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A L B A N I A   S E R I E S

August 1999

# Urban Growth and Land Use Changes in Tirana, Albania: With Cases Describing Urban Land Claims

Herman Felstehausen



Land Tenure Center

AN INSTITUTE FOR  
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# **URBAN GROWTH AND LAND USE CHANGES IN TIRANA, ALBANIA: WITH CASES DESCRIBING URBAN LAND CLAIMS**

by

**Herman Felstehausen**

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## **ABSTRACT**

Tirana, Albania's capital city, grew rapidly in size and population following 1991 governmental reforms. Before the 1990s, Tirana was a compact city of 225,000 inhabitants. Most properties were state owned. Privatization of land and buildings opened the city to rapid development, heavy traffic, and booming construction of shops, houses, and squatter settlements. Tirana's metropolitan population grew to more than 600,000; city size increased fivefold. This study focuses on land and building claims, both legal and informal, in the context of emerging markets and newly organized land titling and land records systems. A land market action plan supported by the Albanian government, European Union, Land Tenure Center, and others aims to increase tenure security, facilitate property transactions, and strengthen public institutions. So far weak governments and poorly developed institutions still prompt many to invest in property as the only practical means to secure wealth and gain access to improved living. Five urban case studies and one peripheral settlement case are described showing how individuals and families apply a mix of traditional and official means to claim and secure land and building space. Land registration and mapping issues are discussed. Lessons include the role of customary land access and use rules, the need to resolve unclear claims, and the importance of public sector development—particularly infrastructure and government land management. These cases illustrate the difficulty in building public capacity within a private property system. In general within Albania, the public's role is yet to be defined.

# **URBAN GROWTH AND LAND USE CHANGES IN TIRANA, ALBANIA: WITH CASES DESCRIBING URBAN LAND CLAIMS**

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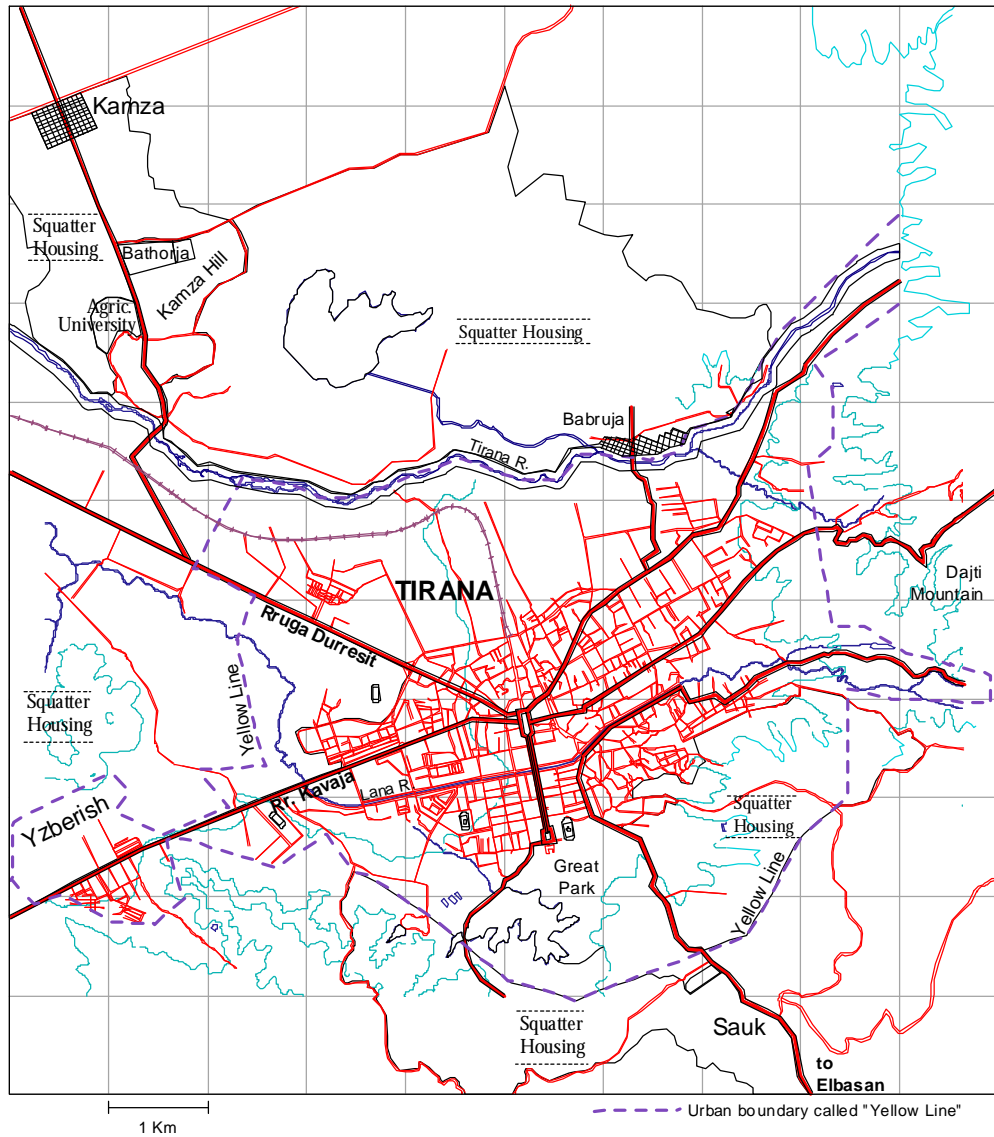
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## **SCOPE AND PURPOSE**

This paper addresses urban growth and property changes taking place in Tirana as Albania shifts from central planning to a market economy. The urban transformation involves a rapid shift to private property rights in the context of weak government, imperfect markets, and frequent reliance on traditional practices. This analysis will address these changes at two levels. The first concerns urban population growth, ownership changes, urban development, and squatter settlements that are putting pressure on infrastructure and the environment. The second level of analysis focuses on land use and building practices of individuals and families attempting to secure land and define and register their holdings.

