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Albania: The Demographic Crisis and Its Consequences

Albania has been facing the problem of a significant population decline for years, caused mainly by mass emigration and demographic decline. Financial bonuses, paid by the state since 2019 at the birth of a child, did not help to change the trend. The declining population of the country will be one of the most important challenges facing the government that emerged after the April parliamentary elections.

Demography. Since the collapse of the communist system in Albania, two censuses have been carried out – one in 2001 and one in 2011. According to data published by the Albanian Statistical Institute (*Instituti and Statistikave*, INSTAT), 2,845,955 people live in Albania (2020).¹ The average age is 37.2 years and has increased compared to 2019, when it was 36.7 years. It is worth noting that in the 1990s, the average age of Albanians was 27. The drop in Albania's population over the last three decades is due to a decline in the birth rate, as well as large scale emigration that began at the outset of the post-communist transformation period.

In Albania, there has been a continuous decline in the number of births for years. In 1990, more than 80,000 children were born per year, and by 2020 it had dropped to just over 28,000, 486 less compared to 2019. Although Albanian women still give birth to their first child relatively early (on average at the age of 26, whereas the European average is 29),² the fertility rate is decreasing. It is currently 1.3. For comparison, in the 1990s it was 2.3 and ensured a simple replacement of generations. The decline in the number of births is mainly related to the socio-economic and cultural changes taking place in the Albanian society. Material and professional aspirations, both among women and men, are extremely strong. Moreover, the number of marriages is falling and the number of divorces is increasing. The period of the COVID-19 pandemic has further strengthened this trend.

In order to reverse the negative demographic trends, the state since 2019 has paid a one-off financial bonus for newborns: 40,000 LEK for the first child (approx. 320 euro), 80,000 LEK (approx. 640 euro) for the second, and 120,000 LEK (approx. 960 euro) for the third and subsequent. Citizens of Albania who permanently reside in this country are not the only ones eligible to receive the bonus, but also those living abroad who register their child in Albania.

Mass emigration. Emigration has remained a significant problem in Albania since the beginning of transformational changes. Less than 38% of Albania's population lives outside its borders. According to the results of research carried out by INSTAT, over 1.68 million Albanian citizens live outside their homeland, most of whom are men (approx. 885,000).³ Moreover, the vast majority (76%) are people aged 15-64. The last decade has seen an increase in the number of people leaving the country. According to INSTAT data, in 2019 47,000 Albanians left Albania – mostly young and educated people. In the 1990s, mainly men emigrated. However, in recent years entire families are leaving Albania more and more often.

Attention should also be paid to the number of asylum applications filed by Albanians in individual European Union countries. In 2010-2019, they submitted approx. 196,000 requests.⁴ In 2020 alone, approx. 6,500 were filed.⁵ Although this number has decreased significantly due to the COVID-19 pandemic, Albanians are in second place among countries whose citizens submit such applications. Syria comes first with 4,000 applications per million

¹ *Popullsia e Shqipërisë*, INSTAT, 2020, http://www.instat.gov.al/media/6849/popullsia_me-1_janar_2020.pdf [08.03.2021].

² *Women are having their first child at an older age*, EUROSTAT, 15.05.2020, <https://ec.europa.eu/eurostat/web/products-eurostat-news/-/DDN-20200515-2> [08.03.2021].

³ *Diaspora e Shqipërisë në Shifra*, INSTAT 2019, s. 3, <http://www.instat.gov.al/media/6547/diaspora-2019.pdf> [08.03.2021].

⁴ *Western Balkans asylum applications in the EU 2009-2019*, European Policy Institute of Kosovo, Pristina, June 2020, p. 11.

⁵ *European Asylum Support Office, Latest asylum trends – 2020 overview*, <https://www.easo.europa.eu/latest-asylum-trends> [09.03.2021].

inhabitants, and the second one is Albania, at 2,300 applications per million inhabitants. These are followed by Algeria, Afghanistan, and Kosovo.

The vast majority of Albanian emigrants currently live in Italy and Greece (approx. 75%), then in the United States, Germany, Great Britain, Canada, and Belgium. Albanians decide to emigrate mainly for economic and financial reasons, seeking a higher standard of living and better education. For the same reasons, Germany has become a new, popular destination for Albanian citizens in recent years. In 2020 (from March 1 to December 31) 778 Albanians were granted visas by the German authorities as qualified specialists and trainees from third-countries (the most of this type of visas were issued to Serbs – 2024).⁶

At the same time, the number of emigrants going to Italy or the USA decreased. In addition, in 2019, according to data published by Eurostat, Albania was sixth in the world in terms of residence permits obtained among European Union countries.⁷ By the end of 2019, approximately 868,000 Albanian citizens had been issued such permits.

According to a survey conducted in June 2020, 50% of Albanian citizens are still considering leaving the country (83% want to leave, and 49% are seriously considering such a decision). This is the largest number in the region, and Albania is the only country in the Balkans where the number of people willing to leave is higher than those who wish to stay. Only 46% of Albanians declare their willingness to stay in the country.⁸ Such attitudes result from dissatisfaction with the economic development of the country, low standards of living, or the lack of career prospects, among other reasons.

Furthermore, based on data from the World Bank and the Bank of Albania, 23% of households use remittances from emigrants (on average, EUR 2,000 each year). In 2020, the sum of remittances amounted to 9.9% of GDP.⁹ These remittances are often the main source of income for Albanian families. Due to the COVID-19 pandemic, this sum decreased. In the period from January to September 2020 remittances amounted to EUR 471 million, which is EUR 50 million (10%) less than in the corresponding period of 2019. It should also be added that each year many Albanian emigrants come to Albania on vacation, thereby contributing to the development of tourism, which accounts for a significant part of the country's income.

Conclusions. The declining Albanian population, resulting from lower fertility rates and mass emigration, is a serious problem for Albania. So far, despite the implementation of specific solutions, no single Albanian government has successfully solved it. Although the current government is trying to address the problem and introduce changes aimed at reversing the negative demographic trend, the Prime Minister Edi Rama has emphasized that Albanians have the right to travel freely. He also argues that due to differences in living standards in Albania and Western European countries – especially in Germany – Albanians will continue to leave the country despite the economic and social policy efforts his government has made over the past two terms.

The problem of the constant decline in the population will also be a challenge for the next government, regardless of who will create it after the parliamentary elections planned for April 25, 2021. All political parties recognize the seriousness of the issue and are committed to solving it. However, it should be assumed that this problem will become more and more serious. Ongoing economic and professional aspirations of the citizens will keep economic emigration at a high level. In turn, the decreasing number of people and the simultaneously aging society will force the government to make changes in public finances and to allocate larger sums of money to the health care system and pensions.

⁶ Albania came in 10th in terms of the number of visas granted. Apart from Serbia and Albania, Bosnia and Herzegovina (1,159) and Kosovo (792) were also in the top ten from the Western Balkans states, *Skilled Workers From Western Balkans Benefited Most From Germany's Skilled Immigration Act in 2020*, 11.03.2021, <https://www.schengenvisainfo.com/news/skilled-workers-from-western-balkans-benefited-most-from-germanys-skilled-immigration-act-in-2020/> [15.03.2021].

⁷ *Non-EU citizens with valid residence permit in the EU*, EUROSTAT, 19.01.2021, <https://ec.europa.eu/eurostat/web/products-eurostat-news/-/ddn-20210119-2> [08.03.2021].

⁸ *Balkan Barometer 2020. Public Opinion. Analytical Report*, Regional Cooperation Council, Sarajevo 2020, p. 70-71.

⁹ *Migration and Remittances Data*, October 2020 [08.03.2021].