

DISTRICT AS A MODEL OF LOCAL GOVERNMENT REFORM IN ALBANIA

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Extract

The practice of philosophy organization and the reform of local government in Albania, has been a problem I treated according to the viewpoints of the political classes, who have possessed political power in Albania. This problem has been influenced even by the political developments abroad, because as a small country, Albania has always accepted foreign practices in social and political organizations. In different periods of organization and local government function, is being noticed the change of territorial space and functions to fulfill his duties. Despite changes in the political systems the local government reform has historically been in the center of attention of the actual political class. The model applied by the Albanian government today is a centralized model, where some communities join in a single unit, but in some cases they have an administrative history and common community identity. The new units formed by the merger of municipalities with the closest municipality, whether as a model or the purpose of making reform, they are more effective and efficient than the model with a district center. The aim of this study is to highlight the benefits and possibilities that has the model of the district center, compared with the model of the closest municipality.

Key words: model, reform, government, district.

1. Introduction

Despite the objection from the opposition and its not participation in the process of local government reform, now with the expression pro the decision of the Constitutional Court of the Republic of Albania, this process is going towards finalizing in the June 23 elections.

Many organizations and associations presented their projects to the problem, but we finally settled politically for a division that places to places leaves much to be desired in the context of the model used, polycentric or, centric. In this study is filed as a case the new division of District of Gjirokastra, to be compared in the context of constituent elements of a local unit, but also in terms of the economic purpose of the reform implementation model "circle".

The program of Local Government DLDP funded by Swiss government in 2013 undertook a study on "functional areas" in Albania in 5 regions of Durres, Lezha, Shkodra, Dibra and Kukes.

The methodology of functional areas used as the main criterion for reform is borrowed precisely from this study. As above, the concept of "functional areas" begins the implementation from the district administrative territories as territorial unit between regional and local level.

2. Theoretical Debate

The debate about the size of the local unit is not new. Olson (1969), discussed the principles of fiscal equality between stakeholders, beneficiaries and taxpayers in the division of responsibilities among the various levels of government. By following this link Oates (1972:38) and Kings (1984; 50-85), in their theory of fiscal federalism they paid attention to promoting the "optimal size" of local services. But this did not help the territorial arrangements for three reasons: first, the theory was proposed only for public service; second, is taken into account only the economic arguments creating a flat map; third, the merger or reunion of local government units is a democratic political process and not just an economic argument or technocratic. Practice showed other routes that were followed by Swianiewiz.; Dollery and robotti, 2008.

Ireland, a member of the EU with a population of 4.6 million inhabitants and an area 2 times greater than Albania, has conducted administrative-territorial reform, which began in October 2012 and entered into force after the local elections in May 2014 being implemented in a period of 19 months.

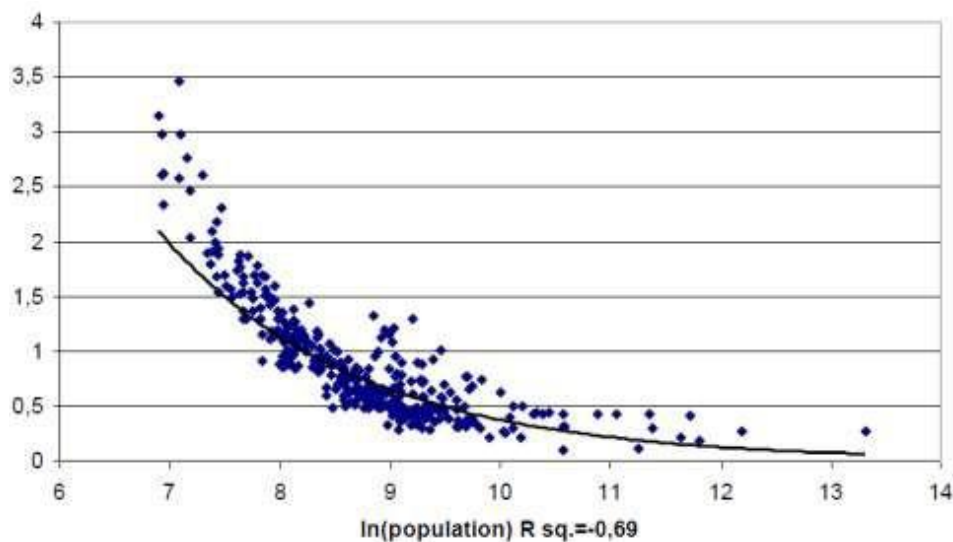
The administrative-territorial reform in Ireland was implemented in a relatively fast time in a system with 10 regions, 34 districts and 114 municipalities in a system of administrative-territorial organization with 3 regions and 31 municipalities. By this reform the number of LGU's decrease by 65% and 45% decreases the number of local councilors.

