Moving away from Poverty
A Spatial Analysis of Poverty and Migration in Albania

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Abstract

This paper analyses recent patterns of migration and poverty in Albania, a country that – following the collapse of the communist regime in 1990 – has been experiencing high migration rates. Using a combination of survey and census data, the paper characterises spatial patterns in the distribution of poverty and migration at a high level of geographic disaggregation. The results emphasise the importance of analysing internal and international migration as different phenomena, as the two appear to be associated in opposite ways to observed poverty and welfare levels. While poverty acts as a push factor for internal migration, it seems to be a constraining factor for the more costly international migration. The results also suggest that rural migration to urban areas contributes to the relocation of poverty in urban areas.

Key Words: Poverty, Migration, Albania.
JEL: J1, J61, I32.

I. INTRODUCTION

The casual visitor to Albania, particularly if proceeding from one of its EU neighbours, is immediately struck by the marked differences in standards of living of people living at such a close distance. Albania borders along the south with Greece and is separated from Italy to the East by only 60 kilometres of the Adriatic Sea. Available statistics confirm the visitor's impressions: Albania is among the poorest countries in Europe, with a Gross National Income (GNI) per person of 1,740 US dollars (4,700 in Purchasing Power Parity terms; WDI Online, 2004)[1]. The percentage of the population living below the national poverty line, based on 2002 data, has been estimated at 25.4 percent (World Bank and INSTAT, 2003).

No wonder then that Albania is also a high emigration country with major push (poverty) and pull (income differentials) factors clearly at play. Estimates of Albanians living abroad are in the range of 600,000 to 700,000, or about one fifth of the resident population in 2001 (Carletto *et al.*, 2004). This is an amazing proportion for a country where international migration is a fairly recent phenomenon. Migration is in fact probably the one social phenomenon with the most far reaching implications for the life of Albanians. Remittances account for a major proportion of foreign exchange earnings and are key to the livelihoods of many families. Total population, despite natural growth rates well above 10 per thousand throughout the 1990s (King and Vullnetari, 2003), decreased by 3.6 percent between the 1989 and 2001 Censuses (INSTAT, 2002). The major driving force behind this trend has been international migration, which has also significantly affected the age and gender composition of the population (INSTAT, 2002).

In parallel with international migration, post-communism Albania has also witnessed large internal migratory movements, and a rapid process of urbanization. The share of urban population increased between 1989 and 2001 from 35 to 42 percent. Cities such as Tirana grew by over 40 percent over the same period. Such high rates of growth are clearly putting services and urban infrastructure under serious stress.

What is surprising, given the above trends, is the fact that quantitative research on the poverty-migration nexus is so under-researched in the Albanian context[2]. Part of the explanation resides in the fact that data lacunae have until recently severely limited the possibility of any rigorous national level analysis. What the present paper sets out to achieve is to discuss the spatial relationship between poverty and migration in Albania using a dataset that merges demographic data from the 1989 Census, with demographic and poverty data from the 2001 Census and the 2002 Living Standard Measurement Study (LSMS) survey.

The paper is organised as follows. In section 2 we summarise a few main facts on poverty and migration in Albania. Section 3 presents a very synthetic review of the recent economic literature on the poverty-migration nexus. Section 4 describes the data sources and methodology employed for our estimates. In Section 5, the core of the paper, we identify and discuss spatial patterns of migration – separating internal and international migration—and how they relate to poverty. Conclusions and policy implications are drawn in Section 6.

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[1] Italy and Greece have a Purchasing Power Parity GNI of 26,760 and 19,920 dollars per capita respectively (WDI Online, 2004).
[2] King and Vullnetari (2003) and De Soto et al. (2002) discuss the issue in descriptive terms, while Carletto et al. (2004) touch briefly on the quantitative aspect.

2. Background: stylised facts on Albanian poverty and migration

2.1 Poverty

Using 2002 LSMS survey data, INSTAT computed an absolute poverty line based on the cost-of-basic-needs methodology (Ravallion and Bidani, 1994). Based on this threshold, one quarter (25.4 percent) of the Albanian population, or close to 790,000 individuals, were defined as poor in 2002 (World Bank and INSTAT, 2003). Poverty was found to be significantly higher in rural areas, with a poverty headcount 66 percent higher than in Tirana and 50 percent higher than in other urban areas. Per capita consumption in rural areas is about four-fifths of the consumption levels in urban areas. The distribution of poverty is also disproportionately rural, as 68 percent of the poor are in rural areas, against 32 percent in urban areas (as compared to a total urban population of 42 percent). The use of other standard poverty measures, such as the higher order decomposable indicators in the Foster-Greer-Thorbecke (FGT) family[3], confirms the geographic ranking obtained using the headcount. Poverty in rural areas is higher and deeper than in urban areas regardless of the poverty line chosen.

The number of poor is, as expected, disproportionately concentrated in the North-Eastern part of the country (21 percent of the poor, against 12 percent of the population). This region is also the one with the highest incidence of poverty, with a headcount of 44.5 percent, against 25.6 of the Central, 20.6 of the Coastal, and 17.8 percent of the Tirana strata[4]. Based on a smaller sample panel of the LSMS data, Azzarri et al. (2005) find that between 2002 and 2003 welfare has somewhat improved in both urban and rural areas, though to a greater extent in the former. The already poorer and more remote North Eastern region, however, continues lagging behind the rest of the country in improvements in the standard of living, recording virtually no change in the period considered.

The LSMS data, however, do not allow for the spatial disaggregation of poverty estimates beyond the macro-region level[5]. In order to analyse poverty and welfare at a more disaggregated level, the LSMS and 2001 PHC data have been combined using small area estimation techniques (Elbers et al., 2003) to generate poverty estimates disaggregated to the commune and municipality level[6] as described in Betti et al. (2003) and INSTAT (2004). This exercise underscored the importance of small area estimation to address policy issues in a more effective and targeted manner. While a stratum or district level map of poverty in Albania would lead to the conclusion that the highest rates of poverty incidence are confined to the mountainous regions of the North-East, a more detailed analysis reveal that pockets of high poverty are widespread across the country. This is true even in districts that are, on average, among the least poor. One objective of the present paper is to assess whether a similar story applies to migration in Albania, and how the two phenomena are interlinked.