The assumption underlying this analysis is that poorly developed institutions and markets, land claimants, developers, and squatters tend to rely heavily on interpersonal relationships and traditional practices when making land claims. Occupants will claim as much land as possible (expecting prices to rise); they will improve family housing to increase both its comfort and its trade value; and they will engage in quasi-legal buying, selling, and leasing within informal markets. This study examined these relationships through a series of structured case studies beginning in 1994. Public/private and spatial/economic dynamics provide the focus of the analysis. The case studies address the practical effects of economics, government, political change, property traditions, and institutional discontinuity as they interact in land-use settings.

The work is centered in Tirana, Albania's capital (see figure 1, p. 2). The city experienced dramatic changes following national governmental reforms beginning in 1991 and 1992. When citizens were given freedom of movement and rights to operate private businesses, informal market activities immediately overwhelmed former public-sector activities. Downtown streets and urban-fringe land parcels filled with shops and squatter housing. Low-income worker families and rural migrants began building on former farmlands and green spaces. The city government was totally unprepared to receive the flood of new migrants or to capture the benefits of an economy based mainly on rising land values, building trades, and imported goods. The result was—and is—devastating chaos in terms of urban space allocation, infrastructure maintenance, and environmental quality.



**FIGURE 1: Urban growth map of Tirana, Albania, 1999**



## TIRANA'S TRANSFORMATION

Tirana under communist control was a compact, comprehensively planned city structured for a high degree of self-sufficiency. Urban edges were reserved for horticultural and food production. Mountain slopes were protected for water supply. Mountain streams were channeled to drain quickly through and around the center. Tirana created a large Central Park concept in the 1950s with a water reservoir and native trees to beautify the brown, rocky landscape. The accompanying map (figure 1) shows the Great Park south of the city center and former farmlands to the north.

The country of Albania is small and mountainous, 28,000 square kilometers in size. Until 1990, two-thirds of the 3.2 million population lived in rural areas. When the communist government collapsed and property was being privatized, people began immediately to migrate to the cities. Private property laws approved in 1991 and 1992 allocated about 1.5 million parcels of agricultural land in ownership to 365,000 families on ex-cooperative farms and use rights to about 400,000 parcels on ex-state farms (Jazoj and Stanfield 1995). In December 1992, occupants of state-constructed apartment buildings (mostly in cities and villages) were authorized to purchase for modest fees the apartments they occupied. By the end of 1994, approximately 96 percent of 205,000 eligible apartment units had been converted to private ownership. Besides these units, an estimated 400,000 farm and village dwellings were transferred to local residents in the process of granting land.

Restitution decrees also gave property rights to ex-owners. These were persons whose property (land and buildings) had been taken from them by the communist government and used for state purposes or divided and allocated to other persons. Ex-owners have become active through the courts and restitution commissions making a new stream of claims to land and buildings formerly owned by family members.

The total number of private properties (parcels, houses and apartments) created since 1991 is expected to exceed 2.5 million. A national land registration and mapping program was initiated in 1993 to register all newly privatized parcels and buildings. This registration program continues at the present time as well as operating through the 1997 government crises and recent Kosovo conflict in Yugoslavia.

A construction boom started in Tirana after 1992 as a result of releasing land and business buildings to individuals. Large numbers of automobiles and trucks were imported causing severe traffic and space congestion along highways and in downtown areas. Tirana's population, counting suburban zones, doubled from 225,000 at the end of the communist period to an estimated 450,000 five years later and rose to more than 600,000 in mid-1999 (see table 1).

The urban periphery as well as downtown areas of Tirana became the focus of strong growth pressures. Suburban land in state ownership is often occupied by squatters. Within the city, street frontage, parkways and empty lots are claimed for shops and restaurants, often through temporary structures, later replaced with permanent buildings. Land outside the city but near transportation routes is the first to be occupied because it is the most accessible to transportation, and has the highest possibility of being connected to water and electricity (Driscoll, Ersenkal, and Iadarola 1994). Urban and near-urban areas also provide opportunities for rural migrants to send their children to school. Suburban residents contacted in targeted interviews reported that as soon as land is claimed and built on, even if illegally, it can be sold

in informal local markets. Squatters and land developers have responded to increases in market value by claiming as much land as possible, constructing houses for their own families, and sometimes for sale to others.

<b>TABLE 1. Tirana city population, 1990–98</b>	
Population in 1990 (under central planning)	225,000
Population in 1994 (estimate)	325,000
Population of total metropolitan area in 1995 (estimate)	425,000
Population of total metropolitan area in 1998 (estimate)	550,000
Rate of population growth of metropolitan area, 1995–1998 (approx.)	9% per year
Average number of new housing units required per year, 1995–1998	10,000
Sources: District of Tirana; PADCO Preliminary Structure Plan for Greater Tirana, March 1995; subsequent citations from Kavaja Road Project Feasibility Study and press reports.	

New production enterprises, mostly for building materials and building components, have expanded opportunities for wage labor. Unstable savings and investment options, disastrous pyramid investment schemes that collapsed in 1997, plus growing corruption, all result in family capital and savings being directed toward property and investments of some lasting value: land, new construction, housing, and motor vehicles. The pressure to find land for development is so intense that it produces speculation, rampant unauthorized building, and countless illegal taps into public water and electricity supplies.

## **TIRANA SPACE FACTORS**

Tirana is located in the foothills of the Southern Alps 35 kilometers from the Adriatic Coast. Streams and rivers cut through the coastal plain near the city. Dajti Mountain (elev. 1,612 meters) rises steeply on the east edge of Tirana. The slopes are set aside as a national park and remain forested in contrast to surrounding hills that are eroded and barren. Agricultural lands and broad floodplains fan out toward the west and northwest. The suburban zone is spread over a wide range of land forms from mountains to the east, dry and hilly land to the south, and gently sloping alluvial terraces toward the northwest and west. Most of the present city of Tirana is built on a flat bench terrace gently tilted toward the west draining toward the Adriatic coastal plain. Soils have a heavy clay content except in river floodplains where they are silt laden. Surface rock is mainly fractured limestone. There are many short, steep slopes that have been destabilized by careless building practices.

