Household consumption in Albania

A Study of the factors affecting Household Consumption in Albania

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ABSTRACT

The aim of this paper is to identify the main factors affecting household consumption during last years in Albania, Kosovo and Macedonia. Some researchers compared Albanian household consumptions with some other countries in our region which showed that mostly we consume food and drinks and then clothes. To define the specified results of this research, variables as adjusted net national per capita, household final consumption expenditure and GDP per capita for countries as Albania, Kosovo and Macedonia are analyzed. These three are the main inputs and sometimes factors which determine the consumption level in a developing country.

According to the data published by INSTAT, Albanian consumption in 2016 recorded an annual growth of 1.65%, far from expanding by 3.1% in the same period last year.

Furthermore will see the relationship that these factors have with each other and not only. Also how these factors will affect in household consumption. The source for the data was from World Bank and the data were processed with IBM SPSS Statistics 20.

In addition we will describe products and services which are classified as household consumption. The regression will indicate the test of statistical significance, overall test of significance of the regression parameters and granger causality. On the other hand, the Durbin Watson test states that there is a negative autocorrelation between the time series data.

In the end we will process in analyzing data by using regression analyses and after all we will conclude on required result.

Keywords: Household consumption, expenditures in Albania, World Bank, GDP per capita, level of net income in Albania, regression

Konsumi familjar në Shqipëri

Një studim i faktorëve që ndikojnë në konsumin familjar në Shqipëri

ABSTRAKT

Qëllimi i këtij punimi është të identifikojë faktorët kryesorë që ndikojnë në konsumin familjar gjatë viteve të fundit në Shqipëri, Kosovë dhe Maqedoni. Disa studies kanë krahasuar konsumin familjar në Shqipëri me disa vende të tjera në rajonin tonë në të cilën kanë treguar së më së shumti konsumojmë në ushqim, pije dhe veshje. Për të arritur një studim të veçantë do të përcaktohen variablat me të cilat do të punojnë si të ardhurat neto per fryme, PPB per fryme, dhe shpenzimet e konsumit familjar per vendët si Shqipëria, Kosova dhe Maqedonia. Këto janë tre inputet dhe faktorët kryesore që përcaktojnë nivelin e konsumit në një vend në zhvillim.

Sipas të dhënave tpublikuara nga INSTAT konsumi në Shqipëri në vitin 2016 ka shënuar një rritje vjetore prej 1.65 %, krahasuar me 3.1 % në të njëjtën periudhë të vitit të kaluar.

Për më tepër do të shikojme marrëdhënien që këta faktorë kanë me njëri-tjetrin dhe jo vetëm, se si këto faktorë do të ndikojnë në konsumin familjar. Burimi për të dhënat është marrë nga Banka Boterore dhe të dhënat janë përpunuar me IBM SPSS Statistics 20.

Gjithashtu ky kerkim do të përshkruajë produktet dhe shërbimet të cilat janë klasifikuar si pjesë e konsumit familjar. Analiza e regresionit do të perfshije testin e rëndesisë statistikore, prove e përgjithshme e domethënies së parametrave të regresionit. Nga ana tjetër, testi Durbin Watson shpjegon se ka një autokorrelacion negativ në mest të dhënave ne seri kohore.

Në fund do të përpunojmë në analizimin e të dhënave, duke përdorur analizen e regresionit dhe mbas te gjithave ne do të konkludojmë në rezultatin e kërkuar.

Fjalët Kyçe: Konsumi familjar, familje, shpenzime, Banka Boterore, të ardhurat neto per fryme, prodhimi i brenshem bruto, regresion

DECLARATION

I hereby declare that the thesis is based on my original work except for quotations and citations which have been duly acknowledged. I also declare that it has not been previously or concurrently submitted for any other degree at Epoka University or other institutions.

Aristida Frangaj
March 2017

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It cannot all be described what happened since when i began studies in Banking and Finance. Therefore, i will only limit the gratitude of some of the many persons who helped me to fulfil my studies, which i would like to express my gratitude. First of all i want to thank my supervisor, Assist. Prof. Dr. Abdulmenaf Sejdini, for the help he offered me during all my work. I would like to thank my friends for the generous support that they have given to me every moment. The last but not the least, I want to express my deep gratitude to my family, which i owe a lot for the beginning and finalization successfully of this trip, how difficult and beautiful in the meantime.

Thanks to everyone!

DEDICATION

This thesis is dedicated to my parents who have been my inspiration and support in every step of my life thus becoming part of my biggest the achievements. Also i cannot leave without mentioning my brother, my best friend who was cared so much to teach me the proper steps i should follow to reach my expectations. I am proud that all of you are part of my life!

Contents

LIST OF ABBREVIATIONS

OECD - The Organization for Economic Co-operation and Development

INSTAT - Albanian Institute of Statistics

GDP - Gross Domestic Product

ISCED - International Standard Classification of Education

UNESCO - United Nations Educational, Scientific and Cultural Organization

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CHAPTER ONE: INTRODUCTION

1.1 Statement of the problem

Household consumption has been increasing through years. The continuous increasing of the household consumption through years has been seen as an issue concern.

1.2 Research Objectives

To achieve predetermined objectives which are above mentioned and achieving the main goal it needs a particular methodology. Methodology consists in ways that are selected to study and achieve the final result.

First of all this study is based on literature from other different papers and various studies and economic and statistical official site where they are explained and expressed the general characteristics in relation to household consumption. We can mention here World Bank and furthermore information from authors from different books. After having been reviewed all necessary literature for the characteristics of the topic and different definitions we reach to essential part of the study which is regression analysis of where we highlight the result required by the study of factors the main impact on household consumption. Referred to regression analysis in the study will receive the variables of where will see their relationship to each other as well as consumption, also reports and data interpretation. Among variables to be taken into study are: household consumption expenditures, the level of net national income per capita, GDP per capita and household consumption expenditure. Then we have a study for 2014 from INSTAT, as has been the distribution of household consumption expenditure in Albania where it starts to become more specific the treatment of the case. After we analyzed the data of the previous regression will achieve in the processing of information and to have a certain conclusion.

In this chapter, no less important, we will talk about specific study in which formalized the whole work, for data analysis and interpretation of the final results. Initially we have data collection obtained by World Bank and then with the corresponding description and regression model.

