitly captured by any one data source, the remainder of the balancing equation is considered international migration.[15]

[13] The number of births is therefore under-estimated as we do not account for individuals born after 1989 who died or migrated internationally before the 2001 PHC.
[14] The 2001 Census collects information on where individuals were residing on 1 April 1989, and on 1 April 2000.
[15] In theory this residual can be positive (a net inflow of persons) or negative (a net outflow of persons). One problem with estimating migration as a residual is that the measurement error of all components of the balancing equation will accrue to the migration term.

District expulsion is defined as the share of population living in each district in 1989 that no longer lives there in 2001, and is a measure that includes both internal and international migration. District absorption is defined as the share of population living in the district in 2001 that did not live there in 1989.[16] In Figure 1 we label numerically each district; the key to this code can be found in Table 6, which reports the absorbing and expelling index values and corresponding rank of each district. These index values are presented graphically in Figures 2 and 3. A comparison of the maps shows clear movement from the Southern and Northern edges to the Coastal districts and Tirana. Five districts (Delvine, Tropoje, Sarande, Puke and Skaprar) had less then half of residents in 1989 still living there in 2001 (darker shade in Figure 2). Tirana is the principal absorbing district, with only 69 percent of current residents reporting living there in 1989, followed by a number of Coastal districts (darkest shade in Figure 3).

Table 7 reports absolute inflow, outflow (both internal and international destinations) and net inflow per district, with their respective rankings. The absolute flows are presented graphically in Figure 4. In net terms, for both kinds of migration, the districts of Vlore, Korce and Diber are the main expelling districts during the 12 years between censuses. Together, these three districts experienced a net outflow of over 143,000 individuals from 1989 to 2001. In terms of absolute outflows, Tirana follows Vlore with over 61,000 migrants, but this is counterbalanced by an inflow of almost 160,000 migrants. In terms of absolute numbers, the district of Tirana in the last decade has been the internal migrant destination of choice in almost one half of all cases. Tirana is in fact the only district with net population gain between 1989 and 2001, totaling almost 98,000 migrants, almost one fifth of its 2001 population. Durres received over 50,000 migrants during this period, followed by Lushnje with 14,388.

Large differences in rankings among districts emerge when internal and international destinations are separated. For internal migration, as seen in Table 8 and Figure 5, the districts with the largest outflows are the Northern Mountain districts of Diber and Kukes and the Central districts of Berat and Korce, which together total over 109,000 individuals. Conversely, as seen in Figure 6, the largest sources of international migration—Vlore, Tirana, Durres, Korce and Shkoder, in that order, which total over 250,000 international migrants—are located at the gateways to Greece, Italy and beyond. Further most districts specialize in either internal or international migration, and this specialization is correlated with geographical location. Comparing the ratio of internal to international migrants, found in Table 8 and Figure 7, Central and Northern Mountain districts such as Diber, Kukes and Librazhd are the most specialized in internal migration, while Coastal and Southern regions such as Sarande, Tirana and Delvine specialize in international migration. Korce and Fier, both of which figure among the districts with the largest levels of internal as well as international migration, have greater levels of international migration.

For internal migration, in Table 9, we link the main expelling districts with the internal destination of the migrants, and the main absorbing districts with the location of origin of their migrants. Tirana is the principal destination for all the five main expelling districts, attracting approximately 70 percent of migrants from Diber and Kukes, and 21 to 52 percent of migrants from the other main expellers. Durres in most cases is the second destination of choice, ranging from 15 to 19 percent of the total. Berat and Puke show more diversity in terms of destinations for internal migrants. On the other hand, Tirana and Durres receive

[16] These indices refer only to the net flows between 1989 and 2001. Since we cannot track all inter-censual movement, these indices do not reflect total flows during this period.

migrants from a large number of districts, with Diber and Kukes providing approximately 15 percent each. Lushnje received many of its migrants from the neighboring districts of Librazhd, Gramsh, Berat, and Elbasan. Fier and Vlore also received most of their migrants from neighboring districts. Thus while Tirana and Durres are clearly the most important destinations, alternative internal migration paths to other destinations have a substantial local demographic impact.

Both in relative and absolute terms, Tirana has been the destination of choice of the vast majority of internal migrants. Although poverty remains primarily a rural phenomenon in most developing and transition economies, internal migration is fomenting a rise in urban poverty, and bringing with it both negative and positive social and economic consequences. In Table 10 we further disaggregate the flow of migrants to Tirana by mini-municipality, which is represented graphically in Figure 8. The largest inflow of migrants in the past decade has been towards mini-municipalities 11 and 6, representing close to one half of the population currently residing in those locations. In other words, the resident populations of mini-municipalities 6 and 11 have almost doubled in the 12 years between the two censuses. These two peri-urban areas of Tirana are also the two poorest mini-municipalities, with poverty incidence well above the city average. Other mini-municipalities with high in-migration are numbers 4 and 7. With the exception of part of number 7, none of these mini-municipalities include downtown Tirana.

The district of Durres is the second largest destination for internal migrants, both in terms of the index as well as absolute numbers. Less than 72 percent of current residents report living there in 1989. The net inflow of immigrants during the same period numbered over 46,000. Although not large in absolute numbers, the district of Mallakaster has the third highest share of current residents who were not living in the district in 1989. In terms of absolute inflows, Tirana and Durres are followed by the districts of Lushnje, Fier and Vlore.

ii. Temporary migration

All types of temporary migration, 2001-2002

Another piece of information about mobility can be obtained from the LSMS by looking at adults who spent at least one month outside the household during the last 12 months. Unfortunately, no information is available on the destination, thus we are unable to ascertain whether they went abroad or moved within Albania. More than 4 percent of the adult population has left the house temporarily in the past 12 months. About 10 percent of households have at least one adult who has been absent for at least one month in the year prior to the survey.

Most of these short-term migrants are heads of the household (53 percent) or their children (36 percent), followed by the spouse (8 percent). On average (Table 11), they spent 3.5 months out of the household, though this varies by gender, with 3.8 months for males, and 2.4 for females. Short term migrants are younger than non migrating adults (35 years old against 41), more likely to be males (85 percent versus 46 percent), and more educated (9.3 years of schooling versus 8.5). Households with members away for part of the year are somewhat larger, more likely to work in agriculture, and less likely to be involved in wage work and non-agricultural businesses (Table 12). These households are also poorer, with lower levels of consumption. Not surprisingly, the phenomenon is more concentrated in rural areas, with the

highest shares in the rural Mountain regions and rural Central areas, and the lowest shares in Tirana and urban Coastal areas.

Temporary international migration: 1997-2001

In an attempt to reconstruct recent histories of international migration and quantify the magnitude of migration abroad, the LSMS collected migration histories of individuals who had been abroad for at least 3 months at any point in time since 1997. We consider these migrants as temporary, even if they stayed abroad for a prolonged period, since they eventually returned home. Among adults, 7 percent (or 162,000 individuals) taken from 18 percent of all families spent at least three months abroad since 1997.[17]

Temporary international migrants have similar characteristics to the overall temporary migrants described above. As shown in Table 13, this category of migrant is younger than other adults (36 years old versus 41) and much more likely to be male (83 percent versus 44 percent among non migrating adults). Of the total number of migrants, 43 percent were abroad only once between 1997-2001, while 57 percent were abroad more than once. Of this latter group, 15 percent were abroad for at least part of every year from between 1997 and 2001. Temporary external migrants come from households characterized by lower participation in wage labor and higher participation in agricultural work. The share of households with wage labor decreases as migration episodes increase – from 0.44 (1 episode) to 0.33 (5 episodes). In contrast, the share of households with agricultural activities increases with the number of migration episodes – from 0.62 (1 episode) to 0.74 (5 episodes). Migrants are typically household heads (51 percent) or their children (36 percent). On the other hand, no significant differences exist at the household level across the two groups in terms of average education, per-capita consumption and incidence of poverty.

Greece is by far the most important destination of temporary migration (around 80 percent of cases), followed by Italy, the importance of which has increased between 1997 and 2001, from 12 percent to 22 percent of cases. The percentage of migrants to Greece in the same period decreased from 84 to 74 percent.

Among non migrants, as seen in Table 14, 73 percent have never considered going abroad, mainly because they do not want to (31 percent) or need to (24 percent). However, 41 percent have not considered migrating because they consider it difficult, expensive or dangerous. More than one quarter of non migrants (27 percent, equivalent to 551 000 individuals) have considered going abroad. Of these, 44 percent (equivalent to 243 000 individuals) have tried to migrate but without success.