The old city of Tirana was a densely populated urban center designed for pedestrians. Paris is the most compact large city in Europe; its counterpart on a small scale—even more

dense—is Tirana. The planned city of Tirana (Italian and communist periods) was organized like the hub and spokes of a wheel. Radial streets lined with government buildings and apartment houses extend out in all directions. The pre-1990s city of Tirana (where street patterns are clearly visible in figure 1) occupied about 1,500 hectares with an average density of 200 persons per hectare (50 square meters of total urban space per person). Each square of the map grid in figure 1 represents 1 square kilometer, illustrating that most points in the old city are within walking distance (1–2 kilometers) of the central square. As the city spreads, it is occupying 8 to 10 times more space than its original urban zone to serve 2 to 3 times as many people. Population density in suburban zones is low with a large proportion of the land unused, subject to erosion, and covered with trash and brush where local farmers graze cattle and goats.

**TABLE 2. Land occupied in Tirana and suburban periphery**

Traditional built area	1,500 ha
City boundary (area within yellow line)	3,500 ha
Total metropolitan area (city and growth zones)	10,000 ha
Metropolitan Tirana with surrounding <i>komuna</i> and villages	21,000 ha
Source: District of Tirana cadastre Office; and projections.	

The most desirable land for migrant housing on the periphery of Tirana consists of former state-farm property. Under former communist governments, farmland on the urban fringe was organized into state farms and publicly managed in order to promote fruit, vegetable, milk, and greenhouse production. Large investments were made on the edge of Tirana to drain wetlands, terrace hillsides, and create irrigation reservoirs—all measures to intensify production. Following government reorganization in 1991, worker families and residents on these state farms were granted the right to hold and cultivate a piece of state-farm land with the assumption that farm workers would become independent farmers. Allocations were made quickly; parcels were usually cut from large fields so that it was often difficult to locate the boundaries. No agency or authority was available to provide roads, fences, or drainage. State-land recipients were told that their parcel-assignment document was equivalent to a long-term lease, but it did not spell out subsequent rights (Bloch 1998). In contrast, ex-cooperative farmland was allocated as private property to rural families.

Because the Albanian government was not prepared for the administrative task of dealing with thousands of land claims, the final status of state-farm lands has not been determined. Occupants say that without ownership or permanent occupancy rights, state land grants are often of questionable value. Land recipients north and west of Tirana were observed illegally selling assigned parcels to new migrants and urban speculators seeking building sites. As new

waves of migrants from Kosovo arrive, additional state-farm parcels are reported taken over for squatter housing and commercial buildings. These actions take place without public planning, street layout, or infrastructure investments. Water and electricity are stolen from the public grid through illegal taps that are in turn allocated to users by ward bosses who charge per-house rates for hookups.

The Agricultural University, located on the northwest edge of Tirana, formerly controlled research and demonstration fields intended to remain in public ownership. However, research institutes lack supervisory personnel to control open land and to turn away squatters. As a result, research lands have been gradually invaded by migrant families. The main university buildings themselves were trashed and burned during public demonstrations in 1997.

Persons claiming land in the suburban growth zones of Tirana have converted more than 200 hectares of land to housing and commercial uses per year during 1994 (see table 3). Land is used inefficiently, partly because it is in the interest of builders to claim extra land for future sale, and partly because there are no guidelines helping settlers to draw street and lot lines. Each individual family or merchant finds space, buys out or forces out competing claims, and makes his/her physical presence known by building fences, foundations, or whole structures.

<b>Table 3. Land required for new housing in Tirana, 1994 figures</b>	
Standard land requirement* per person for urban housing	60 m <sup>2</sup>
Average persons per new household	4.5
Total urban space needed per additional house	270 m <sup>2</sup>
Area needed for 7,500 new houses per year, 1994 figures	200 ha
* Standard used by European building industry for economy housing. Source: Driscoll, Ersenkal, and Iadarola 1994; and Tirana City Planning Department.	

## **GROWTH ON THE PERIPHERY**

The suburban land areas of Tirana consist of all zones outside of the official boundary of the city known as the Yellow Line. In many places, the Yellow Line is not clearly marked. It is shown on maps as running along ridge tops, roadways, and creek beds which, upon inspection, have often been modified or do not exist. New growth areas are mainly the result of informal settlement.

Based on field investigations between 1994 and 1997, the four largest urban-fringe areas having the greatest impact on land-use changes were Kamza (northwest), Babruja (north), Sauk (south), and Yzberish (southwest) (these communities are shown on the accompanying

map, figure 1, p. 2). The Kamza *komuna*<sup>1</sup> (village-level government) contains four population centers: Koder Kamza, Bathorja, Valiasi, and Kamza. Squatter housing on former experimental farmland extends from the Agricultural University on the west, past the Paskuqan Reservoir on the north, and scatters eastward affecting more than 400 hectares of farmland and vineyards by 1997 and more since.

On the northern urban border where the Tirana River sweeps along the edge of Tirana, large squatter settlements surround the old villages of Babruja and Paskuqan. Almost every parcel along the river and its parallel roadways has been occupied. Within the last three years extensive building has begun on the hills behind the village of Paskuqan. Construction extends west and connects with squatter settlements from Kamza. Until 1996, there were no vehicle crossings of the Tirana River except on the far eastern and western edges of the city. The river created a clear boundary—everything beyond was agricultural. In 1996–97, the foot bridge near the city market was replaced with a passable highway bridge. Now the northern suburbs are opening to a flood of new settlers, shops, warehouses, and repair yards. Streets, roads, and infrastructure are almost totally lacking. More than 300 hectares of hilly agricultural and pasture lands, often fragile and subject to severe erosion, have been claimed for suburban uses in this region.