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[3] These are the Poverty Gap and the Severity of Poverty indexes. Unlike the poverty headcount, these measures also take into account the distribution of income below the poverty line. See Foster, Greer and Thorbecke (1984).
[4] With the term North-Eastern region we refer to the Mountain stratum of the 2002 LSMS survey. The LSMS sampling was organised around four strata. The survey is representative at the level of each stratum, and these correspond to three broadly defined macro-regions identified as Mountain, Coastal, and Central, and to Tirana. See World Bank and INSTAT (2003) for details.
[5] Beyond urban and rural areas, the LSMS sample allows for estimates of four separate socio-economic and agro-climatic zones: the Coastal region, the Central region, the Mountain region and Tirana.
[6] Albania is administratively divided into 12 prefectures, 36 districts, 309 communes and 65 municipalities. In this paper we use the term commune to include municipalities.

2.2 Migration

In the present paper we make use of 2001 PHC data to produce migration maps at the same level of disaggregation that is available for the poverty maps, and compare the two sets.

The majority of more than 600,000 Albanians estimated to be living abroad in 2001 are in Greece (over 430,000) and Italy (around 144,120)[7]. This number does not include the scores of temporary migrants that move to neighbouring countries (mostly Greece) for just a few weeks or months a year.

Major internal migratory movements have also been documented for the 1990s, although they have received less attention in the literature. According to estimates based on the 2001 Population and Housing Census (PHC) three out of 10 Tirana residents had moved there since 1989, and a slightly lower share was also recorded for the district of Durres (Carletto et al., 2004). The population of the capital increased by 41 percent between the 1989 and 2001 Censuses, while that of the Southern districts of Delvine and Saranda close to the Greek border declined by 55 and 45 percent, respectively (INSTAT, 2002).

Albanian migration flows has been the result of a number of push and pull factors which operate at the individual, household, community and national level[8], and have changed overtime. To capture this temporal evolution, Stampini et al (2005) divide the evolution of Albanian migration since 1990 into four periods, as seen in Figure 1. The first period, beginning with the demise of the communist government, goes from 1990 to 1992[9]. Emigration had been officially prohibited under communism, and the initial political instability, social unrest and economic downturn associated with the fall of the government led to a surge of international migration. Between 1993 and 1996, despite the return of economic growth and political stability and falling unemployment, a number of factors contributed to increasing numbers of international migrants. These included continued poverty and unemployment, a shrinking public sector, poor access to public services and infrastructure and significant wage and wealth differentials between Albania and its EU neighbours. The collapse of a series of pyramid 'saving' schemes in late 1996 sparked another surge in international migration, which corresponds to the peak of temporary and permanent migration observed in Figure 1, during which time the number of first time temporary migrants jumped sharply. Finally, from 1999 through 2002 the economy steadily recovered. The return of political stability and economic growth again helped curb and stabilize the migratory outflow, though at still very high levels.

3. Poverty and migration: Exploring the linkages

In this section we summarise a few major issues that are debated in the poverty-migration literature and that can provide a key to interpreting the poverty-migration nexus in Albania as it will be explored in the sections that follow.

The relationship between migration and poverty has been extensively investigated in the economics literature, and yet it is difficult to speak of an existing consensus or generally accepted wisdom on the matter[10]. Massey et al. (1993) review the major theories of migration, and in each of them elements to link poverty and migration can be traced. Macro-

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[7] See Carletto et al. 2004 for details. The number of migrants to Italy is estimated to have increased to 233,616 in 2003 (Caritas, 2004).
[8] See reviews in King and Vullnetari (2003) and Carletto et al (2004). See Stampini et al (2005) for a study of household level determinants and review of the relevant literature.
[9] For a review of earlier migration experiences in Albania see King and Vullnetari (2003).
[10] See Taylor (2001) for a review of the 'optimistic' and 'pessimistic' arguments.

theories point to the importance of geographic differences in supply and demand for labour, of wage differentials and returns to education. To the extent that poverty is spatially associated with areas of lower wages and lower returns to education, it will be also associated with higher migration rates.

In terms of the micro-level theories, neoclassical models characterize migration as the result of cost-benefit analysis carried out at the individual level. The decision to migrate is driven by potential income differentials among different countries and by the cost (including the probability of success) of migrating, calculated separately for each individual. The decision to migrate becomes a household level decision in the "new economics of migration", as this option becomes part of a household income generation strategy to diversify risk and obtain liquidity in the face of credit and insurance market failures. Under this perspective, household economic activities at home and abroad may become complements. The proponents of the new economics of migration also identified relative deprivation as another cause of migration. Here, in terms of relative economic position, the poorer a family is in relation to other households in the same community, the more incentive to migrate. Thus not only is poverty important, but also the relative poverty, or inequality, of a given household in a community. Finally, the social network theory—in which growing migrant networks reduce the cost and risk associated with migration—and the cumulative causation theory—in which each instance of migration transforms the individual, household and community socio-economic context in which migration decisions are made—imply that migration may take on a life of its own and original conditions (such as poverty) matter less over time.

Several authors theorise the existence of an inverted-U relationship between income and migration, whereby poverty and low income play a push role in fuelling migration flows, but also- at extreme levels- acts as a constraint given fixed transaction costs associated with long distance migration. At the micro level numerous studies have shown that it is not necessarily the poorest that migrate internationally, given the relative high fixed costs, as well as education, required for this type of migration. Stecklov et al. (2004) using panel data find that previous wealth and education are positively associated with migration to the US from Mexico, and negatively associated with domestic migration. Davis et al. (2002), again for Mexico, find that this is particularly true for domestic migration for agricultural wage labor. Stampini et al. (2005) using similar methods have not found conclusive evidence that this holds for Albania.

In its macro formulation this theory postulates that economic growth and development will actually fuel migration in an initial phase, offsetting any lowering of the earning differentials that may be associated with development (Faini and Venturini, 1993; Hatton and Williamson; Adams and Page, 2003; Mckenzie and Rapoport; 2003; Clarke et al., 2004). Lucas (2004) strongly challenges this view, relegating its relevance at very low levels of income and questioning the validity of the evidence used by some studies supported the inverted-U hypothesis.

Another strand of literature explores the reverse effect, i.e. how migration affects poverty (welfare) in the sending area. One key aspect here is the selectivity of migration. If the potential contribution to growth of those that do not migrate is lower than that of the migrants, an area's potential for growth may be reduced by migration. However, other effects may be at play, namely that migration may provide resources to invest in human capital at home, and the possible positive effects of remittances on the economy of the sending areas. Which effect will prevail is an empirical question[11]. Adams and Page (2003) find, using macro-level data (such as the share of remittances in country GDP), that international migration and remittances have a strong impact on poverty reduction. This is consistent with the findings of

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[11] See Kanbur and Ropoport (2003) for a recent discussion; see also Lucas (2004) for a review of the 'brain drain'-'brain gain' debate, including the fiscal implications.