1.3 Research Questions

1. How was adjusted net national income per capita in Albania, Kosovo, Macedonia during the last 30 years?
2. What is the level of the household final consumption expenditure for Albania, Kosovo and Macedonia?
3. What are the level of the GDP figures during these 30 years in Albania, Kosovo and Macedonia?

1.4 Hypothesis

H_1: There is a positive correlation relation between the level of expenditures and Adjusted net national income per capita

H_2: There is a positive correlation relation between the level of expenditures and household final consumption expenditure

H_3: There is a positive correlation relation between the level of expenditures and GDP

1.5 Data and Methodology

Referring to the purpose of this paper based on data collected from World Bank for thirty years, primary and secondary research the main factors affecting household consumption will be extended.

1.6 Scientific Innovation

According to this issue in this paper, except the part of describing the case of Albania, which is a part of innovation, the other main innovation is the fact of taking two other countries in the study and making the comparison between three of them.

1.7 Structure of the Study

This paper include in chapter one the introduction part which contains in statement of the problem, the research objectives and questions, main hypothesis, data and methodology and scientific innovation. Referring to chapter two briefly it will be described household consumption in general and products and services as part of household consumption. Furthermore it will be mentioned Literature Review. In chapter three it will be discussed about data and methodology which has been used during the study. According to chapter four will refer to household consumption trend in Albania which will be a case study based on household consumption budget from INSTAT in 2014. In chapter five which is the crucial part of the study will include the empirical analysis and results.

Purpose: The purpose of this paper is that through data collected and secondary research, highlighting main factors which affect household consumption through recent years.

CHAPTER TWO: THEORITICAL BACKGROUND

In this chapter it will talked about household consumption expenditure in general. It starts with an overview and then it will continue with subtitles, which we can mention different definitions on household consumption and the factors that affect, following by importance that had on GDB, how important is the identification of consumption expenditure in households, if can reach to well manage these expenditures and also what is the role of head household in family. Then in the end it will continue with the description of characteristics of products and services of consumption.

2.1 The definition of Household Consumption expenditure

In this chapter we will talk about household consumption expenditure in general. It starts with an overview and then it will continue with subtitles, which we can mention different definitions on household consumption and the factors that affect, following by importance that had on GDB, how important is the identification of consumption expenditure in households, if can reach to well manage these expenditures and also what is the role of head household in family. Then in the end it will continue with the description of characteristics of products and services of consumption. As indicated by Institute of National Statistics and Economic Studies Final family utilization consumption comprises of use brought about by inhabitant family on products or administrations that are utilized for the fulfilment of requirements or needs. The comparing items are not put away, but rather are considered as expended at the season of their buy, regardless of the fact that they are strong merchandise (autos, family electrical apparatuses, furniture, and so on.).

Last family utilization consumption incorporates the offer of costs on wellbeing, instruction and lodging staying to be paid by them, after conceivable repayments. It likewise incorporates credited rents, which family units that claim their living arrangement verifiably pay to themselves.

As indicated by World Bank Household last utilization use (earlier private utilization) is the business sector estimation of all merchandise and administrations, including sturdy items, (for example, autos, clothes washers, and home PCs), acquired by family units. It avoids buys of residences however incorporates attributed rent for proprietor possessed homes.

Regarding to the purchases that families make for food, clothing, housing services like rents, energy, transport, durable goods (especially cars), spending on health, leisure and other services, to satisfy their needs are covered by household consumption expenditure. Moreover it involves imputed expenditures like agricultural products produced for personal expenses and another key of point of the indirect item of expenditure is extra incomes except money (their wages) which means that employees can get products and services more than their wages. It is known that all goods and services for everyday expenditures are part of final consumption. Also there are other expenditures which are part of final consumption like incomplete payments which are obtained by government. According to this, it is

included public services like medical services that government reimbursed a part of those. Part of reimbursed form is also household' actual individual consumption which comes as a result of the merger of households' consumption expenditure, those (individual) expenditures of general government and NPISHs that have a direct impact on directly healthcare and education. The only parts that are excluded are dwellings which are registered as gross fixed capital formation.

Genuine last utilization is the whole of utilization consumption and the estimation of social moves in kind gave by government and non-benefit organizations. This is the aggregate estimation of all products and administrations utilized by the family unit to address the issues of its individuals. Family units additionally acquire costs not specifically went for addressing these necessities, for example, current exchanges to government, social associations or different families. These are non utilization current consumption. Family units additionally need to pay enthusiasm on any purchaser credit that they have.

2.2. Special treatment of certain categories of expenditure

Uncommon treatment is required for the gathering and estimation of specific consumptions. Some of these medications are portrayed underneath. Utilization merchandise and administrations got by family units as in-kind salary are incorporated into utilization consumption. These incorporate products and administrations delivered by the family for its own particular use, and in addition utilization merchandise and administrations gave to individuals from the family unit as worker pay or supplied for family unit utilization by undertakings claimed by the family or supplied as instalment for the utilization of property, (for example, the extent of a yield from an occupant offer rancher).

They additionally incorporate into kind exchanges from different family units or organizations. Any shopper durables and other non-utilization things gave in kind to family units as an arrival for work or for the utilization of the family unit's property are incorporated into pay yet not in utilization use. On a basic level, in-kind receipts by families ought to be esteemed at the costs that would be paid in the event that they were obtained in the business sector. In any case, there are not generally significant markets that can be referenced, particularly for the administrations gave by purchaser durables, unpaid household administrations and social moves in kind.

Re-deals and exchanges of utilization products and administrations ought to be dealt with as negative utilization use, esteemed at the first price tag or at the re-deal cost on the off chance that it contrasts. For exchanges, the same worth ought to likewise be incorporated into current exchanges paid.

Customer advances incorporate those utilized basically to back the buy of utilization things, training credits, advances used to fund exchanges, and advances to different family units (which may happen, for instance, when the main family unit can get a superior financing cost than the second family). The treatment of protection premiums relies on upon the sort of protection.

Premiums paid for term protection, private medical coverage, travel protection and comparative disaster protection are incorporated into utilization consumption. Advantages got from term protection are regularly viewed as a capital exchange got, yet profits by medical coverage and other mishap protection are ordinarily regarded as negative utilization consumption balancing the instalment of the premiums. Betting is generally considered diversion use by buyers. Some betting use is balanced by rewards paid back to the speculator, in spite of the fact that the extent of the advantage to be gotten is not known when the consumption is made.