In Sauk to the south, building parcels are scattered and tend to be lined up along roadways and field paths. A number of ex-owners of farmland reclaimed their agricultural parcels and in 1995 said that they would not allow building on farmland unless it was for members of their own family. Road access to the villages of Sharra, Selita, and Farka e Madhe was sometimes difficult because of steep topography and extremely poor road maintenance. The highest concentration of new housing is near Tirana, especially around Selita and Sharra. In Selita there has been construction along all of the roads including near the zoological and botanical parks.

The Yzberish *komuna* retains some land in horticultural production but the local government has been told by the National Council for Territorial Adjustment that the suburban portions of the area have been reserved for future urban projects, especially those that might attract international capital. A large amount of unauthorized construction has taken place on parcels near previous state-run factories, most closed or in disrepair (examples: Kombinati Ushqimor and Fabrika e Qelqit).

Because of the free movement of population and unregulated land development, the suburban zones of Tirana have taken on a totally new character since 1991. Agricultural land uses have given way to housing and building. Some agricultural fields are totally occupied by settlers: for example, all of Koder Kamza and both sides of the highway at Bathorja-Kamza. Buildings and vacant parcels have replaced hundreds of hectares of vineyards, fruit trees, and greenhouses. Few members of the migrant population are engaged in agriculture.

Transportation corridors have attracted strip development. In a site analysis of the Kavaja and Durrës corridors in 1995, more than 100 shops and businesses per kilometer were identified in suburban zones. Highway space immediately became commercial for approximately 50 meters on each side of the road. Open, uncontrolled access to highway

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<sup>1</sup> A *komuna* is the most local unit of government under the district, prefecture, and national levels. A *komuna* is analogous to a U.S. township with village center or a European rural municipality.

corridors resulted in wasted space, chaotic design, indiscriminate access, and dangerous roadside obstructions. But few alternatives are available. Local governments are neither empowered nor equipped to provide direction. Highway expansion provides an example. Tirana will eventually require a by-pass highway around the southern edge of the urban zone—inter-city traffic currently moves through the old city. Any new highway will be difficult to site because of the hundreds of privatized or informally held parcels occupied by new claimants. While many parts of the periphery remain in state ownership, no public entity is in a position to acquire or hold land along future rights-of-way in the name of the district or national government.

Given Albania's poorly functioning institutions, land and buildings remain the primary means for securing family savings as well as for obtaining access to infrastructure and services. The desire for security of land and wealth creates three interacting forces. First, family and friendship-based business arrangements dominate throughout the city—including a large amount of mafia-styled activity. Second, legal and administrative codes have not been modernized—they are carried over from the communist era. They do not work well because they are both too centralized and run counter to the popular sentiment that wants to erase a failed system. Third, Albania dreamed of having consumer benefits from a market economy, but had no idea what market forces would do to civic structures and political order. When central government planning and economic control ended in Albania, the popular reaction was to cancel the old system by removing social and legal constraints on owners, workers, and merchants permitting widespread chaos before new community organizations could be empowered.

## **FIVE URBAN CASE STUDIES**

Five cases of urban land ownership and property development were studied during June 1995 to determine how business interests secured access and maintained control over commercial property in one of Tirana's main business districts. Structured case-study methods were used for describing complex social and economic interactions within a larger institutional context (Yin 1998). The cases addressed land access, economic conditions, and legal and customary practices. Five commercial properties were selected along Rruga Kavaja, Tirana's second most important commercial street. The cases were chosen to represent formal and informal land claims including property status and documentation.

### **CASE 1. WINDOW AND DOOR SALES OUTLET**

**(located 60 meters west of Samsung TV on the north side of Rruga Kavaja)**

This window-and-door business is operated from a ground-floor apartment located in a four-story state-constructed apartment building. Two brothers received condominium ownership of the apartment in 1992 when the Albanian government allowed state-constructed apartment buildings to be privatized. The apartment faces Kavaja, a busy street, making it attractive as store frontage. A young engineer rented the space, remodeled it, and uses it to display and sell metal-framed doors and windows. The business operator said he holds a written year-to-year

lease with right of renewal. When the lease was signed, one owner left for Greece; the other rented a less expensive apartment elsewhere in the city.

The business opened in November 1994. The window-and-door shop imports prefinished aluminum frame stock in bulk from Italy and Germany along with glass, vinyl strips, and hardware. Windows and doors are assembled on site to fill custom orders from contractors in the city. The operator uses the whole apartment for workshop and display space. He removed interior walls and installed large windows and doors on the street side of the building at his own expense. He said he obtained a permit from the city to operate a commercial business in a ground-floor apartment space. The apartment building is set back 6 meters from the sidewalk; the front terrace is public property. However, the window-and-door company has claimed this space by building a low wall. It uses the area for sales display and loading. Neighbors were also using their front terraces for commercial purposes.

All aspects of this case (except for the front terrace space) appear to be legal and could be registered. If this property were recorded, however, it would appear as an apartment in ownership by two brothers. The fact that the city gave a commercial permit might be noted by the leaseholder if he had registered the lease. The operator said his type of business did not register short-term leases. When official registration takes place, it would be advisable to take account of the unauthorized occupancy of 6 meters of publicly owned frontage space.

## **CASE 2. KIOSK GROCERY AND CHEESE STORE**

**(located on the south side of Ruga Kavaja immediately left and slightly in front of the Catholic Church)**

This business was operating from a prefabricated kiosk building about 4 by 5 meters in size constructed in November 1994. Large, well-built kiosks are manufactured in Germany and Italy ready to assemble. They are made of metal-clad panels including windows and doors ready to be bolted together making attractive shops or coffee bars. Sales from the kiosk were cheese, butter, and some packaged goods. The electrical supply came from a power post nearby.