Adams (2003), based on micro-level data for Guatemala. Both international and national remittances are found to have a strong poverty reduction effect, particularly when one looks at the severity and depth of poverty. This is because remittances are found to be of greater relative importance to the income of the poorest of the poor. Mckenzie and Rapoport (2003) find for Mexico, that inequality is reduced across communities with high levels of migration. Chiquiar and Hanson (2002) find, for the same country, some evidence of a positive selection of migrants (i.e. migration is higher among the relatively more skilled and educated) gauging from this that migration may in fact be increasing wage inequality in Mexico by reducing the supply of skilled workers.

4. The data and the methodology

In this paper we use data from three main sources: the 2002 Living Standard Measurement Study (LSMS) survey, and the 1989 and 2001 Population and Housing Censuses (PHC). We also draw on the results of the poverty mapping work (Betti et al., 2003; INSTAT, 2004) that combined census and survey data to obtain finely disaggregated estimates of poverty. Our analysis is largely carried out at two levels of disaggregation: districts and communes.

For districts, following Carletto et al. (2004) the 2001 and 1989 PHC data have been used to compute the terms of a population balancing equation that allows us to allocate population changes between 1989 and 2001 into internal and international migration.

The balancing equation is written as:

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

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 by the mean of the 1989-2001 population.

B number of births in a district between 1989 and 2001, as reported in the 2001 PHC.12

M_d net district-level inflow of internal migrants between 1989 and 2001, based on the 2001 PHC.13 This number is the difference between the absolute inflow and absolute outflow of residents, with a positive number reflecting a net inflow and a negative number a net outflow.

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[12] The date and place of birth are reported for each household member. The 1989-2001 average birth rate was 18.6 births per 1000.
[13] The 2001 Census collects information on where individuals were living on April 1, 1989, 2000 and 2001.

M_i net district-level outflow of international migrants. This is not explicitly captured by any one data source, the remainder of the balancing equation is considered international migration.14

Carletto et al. (2004) calculate district level immigration and emigration figures, and district expulsion and absorption indexes. The district expulsion index is defined as the share of population living in each district in 1989 that no longer lives there in 2001. This measure takes into account both internal and international migration. The district absorption index is defined as the share of population living in the district in 2001 that did not live there in 1989.

As extensive changes in the administrative unit classification and boundaries were implemented between 1989 and 2001, it has not been possible to compute a similar equation at the commune level. The 2001 PHC, however, includes a question on the place of residence in 1989 that allows computing the number of current (i.e. 2001) residents that were not resident in the same community at the time of the previous census. In this paper we use this information to compute an index of absorption at commune level. Commune level expulsion rates are not computed and analysed as it is not possible to reconstruct the 1989 commune-level population from available data. It should be emphasised that we cannot account for inter-censual movements and the sequencing of migration episodes between 1989 and 2001. We are only able to compare two snapshots of the population distribution.

5. How are poverty and migration associated in Albania?

Carletto et al. (2004) describe the main features of Albanian migrants and district level migration patterns. Based on that work, the district expulsion and absorption index values are presented graphically in Figures 3 and 4, while Figure 2 provides a key to the identification of the districts in the maps. A comparison of the maps shows clear internal migration from the Southern and Northern edges to the Coastal districts and Tirana. Five districts (Delvine, Tropoje, Sarande, Puke and Skrapar) had less then half of the residents in 1989 still living there in 2001 (darker shade in Figure 3). 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 4).

Among the districts with the most significant migration flows, it is possible to identify three broad typologies. A first category specialises in internal migration, and comprises the poor and remote North-Eastern districts (Tropoje, Diber, Kukes, Mirdite, Puke), but also the mountainous Librazhd and Skrapar. In these districts internal migration greatly outnumbers international flows. A second set comprises districts which attract substantial internal migration, but are also big international expellers. This group comprises Tirana and most of the coastal districts such as Durres, Vlore, Fier, and Shkoder, as well as Korce, which is a major sender of migrants to neighbouring Greece. Finally, there are districts that show high rates of international migration, but much lower or negligible internal migration flows (whether in or out). Several of the districts in this group are located in the Southern region along the border with Greece (Saranda, Delvine, Devoll) but also some central and coastal ones such as Malesi e Madhe and Kucove. It should be noted that we cannot exclude that some of the people who migrated internationally between the two censuses has stopped along the way elsewhere in Albania, for instance in the districts in the second group. Nor can we exclude

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[14] In theory this residual can be positive (a net inflow of persons) or negative (a net outflow of persons). However, any international migration to Albania would be counted as internal migration to the given district. Further, as noted by Bogue, et al., (1982), all errors in these figures enter into the determination of the residual. Thus, the residual is a mixture of net international migration and errors in the underlying data.

that individuals who initially emigrated internationally later returned and relocated in a different district. Evidence in this direction is provided for instance by King et al. (2003).

One issue that emerges from the above classification is that internal and external migration patterns have marked spatial differentiations. Analysing the spatial dimensions of migration as a homogeneous phenomenon, without separating internal and international can be misleading. The same is true for the analysis of the poverty-migration link.

Figure 5 displays the district level poverty map of Albania. This is juxtaposed to Figure 3, which is a map of what we call 'total' expelling indexes, i.e. the ratio of population residing in the districts in 1989 that had migrated either domestically or internationally by 2001, and to Figure 4, which is a map of absorbing indexes, i.e. the share of population living in a district in 2001 that has moved there since the 1989 Census. The comparison shows no clear association between the poverty and either absorption or expulsion. The richer coastal districts and Tirana are high absorbers, but districts with similar poverty rates in the south have very low absorption rates. The latter are historically better off districts, but they are also districts which specialise in international migration to Greece: one may be tempted to speculate that the relatively low poverty rates observed may in part be due to the revenues from this intensive international migration. The coastal districts and Tirana, on the other hand, may be attractive to internal migrants because of the presence of better economic opportunities but also because they are seen as a getaway to more rewarding, second-stage international migration opportunities.

For the expulsion pattern the explanation is even more clearly associated with the spatial differentiation between internal and international migration patterns. If one looks at migration as a whole (Figure 3), both the poorest and the richest districts are high expellers. The pictures changes when one differentiates between internal and international migration. This is done in Figures 6 and 7, that provide a breakdown of expulsion into international and internal migration. Based on the breakdown, while the poorest North-Eastern districts are major senders of domestic migrants, the wealthier coastal districts (and Tirana) are those that send out the highest number of international migrants. Conversely, some districts of the South and South-East are the origin of a sizeable flow of both internal and internal migration. Korce, for instance, ranks fourth per absolute number of both internal and international migrants. Proximity to Greece is certainly a factor, but as much as 10 percent of all migrants to Vlore come from this district.

