

CHALLENGES OF LOCAL DEMOCRACY IN ALBANIA

Salih Ozcan* and Erind Elmazaj**

Abstract

Local democracy is very important for every country. There are not great democracies in the world without a strong local level that has characteristics such as: accountability, responsiveness and representativeness.

The present paper tries to describe local democracy in today`s challenging. Firstly we will show the different theoretical aspects of local democracy and then the study will analyze the state of local democracy in Albania. Our study aim is to show how this former communist country with a very centralized authority has progressed on the way of democracy and especially at the local level.

The research will also focus on the local institutional level. It will be interesting to show the degree of autonomy they have in and trying to compare them in logic of transparency and accountability towards the citizens and the central government.

Finally, this paper will summarize several EU recommendations on this topic and emphasizes the future development of local democracy in Albania.

Keywords: Democracy, Local governance, Decentralization, Participation, Accountability, Transparency

INTRODUCTION

Until the democratic breakthrough of 1991, Albania had little or no experience on the idea and the practice of local government. The communist regime (1944-1992) introduced an extreme centralization of governmental power. The country has therefore inherited a centralized government that still makes particularly difficult the process of devolution of power to local authorities.

Nevertheless, the democratization process initiated in 1991 brought at the forefront the issue of local democracy. Since then, the country has taken decisive but very slow action in the direction of decentralization. However, the legislation gradually adopted has been facing difficulties in implementation: First, there are still shortcomings in legislation, especially with regard to the clear division of power and responsibilities between the central and the local level. Moreover, the

* Assist.Prof.Dr. Head of the Department of Political Science and International Relations, Epoka University Tirana, Albania.

E-mail: sozcan@epoka.edu.al

** PhD Candidate, Epoka University, Tirana, Albania

E-mail: eelmazaj@epoka.edu.al

officials and local leaders have had only a few years experience to develop the necessary institutional and administrative capacities to fulfill their assignments. Finally, the majority of local governments have had to operate with limited resources and a very small fiscal autonomy.

Generally in the years after 1992, the efforts of the Albanian governments has focused on the reform of central institutions and on the economic priorities of the country not so much attention was put on the challenges of decentralization. The complex and urgent agenda of the transition period seems to have contributed to delay the progress and implementation of the reforms on decentralization.

The reform process has undergone a further push after the ratification of one of the pillars of democracy such as the European Charter of Local Self-Government¹ in October 1998, ratified by Albania in 1999. During this period, the decentralization has become one of the most debated political issues in the country. At the political level, the need for further reforms seemed to be one of the few points of consensus among the various political forces in the country. This was partly due to the conditionality imposed by the European Union for the conclusion of the Stabilization and Association Agreement with Albania. On the other hand, the slow but gradual strengthening of local authorities increased pressure towards the center to get more skills and substantial autonomy (Hoxha and Gurraj, 2002: 197).

Despite the significance of the reforms towards decentralization and increased democratic representation, the local administrative and fiscal autonomy remains still very weak. Citizen participation is often advocated, *de haut en bas* (top down), this is probably due to communism period legacy. For a successful local democracy Albania need to promote and develop the culture of democratic participation and to strengthen local civil society groups.

I. THEORETICAL ASPECTS OF LOCAL DEMOCRACY

Local government is the nearest public authority that every citizen considers as a reference point regarding their everyday problems. In other words in this level of democracy the citizens have the real opportunity to effectively participate in the decision-making process and in the engagements of the community.

“A highly-evolved and successful local democracy needs to be able to guarantee both effective representation of its constituents and encourage their participation in local decision-making through various procedural channels” (Committee of the Regions, 2006: 2). There are some institutional factors of local democracy such as the functioning of local government, legal framework, the electoral as well as civil society and the media that determine the democracy

¹ Article No. 3.1 of the European Charter for Local self-government states: "Local self-government denotes the right and ability of local authorities, within the limits of the law, to regulate and manage a substantial share of public affairs under their own responsibility and in the interest of the local population".

level of the decentralized governments. On the other hand, the procedural factors are: free and fair elections, degree of openness of local authorities, minority rights, as well as the influence that citizens can exercise on the local decision-making.

According to King and Stoker (1996: 30) we have to distinguish between the concept of representative government and representative democracy. Representative government `assumes that citizens are passive, that they are incompetent to participate in decisions about complex issues`. Representative democracy, on the other hand, cannot either be realised or sustained without an active citizen body in the exercise of their rights. Representative democracy requires that government is popularly authorised, accountable, responsive and representative, through a process of competitive election.