The kiosk was located very close to the Catholic Church fence and stood in the front yard of an abandoned house. Adjoining spaces were used by sidewalk vendors. The grocery was owned and operated by two men. They reported that they were located over an abandoned foundation and thus had not created a new building site. By this logic, they argued that they did not need a building permit. The abandoned house behind them dated to the pre-communist period; no ex-owner had come forward to claim it. The kiosk operators said that the Catholic Church wished to contact the house owner in order to purchase the lot and possibly expand the church parcel.

The assumption by these business operators was that abandoned parcels could be claimed and that over time the new operators would accumulate rights that might be registered or held for compensation. In order to document their claim, the operators showed a folder of paid electric bills. This evidence was intended to establish that their names and addresses were on record in a public place, and that the property had been continuously occupied by them since 1994.

### **CASE 3. WHIRLPOOL APPLIANCE AND TV STORE**

**(first multi-story building east of the Catholic Church)**

This space was a tailor shop before 1991. It was returned to the ex-owner who lived nearby who also owns four adjoining one-story street shops running east to the corner of Islam Alia Street. The TV and appliance store manager had a written 3-year lease for the shop. He paid for all improvements to modernize the ground-floor space including rebuilding street-side walls, doors, and windows.

The store operator had not registered the lease. He said registration was not necessary; he was a taxpayer (value added tax, VAT), and that was enough. The store had been enlarged and substantially reconfigured. The operator indicated that under the terms of the lease he owned the street-side walls, windows, steps, and facade of the building because they were installed at his expense. An apartment behind the store which previously had been the tailor's residence was converted into repair and storage space for TVs and equipment.

### **CASE 4. BEVERLY HILLS DRESS SHOP**

**(English name on the shop; the business is located in the first of four low shops east of the TV and appliance store)**

Four adjoining shops are owned by the same ex-owner who holds title to the TV and appliance building. The dress-shop operator was a young man with a year-to-year written lease for the store. He indicated that he wished to buy the space, but the owner would not sell. The dress-shop operator said the building was in very bad condition when he moved in and that he had supervised and paid for all improvements to the building including roof and facade.

The four shops are under one roof and appeared on the cadastre map as one property. However, they were being operated under four different leases: Beverly Hills, Kodak, Tapiceri, and Byrek. These businesses are physically and functionally separate. If leases are registered in the future, the size and location of each unit within the building should be noted. In case of sale, these units could be divided into condominium properties.

### **CASE 5. SOKRATES MEAT MARKET**

**(located in a new building on the south side of Rruga Kavaja, one and one-half blocks east of the Catholic Church, one-half block east of Islam Alia)**

The Sokrates Market is a modern building designed with a walk-in meat cooler. The building is distinctive on the street side because it has a pointed gable roof instead of the usual flattop. It was constructed in 1994; the market opened in December of that year. The site consisted previously of small shops and gardens in front of old houses. The land was claimed by an ex-owner. He made an arrangement with a second person (believed to be a relative) who constructed the building on the site. The building owner then made a three-year written contract with an experienced butcher to operate the meat market.



This case consists of divided ownership plus a contract arrangement. The land is owned by one party and the building by another. The business operates under a contract with the building owner. The landowner is not a party to the business. Property registration of this case should address these layered relationships and should cross-reference them to the land parcel. To expand the land space, the market operator reported that merchants on his block had moved walls and fences on the rear lot line to increase back-yard space and access. New parcel sizes should be incorporated into future cadastral maps.

## SQUATTER SETTLEMENT: THE KAMZA CASE

Kamza is a village and civil unit of government (*komuna*) a few kilometers northwest of the city of Tirana. The Kamza *komuna* is governed by an elected head (called chief) and a 13-member *komuna* council. Before 1990, Kamza was one of 3 large state farms near Tirana organized to produce vegetables, fruits, wine, milk, and grain for the urban market. The Kamza flatlands, drained and irrigated, formed the center of one of the most successful farms called Ylli i Kuq (Red Star). The Red Star state enterprise was next to the Agricultural University campus and benefited from having experimental plots and technical advisors located within the farming complex.

Kamza has appeared in the news because its hillside parcels, in full view of the Agricultural University, have become home to the capital city's most active squatter settlement. (This area is shown in the upper-left quadrant of the map, figure 1, on p. 2.) The Kamza settlement was a spontaneous response to changing economic conditions and land tenure patterns that followed the collapse of communist government and state-farm enterprises in 1992. Most of the land of the Red Star state farm was turned over to resident workers and managers who were given long-term use rights. Parcels reserved for field experiments and demonstrations began to be invaded by rural migrants in 1993 and 1994, a process that continues to the present.

In a series of interviews and visits with local officials and settlers, five land-use and property rights factors were identified from the Kamza case:

**1) Land allocation.** State-farm land allocations in Kamza were carried out in 1992 by a *komuna* land commission following official publication of Council of Minister decisions regarding state lands. The first allocation was for 920 hectares of land divided at the rate of 1.4 dynym per family member (1 dynym is one-tenth of a hectare). This gave land to about 1,300 families from the Red Star state farm while 400 families not engaged in farmwork or management were removed from consideration. About 700 local families working in Tirana or in nearby factories were not eligible for land, but could later claim their apartments in state-constructed buildings.

The Valias lignite coal mine within the *komuna* employed a large number of miners who were initially excluded from allocation of agricultural land. The presence of miners broadened the agenda of local land-allocation discussions because the miners often supported socialist political positions in opposition to government plans. Valias was at one time a large, modern mining operation supplying coking coal and fuel to factories in western Albania. The mine closed in 1994 as demand for coal declined, state-run industries closed, and government buildings stopped heating with coal and shifted to imported electric space heaters. A few

unemployed mining families requested agricultural land and received low-quality parcels near the village. Others joined in land invasions on Kamza Hill.