To reinforce this point and further explore the links poverty-migration, we now turn to an analysis of the correlations between district expulsion rates and the poverty headcount. If we relate total migration to poverty, we find little evidence of the presence of any significant correlation pattern, with a negative but very small correlation coefficient of 0.1 (see Table 1). When we disentangle internal and international migration, however, we realize that the apparent lack of correlation between income poverty (and welfare more generally) and migration is in fact the result of internal and external migration being associated to poverty in opposite ways, so that the effects even out in the aggregate. Internal migration is positively associated with poverty (and negatively with expenditures), and international migration is negatively correlated to poverty (and positively with expenditures). It is also interesting to note that the positive correlation between international migration and welfare is much stronger when one looks at the expenditure distribution (0.73) rather than the poverty measure (-0.54). As expected, and as illustrated above in the district level maps, wealthier districts tend to absorb more migrants, though the association is not strong (the value of the correlation coefficients are -0.24 and 0.3 for poverty and expenditures, respectively).

As mentioned earlier, using 2001 Census data we are also able to trace the district where people enumerated in 2001 were living at the time of the 1989 Census. This allows us to analyse in more detail the district to district flows of internal migration. In Figure 8 we provide

a graphic depiction of the principal flows, and of some of the international ones. Tirana is the main destination of all the five top senders of internal migrants: Diber, Kukes, Berat, Korce and Puke. Durres comes far second. The district of origin of migrants to the 3rd to 5th highest absorbers (the Southern coastal districts of Lushnje, Fier and Vlore) are more localised in the Centre-South (Mallakaster, Librazhd, Berat, Tepelene, Korce). International migration is particularly strong from the coastal districts, as well as from Tirana and Korce.

Commune level

We now turn to analyse migration patterns, their spatial dimension and the relationship with poverty at the commune level. We are not aware of any study that has attempted to analyze migration patterns in Albania at such a disaggregated level. Our commune level analysis, as mentioned earlier is more limited than the district level one because of the unfeasibility of comparing 1989 and 2001 Census data at this level of disaggregation. In Figure 9 we map the absorbing index at the commune level. Comparing this map visually with the district level absorption map in Figure 4, one can immediately see the relevance of disaggregating migration flows. The absorption index varies greatly across communes, even within those districts not thought to be important internal migration destinations. Even low absorption districts such as Diber, Librazhd, Gramsh, or Tepelene have pockets of relatively higher migration inflows.

In Figure 10 we present the poverty map at the commune level. As we had discussed earlier, the incidence of poverty is quite heterogenous within districts, as can be seen comparing to the district-level map in Figure 5. It is difficult to sort out a visual pattern in comparing the two commune level maps. Indeed, the correlation between the absorption index and the poverty headcount ratio is low (-0.22), approximately similar to that at the district level. The association with consumption expenditures is weaker, and this may at least in part be due to greater measurement error in the more disaggregated poverty estimates.

Tirana

Finally, we focus our attention on a more in depth analysis of the area of Tirana. The importance of this analysis from a local and national policy perspective cannot be overemphasized. Tirana is home to over 340 thousand people or more than one tenth of Albanian resident population in 2001 (INSTAT, 2002). During the inter-censual period Tirana has added over 100 thousand inhabitants, equivalent to 43 percent of the 1989 population. The district of Tirana is the largest absorber of internal migration, with 159 thousand new residents, 98 thousand of which reside within the city boundaries. The Tirana district is also, after Vlore, the second largest sender of international migration, with an estimated 57 thousand people migrating internationally between the last two Censuses. On the other hand very few people (we estimate a number slightly over 4,000) leave Tirana to migrate internally.

Based on the same methodology (Elbers et al, 2003), we are able to disaggregate poverty and in-migration rates in Tirana by *minibashkia* (i.e. mini-municipality). The data are rendered visually in Figures 11 and 12. The match between the two maps is impressive. The areas with the higher in-migration rates are also those with the higher poverty headcount. The correlation coefficient between the percentage of new residents and the poverty headcount is high (0.92, and -0.87 for expenditures).

The LSMS data also include information on past residence, and allow us to differentiate poverty rates for those who already lived in Tirana in 1990, and those who moved here after that date. Interestingly, the incidence of poverty is significantly higher among new residents (21.5 percent) than among older residents (16.3 percent). A similar, and even more marked pattern, is observed in other urban areas where the incidence of poverty among new residents is 2.2 times that of older residents (37.4 against 17 percent, Table 2). These

disparities in poverty rates are somewhat affected by differences in the age structures of old and new residents, but they do remain significant after controlling for age. In the cohort of 25-35 year old, for instance, the difference in poverty rates between new and old Tirana residents remains virtually unchanged. What this may be suggesting in terms of overall trends in the location of poverty is that migration from rural areas is to some extent leading to a relocation of poverty into urban areas. The net effect of this migration on poverty in rural areas is unknown, as it depends on other factors such as the selectivity of migration (who migrates) and the impact of remittances at the locale of origin. In the case of Tirana this pattern of migration is leading to a concentration of poverty in the outskirt and peri-urban areas, where precarious infrastructures and lack of access to basic services compounds to higher levels of income poverty. One may further speculate that as the length of residence increases, income will also, at least on average, increase and the less recent migrants will be replaced at the bottom of the distribution by a new generation of immigrants.

6. Conclusions

This paper has analyzed the patterns of migration and poverty in Albania drawing on a combination of population census and household survey data. The characteristics of the dataset and the methodology employed allowed us to illustrate some established patterns of both internal and international population movements in Albanian in the 1989-2001 intercensal period, and to relate these to finely spatially disaggregated poverty maps. A few key insights and messages emerge from this analysis.

First, we have been able to identify three basic district typologies with respect to migration: districts that specialise in internal out-migration, districts that absorb much of this internal migration but are also source of large international migration flows, and districts that have high rates of international migration but small or negligible internal migration flows.

We have speculated that poverty/welfare levels and location are two major factors influencing the migration characterisation of each district, and we have brought evidence in support of this hypothesis. Poorer, mountainous districts away from the main international migration gateways tend to specialise in internal migration, generating a constant flow of poor migrants to Tirana and other urban regional hubs. More economically dynamic districts on the coast facing Italy (from Shkoder, to Durres and Tirana, to Vlore) or on the border with Greece (Korce) attract scores of internal migrants, some of whom probably end up reinforcing the strong flows that leave these districts for Italy or Greece. In the last group (districts specialised in international migration only) we have identified several smaller districts located on the border with Greece, but also some central and coastal districts.