In two studies conducted by organizations Co-PLAN and the Swiss DLDP program confirmed that the optimal cost service integrated waste management in local units achieved over 200,000 inhabitants (the study of Co-Plan) and service costs can be lowered by 40% when these are organized into territorial units that overlap or are larger than the boundaries of districts (DLDP study's).

The fragmentation of local government units is proven and identified that brings high administrative costs. Literature and international practice confirms that the optimal size to achieve the efficiency of public services is to local units with populations of 25,000 to 250,000 inhabitants (McKinlay Douglas Limited, 2006; Holzer et al., 2009).

In the case of Albania this is confirmed in the analysis of administrative costs to local government units shown in the graph below. In this graph clearly shows that administrative costs start to go down significantly with the increasing population of the LGU's.

Graph 2.1



Source, Co-organization plan and program Switzerland

In Denmark was used the following criteria: A municipality - a city (this criterion shuffled territory around urban centers (cities) by not allowing rural local units that do not have an urban center; each new unit must have a minimum of 20,000 inhabitants (the criterion of minimum population).

In Sweden, the criteria on which relied territorial reforms, was the conception and reorganization of local government units in groupings local units (klustera) based on the concept of "natural area" which included rural areas organized around shopping /economic centers .

The return to reorganization with circle base - in this option the concept is that the reorganization of municipalities / commune be on the basis of the administrative territory of the former districts based . This option is considered the most appropriate for the group of experts and potential to be applied.

3. Empirical analysis of models of groupings of local units

Under this scenario (circle) is supposed to be applied the functional center centric model where the functional area unites communities in a unit with historic and traditional links, social, cultural and economic links.

In this case is presumed that the decision-making is in the center of the centralized district in the municipal council as the legitimate authority, and executive power to be the Mayor.

From the view of local government the "circle" as an administrative unit is not applicable as administrative organization level, but the former districts are identified in the organic law of local government as the concept of administrative subdivision of a County or even in deconcentrated service delivery in different ministries. Also clearly in institutional memory and communities, "the former districts" continue to have even today a reference role and clearly it is recognized as a unifying cultural identity and traditional residents.

The Government option does not change the boundaries of communities and municipalities that will join the new functional unit, but would leave in each unit an administrator appointed and some existing services workers, who tomorrow will be taken into existing municipalities aid certificates social, cadastre etc. The proposed and implemented option by the government has these shortcomings: first; should be practiced version of mini-municipalities for the management of new functional unit of the units that would be part of it as the effect of the merger. In mini municipalities (law 8652, 2000) the mayor is elected by the people and has the democratic element to be autonomous in decision making. While it is understood that the appointee will be only a blind executive of the mayor and can't opposes to protect the interests of the community it represents : second there will be no representative of the Council of municipalities that will exist as a unit with limited services, in this case as representative democracy in a direct way or through council to their former mayor election will be missing. Another reason would be that the majority of the population has the sense of district identity , What economic perspective has Memaliaj , that we could say that in the future it will attract residents of rural areas of Buzi and Kras ? but where will these be employed ? nor Tepelenë can not attract residents to the urban area and could not have perspective on the natural resources it has . This logic may work in the areas of Western Plain and in the industrial regions to associated the extracting with the processing industry, and naturally it would create such an effective functional area. While in the case of rural areas as Tepelenë and Memaliaj, Këlcyre, Përmet, can only strengthen as administrative zones. While (see fig. 1) the municipality of Memaliaj is only 8 km from Tepelene while Kelcyre to Permet and Gjirokastra to Libohove are not more than 10-12 km. From the above, we can say that Libohova municipality has less than 10 thousand inhabitants, do we have here a criterion that takes into account its potential economic and industrial development that does not meet the criteria of functional zone ? .