**2) Land tenure.** The state farm near Kamza consisted mainly of 20–40 hectare blocks of drained, terraced, and irrigated land reclaimed at government expense during the communist period. There were few houses on the land. Unlike ex-cooperative farmland which was given out in private ownership, state-farm lands were allocated as usufruct, the right of use guaranteed for 15 years or longer. These allocations were so cloudy and uncertain that land recipients casually and openly ignored the agreements. Because Kamza is located near Tirana where wage jobs are available, and because allocated parcels were too small to be cultivated separately, many families leased their parcels to nearby full-time operators. This released the land claimants to work in the city or to go abroad as guest workers. Some families combined parcels with other family members, continued to work in the city, and assisted part-time in the fields. Many recipients built houses on their parcels, a practice not officially allowed. Kamza became a classic case of unplanned and unregulated land development. Many land recipients expressed frustration with the lack of clarity and security of property rights. Most had no farm equipment and no ability to protect parcels from roaming cattle and crop thieves. Under the circumstances, many families admitted openly that they were illegally selling parcels to urban migrants or assisting family and friends in putting up buildings that could be leased or sold to landless families seeking locations close to the city.

**3) Multiple jurisdictions.** In 1992, the western portion of Kamza Hill, about 20 hectares immediately across the road from the Agricultural University, was assigned to the university's Research Institute to be used as experimental fields. The remaining lands extending more than 2 kilometers east (consisting of 204 hectares) were designated by the National Council of Territorial Adjustment in March 1994 for displaced families from Bovilla. Bovilla, inside the Dajti Mountain National Park, was chosen as the site for a new urban water-supply reservoir. It was not clear whether the people of Bovilla knew that they had been assigned lands in Kamza. The chief of the Kamza *komuna* reported in 1995 that not one person from Bovilla had ever appeared to request land in his community. Rumors that the Council of Territorial Adjustment had designated part of Kamza Hill for settlement opened the floodgates to squatters and speculators from inside and outside of the region. Adjoining public landholdings also began to be invaded. The National Fruit Tree and Vineyard Institute controlled a large vineyard parcel southeast of Kamza Hill; they avoided invasion at first by actively managing the land. The Olive and Citrus Institute carried on farming west of the university buildings. Both of these institutes eventually withdrew for lack of personnel and budgets to protect these lands.

The unit of government with the greatest interest and desire to guide settlement activities is the local *komuna* directed by a chief and council. In an interview in November 1994, *komuna* chief Pëllumb Lepi said his government wanted planning jurisdiction and the right to supervise the siting of buildings. Lepi suggested a land tax or land fee on all parcels so that funds would be available to provide for rational and efficient urban expansion. Council members were explicit in their conviction that agricultural parcels should be defined separately from housing parcels so that there would be a clear definition of agricultural land use in peripheral areas.

**4) Agricultural activity.** Suburban agriculture continues to have a role on the edge of Tirana, especially production of fruits, vegetables, and milk for sale in street markets. Cultivators, however, struggle to protect parcels from thieves during the growing season, and

lack transport to deliver products to the city on a daily basis. Land tenure is an unresolved problem. State-farm lands were not allocated with suburban cultivation in mind (Korra 1998). Many parcels consist of narrow strips and are often inaccessible, unprotected, and lack irrigation water. The result is idle land, informal leasing of grazing rights to families with animals, and informal sale of land that is technically state land. Some parcels are used for growing forage that is harvested by hand and carried in hay slings to animals in nearby villages. Parcels left uncultivated are targets for land invasions.

**5) Spontaneous settlement.** Kamza Hill is well located for low-income squatter settlement. It is far enough from the city to be outside of the built-up area; thus open land is still available. At the same time, it is next to a well-serviced transportation route with bus stops and village stores. Water and electricity are within reach through clandestine hookups. More than half of Kamza Hill settlers came from economically depressed regions in the north of Albania, especially Kukës.

Parcel selection by individual families usually followed customary village rules and practices. Interviews with parcel holders provided the following description of a typical squatter claim process. The head of a family locates an unoccupied piece of land (men were the only ones observed to engage in land claims). The interested party asks existing neighbors if they have any objection to having a new family mark out a house plot. If there are no objections or serious warnings about conflicts, the new claimant “places the stones,” a ceremony marking the four lot corners, usually with white rocks. This ritual is conducted in the presence of witnesses. By placing the stones, the new claimant has established a personal and family right to a homestead—a place to live. Customary rules give some protection to new citizens of the community. The claimant cannot be displaced without some respect for due process—for migrants from the north, rules are often based on canons of common law according to the Code of Lekë Dukagjini (1989). Ancient canons are not recognized by the courts, but their force is greater in traditional communities than that of official authorities. Hundreds of unauthorized claims like these are created every month. It is unclear how they will be ultimately resolved.

## LESSONS FROM CASE STUDIES

Land registration is the most urgent in urban areas because of the extensive overlap of public and private functions and the large number of persons with an economic interest in owning or using property. Except for newly privatized apartment units, most urban land-registration cases in Tirana fall under the classification of “irregular.” From the case studies presented here it was concluded that it will be difficult to register these cases because of the wide range of irregular conditions encountered in areas of urban construction and expansion. Following are five observations related to property registration in urban areas:

**1) Street addresses.** The standard reference for locating houses, businesses, and services in cities is street address. For speed and efficiency in administration of records, urban properties entered into official registries should be indexed and cross-referenced by street address insofar as street names and numbers are available. This practice will also improve coordination of municipal functions such as granting of building permits and utility connections.

**2) Land surrounding apartments.** Land adjoining state-constructed apartment buildings has been de facto occupied and privatized by commercial users. Cities should be granted the right to own land, grant leases, and collect rents on city lands. In some cases where school or playground spaces are needed, city lands could be administratively leased to an association or park commission. The city should create a parks-and-open-space department with a maintenance staff that could manage public land in urban areas. On the periphery of cities, the municipality should have the right to sell blocks of state land for housing and commercial development. The purpose would be twofold: to generate revenue, and to stimulate orderly subdivision.