The identification of these typologies provides a first signal of the fact that internal and international migration are very different phenomena with respect to their relation with poverty, and that the ability to disentangle the two is crucial to avoid drawing misleading conclusions. If for instance we related poverty to migration outflows for the district/commune as a whole, we would find very little meaningful association between the two phenomena. An analysis that disaggregates internal and international migration, on the other hand, clearly points to the fact that the two are associated in opposite ways to observed poverty and welfare levels. One can then put forward the plausible hypothesis that poverty be acting as a push factor for internal migration, but as a constraining factor for the more costly international migration.

More analysis is however needed to conclusively assess this and other aspects of the complex poverty-migration nexus in Albania. The role of migration in alleviating or exacerbating poverty and inequality in Albania is a key area for further research, particularly given the importance of migration in household economic strategies. In this respect we can

only note that the high international migration rates of some southern districts bordering Greece may be a factor explaining the relatively low poverty rates observed there (but it should be also noted that these are historically better off districts). We cannot, however, assert causality. It is difficult to disentangle the effects of whether poverty is motivating migration and/or migration is reducing poverty. It is also important to note that as migration networks extend and develop, many of the original push and pull factors that gave rise to migration may fade in importance. Stampini et al. (2005) have quantified the breadth and importance of migration networks in Albania after 13 short years of open borders.

Regarding the sequencing of migration, from the patterns we have analysed, it seems sensible to assume that at least some international migrants from the inner areas of the country may have practiced a two-stage migration strategy. This would entail migrating first to a richer coastal area or to Tirana and only in a second instance, and after having accumulated enough capital (including network assets), undertaking international migration. The census data do not allow us to verify this hypothesis. An alternative type of two-stage migration pattern is that of people migrating directly abroad from poor rural areas, and relocating in richer urban areas upon return (King et al., 2003). In our analysis these migrants would be accounted as internal migrants, as we do not have information on the intermediate migration spell[15].

A similar issue of sequencing emerges with respect to the urbanisation process. Again, at this stage we are only able to speculate on the details, but the observed patterns do suggest that rural migration to urban areas tends to contribute to the relocation of poverty in urban areas. We do observe that the incidence of poverty among new urban residents is considerably higher than among old residents. It is likely that as the length of stay increases, the less recent migrants will be replaced at the bottom of the distribution by newer waves of rural immigrants. As seen in the presentation, for Tirana the match between the areas where poverty incidence in the capital city is greatest and those with the highest incidence of new residents is virtually perfect. These are also the areas on the city outskirt, where urban infrastructure (both private and public) and basic services are probably weakest.

This observation on the one hand rings an alarm to local and national policymakers: there is need for action to ease the burden on these areas and to invest in them. But on the other hand it also provides an instrument for action. We know where the problems are most acute, and we can therefore target our interventions better. More information and analysis is needed to identify the extent of the problem in peri-urban areas, particularly around Tirana for which disaggregated household-level data are not currently available.

A final clear message that emerges from the analysis presented relates to the implications of the observed patterns of internal migration. Much of this appears to be generated by the dire poverty of the remotest and poorest areas of the country, and is directed to the relatively richer districts of Tirana and the coast. To reduce the social dislocation this movement is causing on the sending areas, and to ease the burden on the recipient urban areas , more attention needs to be placed on fighting poverty at its rural source.

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[15] The issue of migration sequencing will be the subject of a separate paper under preparation using LSMS data.

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TABLES

Table 1 - Pearson correlation coefficients between absorbing and expelling index, and poverty and log consumption expenditure

		Poverty headcount	Log consumption expenditure
District level			
Expulsion	Total	-0.10	0.22
	Internal	0.43	-0.48
	International	-0.54	0.73
Absorption		-0.24	0.30
Commune level			
Absorption		-0.22	0.16

Source: PHC 2001; Betti et al., 2003.

Table 2 - Headcount rates for urban residents by length of current residence

|	Tirana			Other urban			Albania
	Old residents (<=1990)	**New residents (>1990)**	**Sub-total**	**Old residents (<=1990)**	**New residents (>1990)**	**Sub-total**	Total
Headcount	16.3	21.5	17.8	17.3	37.4	20.1	25.4

Source: LSMS 2002.

FIGURES

Figure 1. Flows and stocks of temporary and permanent migration, 1990-2002
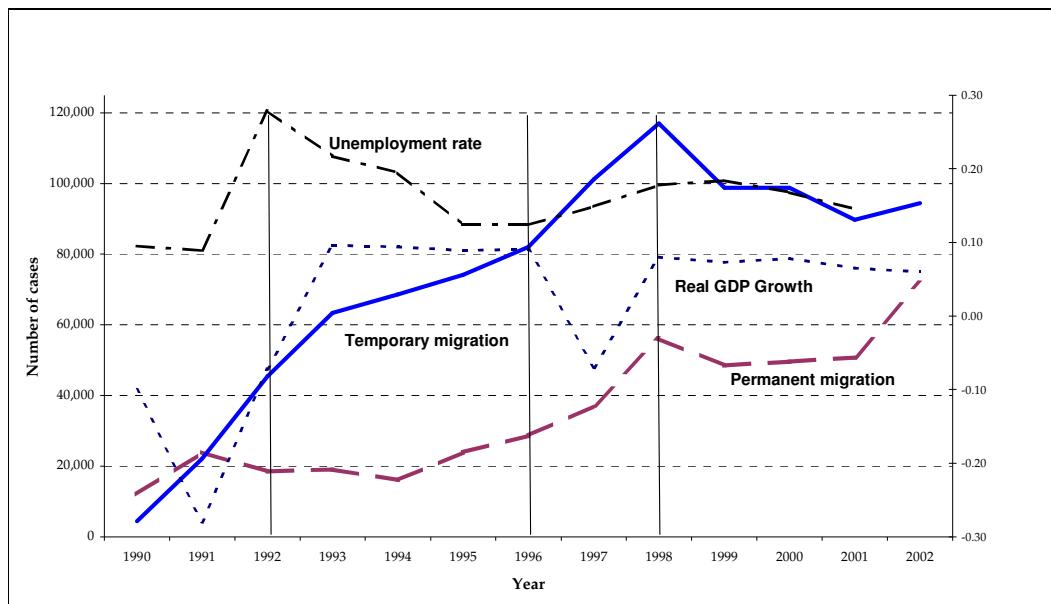
Sources: IMF, World Economic Outlook, Sept, 2002.; LSMS 2002. Reproduced from Stampini et al.,

(2005).

