

Problems at the Labour Market in the Western Balkans

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ABSTRACT

In this paper are analyzed problems related to job creation as a major priority throughout the Western Balkans. In the paper is stressed out the idea that even in countries with fairly strong economic growth during the last years (e.g., Albania, Serbia), labor market performance has been sluggish. In the other countries where growth has been slower, outcomes are even worse. It is also analyzed the contribution of emigration to sustainable growth as an employment alternative and with regard to the enlargement of Eu with new member states after 2004. There are varying migratory patterns and motivation across the Balkan region, also making it impossible to generalise. One theory, known as the “migration hump”, suggests that, as economic development proceeds, rather than reducing migratory outflows it will actually stimulate them. However, some analysts contend that, in the case of Albania and Turkey, it would, in the medium term bring them out of the “migration band” and reduce mass emigration. For other Balkan countries, on the other hand, it might increase emigration pressures: “aid in place of migration” is not a serious option for much of the Balkan region, despite the imperative of the area’s economic development.

In the third part of the paper are explored women labor market potential through economic analysis of some areas in Shkodra region taken in case. In a report of the World Bank of 2000 in Albania the informal economy occupied 33.4% of GDP, and according to the claim of Labour Inspectoriate–Shkodra branch in northern region is noticed an informality at 40% during 2005. As well is noticed by the businesses that there are infractions of law competition in

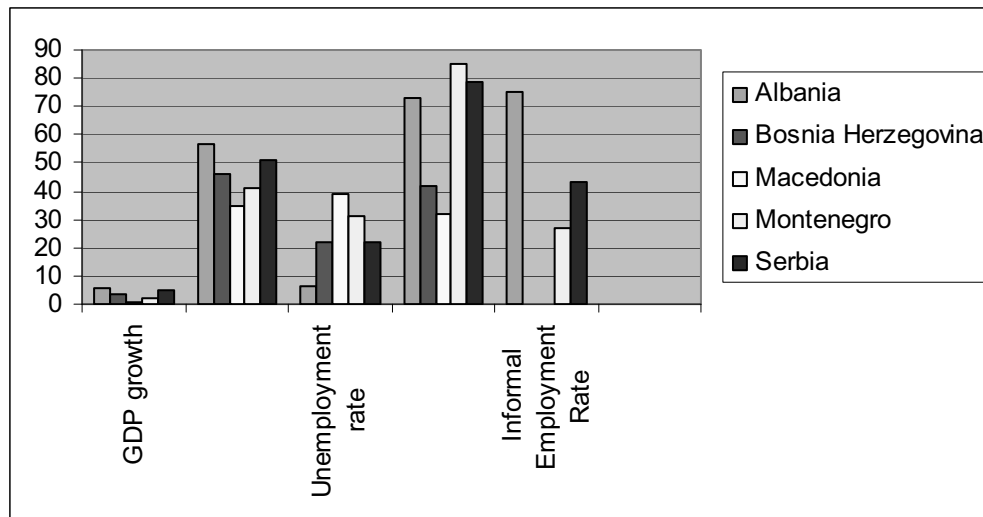
which the strongest makes progress with illegal and unfair methods. Through analyzing of traditional women employment in Shkodra region there are given some alternatives for future women employment such as handicraft, services, family tourism, textile industry.

PROBLEMS AT THE LABOUR MARKET IN THE WESTERN BALKANS

I. JOB CREATION

Job creation is a major priority throughout the Western Balkans . Even in countries with fairly strong economic growth this decade (e.g., Albania, Serbia), labor market performance has been sluggish. In the other countries where growth has been slower, outcomes are even worse. No country in the region, for example, is even close to the EU Lisbon employment standard of 70% (Table 1). Macedonia has the lowest employment rate in ECA with Montenegro and Bosnia and Herzegovina near the bottom. Unemployment is high in all countries throughout the region, and most unemployment is of a long-term nature. The exception, as far as aggregate employment and unemployment rates are concerned, is Albania, where the large agricultural sector absorbs many job-seekers, although in low-quality, low-earnings positions. Informal employment is a prominent feature of the labor markets in all countries, especially Albania.

Table 1: GDP growth and key labor market indicators (%) Western Balkans 2005



Sources: World Bank estimates based on LSMS (Albania and Bosnia and Herzegovina) and LFS (Macedonia, Montenegro, and Serbia)

Improving this employment performance will require actions on many fronts including but going well beyond the labor market.