In total, an extent of the wagers is held by the betting administrators (as their benefit and working cost), which in idea constitutes the estimation of the administration gave to the card sharks.

Costs identified with private ventures brought about by an individual from the family unit, and which are an after effect of business movement, are not considered as family unit uses. Such costs are viewed as either as the buy of an advantage, utilizing effectively existing riches or acquiring an obligation, or as middle of the road costs that are subtracted when inferring net business wage as a piece of family unit wage. All consumption acquired with the expectation of venture (e.g. masterpieces, gems, instalments on stores, the buy of shares) is barred from family unit utilization consumption and is dealt with as the procurement of advantages utilizing existing stores of riches or by causing an obligation (negative riches).

2.3 The description of products and services classified as household consumption

After mentioned in theoretical part the importance of household consumption it will continue shortly talk about products and services as part of household consumption. According to these information they are stated based on INSTAT report 2015.

1- Food and Non alcoholic Beverages

The sustenance items grouped here are those for the most part bought and created for home utilization.

- Wheat, corn, rice, flour and its sub-items
- bread and other pastry kitchen items
- meat, fish, other fish, oil, crisp and canned natural products,
- new and canned vegetables,
- milk, cheddar, spread, curds, eggs, mineral and shimmering water, organic product juices
- espresso, tea, nectar, sweet items

2 - Alcoholic Beverages, Tobacco

The mixed refreshments arranged here are those for the most part acquired for home utilization.

- Wine, lager, raki, whisky, a wide range of mixers, uzo and different spirits drinks.
- Tobacco, cigarettes, stogies, cigarette paper, and other tobacco items like stogie paper,
- Channel and so forth.

3 - Clothing and Footwear

In this gathering are incorporated: Garments, footwear, new or utilized, materials for pieces of clothing, and the repair of articles of clothing and so forth. Articles of clothing for men, ladies, kids (3 to 13 years of age) and newborn children (0 to 2 years of age), either instant or specially designed, in all materials (counting cowhide, hide, plastic and elastic), every day utilizing, for games or work: slicker, downpour robes, shirts, coat, coats, vests, pants, suits, dresses, skirts, and so on. Shirts, pullovers, sweaters, thin fit T-shirts, shorts, bathing suit, tracksuit, running suits, pantyhose, and so forth. Vest, unmentionables, socks, tights, bra, skirts, underwear with trim, night dresses, belts, bodice, weaved socks, and so forth. Nightgown, nightshirts, swimsuits, coats for home, and so on.

4 - Housing, Water Electricity, Gas and Other Fuels

This gathering incorporates: Paid rent, support and repair of the abode: like painting and repair, woodworkers' administrations, materials for repair, instalment for power charge, water charge, gas, junk evacuation, and all instalments identified with the family unit home and so on.

5 - Furnishing, Household Equipment and Routine Maintenance of the Dwelling

This gathering incorporates: All sorts of home materials, for example, fabric materials, drapes, sheets, covers, towels, and so forth. Little electric apparatuses for home, gear for sustenance, hardware for espresso, pot and other comparative gear, repair of family machines. Glass, precious stone, artistic and porcelain sets, spoon sets, knifes and fork sets, silver sets.

6 - Health

This gathering incorporates:

- Medicaments, medications for heart and pulse (adalat, propanolol),
- Antibiotics (penicillin, streptomycin, ampicillin),
- Analgesics (with quieting impact) (algin, analgine, ibuprofen, and so on.),
- General Doctors, particular specialists or understudies.
- Dental specialists (changes, oral hygien, and so on.)
- Laboratory (blood, pee, and so on.),

7 - Transport

This group includes: Spare parts and accessories for personal transport such as tires for cars, bicycles and motorcycles, and other accessories for personal transport (plugs, batteries, etc.).

- Fuel such as (gasoline, diesel, benzene, gas, etc.).
- Oils, lubricants, anti-freezer, etc.
- Maintenance and repair of vehicles used for personal transportation.
- Renting the garage and parking spaces, car rental (without driver).
- Taxes for (bridges, parking in the city).
- Lessons for driver's licenses, tests, obtaining driver licenses, separate tickets, monthly (pass) on trains, special tickets, monthly (pass) to tram and metro, special tickets, monthly (pass) for interurban transport.

8 - Communication

This group includes:

- Postal services (letters, postcards, telegrams, stamps).
- Private postal services and package delivery.
- Repair of communication equipment (telephone, fax, etc.).

Fixed telephones bill public telephones (including prepaid cards, mobile phones and subscription bills). Internet services at home, internet café services costs, services grouped into packages, other information transmission services.

9 – Recreation and Culture

This group includes:

- Equipments for reception, recording and reproduction of sounds and picture.
- Mobile audio and visual equipments, other equipment for reception, recording and reproduction of sounds and picture.
- Photographic and cinematographic equipment and optical instruments, information processing equipment, recording equipment for media.
- Equipment for sports and games and other items for Recreation, gardens and pets, games, toys and entertainment facilities.
- Equipment for sport, camping and outdoor recreation, repair and maintenance fees.

10 - Education

This group covers educational services only.

Classification of educational services is based on categories according to the level the International Standard Classification of Education (ISCED) of the United Nations Educational, Scientific and Cultural Organization (UNESCO).

11 - Restaurants and Hotels

This group includes:

- Restaurants, bars and dancing halls, fast food and take away food services, canteens, accommodation services such as (Hotels, motels, inns and similar accommodation services.
    - Holiday centre, camping sites, hostels for young people and services alike, accommodation services to other institutions etc.

2.4 LITERATURE REVIEW

As Jarod Kintz said:"*Like Alexander the Great and Caesar, I'm out to conquer the world. But first I have to stop at Wal-Mart and pick up some supplies*." The Albanian economy has passed the period of transition from where it had its ups and downs, thus having an impact on every aspect of Albanian's family life. Without mention the changing tax which makes possible changing the economics and personal family finances? One of the most important aspects is also household consumption. Referring to the topic will make a concrete study of factors affecting household consumption. It will initially start with an overview on consumption in general, concepts and definitions on different terms as well as for products and services in which families spend. After that we will talk about the case of Albania, the structure of household final consumption expenditure in Albania and also about average monthly consumption expenditures of households throughout the years. Consumption expenditure is theory to be studied because in our everyday life we operate under budget constraints and our consumption expenditure patterns determine the demand for a product, but also on determining the wealth or poverty level of a state. In order to estimate poverty or wealth firstly we have to be clear about the factors that determine the consumption expenditure of the households. Keynes' theory of consumption is theory in macroeconomics, and stands on explaining consumption based on income.