Figure 2 – Albania district codes

29. Pukë
30. Sarandë
31. Skaprar
32. Shkodër
33. Tepelenë
34. Tirana
35. Tropojë
36. Vlorë
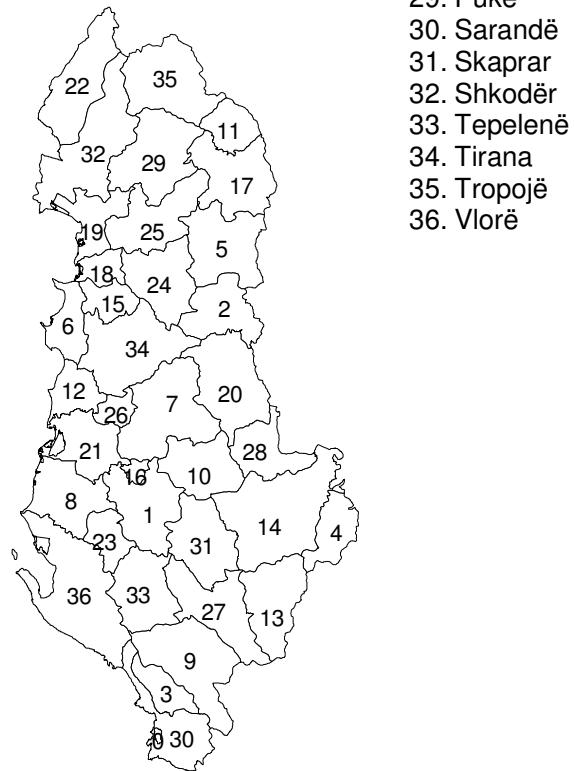
1. Berat
2. Bulcuizë
3. Delvinë
4. Devoll
5. Dibër
6. Durrës
7. Elbasan
8. Fier
9. Gjirokastër
10. Gramsh
11. Has
12. Kavajë
13. Kolonjë
14. Korçë
15. Krujë
16. Kuçovë
17. Kukës
18. Kurbin
19. Lezhë
20. Librazhd
21. Lushnjë
22. Malësi e Madhe
23. Mallakastër
24. Mat
25. Mirditë
26. Pequin
27. Përmet
28. Pogradec

**Figure 3. Expelling index, internal and international migration, 1989-2001.**
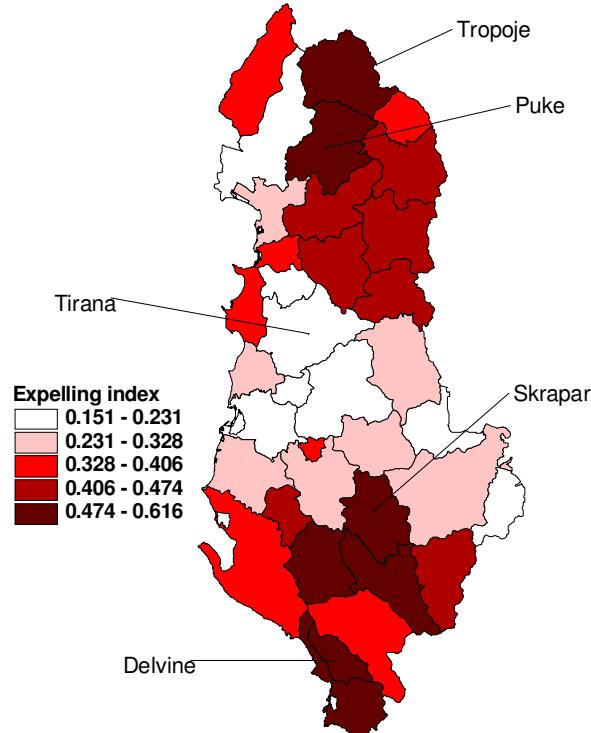
Figure 4. Absorbing index, 1989-2001.

Tropoje

Puke

Tirana

Skrapar

Delvine

Expelling index
- 0.151 - 0.231
- 0.231 - 0.328
- 0.328 - 0.406
- 0.406 - 0.474
- 0.474 - 0.616

Source: 1989 and 2001 PHC.

Tirana

Durress

Absorbing index
- 0.012 - 0.027
- 0.027 - 0.043
- 0.043 - 0.07
- 0.07 - 0.137
- 0.137 - 0.307

Source: 1989 and 2001 PHC.
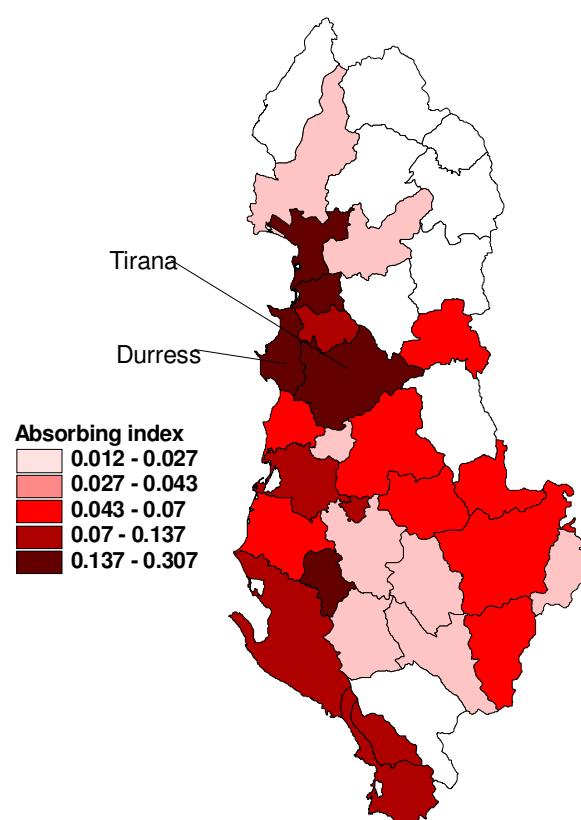
Poverty headcount, %
- < 24
- 24 - 28.6
- 28.6 - 36
- > 36
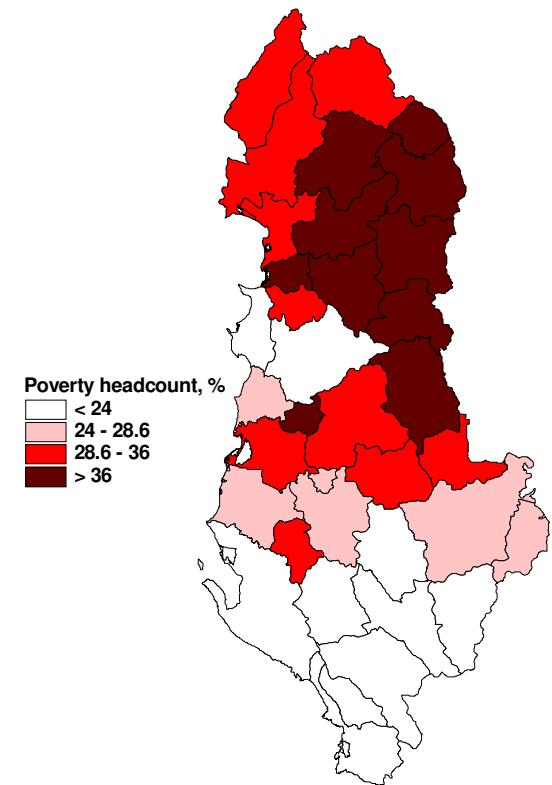
Source: Betti et al., 2003.