**3) Documents.** During the case studies everyone accepted the principle that property claims, to be legitimate, had to be supported by at least some written documentation. To satisfy this requirement, a wide range of documents was offered by land claimants. For registration to proceed efficiently, rules regarding admissible documentary evidence should be developed giving discretionary powers to local commissions.

**4) Walls and rights-of-way.** In densely developed urban areas, many buildings have common walls. The row-shops on Rruga Kavaja were examples. Where this is the case, the land under each shop should be identified as a separate parcel with notations identifying common walls. Easements for parcel access do not need to be registered unless one of the interested parties requests it. The customary practice has been to leave most details about access to spoken agreements.

**5) Infrastructure.** Water, sewage, and electric distribution lines in Tirana are severely overburdened and often damaged by careless construction practices. The Tirana electric distribution company claims de facto ownership of the land occupied by its transformers and substations. Water and sewage lines are less clear. Building permits are not coordinated with infrastructure. Builders often place structures on top of utility lines causing leaks or breaks that interrupt service. The location of infrastructure is not registered. As urban cadastre maps are developed, service lines should be mapped and eventually registered.

## AGRICULTURE AND GREEN SPACE

Under conditions of free and open access, and in the absence of public oversight, green spaces and environmental spaces have disappeared—most claimed privately for individual benefit. A few vegetable production areas have survived where they are guarded and supervised by the cultivators. There are many reasons to protect agricultural and green spaces beyond their production and esthetic values. In Tirana there are severe problems with drainage, waste water discharge, and garbage disposal; in addition there is lack of space for school grounds, parks, and buffers. Previously established patterns for drainage and irrigation of agricultural land have been interrupted by informal land divisions and irregular parcel layout. The Tirana municipality has no field staff to supervise, survey, or mark parcels. But in the interest of creating street access, protecting the water supply, and reducing erosion, more neighborhood and municipal organization should be encouraged.

The Tirana River forms the present northern border of the old city. It represents a natural greenway corridor. The riverbed averages 50 to 100 meters in width as it passes along the edge of Tirana and the villages of Babru, Paskuqan, Bregu i Lumit, and then Laknas. There are

large deposits of sand and gravel in the riverbed being hauled away for building blocks and cement products. Gravel mining takes place without supervision causing serious riverbank erosion; almost all trees and vegetation have been removed. Unbuilt segments of the river corridor have been claimed for truck parking, brick yards, and repair shops. Squatter housing is appearing in the dry areas of riverbeds setting the stage for tragic losses during future floods. No measures have been taken to plant trees or prevent bank erosion—there are no local agencies with paid staff to provide these services. The Lana River, Tirana's most important natural corridor, flows directly through the city from the eastern mountain slopes to the horticultural fields on the west, and continues to the Adriatic Sea. The river is restricted to a concrete-lined channel that also serves as an open sewage ditch. Increases in sewage water have resulted in groundwater contamination affecting water quality west of the city where food production takes place.

Tirana's main city park, called the Great Park, was created in 1959–60 and consists of 265 hectares of urban land, of which 45 hectares are covered by an artificial lake. The park represents an island of green in a sea of brown. It is located south of the city center and provides an attractive endpoint for the city's main boulevard. The Tirana Great Park provides a successful demonstration of the potential for reforestation and land restoration on Albania's barren hillsides. It shows visitors and planners how eastern Mediterranean landscapes could look if returned to a restored state.

Land on the north side of the Tirana River, from the Trishi Bridge at the northeast edge of the city to the Kamza Bridge on the northwest, was once good-quality agricultural land irrigated from hillside reservoirs. The whole northern half of the Tirana area extending from the Tirana River to the Terkuza River has become a large transition zone from totally urban to totally rural land uses. The Terkuza River north of Tirana serves as an absolute urban zone boundary that has not yet been crossed. To the east, expansion is also limited by the Dajti Mountain National Park.

Dajti Mountain National Park represents the best example in the country of a protected natural area near a large city. Dajti Park serves as the watershed and aquifer recharge area for the metropolitan water supply—a system in very poor operating condition. Dajti Park extends 22 kilometers north/south along the coastal mountain chain of the southern Alps. Dajti Peak is near the middle of the park. The protected area runs from the eastern boundary of Tirana to the eastern slopes of Dajti Mountain. The National Council for Territorial Adjustment expanded the park by 2,700 hectares in 1994 by adding mountain land on both the north and south ends increasing the park area to 7,500 hectares.

The 1994 park expansion was designed to incorporate a new water-supply reservoir into the protected watershed at Bovilla north of Tirana. A new reservoir is urgently needed to provide water to Tirana where supplies are rationed, but reservoir construction has not started. The Bovilla park addition brought rural families inside park boundaries for the first time. Land use and parcel rights for these families were not clarified. Dajti Park operates under a complicated administrative arrangement under the Forest Enterprises of the District of Tirana, which is in turn under the control of the General Forestry Directorate of the national government. The park is a combined forest reserve and tourism zone, but neither has any personnel in the field to protect the land. The park is easily accessible by automobile from Tirana and is, therefore, subject to considerable damage from squatters, rock haulers, and timber thieves.

## URBAN GROWTH: THE FUTURE

The privatization of land and buildings that began in 1992 took place quickly. There was no time to consider the wider significance of private holdings or to devise methods for rebuilding local administrative capacity, especially municipal management needed to transform old infrastructure agencies into operating enterprises. In Albania, the connections between land markets, governmental reforms, social practice, and technical options were not weighed or debated—there was no time or collective sense about how to do it (Korra 1998).

When the Albanian government privatized most rural and urban properties, that action was in response to strong forces. First, individuals and families, after years of central control, wanted the freedom to make their own choices about housing and personal activities including savings and spending. Second, the popular attitude was that economic liberalization would immediately bring Albania into the western economy. Finally, institutional and social consequences were not anticipated—few understood that a market economy could erode community solidarity, decrease social support, and destroy local service and management practices.