In Table 15 we compare the characteristics of migrants differentiating by destination (Greece, Italy[18] and Other) with those adults who did not migrate during this period.[19] Overall, migrants to Greece and Italy are younger than non-migrant adults. Women are again less likely to migrate than men, comprising only 16 percent of the migrants to Greece and 21 percent to Italy. Migrants to Italy have a higher level of education compared to migrants to Greece, who in turn have a higher level of education than non migrants. In terms of household level characteristics, while adults in households with migrants to Italy have on average higher

[17] The reported frequencies underestimate the full extent of temporary external migration as they exclude individuals who have been abroad for less than 3 months continuously at any given time.
[18] The Italy category here also includes the other countries of Europe.
[19] When individuals belong to more than one category, we consider the furthest migration.

levels of education than non migrants, adults in households with migrants to Greece have on average lower levels of education then compared to non migrants. Further, Italian migrating households are less poor than non migrating families. The reverse is true for Greek migrating families.

Migrants to Greece more often come from rural areas in the North and Center of the country, while migration to Italy and the rest of Europe is more predominant from the urban Coastal areas. As expected, the largest overall outflows of temporary external migrants are from the rural areas in the Mountain and Central regions. Tirana municipality has the lowest prevalence of temporary migration going abroad.

To summarize, Greece is by far the most important destination for temporary migrants, with three temporary migrants out of four choosing this country. Despite the difficulties due to longer distance and higher costs, temporary migration to Italy has increased over the past several years. Two clear patterns among temporary migrants appear to reflect basic initial geographic and socio-economic conditions. Temporary migration to Greece draws from poorer, less educated households from the rural Center and Mountain regions, while the temporary migration to Italy and the rest of Europe draws from relatively wealthier, better educated households from the Coastal region. However, no causality on the poverty migration nexus can be inferred from descriptive data alone.

iii. Permanent migration

Further evidence on migration can be drawn from the fertility module of the LSMS. All adult women surveyed were asked about their fertility history. For all children still alive and not living in the household, information was collected on when they had left the household and where they were currently living. A total of 6,058 children of household members had left the family at some point and were still alive at the time of the survey. A large percentage of these, 35 percent, live abroad (Table 16). The share of children living abroad is even higher for children who left the household after 1990 (48 percent vs. 15 percent of children who left the household before 1990)[20]. In other words, almost one half of the children who since 1990 no longer live with their parents are living abroad. The main destinations for these migrants are Greece (49 percent) and Italy (35 percent). We consider them "permanent" in that, by the time of the survey, they had not returned to live in Albania.

In Table 17 we provide the individual characteristics of these migrants, again by destination.[21] They tend to be younger then their counterparts who remained in Albania, and predominately male. However, the rate of permanent female migration is much higher than that of the temporary migration, as seen above, reflecting the on-going process of family reunification generally observed at later stages of migration. Education levels are high and similar across categories.

More then half of all households have at least one child who has left the house. Of these households, 38 percent have only children who remained in Albania; 62 percent had children

[20] For those children who left the household before 1990, it is likely that they left the country after 1990, though we cannot tell from the data.

[21] The comparison of individuals who remained in Albania with international migrants is not straightforward, since the Albanian residents may have had a greater variety of motivations for having left home, including marriage, while the international migration is most likely work related. Unfortunately, data were not collected on the reason for having left the home of the parents.

who left the country (37 percent have children living in Italy and the rest of Europe[22] and 25 percent living in Greece). Households with no migrants are bigger in size (4.8 members versus 3.8), and have similar education levels. Households with no international migrants have a higher incidence of poverty. The occupational profiles of households are roughly similar across migration and non migration households, with only the Other destination category being disproportionately engaged in non agricultural activities and dependent work.

iv. International migration networks

In this section we combine temporary and permanent migration at the household level, which gives an idea as to the breadth of migration networks operating in Albania. Migration networks play an important role in facilitating migration, a concept we explore in Section V. Almost half (47 percent) of Albanian households have experienced some form of international migration since 1990, either through current household members or through offspring living abroad (Table 18).[23] Greece is the destination of choice for almost 50 percent of these households and Europe, again predominantly Italy, for another 43 percent. These migration networks are more extensive among rural households in all regions.

In Table 19 we cross temporary and permanent migration at the household level. In general, temporary and permanent migration do not appear to be complements. Adding up the row and column totals, 33 percent of all households had permanent migration and 18 percent had temporary migration. Only 4 percent of households have both kinds of migration. Among the households with permanent migrants in Greece, a modest share (18 percent) also has temporary migrants in the same country, and even fewer in Italy. In the case of Italy, the percentage is much lower: of the 590 households with permanent migrants in Italy, only 44 (7 percent) are also experiencing temporary migration in the same country. Thus, complementarity is most likely within types of migration (e.g. one child permanently following another child) rather than between types (e.g. one household member going temporarily to work in Greece where there is a permanent migrant sibling).

v. Remittances

Remittances play a very important role in the income strategy of Albanian households. On average, remittances represent 13 percent of total income among Albanian households (14 percent for non-poor, 8 percent for poor). The share is higher among urban dwellers (16 percent) compared with rural (11 percent), most likely reflecting differences in patterns of migration.

Data from the LSMS show that over the 12 months prior the survey, 28 percent of households received some form of private transfer from either individuals or institutions. The vast majority of individual remitters, as seen in Table 20 are either children of the household head (55 percent) and siblings (25 percent, including brothers and sisters in law).[24] Approximately 80 percent of remitters live abroad, mainly in Greece (42 percent of those abroad) and Italy

[22] At the household level, if one household had multiple migration destinations, we placed that household in the category corresponding to the furthest destination, in this order: Greece, Europe and Other.

[23] This is an underestimation as we do not have information on whether children currently living in Albania have even migrated internationally.

[24] The LSMS does not allow differentiating private transfers from individuals living in Albania between migration remittances and other transfers from private individuals. It is fair to assume, however, that the near totality of these transfers is actual remittances (transfers within Albania are only a small part of total transfers from private individuals in any case).

(40 percent), as seen in Table 21. Virtually all the remitters living abroad (98 percent) have been abroad since after 1990 (38 percent since before 1997 and 60 percent since). Of those who left after 1990, 90 percent have been living abroad continuously. More than half (55 percent) of recipient households live in rural areas, which is in line with the share of rural in the total number of households.

Often remittances are sent for no specific use (37 percent of cases). The main reported use is to purchase food and basic necessities (33 percent), followed by investment and purchase of durable goods (12 percent) and by medical expenses (9 percent). The average amount of remittances is 88,600 Leks per year (about US$611[25]). The amount is higher for households in rural areas (104,400 Leks versus 68,900), and increases with the distance of remitters (higher when coming from abroad, in particular if from Italy or further). Remittances are of a significantly higher amount when specifically destined to fund investment (business or dwelling renovation) or the purchase of durable goods (over 220,000 Leks per year).

IV. DETERMINANTS OF INTERNATIONAL MIGRATION

i. The model

Analyzing the determinants of migration in a multivariate framework allows us to separate the specific impact of a number of the characteristics of Albania international migration we have discussed throughout the paper. The use of the LSMS and PHC datasets allows for major improvements over previous econometric studies of Albanian migration[26]. First, the random sample underlying the LSMS guarantees that our analysis does not suffer from problems of selection bias and is in fact representative at a regional level. Second, by integrating the two datasets, we are able to draw on a broad range of information on the areas from which migrants come, at different geographical and administrative levels (village, municipality or district). Third, we are able to consider the effect of local level inequalities at low levels of disaggregation, by calculating an index of relative wealth (or relative deprivation) of each family with respect to their neighbors. Fourth, the data allow us to focus on the role of household and community level migration networks in facilitating and stimulating international migration.

Successive generations of theoretical and empirical analysis of the decision to migrate provide the framework for conceptualizing the migration decision. We follow the approach of Stark (1991) and the "new economics of migration" in modeling the decision to migrate as a joint household decision, which assume that the household shares the costs and benefits of migration with the migrant through an explicit or implicit sharing rule. Further, the household may use migration as a mechanism for diversifying risk and gaining access to capital in the presence of market imperfections in the credit and insurance markets (Stark and Bloom 1985; Stark and Levhari, 1982). Household characteristics such as assets, land holdings, and demographic composition reflect the household's exposure to risk and ability to respond to risk. The new economics of migration questions the view that absolute income is the only factor in migration; instead, the income of the migrant relative to the distribution of income of some reference group such as the village will also influence the decision (Stark, 1984). If a

[25] In 2002 one US dollar was equivalent to approximately 145 Leks.

[26] See, for example, Papapanagos and Sanfey (1998), IOM (1995, cited in Papapanagos and Sanfey (1998)), Kule *et al.* (1999)) Germenji and Swinnen (2000) and de Coulon and Piracha (2002).

household feels relatively deprived within a community, it is expected to be more likely to migrate.