Certainly, maintaining and improving economic growth is a necessary condition. This will require sound macroeconomic policies as well as an acceleration and completion of the transition to market institutions and policies. In many respects, the Western Balkan countries continue to lag behind the leading reformers in the ECA region. As a group,

Labor market and social protection reforms are also needed to improve employment performance. Recent studies by the World Bank for the ECA region (World Bank 2005a) and more specifically for Bosnia and Herzegovina, Albania, and Serbia (World Bank 2005b, 2006a, 2006b) have identified a number of labor market and social policy reform priorities to enhance job opportunities. These include reforms in the areas of labor market regulation, wage setting, labor taxation, and active and passive employment programs.

Better education and skills development will be critical for the countries in the Western Balkans to not only create jobs but to create the kinds of jobs that will raise productivity and living standards in the future. This policy note argues that, while the supply side may not be the most important binding constraint to job creation in the region right now, a better educated

and more skilled workforce will be essential if the Western Balkans economies are going to become more productive and move into higher value-added goods and services that will generate more and better jobs. Research from other regions shows that education, especially when coupled with technological innovation can make a major contribution both to productivity gains within industries as well as to shifting labor and other production factors towards higher-productivity sectors (e.g., de Ferranti et al. 2003). Given regional and global economic trends, basing competitiveness on low costs and unskilled labor-intensive activities will not be a viable strategy for the Western Balkans and certainly will not move these countries far along the path of convergence to EU members.

II. Sustainable development and emigration in Western Balkan

The Eastern enlargement of the European Union has triggered a net migration from the new member states (NMS) into EU-15 of some 250 000 persons per year in the first two years following the 2004 enlargement round. Although this migration flow is rather moderate at the EU level, it has fanned fears in those EU countries that have opened their labour markets from the beginning and are particularly affected by immigration from NMS. But what are the economic consequences of extending the free movement of workers to the NMS in the enlarged EU?

To answer this question a stimulation model has been developed that frames the conditions of European labor markets with wage rigidities and high unemployment. It finds that the relatively moderate migration after enlargement yields a mere 0.03 percent increase in the enlarged EU's GDP, and that even in the two most affected countries – Ireland and the UK – the GDP gains amount to no more than 0.1 percent. In the long-run, the GDP of the enlarged EU will increase by some 0.6% if four percent of the population of the new member states migrate into the EU-15. In particular the GDP of Ireland will increase by more than four percent and that of Austria, Germany and the UK by about two percent. These gains dwarf those of a further integration of goods and capital markets.

The main winners are the migrants themselves: their income increases by more than 100 percent. While natives in the sending countries tend to gain

on average, the aggregate impact on the income of natives in the receiving countries is neutral or even negative. The unemployment rate increases in the destination countries by less than 0.1 % points with blue collar workers being particularly affected.

1. Sustainable development and emigration: the contemporary Balkans and the European Union.

In the years since 1989, about 15 % of the population of the western Balkan countries has been involved in migration – some ten million people. Of these, five million have emigrated permanently and about three million are “waiting to see”, while 2.5 million returned to their homes in less than a year. In the case of Albania, some 20% has migrated; from Bosnia, the figure is 25 % plus a further 25% who are displaced. Across Europe, there are now about one million nationals of FR Yugoslavia, living mainly in Germanic countries; around two million turks; 600 000 Albanian in Greece and Italy; and probably another million from Croatia, Bosnia and FYR Macedonia combined.

The reasons for emigration from the region are many and varied, but there seem to be three major categories:

1. Ethnic complexities and co-existence problems after the break – up of Yugoslavia. Thus, the ethnic majority is only 70 % in many Balkan countries, while in Serbia and Bosnia it is much lower
2. Economic factors: with collapsing economies throughout the 1990, per capita incomes became very low, unemployment very high and emigration the only short-term solution. This was especially true for Albania, but there is still the potential from Serbia, Kosovo and Romania.
3. Political factors: notably, “ethnic cleansing” in Bosnia and Kosovo.