This theory explains that the only factor determining the household consumption is the income that the household has. Even though this theory is known as the base stone on the consumption expenditure, there have been significant developments in this field, and several alternative theories have been put forward. One concrete model that is a continuation of the Keynes model is the Leser and Working

model. “Household final consumption expenditure consists of the expenditure, including imputed expenditure, incurred by resident households on individual consumption goods and services, including those sold at prices that are not economically significant” (OECD, 2001)

Principles of Microeconomics theory state that consumption theory is the study of how people decide to spend their money given their preferences and their budget constraints. Through their choices, consumers then affect the demand curve. From this conclusion derives the importance of studying and estimating consumption. Consumption in microeconomic levels can be studied in household levels. “Household final consumption expenditure consists of the expenditure, including imputed expenditure, incurred by resident households on individual consumption goods and services, including those sold at prices that are not economically significant” (OECD, 2001)

Bocock describes modern consumers as follows;

... Modern consumers are physically passive but they are mentally very busy. Consumption is an experience and an intellectual and mental phenomenon to be solved in more minds rather than in usual. It has got beyond a basic process satisfying merely the necessities of the body. In this way, alienation and estrangement have also entered the modern consumption patterns. Because of ver-increasing packaged experiences, consumers are deprived of living a creativity and autonomy feeling during many activities (Bocock, 2009: 58).

According to a paper of ASECU, 2007, investigations are made in the patterns of Albanian households which are affected by migrant remittances receipt. There are considered international as well as domestic remittances, and there are assessed the impact differences they have on the household consumption. The study found that households receiving internal remittances are not very statistically different in their consumption patterns compared to the ones that do not receive such remittances. Considering the impact that remittances have on marginal spending behaviour, despite the fact that there is not seen any substantial role played by the international remittances, in contrary to the evidences which are shown in other studies made recently regarding this research field. The reason to that may be that the remittance variable used cannot achieve to capture every household that receives remittances, or it might reflect that in Albania, domestic remittances, as well as international ones have a humble effect on household consumption patterns.

(Memushi, 2014) in a study regarding determinant factors among Albanian consumers, agrees that factors such age, gender, social environment, education, etc., which might be global or local, have a great impact on the level of evident or conspicuous consumption in the analysis of Albanian household, using the revealed data from Albanian Living Standards Measurement Survey (LSMS 2012). The factors having the heaviest impact seem to be education and gender.

Misha in 2011prepared a correction model, to calculate the relation between real consumption and the economical growth. The research stated that there is unidirectional fundamental relationship among real private expenditure and economic growth in long-run.

Mishra, P.K., 2011. "Dynamics of The Relationship Between Real Consumption Expenditure and Economic Growth in India", Indian Journal of Economics and Business, Volume: 10, Issue: 4.

In a report of OECD 2013, the primary component of economic wellbeing is considered to be goods and services consumption. Consequently, it is the primary indicator of a country's living standards. In order to support consumption, there are wealth and income available, not only today, but in the future as well, through income generated by saving. Well-being concept is basically understood through three dimensions, which are consumption, income, and wealth. In order to better understand this concept, the relationship between these three dimensions should be analyzed. Everything else being held equal (Ceteris Paribus), the higher the level of consumption, the higher the level of well-being, and vice versa, the lower the level of well-being, the lower the level of consumption. There are some ways used to meet consumption needs, such as the wealth run down, borrowing, and income spending.

Relative Income Hypothesis was a research done by James Duesenberry which stated that consumption depends also on absolute income but also on relative consumption models which resolute from the position in income distribution. (Duesenberry, 1949: 3)Duesenberry, J.S., 1949. Income, Saving and the Theory of Consumer Behaviour, Harvard University Press, Cambridge, Mass

Grossman (1972a, 1972b), emphasis that there is a strong connection between income and expenditure which is related with consumption schedule and consumption purpose of economy. When disposable income rises, consumption increases.

Grossman underlines that economic growth has a main influence in the level of government spending on education irrespective in any interval, on the other hand investments in education leans to influence economic growth after some time period. (Muurinen, 1982; Wagstaff, 1986; Bohlin et al, 1999) stated that there are some main factors that reconciles the positive relationship between age and expenditure as i) the high medical cost associated with death and the increasing likelihood of death with age; ii) increasing long-term and home care with age, particularly among the very elderly; and iii) the rising number and severity of diabetes-related complications with age. Another important variable is the households size as Davis et al. (1983) described that household size is related with the income which has an effect on expenditure. As many employed, educated and with purpose in life that much income advantages the expenditure oppositions will appear.

CHAPTER THREE: DATA AND METHODOLY

In this chapter, no less important, it will talk about specific study in which formalized the whole work, for data analysis and interpretation of the final results. Initially consist on data collection obtained by World Bank and then with the corresponding description and regression model in the chapter five.

3.1 Data

For the purpose of this empirical study, has been used data from World Bank. Specifically, the variables and data regarding those variables have been retrieved from the 1986-2015, thirty years for Albania, Kosovo and Macedonia. Data were processed by using IBM SPSS 20.

3.2 Methodology

To achieve predetermined objectives which are above mentioned and achieving the main goal it needs a particular methodology. Methodology consists in ways that are selected to study and achieve the final result.

First of all this study is based on literature from other different papers and various studies and economic and statistical official site where they are explained and expressed the general characteristics in relation to household consumption. We can mention here INSTAT, World Bank and furthermore information from authors from different books. After having been reviewed all necessary literature for the characteristics of the topic and different definitions we reach to essential part of the study which is regression analysis of where we highlight the result required by the study of factors the main impact on household consumption. Referred to regression analysis in the study will receive the dependent variables and independent of where will see their relationship to each other as well as consumption, also reports and data interpretation. Among variables to be taken into study are: adjusted net national income per capita (current US$), household final consumption expenditure (current US$) and GDP per capita (current US$). Then we have a study for 2014 from INSTAT, as has been the distribution of household consumption expenditure in Albania where it has a specific treatment of the case. After we analyzed the data of the previous regression will achieve in the processing of information and to have a certain conclusion.