Lunxhëria and Zagoria for example (Berxhulli, A, 2014), has not ever been with Libohova.

4. The methodology of the research.

Issues:

Model of the nearest municipality (functional area) Implemented by the government, in some cases does not comply with the criteria and has also received feedback from the respective communities as Zagoria, Selenice of other countries, the Association of Local Units, as well as the opposition.

Research questions:

Is Implemented model from the effective government in accordance with elements of a local unit?

hypothesis:

The model based in the district increases the financial power and the efficiency more than functional area model applied by the government.

Method:

Secondary data collection, statistical analysis of data, comparing data and conclusions to prove or not the hypothesis.

The importance of the study:

The study will show that the model around is a model proven in practice and has an identity and it is the model that increases efficiency and financial strength. Implemented model by the government is a political solution that in many cases it is not functional.

5. Statistical Analysis**5.1. Model with the nearest municipal center Implemented by government**

A union modeled with the nearest municipalities as an urban center, social, cultural, administrative, and other services. Under this scenario would have the following model of administrative division in the district of Gjirokastra.

In district of Tepelena

1. Tepelene Municipality in its composition will have : Municipality Tepelene, Tepelene Center Communes , Lopes, Progonat (Kurvelesh).
2. Memaliaj Municipality in its composition will have: Memaliaj Municipality, Commune Memaliaj –Village , Krahes, Qesarat, Buz, Luftinje.

In district of Permet

1. Permet Municipality in its composition will have: Permet Municipality, Center Commune of Piskov, Çarshove, Frasher, Petran .
2. Kelcyre Municipality in its composition will have: Kelcyre Municipality, Communes of Ballaban, Dishnice and Suke.

In district of Gjirokaster

1. Gjirokaster Municipality in its composition will have these units : Gjirokaster Municipality, Communes of Çepo, Lazarat, Ura e Kardhiqit, Lunxheri, Antigone, Odrie.
2. Libohove Municipality in its composition after the units will have: Libohove Municipality, Center Commune of Libohove, Zagorie.
3. Dropull¹ Municipality in its composition will have these units: Communes of Upper Dropull , Lower Dropull , Pogon.

Board 5.1

No.	Units of local government	Population by registrar	Population according to th census	Unconditional grant
I	District of Gjirokaster	82663	35843	
1	Municipality of Gjirokaster	33361	19836	105,5019
2	Municipality of Libohove	7219	1992	13,817
3	Commune of Antigone	-	998	6,618
4	Commune of Libohove	-	1264	13,907
5	Commune of Pogon	3122	432	17,015
6	Commune of Zagorie	-	411	14,777
7	Commune of Odrie	-	433	6,618
8	Commune of Lazarat	3406	2801	11,140
9	Commune of Picar	-	937	14,008
10	Commune of Cepo	6692	1727	16,152
11	Commune of Lunxheri	8744	1941	12,929
12	Commune of Upper Dropull	10572	972	18,117
13	Commune of Lower Dropull	9547	2100	20,025
II	District of Tepelene	38495	19606	
1	Municipality of Tepelene	8130	4342	35,624
2	Municipality of Memaliaj	7093	2647	24,768

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3	Commune of Q. Tepelene	8324	3179	17,175
4	Commune of Villagge- Memaliaj	2732	1606	11,707
5	Commune of Buz	-	737	9,132
6	Commune of Luftinj	5521	1734	16,005
7	Commune of Krahes	6695	2554	14,347
8	Commune of Qesarat	-	1379	9,132
9	Commune of Lopes	-	732	7,188
10	Commune of Kurvesh	-	705	15,825
III	District of Permet	33325	16727	
1	Municipality of Permet	10328	5945	37,350
2	Municipality of Kelcyre	5045	2651	15,362
3	Commune of Çarçove	3092	918	17,214
4	Commune of Petran	1622	3128	17,279
5	Commune of Suke	1256	2638	10,604
6	Commune of Dishnice	2703	1159	12,209
7	Commune of Ballaban	2216	1047	10,604
8	Commune of Piskove	4175	1749	18,772
9	Commune of Frasher	-	387	11,391

Source: Official Journal, December 2013

Unconditional transfers that central budget transfers to local government, includes funds for coping activities and functions that are defined in the laws and those into force. Unconditional transfers are distributed among local governments .