These causes of mass emigration from the Western Balkans are important, because they indicate the sort of people who have migrated. Significantly, the “brain drain” critique of these emigrations is not so relevant, largely for the following reasons:

- They have involved many unskilled as well as skilled workers
- The costs of migration to neighbouring countries were low much of the migration was illegal and has unclear economic implications – migrants

actually support their home economies through remittances, which they could not do if they had remained unemployed in their home country.

Furthermore, given very high long-term unemployment rates in comparison with Eastern Europe, the already – low participation rates could fall with a “discouraged worker” effect and erosion of skills. Thus, the emigration of skilled personnel can act as a mechanism to retain those skills and keep them available for future repatriation.

For all these reasons, it is extremely difficult to apply in the Balkans the existing theoretical literature on migration and development, where the focus has tended to be in semi-skilled migrations and high investment costs, whereas it is the middle class and the educated who migrate. There are varying migratory patterns and motivation across the Balkan region, also making it impossible to generalise. One theory, known as the “migration hump”, suggests that, as economic development proceeds, rather than reducing migratory outflows it will actually stimulate them. However, some analysts contend that, in the case of Albania and Turkey, it would, in the medium term bring them out of the “migration band” and reduce mass emigration. For other Balkan countries, on the other hand, it might increase emigration pressures: “aid in place of migration” is not a serious option for much of the Balkan region, despite the imperative of the area’s economic development.

Globally, remittances are now thought to constitute an extremely important source of external funding, second only to foreign direct investment (FDI). Furthermore, this source of funding has doubled over the 1990s whilst official development assistance has been falling; it is much more stable source of income than private flows and is expected to rise as the G7 economies recover. There is even evidence that remittances are counter-cyclical and used as insurance against economic “shocks”, since the arrangements of temporary economic migrants are intra-familial and designed to protect the family interests.

Migrants transfers worldwide are conservatively put at \$70bn, but this figure is significantly under-stated and is thought to be more like \$100bn, or 1,6% of GDP (World Bank). In the Balkans, Albania is the country where it has the most impact. The figure for 2001 was \$700m, as it was also for Croatia. From

1995- 1999, migrant remittances constituted some 16% of Albania's GDP, while Turkey's remittances were the fourth highest in the world. The latest available data show migrant remittances to Albania rather lower, at just over 12% of GDP for 2001 and 2002, and falling. However, this is primarily a statistical consequence of sustained GDP growth throughout the region, but especially in Albania.

Thus migrant remittances are starting to emerge as a new possible strategy for economic development, despite the previous negative perceptions of development economists. The primary point of criticism used to be the actual usage of remittances in that much was spent on consumption; another negative critique is the well-known "brain drain" phenomenon. However, consumption is itself an economic stimulant and too much emphasis should not be placed on this sole aspect. Essentially, economic development depends on : A combination of FDI, trade liberalization, aid, remittances, return migration, and improved governance.

III. Exploring women labour market potential through economic analysis of some areas in Shkodra region.

1.LOCAL ECONOMIC EVALUATION AND THE ECONOMIC PROFILE Economic tradition and the role of women.

Until 1944, Shkodra like many other cities of Albania represented a city in its transitory phase from feudal system to the establishment of capitalist system in many cities of Albania. In the beginning of the XIX century Shkodra was one of the most important cities in the Balkans with a population of 40 thousand inhabitants the most of whom had the priority of provision of income, craftsmanship and trade. Compared to the others it was one of the most potential cities of capitalist system development which displayed for the first time the first workshops of manufacture development and the first signs of the industrial production based on the production machinery since 1875. Such developments mainly included the immersion of motor mills for processing mainly of corn and factories of the manufacture type like the ones of oil, cigarette, soap etc. Until 1924 you could number about 12 industrial enterprises like 5 motor mills, 5 cigarette factories, one alcohol factory, two spaghetti factories, one chocolate factory, one soap factory, one factory of

belts, a lime kiln, one tile kiln, one brick kiln, which in 1938 made up about 20% of the industrial production at home only from Shkodra. About 2204 employees worked in these small enterprises, but there are no exact data on the women number in these factories although it is well known that there were employed women from the rural areas who had moved from the poorer areas to work in these factories on monthly salaries. In 1944 in Shkodra operated 96 factories and workshops which listed as the main ones the cigarette, soap, flour, fabric, pasta and the cement factory which came into operation since 1929 and produced 9000 ton of cement with only 96 workers. Of a great importance in Shkodra were also the handicraft productions of weapons, leather, embroidery, carpets etc, which involved mainly women. Food industry succeeded in spawn and dried fish, olive oil, jerky etc which despite the primitive methods were also on top of export in the neighbouring countries like Italy and France.