CHAPTER FOUR: HOUSEHOLD CONSUMPTION TREND IN ALBANIA

4.1 Household final consumption expenditures in Albania

In this chapter it will talked about the case in Albania and furthermore about a case study like household budget survey for 2014. Also it will talk about average monthly consumption expenditures of households, how they changed throughout the years and for what these expenses are increased associated by relevant tables.

4.1.1 Average monthly consumption expenditures of households throughout the years

In this chapter we will talk about the case in Albania and furthermore about a case study like household budget survey for 2014. Also we will talk about average monthly consumption expenditures of households, how they changed throughout the years and for what these expenses are increased.

17 September 2015, Tirane: During the January 2014 – December 2014 time period, Household Budget Survey (HBS) was conducted by INSTAT. The sample used is made of 7,636 private households. This sample assures the household consumption expenditures description. In the year taken into study, they were usual Albanian residents. In the period taken as a reference, a household was on average composed by 3.8 persons, and 69,000 all was estimated to be their monthly consumption expenditures in average. In the same year, the total monthly consumption household expenditures amount was estimated to be approximately 52,6 billion Lek, where the household number in Albania was about 758 thousand in the same year, 2014. Taking into consideration the per capita monthly consumption expenditures in 2014 in Albania, the amount that an Albanian spends is on average 18 thousand ALL, 8 thousand of which are spent for food and the rest is spent for other goods, called as non-food consumption.

Below in the table it shows the distribution by main groups in ALL and percentage value referring to INSTAT.

Table 1: Average monthly consumption expenditures of households and their structure, 2014

Main group expenditures	Value (in ALL)	Value (in %)
Food and non-alcoholic beverages	30,745	44.3
Alcoholic beverages, tobacco	2,467	3.6
Clothing and footwear	3,546	5.1
Housing, water electricity, gas and other fuels	7,085	10.2
Furnishing, household equipment and routine maintenance of the dwelling	3,772	5.4
Health	3,337	4.8
Transport	4,713	6.8
Communication	2,299	3.3
Recreation and culture	2,184	3.1
Education	2,901	4.2
Restaurants and hotels	2,208	3.2
Miscellaneous goods and services	4,185	6.0
Average total consumption expenditure	**69,442**	**100.0**

There are 12 primary groups in which the household average monthly consumption expenditures structure is divided (Table 1). “Food and non-alcoholic beverages” group stays the most important element in the budget of a household. The percentage it occupies is 44.3 of the consumption expenditure in total. Within this first group, there can be seen three subgroups, which are “meat and its products”, “bread and cereals”, and “milk and milk products/derivates, eggs”, which make about 20% of this group in total. The next subgroups are “vegetables” and “fruits”. Vegetables make 14.3%, while fruits make 7.6% of the group. Only 3.6 percent of the total budget is occupied by “Alcoholic beverages, tobacco” expenditures. In this group, 54.8% is spent by the “tobacco” subgroup. 3.2 percent of the total budget expenditures are represented by the group of “Restaurants and hotels”, in which the largest percentage share of expenditures is occupied by restaurants, 85,2% and the left 14,8% by hotels.

According to the figure below it shows the structure of consumption expenditure in 2014 associated with the respective percentages also referring to INSTAT.