The network theory of migration highlights the importance of direct and indirect relationships which serve as a form of social capital that can be drawn upon by non-migrants with access to the network (Boyd, 1989 and Massey *et al.* 1993). Migrant networks influence the migration decision in two ways. First, members of the network may provide direct assistance to migrants in the form of food, housing, transportation or cash which reduces the costs of migration. Second, network members may provide information to potential migrants on job opportunities, travel options, or circumventing a border, etc., thus increasing the expected returns and reducing the risk and costs associated with migration. As migrant networks form and thicken, they serve as a catalyst for the migration of family members of network migrants as well as community members at the point of origin. A number of empirical studies, almost exclusively from Mexico, have shown that migrant networks are positively and significantly related to migration.[27]

We consider two different kinds of migration: (a) temporary migration of current family members who spent some time abroad during 2001; and (b) permanent migration of former family members who left the household since the beginning of 2001 (until the time of the survey)[28]. We hypothesize that temporary and permanent migration, while both a household decision, have different characteristics, originate from different causes and pertain to different individuals. Hence, we estimate two separate models using multinomial logit regressions, which can be specified as follows:

$$M_i = b_0 + b_1 * X_i + u_i$$

where:

- M is the migration dependent variable, which assumes value 0 when the household experiences no external migration, 1 if any member migrated to Greece, 2 if any member migrated to Italy or any other country[29];
- X is a vector of household and community characteristics;
- The b's are parameters to be estimated;
- u is an i.i.d. error term.

Household characteristics include family size, age of the head of the household, demographic composition, average adult education, agricultural assets (land and livestock) and wealth proxies (previous ownership of a vehicle and the number of rooms per capita). Our set of assets is limited in order to minimize endogeneity; while wealth may either spur or reduce migration, asset accumulation can also be a result of migration. Labor allocation is another key component of a household livelihood strategy, and hence it also affects the decision to migrate. Experience and specialization in different activities influence the potential income on

[27] See for example Taylor (1986), Massey and Garcia Espana (1987), Massey and Espinosa (1997), Espinosa and Massey (1999) and Winters, de Janvry and Sadoulet (2001).
[28] Evidence on this second phenomenon is not complete, as only information on children of current family members is collected by the LSMS.
[29] In the few cases in which a family experiences both migration to Greece and to other countries, the farthest destination is retained and M is equal to 2.

the domestic and foreign labor markets and the potential gains from, and opportunity cost of, migration. Labor activities are classified by sector.[30]

In order to avoid problems of endogeneity, we reconstruct pre-migration explanatory variables. For example, data on permanent migration of former family members is used to rebuild the demographic structure of the family before 2001. The same can be done for education, wealth proxies and migration networks. Concerning other assets such as landholdings, variation over time is less likely thus reducing the problem of endogeneity. Some variables with the highest potential endogeneity, such as the value of agricultural and non-agricultural business related assets, are excluded from the model.

Other household characteristics include the household unemployment ratio[31] and the share of household members who have moved to their current residence since 1990. This variable captures the possibility of whether families with a history of internal migration are more likely to migrate internationally. The index of relative deprivation measures the relative poverty of the household with respect to other families living in the same village. Following Stark and Taylor (1989), relative deprivation is measured by the product of the mean excess income of households wealthier than a given household and the proportion of households in the community that are richer than a given household. If a family experiences a high relative deprivation, the incentive to migrate in order to acquire resources and climb the social ladder is expected to be higher. Relative deprivation is expressed as:

$$RD_i = \left(\frac{\sum_{y^j > y^i} \left[y^j - y^i \right]}{\sum_{y^j > y^i} 1} \right) \cdot \left(\frac{\sum_{y^j > y^i} 1}{N} \right) = \left(\frac{\sum_{j=1}^{N} \left[\max\left(0, \left(y^{\,j} - y^{\,i} \right)\right)\right]}{N} \right)$$

where i, j=1…N;
N is the number of households in the community;
y^i is household i's wealth.[32]

Community level variables built with Census data include the share of residents in 2001 who did not live in the same community in 1989, which captures the intensity of migration in a given community, suggesting whether the level of internal migration influences international migration. A community level index of inequality, built from combined LSMS and PHC data

[30] We do not distinguish between skilled and unskilled jobs because, according to the ISCO codes, only 7 percent of surveyed jobs are in unskilled occupations.

[31] The household unemployment ratio is defined as the total number of unemployed adults (either looking for a job, waiting to be recalled for a job, or not looking because they are unable to find a job), divided by the total number of household adults in the labor force.

[32] The following procedure was followed: (a) a set of variables representing demographic composition, physical and human capital assets was prepared both for the LSMS families and from Census data; (b) Census data from the villages containing at least one LSMS enumeration area were kept; (c) the two datasets were appropriately integrated (some community variables surveyed in the LSMS were joined to the Census data and appended; (d) factor analysis was applied to all families in order to create a wealth index; (e) in each village, the index of relative deprivation was calculated, based on the wealth index; (f) only the LSMS families were kept for the rest of the analysis. The factor analysis which produces the index of wealth for each family is based on family size, demographic structure, characteristics of the head of the household, education, engagement in agricultural activities, work activities, household unemployment rate, dwelling characteristics, assets, community characteristics, regional location and migration networks.

(Betti, 2003), is also included. Finally, a community level unemployment variable is considered.

Three types of migration network or asset variables are included in the model. First, the (logged) number of current household members with temporary migration experience in Greece or other countries prior to 2001. Second, the number of former household members (i.e., children of current female household members) currently living in Greece or other countries who left the household prior to 2001. Third, from the Census data, the share of former residents (excluding the household) who migrated abroad temporarily before 2001.

Finally, regional dummies, divided by urban and rural, are included in order to verify if regional unobserved characteristics explain migration after accounting for all other variables in a multivariate framework.

ii. The appropriateness of a Multinomial Logit model

Two related issues arise with the use of the multinomial regression model. The first is whether the three outcomes in the model (no international migration, migration towards Greece, migration towards Italy and other destinations) are distinct or whether any two of the outcomes could be aggregated. The possibility of combining outcome categories depends on whether the variables in the model distinguish between these outcomes in a statistical sense or whether a more parsimonious model would provide just as good a fit. We are particularly concerned by migration towards Greece, which we hypothesize involves different determinants but which may not in fact be different from migration towards other destinations. This possibility is rejected using the Wald test, and our decision to treat each of the three outcomes as distinct is supported by the data.

The second question raised by the multinomial model is the underlying assumption of the Independence of Irrelevant Alternatives (IIA); that is, whether the odds of outcomes in the model do not depend on other available choices. We test the IIA assumption using both the Hausman and the Small-Hsiao tests[33]. The Hausman test never rejects the null hypothesis that the IIA assumption holds. In one case (permanent migration to Greece), the test assumes a negative value, meaning that the estimated model does not meet the asymptotic assumption of the test. However, Hausman and McFadden (1984) suggest that a negative result on the Hausman provides evidence that IIA has *not* been violated. The results of the Small-Hsiao test are more ambiguous: the null hypothesis of IIA is not rejected for temporary migration, but it is rejected for permanent migration. Considering the overall evidence, we consider the multinomial logit model as appropriate.

iii. The results

All coefficients are in terms of the log odds of the specific migration outcome (either towards Greece or farther a field) versus the reference outcome of "no external migration", unless otherwise specified. The primary conclusions from the econometric results, found in Table 22, are as follows.

First, permanent migrants to both destinations come from larger households, with an older head of household and fewer smaller children, while temporary migration to Italy comes from younger households. This is not surprising; permanent migrants are often the children of the

[33] Our tests are based on the mlogtest procedure developed by Long and Freese (2001).

head of household itself, as the family is farther along in the lifecycle, while temporary migration often involves the head of the household himself. Most of both kinds of migration involve younger males.

Second, education level is not an important determinant of migration choice, with the exception of temporary Greek migration. The weak role of education is not surprising; as was seen in the descriptive statistics, most Albanians have finished middle school. In any case, higher levels of Albanian education are usually not valued highly on the Italian or Greek labor markets.

Third, the type of household level labor activities, or the lack thereof, are an important determinant of the decision to migrate and destination choice. Current unemployment at the household level is a positively associated with temporary migration to both Greece and Italy (while the community level unemployment level has no impact). The share of household members employed in services is positively associated with the decision to migrate to Italy, both permanent and temporary, while it is negatively associated with temporary migration to Greece. Construction activities are associated with temporary migration to Italy, and agricultural and industrial activities are associated with permanent migration to Greece. Conversely, ownership of cattle is negatively associated with both temporary and permanent migration to Greece.

Fourth, the existence of migration networks and previous experience with migration are key determinants in the decision to migrate internationally. For the most part, as suggested by the descriptive statistics, different kinds of migration assets and experience are country or type of migration specific. For example, the existence of a household network in a foreign country (that is, previous permanent migration by a former family member) is strongly associated with continued permanent migration to that specific country, either Greece or Italy. Conversely, household networks in Italy are negatively associated with permanent migration to Greece, and household networks in Greece are negatively associated with temporary migration to Italy. Community level networks are important only for temporary migration; community networks in Greece are positively associated with temporary migration to Greece, and the same is true for Italy. Surprisingly, previous experience with temporary migration to Greece is also positively associated with temporary migration to Italy. Experience with temporary migration is negatively associated with permanent migration to either destination, though this is significant only for permanent migration to the opposing destination.