One of the main productive and export activities in Shkodra used to be the collection, processing and export of wool. The Shkodra highlanders collected big quantities of wool which were then sold to the commercial firms in Shkodra which went through the washing, controlling, and cleaning processes so it is ready to export. In this very important activity took part many Shkodra women whose number went up to 100 for one washing. (2)

During centuries the cultivation of silk took an important place in Shkodra and during the Ottoman Empire it gained great advantage being the most important silk market in Rumelia. The Shkodra silk from about 20 workshops was transported to Kremona, Milan and Venice (Italy).

In the Shkodra yards and gardens the mulberry for growing the silkworm had always an important role. The varieties of the silkworm seeds according to the specialists manifested essential bio-technological values.

It was so much estimated that it was known by name "*Seta Scutarina*". The most important silks in Shkodra area were the silk from Shiroka, Zogaj and Zadrime (3). Our mothers, women, grandmothers have worked the silk from the beginning to the end of the process. They have fed the silkworms, have twisted the thin threads and then have woven the fabric giving in this way the shape to the traditional dresses and have decorated with thicker silk thread in softer magnificent colours.

During ottoman period the Albanian silk knitting which was made into shirts, handkerchiefs, tablecloths, cloths for dresses, elements for decoration, scarves etc, are found in the world museums including the Arts Museum in Boston, the Textile Museum in Washington and the Metropolitan Museum in New York.(4).

One of the market spots of the industrial and handicraft products of the Shkodra masters became the Shkodra Bazaar with more than 2500 shops followed by the net of warehouses and the small market squares. As per trade development at home Shkodra held the monopole role of a main handicraft and trade centre which was in trade relationships with all regions including Kosova until the '80 -is of the XIX century.

Since the middle of the last century the Shkodra merchants built branches and commerce agencies all over the regions of the country including Kosova as well as the port towns of Tivar, Ulqin, Lezha, Virpazar, Rijeka, Cetine, Podgorica, Gucia etc.

In the foreign and home trade Shkodra took the first place compared to the other centers of the country. The main places in the foreign trade were Austria, Italy, Greece, Malta, Tuniz and France. The goods like wool, silk, corn, coloured processed leathers, belt weapons, silver works, dried fish and spawn etc, were distinguished among others. From 1945-1992 Albania was the antithesis of market economy. The private property was totally banned and the whole activity was controlled by the state. The Albanian case was unique in terms of isolation and centralization of economy.

After 1944 Shkodra takes off a general social cultural and economic development. The electric and mechanic industry takes off too in producing 20 of the industrial production at home. The industry of construction materials and food industry took off as well. There were built some big plants like the "Wire plant", the Wood processing Factory, the "Drini "plant, the Leather and Shoe, the Vau Dejes Hydropower station, the Tobbacco processing Factory, the Mechanical and Agricultural Plant, the Fabric Factory etc.(6)

The main activities in the light and food industry were the processing of tobacco, production of cigarettes, and production of tin foods, sugar products, drink factories, milk, pasta, bread, rice and cooking oil.

In the textile industry the main enterprises listed the confection and silk factories, in the wood industry was the wood and paper processing factory.

During this period the mechanical industry was represented by the wire plant, the telepherics plant, the Drini plant, the car service, the bus producing plant, the mill producing plant, etc. There were two important handicraft plants: the handicraft enterprise and the straw processing enterprise. During this period Shkodra took the fifth place compared to the economy of other cities. An important role in the production process played the women of Shkodra who after 1944 takes an active part as a working power in factories, plants, hydropower stations and agriculture, farming etc, by integrating in a collective productive formation.

There have been plants and factories which employed more women than men, so for example the straw processing enterprise which was one of the biggest factories in the country and realized the biggest part of home production for export and had about 2600 employees, had almost 80% women employees rather than men. (7) As well can be said about the creation of handicraft enterprise in Shkodra which had a considerable number of women employees whose role was great in the massive production of carpets, goblins, filigree, decorative boxes and other items. A wide participation of Shkodra women can be mentioned also in the fabric enterprise, the wire plant, in health sectors, culture and education in particular.