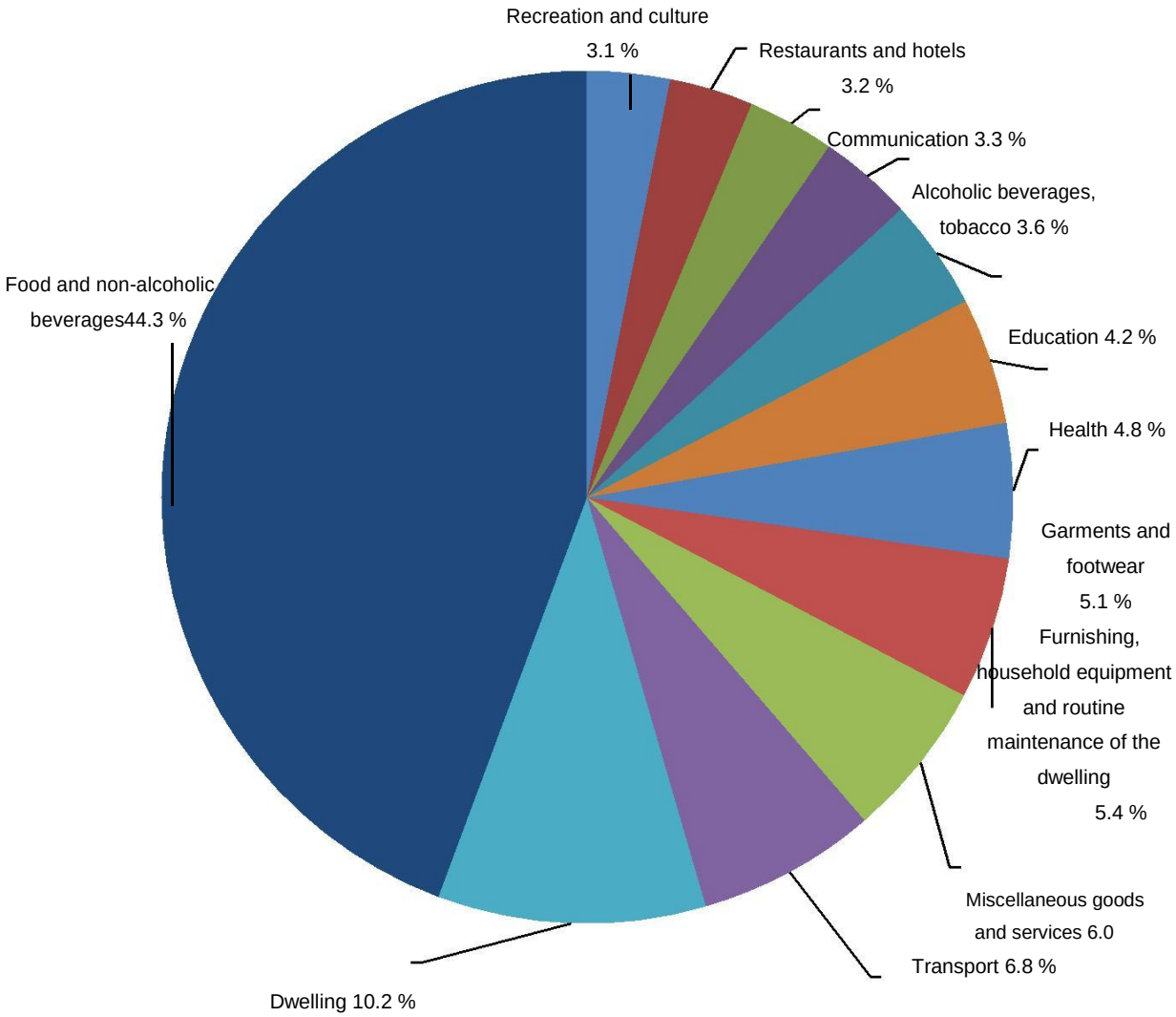


Figure 1: The structure of consumption expenditures, 2014

5.1% of the total household budget expenditure is taken by “Clothing and footwear” group, within which 72.4% is occupied by clothing, while the left 27.2% is occupied by footwear and similar things related to this category. 10.2% of the total household budget expenditure is taken by “Housing, water electricity, gas and other fuels”, which include expenditures that have to do with water bills, electricity bills, rent payments, and small repairs and similar things. Electricity bills make up about 43.6%, while 27.4% is made of fire, wood, diesel, gas and other similar substances. The “paid rent” subgroup expenditures reach at 8.2%, but only 4.1% of them declared the “paid rent”. The next group, which is “Furnishing, household equipment and routine maintenance of the dwelling”, makes about 5.4% of the total budget expenditure. Most of the part in this group is occupied by the equipments that are short term, 71%. 4.8% of the total expenditures are taken by the “Health” group. Most of this percentage, translated into 75.7% is spent for medicines. Only 4.2% of the budget is spent for the “education” category. The first and second level study, which is “master”, takes about 58.8% within this group. The other group, which is “Communication”, takes 3.3% of the expenditures of the overall budget. Most of these expenditures of this group are spent for “telephone services”, mentioning here 97.2%. The left part is spent for postal services, only 2.8%. The “Transport” group makes about 6.8% of the budget expenditures in total. Inside this group, the “expenditures on fuel and lubricants” subgroup makes the largest percentage of 56.1% and 19.0% are spent by “spare parts and accessories”.

4.1.2 The Average monthly consumption expenditures by prefectures

Through Household Budget Survey, we’re able to analyze 12 prefectures of statistical data. The higher household average monthly consumption expenditure is seen in the prefecture of Tirana. This expenditure reaches the digit of 81,656 ALL. After the prefecture of Tirana, the other prefectures having the highest household average consumption expenditure are seen to be Lezha and Shkodra, with amounts reaching 78,811 ALL and 76,509 ALL. The lowest household average monthly consumption is seen in the prefectures of Elbasan and Vlora. These expenditures are 54,931 ALL and 53,013 ALL per month. Below in the table are grouped all shortly referring to INSTAT.

Table 2: The household average monthly consumption expenditures by Prefectures, 2014

Prefectures	Value (in ALL)
Tiranë	81,656
Lezhë	78,811
Shkodër	76,509
Gjirokastër	74,293
Average consumption expenditure	69,442
Elbasan	53,013
Fier	68,721
Durrës	68,083
Dibër	66,951
Berat	59,854
Kukës	59,623
Korçë	57,633
Vlorë	54,931

4.1.3 The distribution of consumption expenditure by deciles and the ratio 10/90

By the deciles ration, the consumption expenditure inequality level is expressed as the ratio of the average consumption expenditure of the total population spending 10 %... If household consumption expenditures distribution is analyzed by deciles, it is shown that monthly spending of around 90% of the households reach the amount of 78.5% of the total consumption expenditures with an average of 60,548 ALL consumption expenditure per household. The other 10% of households spend a percentage of 21.5 monthly from the total consumption. Per household average consumption expenditures are 149.510 ALL. If it is expressed in terms of 10/90 deciles ratio indicator, monthly consumption expenditures on average of the 10^{th} percent of the households, which have the highest value of consumption expenditure, is 2.5 times larger than the rest, which is the 90^{th} percent of the households. If the same fact is expressed in terms of per capita monthly consumption expenditures, it is shown that the average spending of the 90% of the households are 16.746 ALL monthly per capita. If this is measured by 10/90 deciles ratio, it is 3.6 times larger.

4.1.4 The distribution of the average consumption expenditures by the type of households

Household size and household composition are two components upon which the level of consumption expenditures and the structure of consumption expenditures depend. These components have a direct affect on distribution of the budget households have in disposition. The households who spend more on food items are the ones composed by a single person. Families having a single person with children and two adults with children are seen to spend more for footwear and clothing. In a household that has two or more adults, having a children increases the spending made on transport. In households with three or more adults having no children education expenditures are the higher. Below in the table are grouped all by type of household and main groups of consumption referring to INSTAT.

Table 3: The distribution of consumption expenditures by the type of household in percentage, 2014

Main groups of consumption	1 person	Adult with children	Two adults without children	Two adults with children	Three or more adult without children	Three or more adults with children	Total
Food and non-alcoholic beverages	45.5	51.8	46.7	44.4	42.2	44.5	44.3
Alcoholic beverages, tobacco	3.1	3.0	3.6	3.0	3.6	3.9	3.6
Clothing and footwear	4.3	6.3	3.9	5.8	5.2	5.1	5.1
Housing, water electricity, gas and other fuels	12.9	12.6	11.9	10.4	9.0	9.9	10.2
Furnishing, household equipment and routine maintenance of the dwelling	5.3	7.3	5.9	5.5.	5.1	5.4	5.4
Health	7.2	3.9	7.8	3.9	4.1	4.5	4.8
Transport	2.6	1.3	5.0	8.3	6.5	7.6	6.8
Communication	3.4	3.2	3.6	3.2	3.6	3.0	3.3
Recreation and culture	2.3	2.5	2.5	4.0	2.9	3.2	3.1
Education	4.9	1.6	0.7	1.9	7.8	4.0	4.2
Restaurants and hotels	3.3	0.7	3.1	2.9	4.1	2.7	3.2
Miscellaneous goods and services	5.4	5.8	5.2	6.8	5.9	6.1	6.0
Total consumption expenditures	100.0	100.0	100.0	100.0	100.0	100.0	100.0

4.1.5 The comparison of the average consumption expenditures of households for the period 2009-2014 and 2007-2009

Although the time extension of comparison between 2009-2014 HBS and 2007-2009 HBS is not the same, it shows that the estimated average monthly consumption expenditures of households in 2014 was 5.6 percent higher compared with 2009[2] while the estimated average monthly consumption expenditures of households in 2009, compared with 2007[3] was 5.2 percent lower. The cumulative increase of prices according to the Consumer Price Index, in the period October 2009/October 2006, was 7.2 percent while for the period December 2014/November 2008 was 15.5 percent. According to the 2009 HBS survey the total monthly consumption expenditures for all the households was about 49 billion ALL. In 2009, the number of households in Albania was estimated around 747 thousand.