Relative wealth is also a factor in the decision to migrate. The relative deprivation of a household relative to other households at the village level is positively associated with the decision to migrate, though this is only significant for temporary migration to Italy. Conversely, the municipal level Gini index has a negative impact on temporary migration to Greece, and a positive impact on permanent migration to Italy.

Finally, after controlling for other variables, regional factors still play a role in the migration decision. As suggested in the descriptive statistics, households living in Tirana are less likely to migrate internationally. This is particularly true for permanent migration to Greece, in which case households living in all regions have a greater probability of migrating then those in Tirana. Households in the rural Center are more likely to migrate temporarily to Greece, households in the rural Coast and Mountain regions to migrate temporarily to Italy, and households in the urban Coast and Mountain regions to migrate permanently to Italy.

V. CONCLUSIONS AND POLICY IMPLICATIONS

Albania is a country on the move, both internally and internationally. This mobility plays a key role in household-level strategies to cope with the economic hardship of transition. As eloquently put by Adriana, a respondent from the town of Gramshi "A poor family is considered to be one that does not have a member who can emigrate abroad" (De Soto *et al*., 2002). Access to a migration network and family exposure to migration is seen by many as the only viable to escape poverty.

While migratory movements reached their peak in the aftermath of the two big crises of the 1990s, they remained at considerably high levels in 2001-2002 - the most recent period covered by the data analyzed here. Comparison of the population census from 1989 and 2001 suggests that 628,000 Albanians live abroad. Information from the two principal receiving countries (Greece and Italy) put the number of legal residents in these countries at approximately 600,000 in 2000-2001, equivalent to one fifth of Albanian population at the time of the 2001 Census. The LSMS data suggest that a similar number have considered migrating, and of these, half have tried and failed.

Almost one half of all Albanian households have access to migration networks, either through direct temporary migration of a household member or through their children living abroad. Again, this is most likely an underestimate, and it is comparable to a country like Mexico, with generations of uninterrupted migration tradition and experience, compared with just over a decade for Albania. An astonishing 35 percent of the children of Albanian households who have left their homes are currently living abroad. For offspring who left the house in the 1990s, the share reaches exodus proportions, with one child in two currently living abroad. We show econometrically that these migration networks play a key role in furthering future household migration to the same destination.

We have also identified clear patterns of temporary migration. Greece is by far the most important destination for temporary migration. The vast majority of temporary migrants, mainly from rural areas in the Center and the North-East of the country, travel to Greece to seek short-term employment opportunities to complement the meager earning from agricultural activities. Despite the higher costs, in recent years the flow of temporary migrants to more distant destinations such as Italy and Germany has increased substantially. In this case, both previous household experience and community networks facilitate continued temporary migration.

Albania in the past decade has also experienced a severe internal demographic transformation, from rural to urban, and from the North Eastern mountains to the districts of the Coast and Tirana. Tirana is by far the principal destination of internal migrants, a process which appears to have accelerated in the second half of the 1990s. Migration to Tirana is strongest towards poorest peri-urban areas, re-enforcing a vicious cycle of poverty and adding strain to already overstretched municipal services.

There is also strong evidence of a local rural-urban migration within the North Eastern region. Whether these urban centers in the north are only interludes to more distant and lucrative types of migration for these households remains unclear, although the large numbers of migrants from these provincial urban centers in the North to Tirana seems to suggest that many, indeed, may eventually move on. Given the internal migration to the urban areas of the Coast, as well as local rural-urban migration, creating economic opportunities in urban areas

beyond Tirana could help in re-establishing a more sustainable internal flow, as Tirana alone is struggling to accommodate and service the increasing number of migrants flocking to its poorest neighborhoods.

Although migration, with the resulting remittances, is an indispensable part of Albanian economic development, there is increasing consensus on the necessity to devise more appropriate, sustainable strategies to lift households out of poverty and promote the country's growth, as the phenomenon is also increasingly contributing to social dislocation, agricultural labor shortages and rapid deterioration in the provision of social services in urban areas.

Migration is currently contributing substantively to overall economic growth, with remittances accounting for about 14 percent of GDP. At the current rate, however, it is unlikely to be a permanent, long-lasting solution. Inevitably regional geo-politics will hamper growth in migration patterns and demographic trends will reduce remittances as migrants settle and families are reunited. The phenomenon in its current form has also the potential to contribute to a classic case of Dutch disease, unless the country is able to convert an increasing share of remittances into investment. The role of policy-makers is to ensure that the proper conditions are in place for that to happen.

First, and most important, policies are needed to improve the investment climate in the country.[34] Second, legalization and regulation of migration flows to European countries should be sought, while also ensuring that opportunities are created for the ones left behind. Policies to foster farm productivity and off-farm labor opportunities in rural areas may indeed succeed in moderating the push factor which is apparently forcing a large share of the population to migrate. Finally, remittances should be facilitated and transaction costs and spillages of transfers reduced.

There are a number of long-term reasons for engaging in these efforts. Albania cannot afford another decade of brain (and workforce) drain. The impact migration is having on the social fabric of the population and on the relation with its neighbor countries is becoming well too evident. Furthermore, the depopulation of the countryside and the unsustainable demographic pressure on cities like Tirana is likely to create additional impediments to a balanced and equitable growth process.

[34] See recent work in this area by Piperno (2003) and Uruçi and Gedeshi (2003).

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Table 1. Selected indicators for Albania

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Real GDP % change	-10	-28	-7.2	9.6	9.4	8.9	9.1	-7	8	7.3	7.8	6.5	6
CPI, % change	-0.2	35.7	226	85	22.6	7.8	12.7	33.2	20.6	0.4	0	4.1	5.5
Domestic employment (thousands)	1434	1434	1020	986	1083	1144	1116	1107	1085	1065	1068	1063	
State sector	905	917	640	408	327	295	239	226	213	201	191	189	
agricultural sector	529	487	318	486	515	584	761	761	761	761	761	761	
private sector	0	30	62	92	241	265	116	120	111	103	116	113	
unemployment rate, %	9.5	8.9	27.9	21.7	19.5	12.4	12.4	14.9	17.8	18.4	16.8	14.5	
real wage index, 1995=100			52.9	66.5	84.4	100	102.2	71.9	83.5	84.1	92.2	102	
private transfers (remittances, million $)		8	148	230	264	300	425	250	440	327	439	543	
total exports (million $)		73	70	112	141	205	229	167	205	275	255	305	
private transfers (as share of GDP)		1	21	19	13	12	16	11	15	9	12	14	
private transfers (ratio to exports)		0.11	2.11	2.05	1.87	1.46	1.86	1.50	2.15	1.19	1.72	1.78	
official transfers (million $)		81	329	351	161	118	77	77	89	139	111	125	
direct investment (million $)					65	89	97	42	45	51	143	204	
private transfers (ratio to official transfers)		0.10	0.45	0.66	1.64	2.54	5.52	3.25	4.94	2.35	3.95	4.34	
private transfers (ratio to direct investment)					4.06	3.37	4.38	5.95	9.78	6.41	3.07	2.66	
ALBANIA (per cap GDP, $)	573	344	222	388	620	745	819	687	912	1090	1107	1153	1279
GREECE (per cap GDP, $)	8226	8773	9562	8911	9491	11254	11873	11574	11619	11959	10768	10679	12021
ITALY (per cap GDP, $)	19155	20527	21761	17442	17942	19158	21491	20307	20834	20556	18702	18910	20399
GREECE (ratio to Albania)	14	26	43	23	15	15	14	17	13	11	10	9	9
ITALY (ratio to Albania)	33	60	98	45	29	26	26	30	23	19	17	16	16

Source: Albania: Selected Issues and Statistical Appendix, IMF Country Report No. 03/96. March, 2003; Jarvis, 1999; World Economic Outlook, Sept, 2002. IMF

Table 2: Mobility of household head

Household head lived in current municipality	Always	Moved before 1990	Moved after 1989			Total
			Sub-total	Moved in 1990-1995	Moved in 1996-2002	
Number of observations	2253	871	475	205	270	3599
By location: (%)						
Tirana	40	31	29	10	18	100
Coast, urban	47	33	20	7	13	100
Coast, rural	76	17	7	5	3	100
Center, urban	63	30	7	4	3	100
Center, rural	76	15	9	3	6	100
Mountain, urban	31	46	23	12	12	100
Mountain, rural	94	5	1	0	1	100
Total	66	22	12	5	7	100