Zogaj village known for its tradition of rug production there was a workshop which employed about 100 women. All this period served Shkodra women not only to exercise such traditional skills but also to learn other skills such as filigree, copper, wood and straw. After 1990 when a large number of state enterprises disintegrated for Shkodra women started a difficult period which meant losing jobs and staying home without income.

This difficulty made them think for their future so they tried to find jobs in previous fields of work. Precisely this is the flourishing time for some private businesses and these women try to find themselves by facing the challenges of market economy. There were opened selling points, set up workshops, the handicraft work starts under the home conditions by growing in years and taking consolidated shapes.

During the '90, the Albanian government undertook a number of reforms and passed a number of laws on private property, private activity, competency, bankruptcy, foreign investments, consumers' protection, and privatization of small and middle enterprises and many other elements of a modern commercial system.

As a result of these economic reforms, many structural changes happened in the economy of our city.

Actually, about 87% of state enterprises have been privatized. The biggest part of the privatized economic subjects did not keep to their right destination. This phenomenon is noticed mainly in the mechanical industry enterprises which were unique in their kind and had a guaranteed interior market.

As far as food industry, wood industry and handicraft industry which used to be the biggest employers for the time being were changed into a big number of micro, small and middle businesses. The industry of tobacco and cigarette processing suffered a total destruction. The impossibility for a technological renovation and the competency as a result of import products made this industry go bankrupt.

From all economic developments we could make mention for this period of:

1. Shkodra woman was an important factor of the economic life and has played a considerable role in its development. In some sectors of light industry in wool, silk production, in farming and agriculture, in handicraft products, in tailoring, carpet production, embroidery or handicraft ones their role was predominating. Also village women have played an important role and have given an extraordinary contribution in farming and agriculture by taking over all the heaviest work in such productions.
2. The historic period until 1944 along with social, cultural and traditional complexes had hindered the women active participation not only in economic developments but also in the social and cultural ones. In this period the main place of work for them was parents' home or husband's.
3. The woman of rural areas especially from highlands was much more emancipated in terms of her participation in the production process

because she was obliged to work despite prejudices and due to the poverty in family she was obliged to contribute in the domestic economy by doing different kinds of jobs in agriculture and factories.

4. From 1944 to 1990 there was a wide and organized participation of women in factories, workshops, and villages as well in agricultural cooperatives and agricultural enterprises. Although this kind of wide participation was emancipating, women had have had great objective and subjective difficulties to provide for the family and sometimes her situation got worse and worse until slavery.
5. After the 90 women go through a new reform in a new form of organization in the process of production and marketing and capitalist competence which came along with the difficulties in the system. The situation in the countryside and rural areas appears more difficult for women since they find themselves doing only the hard agricultural works or taking care about their families. This has brought regress in their emancipation since they remain away from the contemporary changes in the mentality. In some of Shkodra areas the economical situation of women has been worsened even more by applying some traditional laws such as the blood feud phenomenon.

2. THE FUTURE OF WOMEN EMPLOYMENT OPPORTUNITIES IN SHKODRA

Taking into account tradition, the recent situation, and natural resources that Shkodra city displays, women have the following employment opportunities:

- HANDICRAFT
- SERVICES
- FAMILY TOURISM
- TEXTILE INDUSTRY

HANDCRAFTING. It would be a great idea to design special squares to exhibit the works of handicraft women. These places should be selected according to the biggest concentration of visitors like “13 Dhjetori” street or other streets and squares of the city as defined in accordance with the urban planning authorities in the region. (Municipality or Prefecture) It is already traditional for almost every European city to have a designed place for

exhibition of the handicraft works especially the hand made ones. This activity would be promotional in terms of regional products at a low cost level for foreigners and the natives who have become aware of the value an artistic traditional product has versus the similar imported item.