The public reaction was to treat the whole country as an open-access resource and to reestablish personal and family security through claims to defined spaces and functions. The Albanian population assumed that a free and undirected market would begin to operate automatically, not realizing that a market economy requires a well-organized governmental structure (Bromley 1992; Korra 1998). In the absence of government oversight, family and clan practices were often reinstituted to guide daily conduct. Under these circumstances, land and buildings became the most tangible objects of social status and economic value. They represented an economic category that could be accessed by persons of all classes both for functional purposes and to generate and preserve wealth.

In Albania, where public savings and investment institutions are untrustworthy, income accumulations and extra remittances from abroad tend to be pumped immediately into land, housing, and commercial buildings. Very little of Tirana's new business and property wealth has gone toward improving local infrastructure or institutions. Cities have almost no revenues, not because they are without an economic base, but because cities are not organized or authorized to collect general taxes. Experiences from other nations demonstrate that even the poorest communities will pay something to obtain education, security, and public services (Felstehausen, Castaldi, and Stanfield 1991). Communities will support municipal organizations if the burdens are shared, if investments are made in facilities that serve everyday needs, and if local agencies are made publicly accountable (Alderfer 1964). As a matter of public policy, and for the sake of national development, some form of taxation or occupancy fees is required to begin the process of urban investment and reconstruction (Ostrum, Schroeder, and Wynne 1993).

The national land registration and mapping program is one contribution supporting these objectives. A cadastre functions to define properties, locate owners, record transfers, and create a database for fiscal management. Registration and mapping programs serve the interests of both private owners and public institutions. J. David Stanfield (1999), coordinator of the Albanian land market project for the Land Tenure Center, describes how the Immovable Property Registration System has supported newly emerging property markets and related

institutions. A complete and reliable land registration system gives both psychological and legal security to those holding, using, and enjoying land and its other fixed assets.

Albania's next step is to create local institutions that bring customary practices, technical innovations, and market actions together. This includes initiatives such as:

- ♦ rules and procedures for resolving access to state-held land in urban areas,
- ♦ public coordination of infrastructure and environment,
- ♦ tax and fee systems to provide local government revenue, and
- ♦ public information and assistance to communities as well as property owners.

The transfer of time-tested ideas and practices from the West to the East has not occurred easily in the case of Albania. Institutions are not like packaged goods installed on advice from consulting agencies. They transfer only when embodied within some already existing domestic function or experience (Alderfer 1964). Albania was a product of the breakup of the Ottoman empire; its independence period was too short to develop broad national capacity. During the Eastern European economic transformations of 1990–91, market-oriented development was favored because it appeared to be neutral and self-directed (Heilbroner 1993). After years of deprivation, everyone wanted the material goods and personal choices offered by western practices. Market methods, Albanians thought, would free citizens from complicated deal-making and rancorous debate (Korra 1998).

Countries such as Albania had little choice. Any nation that wished to achieve a western lifestyle had to accept a global model for doing business (Korten 1995). Eastern Europeans quickly learned that privatizing land, buildings, and businesses was a prerequisite to joining the community of nations. Robert Heilbroner, prominent economic historian and author of *21st Century Capitalism* (1993), warned, however, that markets, in spite of their practical advantages, are basically ignorant of institutions. They are best at performing machine-like functions such as putting merchandise on the shelf and guiding buyers in basic consumption choices. The advantage is that “markets introduce micro-order into a society...” (Heilbroner 1993, p. 98). They lead people to perform common functions without deliberate effort. They are good for producers and consumers, but indifferent to communities. And historically, Heilbroner points out, efficient markets develop only after competent governments are put in place.

In spite of the many advantages of free markets, transition economies cannot afford to follow a strict market path to development. This is because market processes, by their nature, yield random outcomes (Heilbroner 1993). Random outcomes over time, if not stabilized by expanding institutions, lead to opportunistic exploitation of both people and environments and subsequently produce random chaos—the Albanian case. Leaders in transition countries have few experiences instructing them in how to balance the need for institutional reform with the desire for material wealth. When such systems are left open, as in Albania, raids by self-serving groups and individuals can damage, even destroy, still emerging institutions (Ostrum, Schroeder, and Wynne 1993). In Albania, market interests diverted attention and resources away from the development of social and political institutions. Land and building resources, the main sources of new wealth, are reserved to individuals and kept off limits to government revenue departments—even to public infrastructure needs. Property generates private capital and material comfort, but does not enhance the nation, a dramatic role reversal from the communist period.

George Soros (1997) makes a strong case for the idea that a market economy, if left alone, will be destructive of national development. He argues that “[w]e can have a market economy but we cannot have a market society.” The global economy converts everything into money—including the social and cultural values embedded in land. The result is to undervalue social reforms and to tear down and sell off traditionally evolved village and community infrastructure and natural resources. The global economy forces tax collection on wages, but permits capital to accumulate tax free. As a result, “little people” with “little capital” gradually lose control over even their personal futures.

The Albanian people in 1991 had no opportunity to examine ideas of liberal democracy or to weigh the tradeoffs between capitalism and socialism. Historically, collective ideas in the Balkans evolved mainly within communities of independent farmers and craftsmen who emphasized rule-based, not market-based societies. Institutions recognized reciprocal relationships with neighbors and land (Hanson 1995). Negotiated bargains rather than market exchanges defined status. Persons and groups were judged not just by their economic accumulation, but by their social and cultural dedication, problem-solving skills, tolerance, cooperation, and flexibility. Those attributes were the ones necessary to maintain a balance between community, nature, and the outside world.

For Albanians, the next stage of development will be to restore the cities and the community institutions that foster civil society. The challenge to governments is to build institutions that are able to direct markets that will serve public as well as private needs.



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