Table 3. Internal mobility of household head, by year

Year of movement	percentage
1990	7
1991	9
1992	8
1993	6
1994	6
1995	6
1996	12
1997	12
1998	12
1999	6
2000	9
2001	6
Total	100

Table 4. Main reason for movements of household heads in the 1990s

Reason of movement	*%*
To start a new job	10
To look for a better paid job	56
Security	3
Poor quality/not enough land	10
To join family /marriage	10
Other	11
Total	100

Table 5. Movement of household heads in the 1990s.

in %		**From**				
		Coast	**Center**	**Mountain**	**Tirana/ Abroad**	**Total**
To	**Coast**	13	12	8	0	34
	Center	2	19	10	0	31
	Mountain	0	0	5	0	5
	Tirana	5	18	6	1	30
	Total	20	49	29	2	100

Table 6. Expelling and absorbing districts – Index (1989-2001)

		Expelling districts		Absorbing districts	
		Index	**Rank**	**Index**	**Rank**
1	BERAT	0.735	25	0.961	23
2	BULCUIZË	0.587	13	0.930	12
3	DELVINË	0.384	1	0.927	11
4	DEVOLL	0.780	31	0.961	24
5	DIBËR	0.589	14	0.988	36
6	DURRËS	0.664	20	0.721	2
7	ELBASAN	0.816	34	0.953	18
8	FIER	0.741	26	0.930	13
9	GRAMSH	0.594	16	0.977	31
10	GJIROKASTËR	0.697	23	0.952	17
11	HAS	0.594	15	0.985	35
12	KAVAJË	0.721	24	0.931	14
13	KOLONJË	0.558	10	0.954	19
14	KORÇË	0.672	22	0.944	15
15	KRUJË	0.849	36	0.919	9
16	KUÇOVË	0.643	19	0.870	7
17	KUKËS	0.526	8	0.982	34
18	KURBIN	0.665	21	0.829	4
19	LEZHË	0.754	27	0.840	5
20	LIBRAZHD	0.759	28	0.977	32
21	LUSHNJË	0.787	32	0.900	8
22	MALËSI E MADHE	0.635	18	0.974	30
23	MALLKASTËR	0.585	12	0.788	3
24	MAT	0.579	11	0.973	29
25	MIRDITË	0.533	9	0.966	26
26	PEQUIN	0.807	33	0.957	21
27	PËRMET	0.525	7	0.958	22
28	POGRADEC	0.774	30	0.951	16
29	PUKË	0.473	4	0.978	33
30	SARANDË	0.427	3	0.863	6
31	SKAPRAR	0.478	5	0.957	20
32	SHKODËR	0.769	29	0.963	25
33	TEPELENË	0.503	6	0.968	27
34	TIRANË	0.833	35	0.693	1
35	TROPOJË	0.418	2	0.973	28
36	VLORË	0.632	17	0.926	10

Source : 1989 and 2001 PHC of Albania

Table 7. Total migration flows by district (1989-2001)

		INFLOW		OUTFLOW		NET INFLOW	
		# migrants	rank	# migrants	rank	# migrants	rank
1	BERAT	5049	14	36184	11	-31135	8
2	BULCUIZË	3020	18	20779	20	-17759	17
3	DELVINË	787	33	14649	30	-13862	24
4	DEVOLL	1345	23	8388	34	-7043	31
5	DIBËR	1007	29	40886	7	-39879	3
6	DURRËS	50773	2	55267	4	-4494	32
7	ELBASAN	10368	7	39058	8	-28690	10
8	FIER	13978	4	52926	5	-38948	4
9	GRAMSH	819	31	17672	24	-16853	20
10	GJIROKASTËR	2599	19	20118	21	-17519	18
11	HAS	296	36	8889	33	-8593	28
12	KAVAJË	5369	12	22584	19	-17215	19
13	KOLONJË	788	32	10955	32	-10167	26
14	KORÇË	8040	10	58156	3	-50116	2
15	KRUJË	5126	13	8179	35	-3053	35
16	KUÇOVË	4596	16	14261	31	-9665	27
17	KUKËS	1161	26	37639	9	-36478	6
18	KURBIN	9309	8	17680	23	-8371	30
19	LEZHË	10823	6	15229	29	-4406	33
20	LIBRAZHD	1633	21	17323	25	-15690	21
21	LUSHNJË	14388	3	28745	13	-14357	23
22	MALËSI E MADHE	960	30	15970	28	-15010	22
23	MALLKASTËR	8396	9	16977	26	-8581	29
24	MAT	1640	20	32243	12	-30603	9
25	MIRDITË	1248	25	23554	18	-22306	15
26	PEQUIN	1408	22	5803	36	-4395	34
27	PËRMET	1078	27	18910	22	-17832	16
28	POGRADEC	3442	17	16124	27	-12682	25
29	PUKË	770	34	25827	15	-25057	12
30	SARANDË	4810	15	36657	10	-31847	7
31	SKAPRAR	1294	24	24262	17	-22968	14
32	SHKODËR	6891	11	44408	6	-37517	5
33	TEPELENË	1038	28	24794	16	-23756	13
34	TIRANË	159305	1	61356	2	97949	36
35	TROPOJË	750	35	26066	14	-25316	11
36	VLORË	10926	5	65031	1	-54105	1

Source: 1989 and 2001 PHC

Table 8. Migration outflows, internal and international, by district (1989-2001)

		internal		international		ratio, internal to international
		# migrants	rank	# migrants	rank	
1	BERAT	19220	3	16964	12	1.13
2	BULCUIZË	8427	16	12352	18	.68
3	DELVINË	1030	36	13619	14	.08
4	DEVOLL	2654	33	5734	29	.46
5	DIBËR	37475	1	3411	34	10.99
6	DURRËS	4431	25	50836	3	.09
7	ELBASAN	10548	14	28510	8	.37
8	FIER	16880	7	36046	6	.47
9	GRAMSH	11395	12	6277	28	1.82
10	GJIROKASTËR	2053	34	18065	10	.11
11	HAS	4412	26	4477	33	.99
12	KAVAJË	5611	20	16973	11	.33
13	KOLONJË	5304	22	5651	30	.94
14	KORÇË	18494	4	39662	4	.47
15	KRUJË	4814	24	3365	35	1.43
16	KUÇOVË	2665	32	11596	20	.23
17	KUKËS	33072	2	4567	32	7.24
18	KURBIN	4333	27	13347	16	.32
19	LEZHË	3937	29	11292	21	.35
20	LIBRAZHD	12537	11	4786	31	2.62
21	LUSHNJË	9037	15	19708	9	.46
22	MALËSI E MADHE	2842	31	13128	17	.22
23	MALLKASTËR	5170	23	11807	19	.44
24	MAT	17716	6	14527	13	1.22
25	MIRDITË	14457	9	9097	25	1.59
26	PEQUIN	3625	30	2178	36	1.66
27	PËRMET	8084	17	10826	22	.75
28	POGRADEC	7244	18	8880	26	.82
29	PUKË	17793	5	8034	27	2.21
30	SARANDË	1523	35	35134	7	.04
31	SKAPRAR	13695	10	10567	23	1.30
32	SHKODËR	7211	19	37197	5	.19
33	TEPELENË	11262	13	13532	15	.83
34	TIRANË	4140	28	57216	2	.07
35	TROPOJË	16604	8	9462	24	1.75
36	VLORË	5535	21	59496	1	.09

Source: 1989 and 2001 PHC of Albania

Table 9. Main inter-district flows based number of internal migrants (1989-2001)

Main expelling districts:	**Going to:**
Diber	Tirana (65%), Durres (19%), Bulcuize (4%)
Kukes	Tirana (73%), Durres (16%), Lushnje (3%),
Berat	Tirana (21%), Kucove (16%), Fier (13%), Durres (12%)
Korce	Tirana (52%), Durres (15%), Pogradec (8%)
Puke	Tirana (42%), Lezhe (18%), Durres (14%), Shkoder (10%)
Main absorbing districts:	**Coming from:**
Tirana	Diber (15%), Kukes (15%), Tropoje (7%), Mat (7%)
Durres	Diber (14%), Kukes (11%), Mat (6%)
Lushnje	Librazhd (15%), Gramsh (11%), Berat (9%), Elbasan (9%)
Fier	Mallkaster (22%), Berat (18%), Tepelene (9%), Vlore (8%)
Vlore	Fier (17%), Tepelene (15%), Berat (13%), Korce (10%)