Through this organization we create opportunities to cultivate and increase the production of such items made mainly by city and country women with a tradition in handcrafting. It is not only the foreigners but also the Albanians (especially the new generations) do not know the characteristic productions (embroidery work, carpets, national dresses, copper and silver work) in different areas. Exhibition of handicraft products made in Shkodra region in pre designed squares is a contemporary pattern that should be applied in an organized way by respective institutions. Shkodra has a long tradition in this kind of trade since the beginning of XX century (boosting during 1929-1933) in the old Shkodra Bazaar. This one more reason for the handicraft to be listed as one of the priority sectors to develop in which women continue to find themselves. Finally some of the conclusions and ideas for the development of Shkodra handicraft sector would be:

- Actually the Shkodra handcrafters work individually at low efficiency that is the reason to suggest future cooperation units or concentration points into real businesses.
- Shkodra handicraft products do not have a make of their own production by having many oscillations in the quality of their products, what reduces the safety of their sale at home but also in the foreign countries. The customers often do not doubt in the originality of the products and the blending of the natural raw material with the handicraft one or blending the machinery work with the handmade one Teuleda agency has made a continuous effort to create the Shkodra handicraft make but the procedures to approve it legally have always failed this economic development agency has prepared the the digital catalogue of the handicraft works made in Shkodra (See appendix)
- Despite the fairs and advertisements the handcrafters themselves are not connected to commercial firms to realize selling of their products.

It is a demand for the local authorities to support small businesses and provide free of charge advice for their businesses and be more active in promoting cultural and historic values of the city and region by organizing **regional fairs** on handcrafting possibly during summer time.

- Our artisans lack **internet access** and the majority of them have no idea how to use a computer. Internet access would be in their favour to: a) do market search; b) exchange experience; c) find patterns to exchange reciprocal experience with their counterparts in other countries; d) ordering and receiving patterns and introduce their on line
- In cities there **should exist** a shop which would introduce samples of handcraft products in Shkodra region and do the deals of orders from native and foreign clients
- **Special squares or streets** should be along Shkodra in order to sell artisan products since the actual market is not at all suitable and visible.
- The artisans need connection with other artisans in other countries to introduce elements of new technology and updated patterns. Another effort to introduce new elements in artisans products are met in some small businesses run by women who likes to introduce the bamboo wood to make new products for which she needs foreign experience. Another case to consider is the artisans of Blinisht –Lezhe who are in touch with an Italian firm which realizes the foreign market sale for them,
- Shkodra artisans need **trainings and counselling services** especially in the field of promotion and information. Regarding promotion they ask for help in preparing the leaflets and booklets and in organization of fairs. They buy the raw material, make the goods and sell them. Dealing with so many such things at a time naturally increases the level of difficulty to find markets and then we can meet the phenomenon of decrease of quality. (The entrepreneurs seek help in getting information on the market, raw material, export)

SERVICES IS ONE OF THE most developed sectors in Shkodër in which women find themselves with exception of cases when their husbands even when the family is a need do not prefer such kind of a job because women are in a big contact with a number of people like the case with saleswomen or hotel or travel agencies. It is worth mentioning that services are in the form of small businesses and the women employed are with secondary education like saleswomen, hairdressers, and with higher education, like stomatologists, lab technicians, travel agents etc., and the ideas for the future development in this sector cover: **Trainings** which could be in the business financial fields, marketing, loans for a better management of such small units of business. Such units need promotional means like catalogues, TV adverts, aiming to increase their activity.

- Tour operators and the tourist agencies should organize excursions at home and abroad in order to further develop their business and can encourage the clients to buy from the local producers and not in the hotels. It is worth mentioning that the big number of travel agencies are reduced only in selling plane tickets at a time when they should communicate with their clients through the brochures and the service catalogues they offer
- Coordination of all actors in this sector is a necessity in the field of tourist services including tourist agencies, tour operators, accommodating structures bar restaurants and transportation businesses in harmonizing the quality of chain services by also creating chain partnerships (clusters) which would help in increase of quality, mitigation of fighting for prices at the expense of tourists, and a bigger satisfaction of our clients-tourists.
- A process of importance in the field of businesses will be in the future the creation of a **common touristic logo** in order to represent our products in front of native and foreign tourists to be identified. This could be initiated by the organs of local authorities like Shkodra Municipality (with the support of GTZ) which are actually in their embryonic stage and not powerful to make important decisions for

Shkodra tourism and to meet the needs and requests to coordinate with businesses which operate in the field of tourism.