A vigorous local democracy at the decentralized level is basic for a good democracy at the central government. As Pratchett and Wilson (1996: 27) suggested, local democracy has a very important role in `extending and enhancing democracy`. We can also say that governance is a neutral concept and can be applied at different levels and to all sorts of entities, both public and private. Obviously, local governance is not a static concept, but should be looked at in a dynamic and pro-active manner. Local governance is linked to democratic values such as the rule of law, separation of powers, representation, checks and balances, and respect to human rights and fundamental freedoms.

II. INSTITUTIONAL STRUCTURE OF LOCAL GOVERNMENT IN ALBANIA

After 1945, political and economic system in Albania entered in communism era, as to say an extreme centralization of power. Among other things, this new order also eliminated any possible form of local government that Albania could have tested or inherited from its earlier history. In the framework of centralized system of government, local authorities were fully dependent by central government and were called “local authorities of power” (Toto, 2010: 221). After the fall of communism (1991), local governments in Albania were built on three levels, where the first two were specific to urban and rural areas and the third was to the district level.

The Albanian Constitution² (1998) establishes a local government system in two levels, the central and the local government. The local level is composed by the municipalities, the communes and the regions. There are actually 12 Regions, 65 Municipalities and 308 communes in Albania. The municipalities and the communes are the first level of local government, whilst the region is the second level, and consists of several basic units of local government with traditional, economic and social ties and common interests (Hoxha and Zhani, 2006: 2).

² Article Nr.108 of the Constitution establishes that: "Local Government in the Republic of Albania is founded upon the basis of the principle of decentralization of power and is exercised according to the principle of local autonomy"

The 12 regions are governed by mayors and representatives of municipalities and communes that are elected indirectly. The candidate that wins more than 50% of eligible valid votes can be elected as Mayor or head of commune. If no candidate obtains the absolute majority of votes, it will be held a second round of election between the two candidates who won more votes in the first round. Regarding the members of councils of municipalities and communes, their selection is done in ascending order from the lists of political parties, political coalition and independent candidates. Every party has a number of members that is determined proportionally by the total numbers of votes every political party or coalition had won during the election. The most important organ of every Region is the Council of region that is composed by the representatives of communes and municipalities. Also, Mayors and heads of communes are always members of Council of region (Hoxhaj and Gurraj, 2002).

Only Tirana Municipality has an organization and functioning that is based on a special law³, that divides Tirana in 11 sub-municipal units, whose Mayors and councils are directly elected by the peoples.

The two levels of Albanian local self-government are different. The main objective of the Constitution was to avoid creating a strong second level of local government and a weak basic level of local government as the last one is nearest to the local community and more accountable to them. Between the two levels of local government there is no superiority or inferiority as each of them has own functions, which cannot be interfered by other levels or units (Hoxha and Zhani, 2006: 2).

The local government in Albania has three types of functions: a) exclusive, b) shared and c) delegated. The Exclusive functions includes mainly local infrastructures and public utilities and some social services such as, sports and cultural activities, local traffic regulation, public transportation, public sanitation etc. In all these functions the local government the main beneficiary of the public services. Regarding the shared functions we can enumerate some competences such as, pre-school and pre-tertiary education, public health protection, social assistance, public order and environmental protection. Finally, delegated functions are the competences (delivery of services, payment of benefits) that the central government attribute to the local authorities in order to be better implemented as they are close to the public.

III. DECENTRALIZATION REFORMS IN ALBANIA

Albania has made good progress in the political, economic and social fields in 20 years after the beginning of the difficult transition from the communist system to the democratic one. But there are still many problems that make the Albanian democracy a very fragile one. The most important obstacles to the consolidation of democracy are: corruption, organized crime, weak

³ Law No. 8684, of 31.7.2000.

administrative and technical capacities of state institutions, political interference in the judiciary, a weak civil society and a shortage in free and fair elections and freedom of the media.

The current state of decentralization in Albania is the result of many political, economic and social factors of transition as well as cultural and historical ones. The decentralisation reform of Albania is based on the Law on Organization and Functioning of Local Governments (Law 8652/2000). This law focuses attention on the decentralisation of fiscal powers and expansion of the local fiscal autonomy. The territorial and administrative reform abolished the previous 36 districts and established a new structure that consists of 12 regions, 65 municipalities, and 308 communes (UNDP 2005: 6). The abolition of the District Councils initially had an effect of reduced direct central government political influence and control over the local governments (World Bank, 2004).

The status of the regions in Albania is relatively ambiguous as the Regional Council is not directly elected by the citizens of the respective regions. The indirect election of the members of the Regional Council is stipulated in the Constitution (Art.110). International experience demonstrates that an indirect form of representation at the regional level means that the community members will lack democratic influence on the way local services are managed. This often results in a lack of accountability on behalf of the regional councils (UNDP 2005: 7). Also the regional budget derives primarily from transfers by central and local governments.