Source : 1989 and 2001 PHC of Albania

Table 10. Migration to Tirana by mini-municipality

	Inflows of migrants to each mini-municipality			
Mini-Municipality	**Number of obs.**	**Percentage of total inflow**	**Percentage of new resident (since 1989)**	**Total population of the Mini-municipality**
1	4,617	4.7	20.2	23,040
2	10,495	10.7	24.8	42,784
3	5,615	5.7	19.7	28,831
4	11,853	12.1	35.5	33,583
5	9,596	9.8	23.2	41,831
6	13,612	13.9	44.2	30,948
7	11,491	11.7	30.3	38,283
8	5,185	5.3	22.1	23,719
9	7,534	7.7	25.8	29,544
10	1,475	1.5	11.5	13,084
11	16,595	16.9	46.6	35,806
Total	**98,068**	**100**	**29.0**	**341,453**

Source: 2001 PHC of Albania

Table 11. Individual characteristics of recent temporary migrants

Adult members away for at least 1 month	No	Yes		
		Total	Male	Female
Number of observations	10509	421		
Time spent outside (months)	0.00	3.50	3.75	2.44
Age of individual	41	35	34.29	40.95
% of females	54	15		
Education (years of schooling)	8.52	9.32		

Table 12. Household characteristics of recent temporary migrants

Households with an adult member away for at least 1 month	No	Yes	Total
Number of observations	359	3240	3599
% of households	90	10	100
By location:			
Tirana	96	4	100
Coast, urban	94	6	100
Coast, rural	90	10	100
Center, urban	92	8	100
Center, rural	86	14	100
Mountain, urban	89	11	100
Mountain, rural	83	17	100
Household size	4.24	4.61	4.28
Average adult education (years)	8.68	8.45	8.64
% of households which participate in			
- dependent work	46	35	45
- agricultural business	50	71	52
- non-agricultural business	15	11	15
Per-capita consumption (leks/month)	7890	7069	7801
Poverty headcount	25	33	25

Table 13. Temporary external migration: individual and household characteristics of individuals who lived abroad for at least 3 months at any one time since 1997

Migrated abroad between 1997 and 2001	**No**	**Yes**					
%	93	7					
			Number of migration episodes				
Individual characteristics by # of migration episodes	**0**		**1**	**2**	**3**	**4**	**5**
% among migrants		100	43	19	14	10	15
Age	41	36	39	37	32	32	36
% female	56	17	19	18	20	14	12
Household characteristics by # of migration episodes	**0**		**1**	**2**	**3**	**4**	**5**
% of households			41	19	14	10	16
% hh in dependent Work	46	39	44	42	32	30	33
% hh in agriculture	50	65	62	61	67	70	74
Poverty headcount	25	26	27	30	25	25	20
Household size	4.21	4.61					
Average adult education (years of schooling)	8.63	8.68					
Per-capita consumption (leks/month)	7841	7636					
			Year				
			1997	**1998**	**1999**	**2000**	**2001**
Percentage to Greece			84	81	79	72	74
Percentage to Italy			12	15	18	22	22
Length of stay (months)			6.62	7.09	6.40	6.11	4.65
% of females			18	18	18	14	12
Kinship		**%**					
head		51					
spouse		10					
children		36					
other		3					

Table 14. Intent to migrate abroad among non-migrants

Considered moving abroad	**Yes**	**No**
Number of observations	2730	7411
Percentage	27	73
Why not?		**%**
No need		24
Too difficult		30
Too costly		9
Too dangerous		2
Too ill		2
Does not want to		31
Other		2
Total		100
Tried to move and failed	**%**	
Yes	44	
No	56	
Total	100	

Table 15. Household characteristics of temporary external migrants

	None	To Greece	To Italy*	Other	Total
Individual characteristics					
Number of observations					10930
Percentage	93	5	2	0	100
Age	41	35	39	43	41
Percentage female	56	16	21	29	53
Education (years)	8.47	9.42	9.90	11.26	8.55
Household characteristics					
Number of observations					3599
Percentage	82	13	5	0	100
Household size	4.21	4.71	4.45	3.41	4.28
Dependency ratio	0.84	0.88	0.83	1.18	0.84
Average education	8.63	8.35	9.43	10.64	8.64
Per-capita consumption	7841	7019	9205	11730	7801
Poverty headcount	25	29	17	11	25
By location, %					
Tirana	92	5	3	1	100
Coast, urban	85	8	7	0	100
Coast, rural	80	13	7	0	100
Center, urban	85	10	5	1	100
Center, rural	77	20	3	0	100
Mountain, urban	85	11	4	1	100
Mountain, rural	76	19	5	1	100

*Includes other parts of Europe as well

Table 16. Main destinations of children of hh members who left the house

Destination	No. obs	%	% abroad
Albania	3930	65	
Greece	1041	17	49
Italy	746	12	35
Other Europe	184	3	8
Other	157	3	7
Total	6058	100	100

Table 17. Individual and Household characteristics of children who left the house

	Albania	**Greece**	**Italy***	**Other**	**Total**
Individual characteristics					
Number of observations					6058
Percentage	65	17	15	3	100
Age (years)	38	32	30	33	36
% females	64	38	31	43	54
Education (years of schooling)	9.68	9.83	10.04	11.63	9.81
Household characteristics					
Number of observations					1878
% of households (furthest migration)	38	25	30	7	100
Household size	4.85	3.85	3.78	3.77	4.21
Average adult education (years of schooling)	7.7	7.3	7.8	9.6	7.8
Per-capita consumption (lek/month)	7038	8609	8582	9478	7956
% households in dependent work	38	30	37	52	37
% households in agriculture	61	67	53	31	58
% households in non-agric. business	16	10	13	20	14
Poverty headcount	32	19	15	22	24

*Includes other parts of Europe as well

Table 18. Main characteristics of households with migration exposure

	None	To Greece	To Italy*	Other	Total
Household characteristics					
Number of observations					3599
Percentage	53	23	20	4	100
By location, %					
Tirana	66	9	17	8	100
Coast, urban	55	15	27	3	100
Coast, rural	45	25	29	1	100
Center, urban	55	20	18	7	100
Center, rural	49	32	17	3	100
Mountain, urban	67	15	14	5	100
Mountain, rural	59	28	11	2	100

*Includes other parts of Europe as well

Table 19. Permanent versus temporary migration

	Permanent (children)				
Temporary (members)	**None**	**To Greece**	**To Italy***	**Other**	**Total**
None	1921	388	519	115	2943
To Greece	346	86	28	13	472
To Italy*	115	12	44	0	170
Other	9	0	0	5	13
Total	2391	486	590	132	3599

* Includes other parts of Europe as well.

Table 20. Remittances

Relationship to the head	%
Spouse / Partner	4
Son/daughter (also adop. and in law)	55
Sister/brother (also in law)	25
Other	12
Institution	3
Total	100
N. (unweighted)	1400

Table 21. Characteristics of remittances

Individuals live in Albania?	**Yes**	**No**	**Total**		
%	21	79	100		
N. (unweighted)	283	1070	1353		
Location of remitters	**%**	**%**	**%**	Amount	per-capita
Albania	100		21	38,151	11,700
Greece		42	33	70,095	24,036
Italy		40	32	121,211	37,782
Other Europe		10	8		
Other		8	7	146,905	44,142
Total		100	100	88,602	28,199
Location of recipient - Rural/Urban			**%**	Amount	per-capita
Urban			45	68,902	22,799
Rural			55	104,400	32,529
Location of recipient - Stratum			**%**	Amount	per-capita
Coast			40	78,611	26,534
Centre			49	91,703	28,039
Mountain			4	138,334	37,135
Tirana			7	92,039	33,426
Remittances used for			**%**	Amount	per-capita
Purchase of food and basic necessities			33	74,249	24,438
Investment / Purchase of durable goods			12	221,214	70,785
Medical expenses			9	57,390	18,254
Other			9	81,845	25,965
No specific reason			37	68,293	20,920
Total			100	88,602	28,199
Year since when donor lives abroad		%			
Before 1990		2			
1990-1996		38			
After 1996		60			
Total		100			
If migrated after 1990, lived abroad continuously		%			
Yes		90			
No		10			