- Taking into consideration the informality in tourism and other services and knowing about the diversity of their of economic informal activities in tourism we think that the change should happen in the behaviour of the informal players of the formal economy. Regarding the government reaction instead of treating this phenomenon as a form of survival and avoid the taxes on the poor, or of a means to increase competence of the formal firms, the regulating regime should be designed to bring informal players into formal economy by providing support program for entrepreneurs. In fact many cases demonstrate that many programs called training programs, facilitating loans and supporting in marketing have led to the support of legalizing the informal enterprises. Again in the end development of irregular economy has been influenced mostly by a form adopted by regulated economy.

FAMILY TOURISM In continuity of two former alternatives and a combination of both in mitigating the problem of women unemployment could be family tourism. It could be combined with selling of handcrafting products mentioned above. This could be done not only in the country but also in the city. It is well known the fact that in Shkodra hospitality is proverbial and in the old Shkodra houses have always existed the “guest room”. Precisely hospitality as a key factor for tourism development is mainly in the hand of women. Shkodra women have displayed the best traditions of the city in various period knowing how to serve the guests. The standard characteristics of tourist employees match much better with women nature than with men`s women can be involved in family tourism serving the tourists and advertising the best values of hospitality tradition that the Albanian family displays. While in Zogej or villages like Razma and Vermosh family tourism and can be accompanied with trade of artisan, agricultural, farming products characteristic of this area if there existed the necessary culture to sell them. We need to mention that in general the tourist sector lacks the culture of professional training of the tour operator. In such terms

an important role should play the education institutions especially state policies related to the immediate problem of training of the genuine employees in the sector of tourism.

TEXTILE INDUSTRY, actually it is a great aspiration of Shkodra women since it has existed a former employment tradition of a big number of women and girls in textile industry and in the light industry in general. Development of such industry would be part of the state policies encouraging the foreign and native investments which Shkodra deserves and which should have back the industrial economy it used to have before the '90 and which would bring employment of thousands of women. The precautions that Shkodra businesses of industrial products can make, are:

- Enlargement of women working force which depends on the selling contracts
- Trainings of women and girls who have no experience in certain work processes.
- Infrastructure problems with electric power cuts which have been very problematic losses for the company which the state never responded as based on the contracts signed by the state.
- As a response and concrete answer of some ideas and problems presented by women who cherish to enlarge the existing businesses and could be helped by credit institutions. Further below is given the list of financial bank and non bank institutions in Shkodra city according to their working time experience in Shkodra city and their legal status.

It should be taken into consideration that today there are great difficulties of business women in provision of finances. This is confirmed by many independent observations that are done by different research centers with the business community. It happens not only for mentality causes but also for the fact that business women have less credibility in contacts with native and foreign donors in creating partnerships or in the provision of funds. Starting from the fact that women businesses are mainly in the service sectors that banks pass and refuse this situation with the reasoning that in this sector the risk is higher or simply business which are difficult to be financed. Besides this we should bear in mind that in the biggest part of the cases women are in

the secondary position in the family after the husband and as a result they do not have exclusive rights on the spouse property like in reality are exercised by the family heads. So as a result of this situation women had no way of being free to start a business since they do not manage to take approval by the family heads.

The highest level of informality and unfair competence

In a report of the World Bank of 2000 in Albania the informal economy occupied 33.4% of GDP, and according to the claim of Labour Inspectoriate–Shkodra branch in northern region is noticed an informality at 40% during 2005. As well is noticed by the businesses that there are infractions of law competition in which the strongest makes progress with illegal and unfair methods. What keeps the businesses off the legal is related to the long registration procedures, the high costs of this registration, the corruptive conversations, time costs. In this aspect we can say that albanian government took two important steps since June 2006: 1)was reduced the time of business registration from 48 days in 8 days and 2)was reduced the registration costs by 50%.

Direct familiarity with the market is also another challenge and in some cases maybe even more difficult than provision of financial business means. Their direct familiarizing with the market would bring women contract provision for the continuancy of their products, new employment opportunities and extention of business in the future. Contract provision remains one of the main problems for women who produce handicraft works in Shkodra region. Many of the business women realize products or services for local markets even for the size characteristics of the business. Because the businesses run by women are small they find it difficult to provide the right information as well as to benefit from new programs available to find markets. Only one small part of them who have the opportunity to use technology of information can create partnerships with their counterparts locally or regionally. It is known that another powerful means in a successful business is information provision for ex. related to the new competitive products, presentation of offer in the foreign and native market through participation in national and international fairs. The lack of this information

as a problem for women who run businesses would bring decrease of the business rhythm and their gradual exit from the market.