Table 4: The household consumption expenditure structure, 2009 and 2014

	ABF 2009	**ABF 2014**
Main groups of consumption	**Value in ALL and %**	**Value in ALL and %**
Food and non-alcoholic beverages	32.470 and 49.4	30,745 and 44.3
Alcoholic beverages, tobacco	2,739 and 4.2	2,467 and 3.6
Clothing and footwear	3,552 and 5.4	3,546 and 5.1
Housing, water electricity, gas and other fuels	5,941 and 9.0	7,085 and 10.2
Furnishing, household equipment and routine maintenance of the dwelling	3,215 and 4.9	3,772 and 5.4
Health	1,802 and 2.7	3,337 and 5.4
Transport	3,757 and 5.7	4,713 and 6.8
Communication	2,311 and 3.5	2,299 and 3.3
Recreation and culture	1,525 and 2.3	2,184 and 3.1
Education	1,327 and 2.0	2,901 and 4.2
Restaurants and hotels	3,315 and 5.0	2,208 and 3.2
Miscellaneous goods and services	3,799 and 5.8	4,185 and 6/0
Total average consumption expenditures	**65,753 and 100.0**	**69,442 and 100.0**

The comparison of the average monthly consumption expenditure in 2014 and 2009 shows a decrease in the share of households budget for “Food and non-alcoholic beverages” of 5.3 percent. An even more significant decrease has had the share of “Alcoholic beverages and tobacco”, by 9.9 percent, while the group with the most significant decrease of the share of total expenditures is “Restaurants and hotels”, by 33.4 percent.

The estimated average monthly consumption expenditure of households in 2009 compared to the average monthly consumption expenditure of 2007[4] was 5.2 percent lower. (Table 5) According to the 2007 HBS, the total monthly consumption expenditure for the total of households was about 52 billion ALL. In 2007, the number of households in Albania was estimated around 752 thousand.

Table 5: The household consumption expenditure structure, 2007 and 2009

	ABF 2007	**ABF 2009**
Main groups of consumption	**Value in ALL and %**	**Value in ALL and %**
Food and non-alcoholic beverages	33.003 and 47.6	32,470 and 49.4
Alcoholic beverages, tobacco	3,011 and 4.3	2,739 and 4.2
Clothing and footwear	4,297 and 6.2	3,552 and 5.4
Housing, water electricity, gas and other fuels	5,109 and 7.4	5,941 and 9
Furnishing, household equipment and routine maintenance of the dwelling	4,081 and 5.9	3,215 and 4.9
Health	2,845 and 4.1	1,802 and 2.7
Transport	4,332 and 6.2	3,757 and 5.7
Communication	2,044 and 2.9	2,311 and 3.5
Recreation and culture	2,162 and 3.1	1,525 and 2.3
Education	1,191 and 1.7	1,327 and 2
Restaurants and hotels	3,482 and 5	3,315 and 5
Miscellaneous goods and services	3,826 and 5.5	3,799 and 5.8
Total average consumption expenditures	**69,383 and 100**	**65,753 and 100**

The average consumption expenditure of “Food and non-alcoholic beverages”, “Alcoholic beverages and tobacco” and “Restaurants and hotels” groups decreased also during the period 2007-2009 like in the previous one, with 1.6 percent, 9.0 percent and 4.8 percent respectively. But the amplitude of decrease is lower not only for “Food and non-alcoholic beverages” group but also for “Restaurants and hotels”.

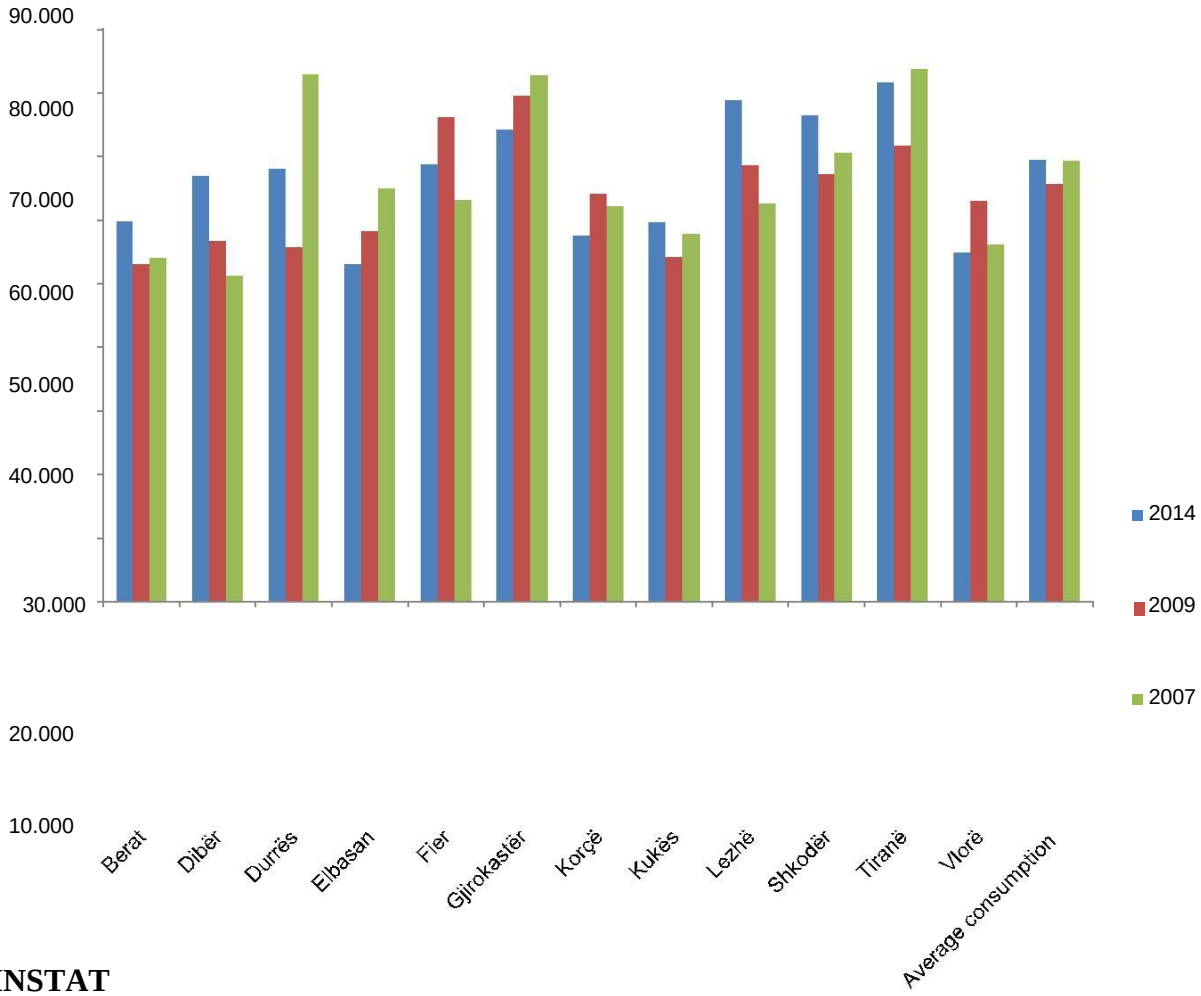
A considerable decrease during this period has had the expenditures for “Health” by 36.7