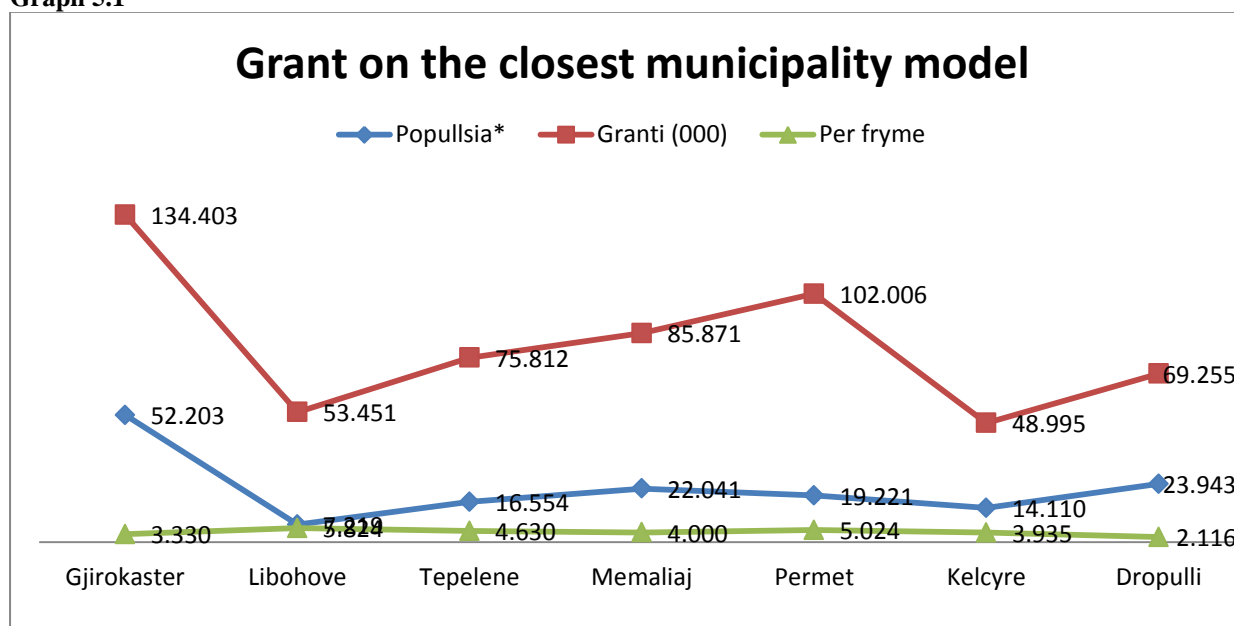
Funding for the administration of social service centers are distributed according to Annex 5, attached to this law. Municipalities that have up to 20 000 inhabitants, use up to 25 % of unconditional transfer for administrative personnel costs.

Municipalities that have 20 001-50 000 inhabitants, use up to 20 % of unconditional transfer for administrative personnel costs.

Municipalities that have over 50 001 inhabitants, use up to 15 % of unconditional transfer for administrative personnel costs.