The European Union has no specific requirements as far as decentralization is concerned and does not have a model for decentralization. The organization of the state, the distribution of power between different levels and the specific competencies of different levels are internal affairs in which the EU does not intervene. If there are some requirements for decentralization, they are related to the broad principles of good governance and subsidiarity, but specific decisions relating to their implementation are the full responsibility of national authorities (UNDP, 2005: 7). World Bank (2004) report also states that:

Although Albania is far from completing the design of political, administrative and fiscal decentralization that would be able to satisfactorily improve service delivery, governance and accountability, it needs to be acknowledged that considerable progress has been made in establishing the basic institutions and legal framework, as well as in implementing policies towards decentralization (World Bank, 2004: 5).

According to Rakipi, Bumçi and Kajsiu (2003) the international organizations accepted even low standards in order to avoid political instability and security implications in Albania.

IV. LOCAL GOVERNMENT DEMOCRACY: ACCOUNTABILITY, RESPONSIVENESS, REPRESENTATIVENESS

We all would agree that the most important criteria of a democratic local government are: accountability, responsiveness and representativeness. Accountability acts as a link between local decision-making and implementation of public sector and the results they produce at the local level. Responsiveness requires that there be a legally recognised right of consultation and access to government on the part of all sections of opinion with interests in the decision-making process. Representativeness is important in having the main part of public opinion and significant political forces of a country represented in government at the local level (King and Stoker, 1996).

Taken together these fundamental components of a local democracy must make it stronger when compared with the alternative of a local system of administration that is accountable only to the central government. Local democracy involves a decentralisation of power and the opportunity to use local knowledge to meet local needs, in other words, can be the most accessible avenue for political participation in which people feel most competent and are most immediately engaged. Given the assumption that local democracy is one of the cornerstones of every political system, anything that weakens this is going to affect democracy at every level (Pratchett and Wilson, 1996).

Government in Albania is very centralized and this leaves little margins for local democratic governance. Generally, the process of decentralisation has not advanced as it should because of the reluctances of the central government to transfer political and financial powers to local institutions. Access to credit is also a big problem for local authorities because of “legal restraints and the lack of interest from private banks in lending to them” (Freedom House, 2012: 16). Political affiliation of the local government is a strong criterion in allocating financial grants.

According to Helling, Serrano and Warren (2005: 20), “local governance is the way decisions are made and implemented by or on behalf of people in a local area”. Local governance includes not only local government’s authorities but also many of civil society institutions, voluntary associations, nongovernmental organizations, community development committees and local service provision bodies. A system of good local governance should have three characteristics that in Albanian case currently are hardly to be seen: openness, deliberation and integrated action. The crucial value for good governance is that the system is open to the expression of dissent. Deliberation also can be seen as a strong theme of the virtues of local government and democracy. “Openness and deliberation are fundamental for local governance but they lose their lustre in a system that lacks the capacity for effective action” (Pratchett and Wilson, 1996: 200).

This said, local governance can contribute to the development of local democracy if the quality of accountability and decision-making is good. Also, accountability may relate citizens and

community to the service provision. “Strengthening mechanisms of accountability linking citizens, decision-makers, and service providers promotes better responsiveness and performance” (Helling, Serrano and Warren, 2005: 21).

Accountability, as Morlino (2005: 2) stated “can be either vertical or horizontal”. Vertical accountability is when citizens require from the elected more information and responsibility regarding measures that have been taken. On the other part, horizontal accountability is the responsibility that governors have towards other institutions or other authorities that have the competence to control their behaviour. According to Morlino, the institutions and mechanisms of representative democracies are the main objects of the analysis of the quality of a democracy.

Insufficient accountability to local electorate is the most obvious weakness of the local government system. Low accountability of local authorities encourages the concentration of power to the centre. This vicious circle can only be broken by increasing local government autonomy so to make it less a purely administrative arm of the centre (King and Stoker, 1996). Strategies for the democratisation of local government, then, involve working to improve its accountability, responsiveness and representativeness. To achieve these improvements is strongly necessary that Albanian national level make some reforms as well.

As far as Albania is concerned the implementation of the decentralization process assumes some hard challenges. Among the most problematic issues to be faced are the low governance capacities at local level, the lack of financial resources in a big part of communes and the weak citizen participation in the decision-making process probably due to a strong tradition of a centralized state (Hoxha and Gurraj, 2002).

Furthermore, Albania’s local governments are characterized by significant disparities in size⁴ and capacity. As international experience proves, the fragmentation of local government systems is related to the extent of financial decentralization. It is apparent that larger municipalities are able to carry out a wider scope of functions than smaller municipalities and communes. For these reasons, the fragmentation of the local government system in Albania may act as a serious constraint for the further process of decentralization in the country and as an argument against decentralization (UNDP, 2005: 9). Besides as an UNDP report states: “little of the decentralization strategy has been effectively implemented, and most of the legal deadlines established to date have already expired or unlikely to be met”.