Finally we should say that Shkodra is one of the richest regions in natural resources which generate economic resources and involvement of free work forces in the region. Besides tourism which we treated in its function we parallelly can say that development of agriculture and farming is highly potential in Shkodra. Combination of such sectors is of great importance because economic development becomes independent from import and generates internal resources. This development brings along employment and real economic enrichment of the population in the region in which women have a prevailing percentage of free working force.

3.SWOT ANALYSIS OF THE WOMEN'S EMPLOYMENT OPPORTUNITIES

Swot analysis of women's employment opportunities in Shkodër

Strengths	Weakness
Middle and higher education of the women in the rate of 60 %	The mentality to not be involved in some certain jobs
City with a big natural wealthy: near the Lake of Shkodra, 30 km distant from the seaside, 45 km away from the mountains, enclosed from three main rivers.	Inequality in society between the man and the woman
Handicraft and textile industry traditions.	Mis-education for work where the youngest don't want to work in some kind of jobs.
More possibilities for loans	
Women emancipation.	
Opportunities	Threats
Possibilities for tourism's development having also the tourism branch in the economy faculty of Shkodra university where women have the	Absence of low credit rates loans for that women that work in small legal businesses.

possibility to get a qualification in this sector with a great and future potential for the area.	
Closeness with Montenegro give the possibility of the trade activities expands and touristic businesses	Economy and a weak legal government doesn't guarantee safety for the businesses especially small businesses
The project supported from AECI that has in focus women's employment.	Disinters of state to intervent in economy especially in Shkodra region in the direction of new job positions opening

4. CONCLUSIONS AND RECOMENDATIONS

Shkodra region has a geographic position, a cultural wealth and a human potential for the development of some economic sectors as tourisms, handcraft, trade, textile industry, grocery industry, etc. The main problems in the city economy are:

1. absence of state intervention
2. weak infrastructure- the absence of electrical energy
3. absence of foreign investments
4. unemployment in the levels of 15988 (womens form the 40% unemployed)
5. in some cases the people mentality regarding the work education.

Meanwhile its necessary to punctuate that actually the economy is favorised from the emigrants intervent, personal attempts and the natural wealthy which the area has.

The bigger employer is the public sector with the 53% of the total employers. While in the private sector are employed 47 %.

The bigger employer from the total employed in the public and private sector is the public administration with 19 %. Second place goes to the manufacturing with 17%. Than in rank is education with 16%, trade with 10 %, sanitary a social activity with 9 %, construction 7%,

The women of Shkodra has a potential employment in this sectors :

- HANDICRTAFT
- SERVIVES

- FAMILY TOURISMS
- TEXTIL INDUSTRY

main problems that have the business managed from the women and that have employed women are:

- Absence of organised work
- the organised security of markets
- the protection of production from the speculation
- the absence of direct connection with foreign markets
- the absence of trained women and girls in handicraft productions
- the absence of helping by loans with favored rates of interest
- the absence of handicraft productions promotion
- the absence of logos in the way that the shkodra handcraft easily identified and standardized with the contemporary criteria.

Recommendations

Recommendations for the solving of problems:

- Creating special places for the handicrafts products exposure in traditional roads like Piaci. **Actors:** the existing Handcraft Society (national society of Shelgu), shkodra city hall.
- Creating the logo of handcraft area. **Actors:** TEULEDA, handcraft societies.
- Foundation the handcraft women societies which will help in their accumulation and in the direction of foreign markets. **Actors:** persons, University of Shkodra, foreign donors with their experiences.
- Digitalizing and designing a special webpage and show there the digital catalogue of handcraft products. **Actors:** TEULEDA, University of Shkodra (trainers)
- Powerful promotion. **Actors:** persons, University of Shkodra (training in marketing field)
- Qualification of staff for reaching the quality standards and the way to communicate with the clients. **Actors:** University of Shkodra (trainers for handcraft women), the centre of professional education in Shkodra.

- Building the electronic communication and the direct models of marketing. Actors: persons, university of Shkodra.
- The expanding of the unit rural areas. Actors: persons, crediting institutions in Shkodra.

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