Burimi Official Journal, No.204, 2014, according to the author calculations

Graph 5.1

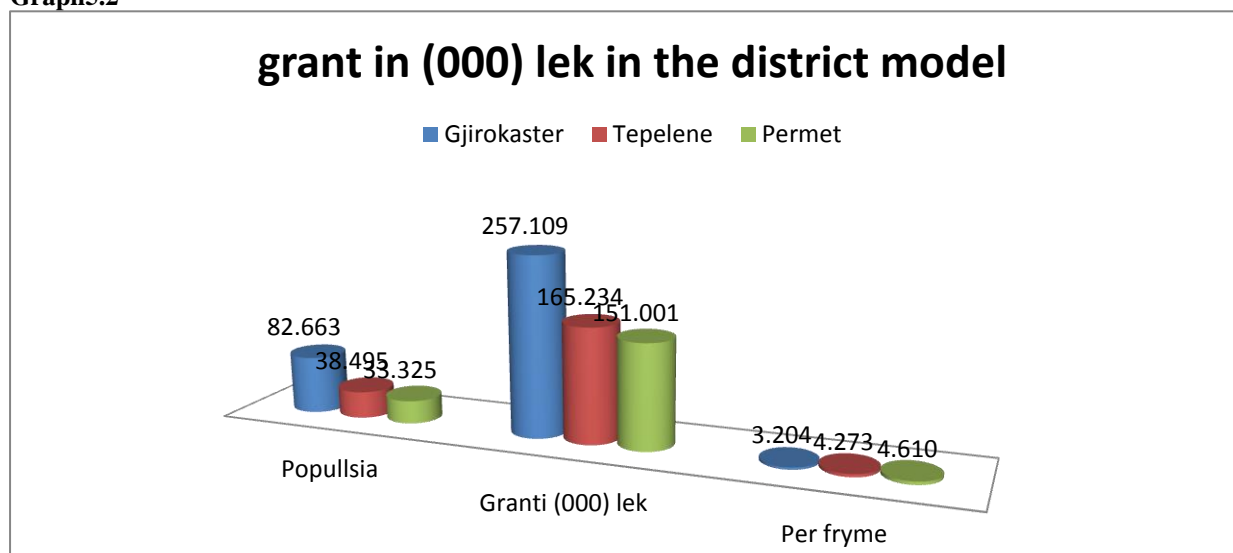


Burimi Official Journal, No.204, 2014, according to the author calculations

5.2. District-based model

1. Tepelene Municipality in its composition will have: Municipality of Tepelene and Memaliaj, Commune of Qender Tepelene, Lopes, Progonat, Qesarat, Krahes, Memaliaj-Village, Buz, Luftinje.
2. Permet Municipality, in its composition will have: Municipality of Permet and Kelcyre, Commune of Qender Piskove, Carshove, Frasher, Petran, Ballaban, Dishnice, Suke.
3. Gjirokaster Municipality, in its composition after the union will have : Municipality of Gjirokaster, Libohove, Komunat Qender Libohove, Lazarat, Odrie, Ura e Kardhiqit, Cepo,Zagorie, Lunxheri, Antigone, Pogon, Upper Dropull , Lower Dropull .

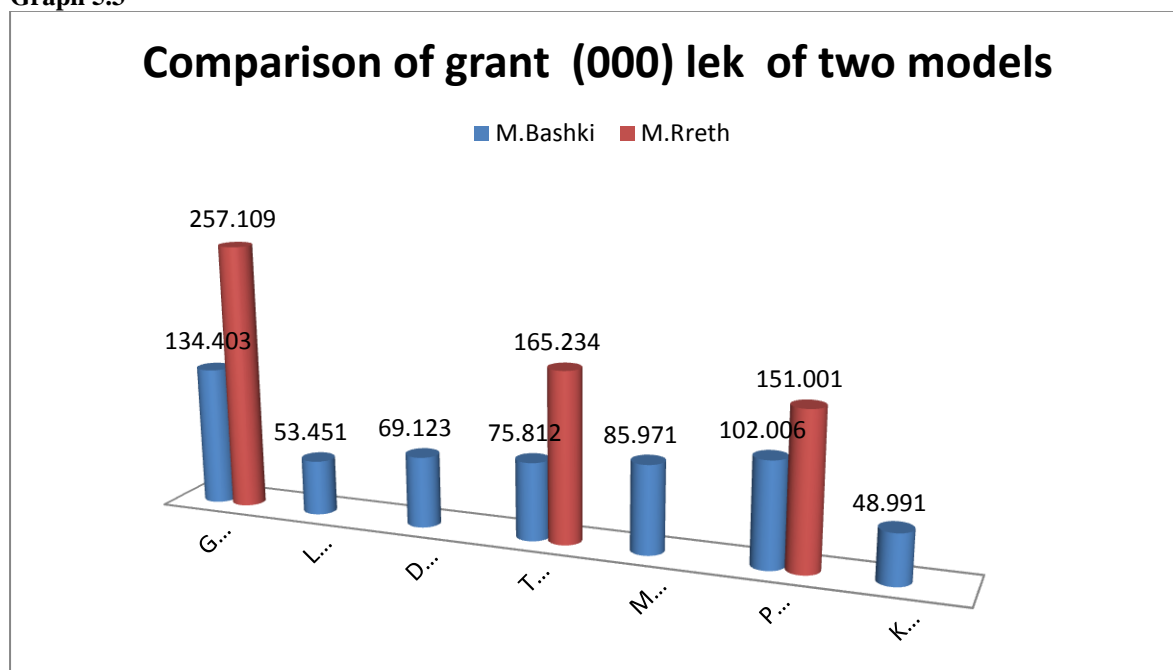
Graph5.2



Burimi Official Journal, No.204, 2014, according to the author calculations

From the graph we see that there is a difference of 1,400 lek per habitant, comparing the difference with the closest Municipality model that this difference is 2.908 indicates that the circle model softens in a 100% differences in the distribution of Grants.