Table 22. Multinomial logit regression for temporary and permanent migration

	Temporary Greece	Temporary Italy and other	Permanent Greece	Permanent Italy and other
Family size (log)	-0.240	-0.420	1.781**	1.862**
	(0.709)	(0.556)	(0.029)	(0.012)
Age of household head (log)	-0.490	-1.008*	1.468**	1.828***
	(0.221)	(0.070)	(0.021)	(0.004)
Number of children aged 0-14 (excluded: females over 59)	0.035	-0.087	-0.702***	-0.746***
	(0.793)	(0.674)	(0.000)	(0.000)
Number of males 15-19	0.340	0.041	0.392*	-0.295
	(0.153)	(0.900)	(0.096)	(0.267)
Number of females 15-19	0.179	0.127	0.006	0.057
	(0.372)	(0.614)	(0.980)	(0.796)
Number of males 20-34	0.602***	0.230	0.735***	0.539***
	(0.000)	(0.386)	(0.000)	(0.005)
Number of females 20-34	0.091	-0.062	0.003	-0.082
	(0.657)	(0.792)	(0.987)	(0.688)
Number of males 35-59	0.254	0.477	-0.431	0.488
	(0.335)	(0.160)	(0.240)	(0.132)
Number of females 35-59	-0.647***	-0.204	0.594*	0.224
	(0.008)	(0.587)	(0.062)	(0.375)
Number of males aged 60 and more	0.016	0.882**	-0.526	-0.208
	(0.954)	(0.033)	(0.213)	(0.537)
Average adult education	0.415***	0.067	0.092	0.275
	(0.003)	(0.729)	(0.573)	(0.134)
Square of average adult education	-0.021**	-0.002	-0.003	-0.015
	(0.018)	(0.841)	(0.769)	(0.126)
Agricultural land, ha	0.082	0.367	0.119	-0.012
	(0.613)	(0.187)	(0.588)	(0.952)
Number of heads of cattle	-0.213**	-0.033	-0.195**	0.051
	(0.012)	(0.787)	(0.042)	(0.241)
Own car/truck	-1.454**	-0.921**	0.141	-0.773*
	(0.011)	(0.048)	(0.736)	(0.051)
Number of rooms per capita	-0.277	0.177	-0.303	0.161
	(0.422)	(0.544)	(0.562)	(0.526)
Share jobs in agriculture	0.125	-0.027	1.295***	0.579
	(0.630)	(0.956)	(0.001)	(0.284)
Share jobs in industry	-0.948	0.239	1.280*	0.738
	(0.169)	(0.734)	(0.078)	(0.270)
Share jobs in construction	-0.360	2.405***	-0.532	0.119
	(0.607)	(0.000)	(0.691)	(0.916)
Share jobs in services	-1.173**	1.342**	0.130	1.304**
	(0.029)	(0.030)	(0.885)	(0.013)
Household unemployment ratio	0.965***	1.017***	-0.189	-0.317
	(0.001)	(0.010)	(0.717)	(0.456)
Relative deprivation	0.205	0.575***	0.134	0.197
	(0.258)	(0.001)	(0.564)	(0.330)
Share of hh members who moved here since 1990	0.567*	-0.984*	0.743*	0.158
	(0.081)	(0.051)	(0.093)	(0.680)
Experience temp. Mig to Greece (ln of number)	3.939***	1.704***	-0.457	-1.099**
	(0.000)	(0.000)	(0.219)	(0.041)
Experience temp. Mig to other countries (ln of number)	-0.767	4.740***	-2.298*	-0.705
	(0.405)	(0.000)	(0.053)	(0.290)
Household network in Greece (ln of n.)	-0.299	-0.761**	0.900***	-0.171
	(0.283)	(0.049)	(0.001)	(0.593)
Household network in other countries (ln of n.)	-0.206	0.338	-0.814*	0.887***
	(0.546)	(0.313)	(0.077)	(0.000)
Community network in Greece: share of migrants	13.502***	-6.809	2.751	-7.187
	(0.000)	(0.119)	(0.223)	(0.304)
Community network in other countries: share of migrants	-5.611	13.251***	4.940	7.138
	(0.357)	(0.000)	(0.209)	(0.176)
Community: share of residents who moved there since 1989	-0.874**	-0.497	-0.324	0.348
	(0.043)	(0.421)	(0.610)	(0.512)
Commune: Gini index of inequality	-0.187*	-0.015	0.039	0.067*
	(0.064)	(0.790)	(0.431)	(0.055)
Commune: Unemployment ratio	-0.012	0.001	-0.019	-0.009
	(0.261)	(0.962)	(0.226)	(0.562)
Region (Excluded: Tirana): Coast Urban	0.487	0.181	1.775**	0.697*
	(0.355)	(0.711)	(0.014)	(0.057)
Coast Rural	0.310	0.822*	1.773**	0.632

	(0.603)	(0.098)	(0.028)	(0.181)
Centre Urban	0.363	0.237	1.709**	0.629
	(0.513)	(0.668)	(0.037)	(0.141)
Centre Rural	0.910*	0.576	1.683**	0.536
	(0.087)	(0.354)	(0.035)	(0.295)
Mountain Urban	0.138	0.695	1.579**	1.264***
	(0.830)	(0.234)	(0.050)	(0.003)
Mountain Rural	0.901	1.187**	1.856**	0.323
	(0.114)	(0.019)	(0.018)	(0.515)
Observations	**3541**	**3541**	**3541**	**3541**
Pseudo-R2	**0.37**	**0.37**	**0.22**	**0.22**

Robust p values in parentheses

* significant at 10%; ** significant at 5%; *** significant at 1%)

Figure 1. Albania district codes.

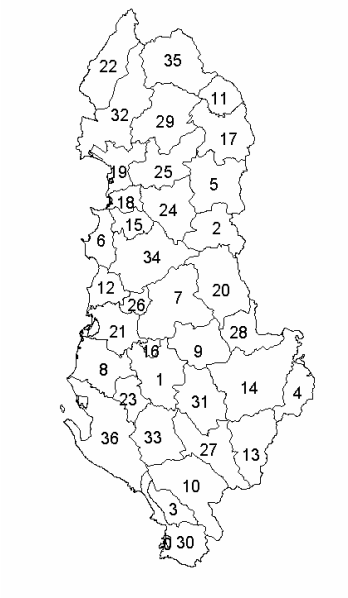
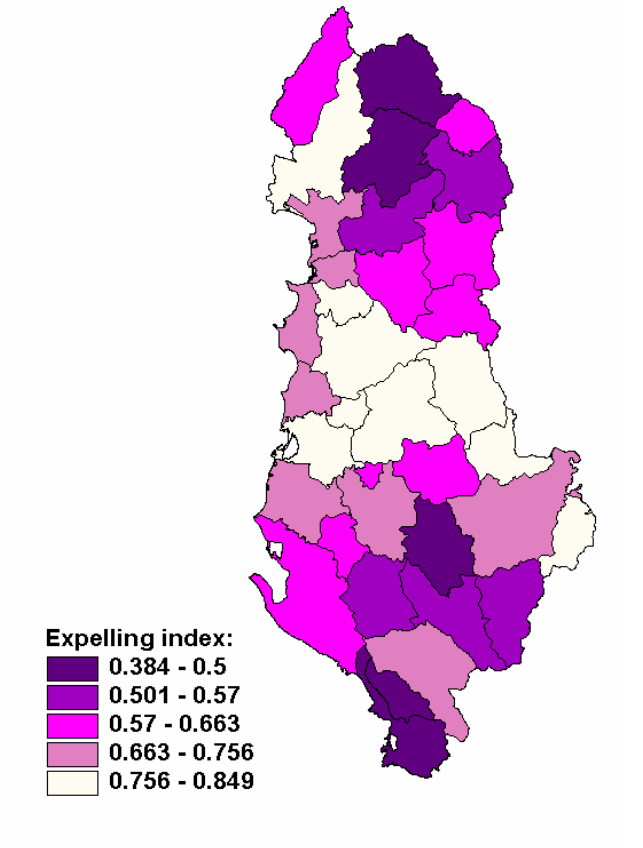
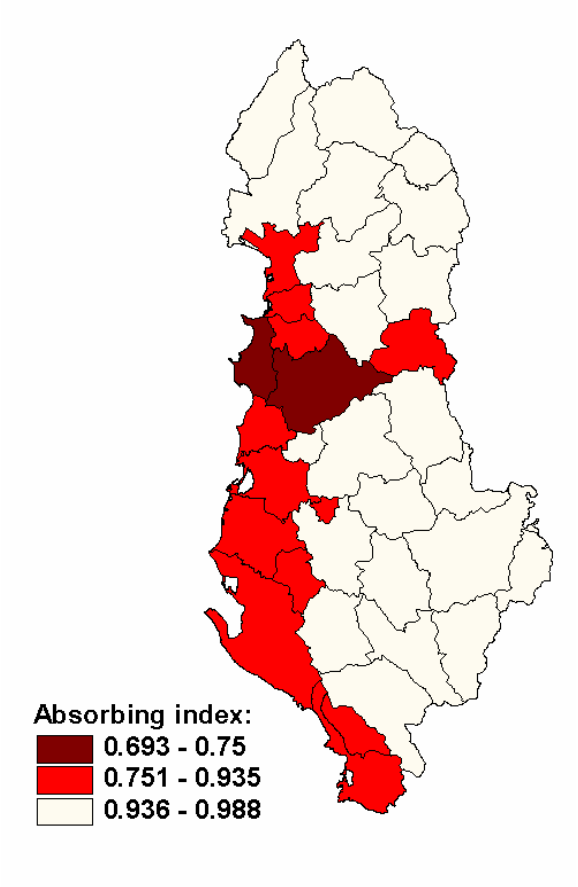


Figure 2. Expelling index, internal and international migration, 1989-2001.