V. CONCLUSION

In conclusion, regarding the EU and Council of Europe recommendations, “territorial administrative reform and decentralisation have only marginally evolved” (European Commission, 2013: 6). As also highlighted by the latest *Albania 2013 Progress Report*, October 2013, of European Commission, local government authorities, particularly those with limited

⁴ About half of the local authorities have less than 5000 inhabitants.

budgets and few human resources, have difficulties in implementing and developing relevant programmes especially in the current year when they have seen their revenues decreasing by 21% (European Commission, 2013: 6). Local authorities in Albania seems are very politicised. This is a big obstacle for the effectiveness and the coordination between local and central governments. In short, as suggested by the European Commission in the latest Progress Report prepared for the current year, “local authorities need to develop an inclusive strategic dialogue with civil society” (European Commission, 2013: 6).

As seen from the above mentioned reports and data released it can be concluded that Local democracy in Albania is still in its early stages and need to be improved in accordance with the European Commission, European Charter of Local and Regional Autonomy and the 1985 European Charter of Local Self-Government. Obviously it will take time, even though local governments are struggling to get their power through decentralisation slowly, the future seems will be better for them in near future in the medium term.

REFERENCES

- COMMITTEE OF THE REGIONS (2006). *The state of local democracy in the western Balkans*. Belgium. pp. 2-58. [Accessed on September 2013]. Available at <http://cor.europa.eu/en/Archived/Documents/f2f4fd0a-7ff5-4736-ace9-bc3fd84a2bdc.pdf>
- EUROPEAN COMMISSION (2013). *Albania 2013 Progress Report*, Brussels. p.6. [Accessed on October 2013]. Available at http://ec.europa.eu/enlargement/pdf/key_documents/2013/package/al_rapport_2013.pdf
- FREEDOM HOUSE (2006). *Nations in Transit: Albania*. pp. 1-3. [Accessed on September 2013]. Available at http://www.europarl.europa.eu/meetdocs/2004_2009/documents/fd/dsee20061010_12/dsee20061010_12en.pdf
- HELLING Louis, SERRANO Rodrigo and WARREN David (2005). *Linking Community Empowerment, Decentralized Governance, and Public Service Provision Through a Local Development Framework*. Social Protection Discussion Paper No. 535. World Bank. Washington, DC. [Accessed on September 2013]. Available at <http://siteresources.worldbank.org/INTCDD/544090-1138724740952/20802848/decnetralization05.pdf>
- HOXHA, Artan and GURRAJ, Alma (2002). *Local self-government and decentralization: case of Albania. History, reforms and challenges*. pp. 195-224.
- HOXHA, Artan and SHAPO, Zhani (2006). *Constitutional Framework Analyses: The Albanian Case*. Paper presented at the conference on “Decentralisation between Regionalism and

- Federalism in the Stability Pact Countries of the Western Balkans” June 9th and 10th 2006, Tirana, Albania. p. 34.
- MORLINO, Leonardo (2002). *What is a “Good” Democracy? Theory and Empirical Analysis*. University of Florence, Italy. p. 5.
- PRATCHETT, Lawrence and WILSON, David (1996). *Local Democracy and Local Government*. Macmillan Press Ltd, London. pp. 23-37; 188-202.
- RAKIPI Albert, BUMCI Aldo and KAJSIU Blendi (2003). *Albania—A Weak Democracy, a Weak State*. in *The Inflexibility Trap: Frustrated Societies, Weak States and Democracy*. Sofia, Bulgaria: Center for Liberal Strategies, pp. 115–168.
- KING, Desmond and STOKER, Gerry (1996). *Rethinking Local Democracy*. Macmillan Press Ltd, London. pp. 28-49.
- TOTO, Rudina (2010). *Rajonalizimi i Shqipërisë në debat - fuqizimi i decentralizimit dhe evoluimi drejt zhvillimit rajonal* (Regionalisation of Albania in debate - empowerment of decentralization and evolution towards regional development). pp. 320-324.
- UNDP (2005). *Albanian Regional Development: opportunities and challenges*. Mission Report September 12-26. pp. 5-10. [Accessed on September 2013]. Available at http://www.mete.gov.al/doc/20070115161941_report_on_rd_opportunities_and_challenges.pdf
- WORLD BANK (2004). *Albania: decentralization in transition*. Volume I: Summary Report and Matrix of Issues and Options. [Accessed on September 2013]. Available at <http://siteresources.worldbank.org/INTALBANIA/Resources/DecentralizationInTransition1.pdf>