Graph 5.3



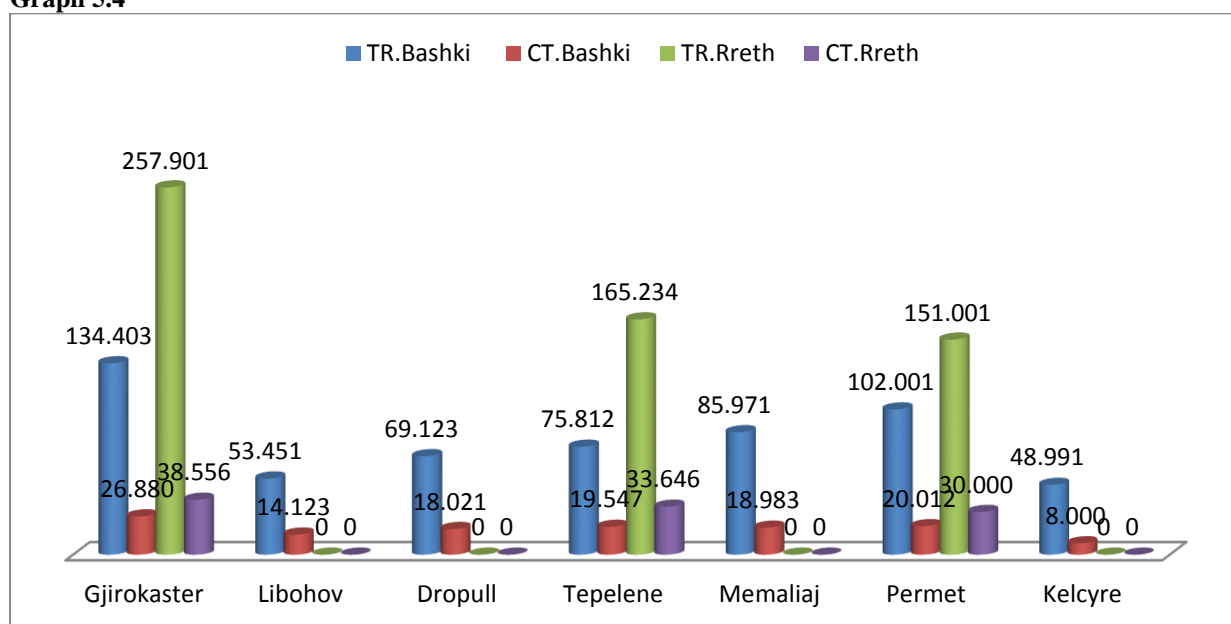
Burimi Official Journal, No.204, 2014, according to the author calculations

Comparing district grant model to that of the nearest municipality implemented by the government, it appears that the grant of Gjirokastra financial power grows approximately 100%, as well as the financial strength of Tepelene District. Looking at Permet district it has an increase of 50% because the municipality of Këlcyra has a small grant.

Board 5.1

C	Gjirokaster	Libohov	Dropull	Tepelene	Memaliaj	Permet	Kelcyre
TR.Bashki	134,403	53,451	69,123	75,812	85,971	102,001	48,991
CT.Bashki	26,880	14,123	18,021	19,547	18,983	20,012	8,000
TR.Rreth	257,901	0	0	165,234	0	151,001	0
CT.Rreth	38,556	0	0	33,646	0	30,000	0