Figure 5 – Poverty headcount ratio by District

Figure 6 – International expulsion index

International
expulsion index
- 0.034 - 0.18
- 0.18 - 0.49
- 0.49 - 0.58
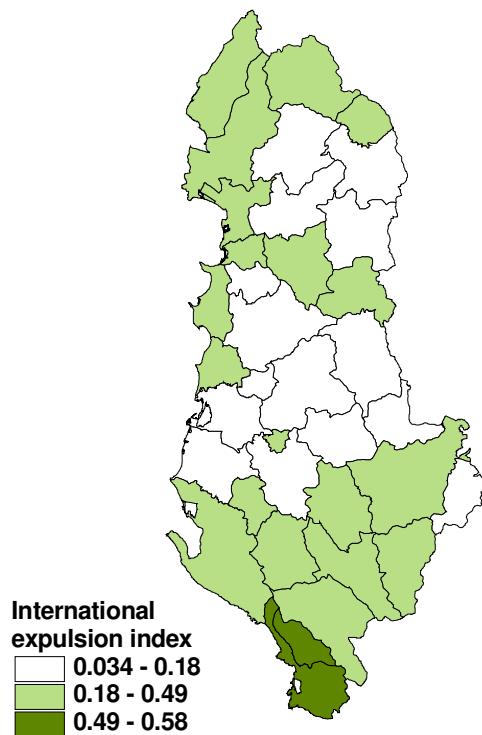
Source: 1989 and 2001 PHC.

Figure 7 – Internal expulsion index

Internal
expulsion index
- 0.011 - 0.12
- 0.12 - 0.286
- 0.286 - 0.416
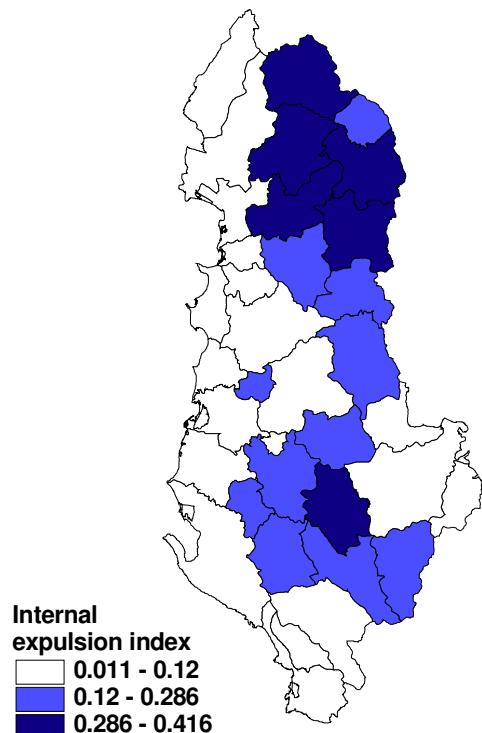
Source: 1989 and 2001 PHC.

Figure 8 – Main inter-districts migration flow (red arrows indicate international migration)
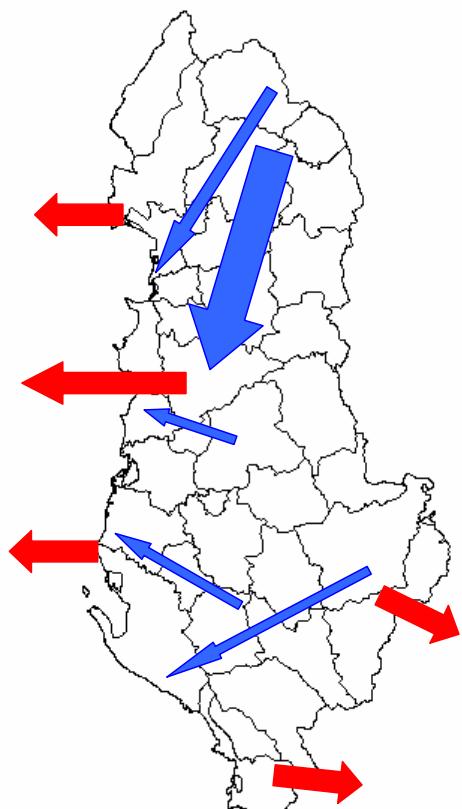
ADB Arrow magnitudes are indicative of, but not proportional to, observed flows.

Figure 9 – Commune level absorbing index

Commune absorbing index
- > 0.307
- 0.25 - 0.307
- 0.065 - 0.249
- 0.012 - 0.064
- < 0.011
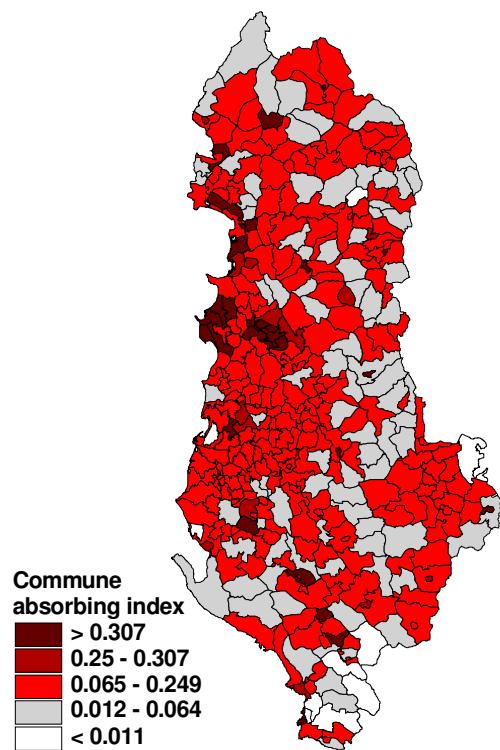
Source: 2001 PHC.