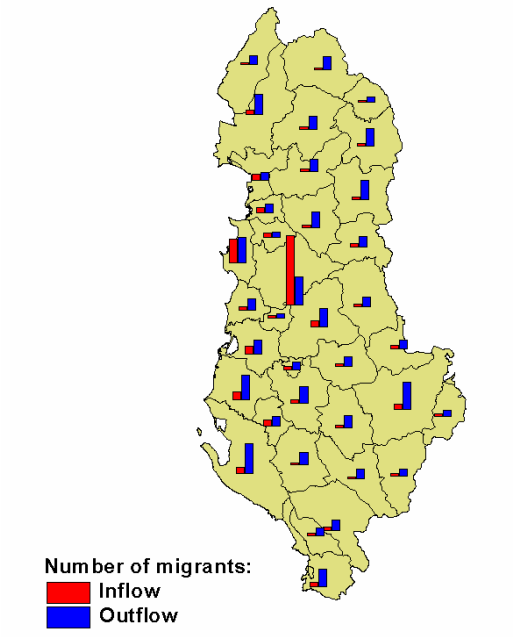
Source: 2001 PHC

Figure 3. Absorbing index, 1989-2001.



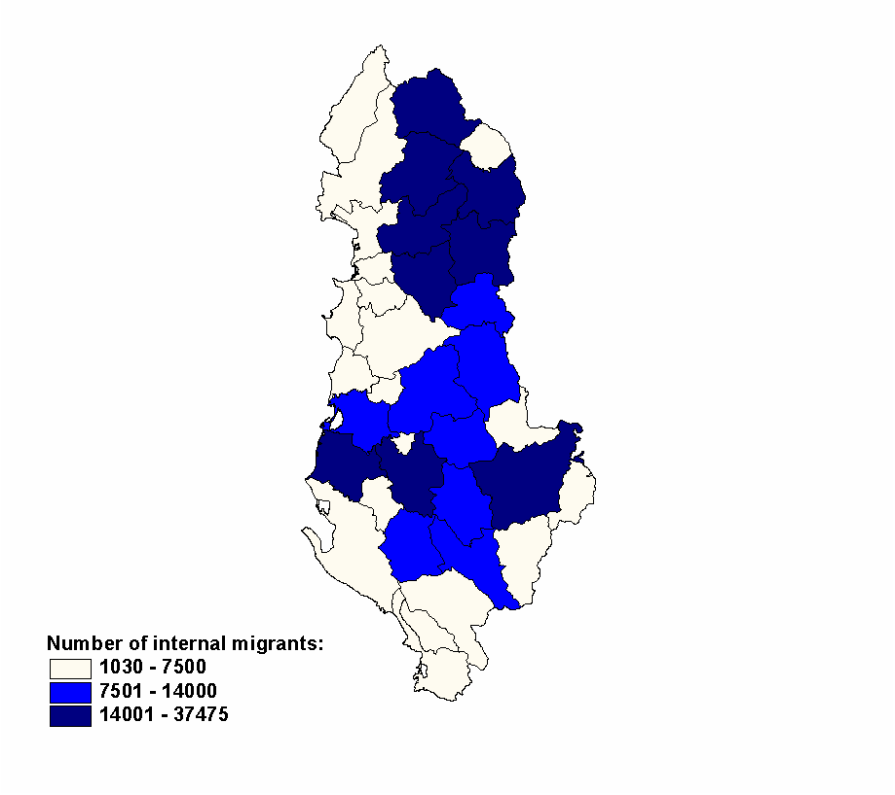
Source: 1989 and 2001 PHC

Figure 4. Absolute number of inflows and outflows, 1989-2001.



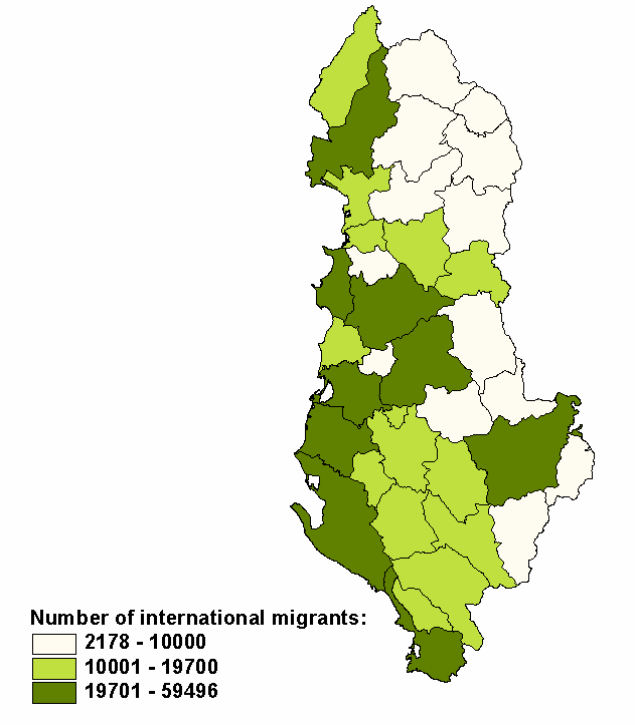
Source: 1989 and 2001 PHC

Figure 5. Expelling, absolute number of internal migrants, 1989-2001.



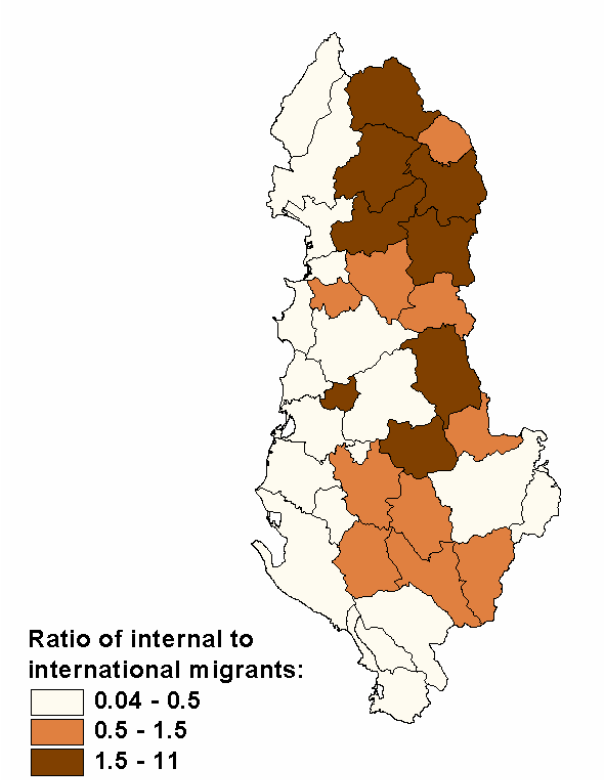
Source: 1989 and 2001 PHC

Figure 6. Expelling, absolute number of international migrants, 1989-2001.



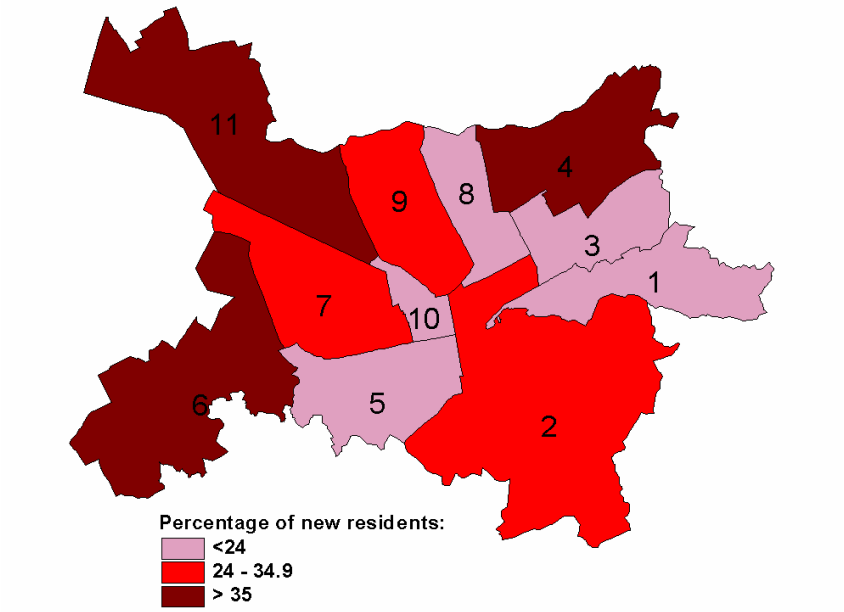
Source: 1989 and 2001 PHC

Figure 7. Expelling, ratio of internal to international migration, 1989-2001.



Source: 1989 and 2001 PHC

Figure 8. Tirana, inflow by municipality, 1989-2001.



Source: 2001 PHC

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