Graph 5.4



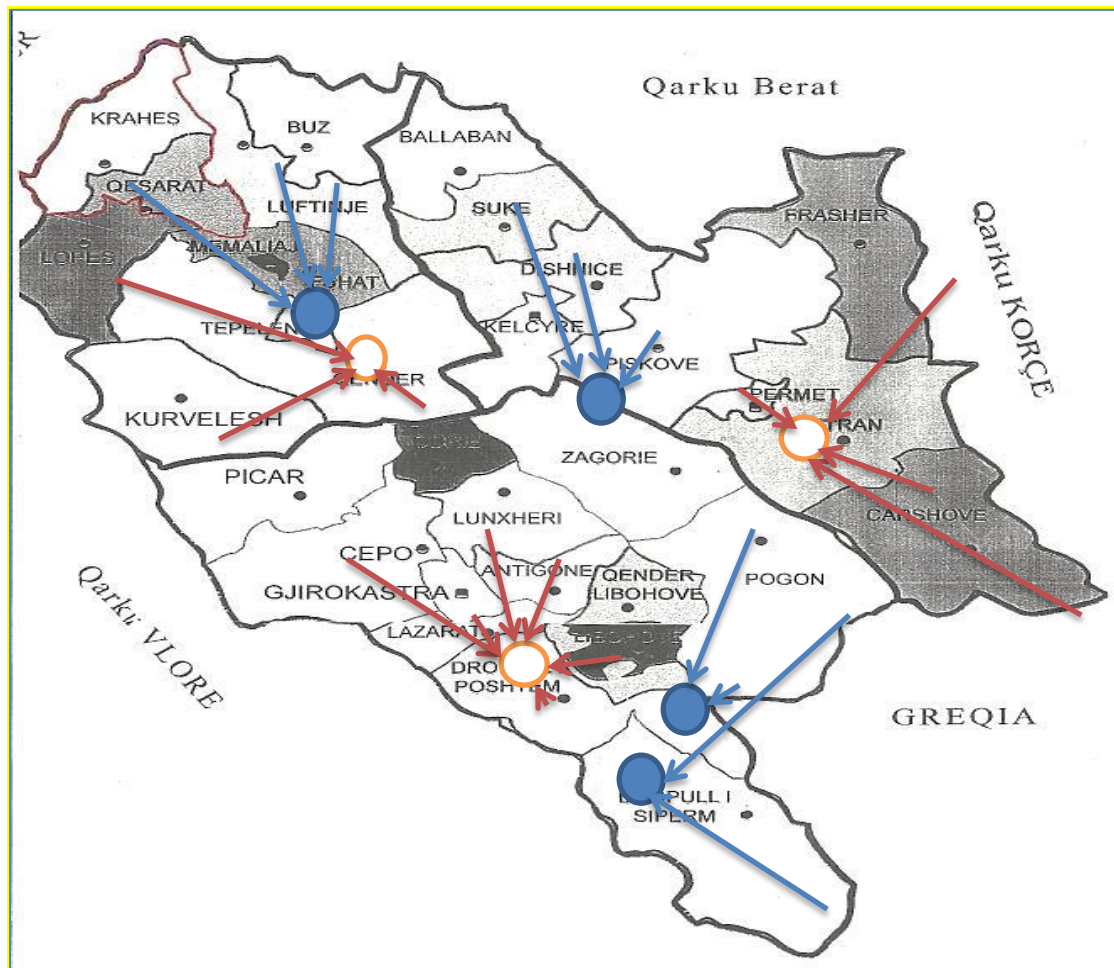
Burimi Official Journal, No.204, 2014, according to the author calculations

From the calculations and the graph, we see that with increasing size of the local unit, despite the growing size of public services spaces, administrative expenses have a descending trend.

In concrete terms, in the circle model, Gjirokastra has a cost of 38.556, meanwhile if we gather the expenses of three municipalities that are in its district, it makes 59,000. So the model of the circle reduces in 30% the administrative costs.

If we see the reducing costs in districts with smaller populations under 50 thousand inhabitants, it is 13%. This shows that with the growth of the district, the phenomenon is stronger.

As the above we examined the hypothesis is confirmed, the circle model is more efficient than the model of the big municipality.

**Note:**

- Centers in blue color shows the groups with the nearest municipality unit .
- Centers in brown color shows the units groups with the nearest municipality unit that has been e district center.

6. Conclusions

- The circle model is the identity of cultural heritage, historical and administrative .
- The circle model enhances the financial power 50-100%, for municipalities over 20 thousand inhabitants, increasing even the investment power .
- Reduces the administrative and financial expenses , increases the investments .
- By having financial power is capable of implementing policies in larger spaces.

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