Figure 10 – Poverty headcount ratio by commune and municipality

Headcount, %
- < 24
- 24 - 28.6
- 28.6 - 36
- 36 - 43
- 43 - 80.4
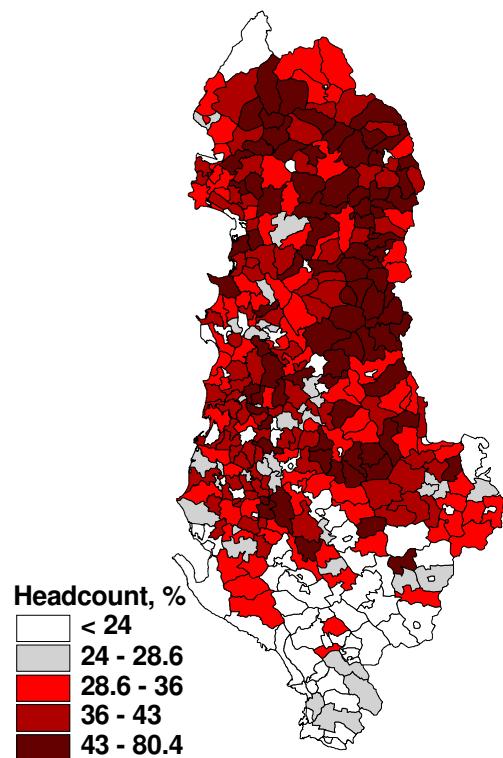
Source: Betti et al., 2003.

Figure 11. Tirana, inflow by mini-bashkia, 1989-2001.

New residents, %
< 24
24 - 34.9
> 34.9
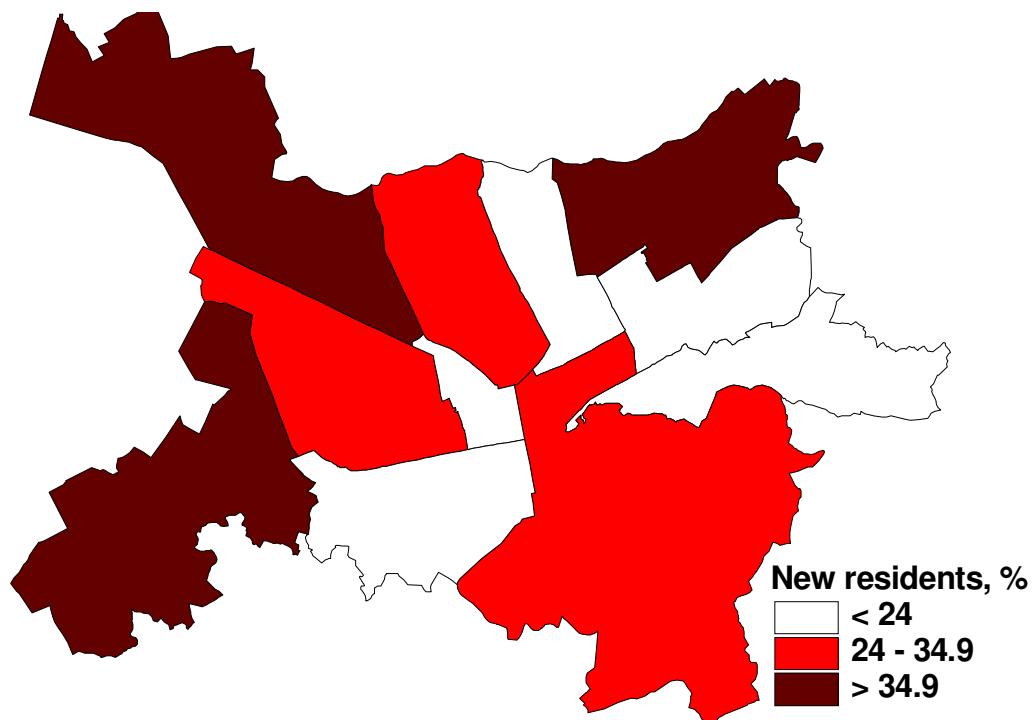
Source: 2001 PHC.

Figure 12 – Tirana: Poverty headcount ratio (percentage) by mini-bashkia

Headcount, %
< 13
13 - 20
> 20
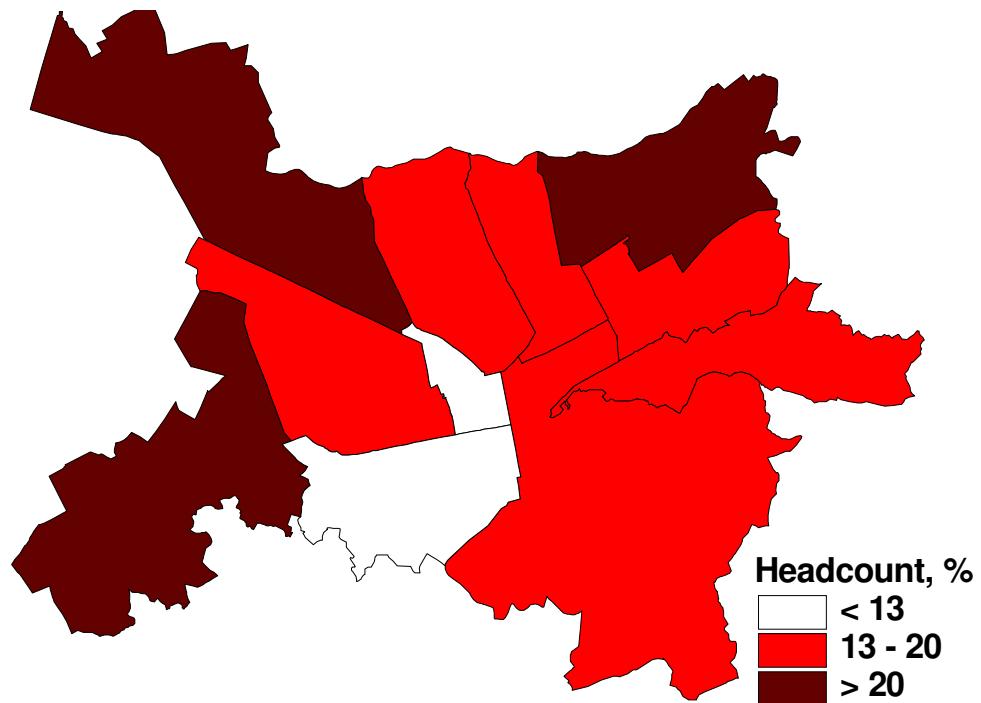
Source: Based on data in Betti et al., 2003.

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