percent. The groups for which the consumption expenditures have increased are “Housing, water electricity, gas and other fuels” by 16.3 percent, “Communication” by 13.0 percent and “Education” by 11.4 percent.

4.1.6 The distribution of the average consumption expenditures of households by prefecture in years

If we take a look at the average consumption expenditures by prefectures we can notice that they vary over the years (Figure 2) expressing different trends of their rank by the consumption expenditure amount. The prefecture of Tiranë has the highest average consumption expenditure in 2014 as well as in 2007, but in 2009 it ranked third behind the prefecture of Gjirokastër and Fier. In 2014, the prefecture of Lezhë and Shkodër has the highest average consumption expenditure while in 2007, are the prefecture of Durrës and Gjirokastër after the prefecture of Tiranë that lead with the highest average consumption expenditure. When discussing about the prefectures with the lowest average consumption expenditure in years they also differ: while the prefecture of Berat, Kukës and Dibër in the first two surveys ranked among the prefectures with the lowest average consumption expenditure, in 2014 they changed their position and were ranking higher.

Figure 2: Monthly average consumption expenditure of households by prefecture in years



Source: INSTAT

4.1.6 The distribution of average consumption expenditures by deciles in years

The consumption expenditures by deciles may indicate the inequality[5] expressed as the ratio of the average consumption expenditures of 10 percent of the households that spends more on consumption to the average consumption expenditures of 90 percent of the rest of the households.

The average consumption expenditures measured by deciles show that in 2014, the average consumption expenditure has had a slightly increase compared with 2009, not only for the tenth deciles that represent the households with the highest consumption expenditures, but also for the 90 percent of the rest of the households (Table 5). The deciles ratios for this indicator appear similar among the three surveys.

Table 6: Monthly average consumption expenditures of household and deciles ratio 10/90 yeras

	2007		**2009**		**2014**	
	Monthlu average consumption expenditures of household	**Mean household size**	**Monthly average consumption expenditures of households**	**Mean household size**	**Monthly average consumption expenditures of households**	**Mean household size**
10% of household (with the highest expenditures)	153,112	3.4	137,850	2.9	149,510	2.6
90% of the rest of the households	60,084	4.3	57,740	4.0	60,548	3.9
Average consumption expenditure	69,383	4.2	65,753	3.9	69,442	3.8
The ratio 10/90	2.5		2.4		2.5	

If we refer to the per capita consumption expenditure, the deciles ratios of 10/90 shows an increase from 3.3 in 2007 and 2009, to 3.6 in 2014. The increasing effect of the inequalities between per capita consumption expenditures of the tenth deciles with the highest consumption expenditures and the per capita consumption expenditures of the 90-th percent of the rest of the households, when considering the per capita and households average consumption expenditures, it is mostly due to the increase of the per capita consumption of households. (Table 7) The deciles ratios of 10/90, referring to the per capita consumption expenditures show an increase from 2007 and 2009 to 2014, from 3.3 to 3.6. Inequalities effect has increased between per capita consumption expenditures of the tenth deciles with the largest consumption spending and the per capita consumption spending of the left 90th percent. Table 6 shows that this increase is because of a per capita consumption increase.

Table 7: Monthly average consumption expenditures per capita and The deciles ratio 10/90 in years

	2007		2009		2014	
	Monthlu average consumption expenditures of household	**Mean household size**	**Monthly average consumption expenditures of households**	**Mean household size**	**Monthly average consumption expenditures of households**	**Mean household size**
10% of household (with the highest expenditures)	52,448	3.4	50,879	2.9	61,047	2.6
90% of the rest of the households	16,018	4.3	15,406	4.0	16,746	3.9
Average consumption expenditure	19,664	4.2	18,954	3.9	21,176	3.8
The ratio 10/90	3.3		3.3		3.6	

CHAPTER FIVE: Empirical Analysis and Results

5.1 Empirical model

Dependent Variable: GGDP

Method: Panel Least Squares

Sample (adjusted): 1994 2014

Periods included: 21

Cross-sections included: 2

Total panel (balanced) observations: 42

Table 8: Panel regression result

Variable	Coefficient	Std. Error	t-Statistic	Prob.
GEXP	0.129526	0.049927	2.594314	0.0133
GNIPC	0.846702	0.045588	18.57299	0
C	0.517409	0.433012	1.194907	0.2393
R-squared	0.979732	Mean dependent var	10.88992	0.979732
Adjusted R-squared	0.978693	S.D. dependent var	15.9557	0.978693
S.E of regression	2.329046	Akaike info criterion	4.597544	2.329046
Sum squared resid	211.5538	Schwarz criterion	4.721663	211.5538
Log likehood	-93.54842	Hannan-Quinn criter.	4.643038	-93.54842
F-statistic	942.6199	Durbin-Watson stat	3.028967	942.6199

- Column "**Coefficient**" gives the least squares estimates of β_j.
- Column "**Standard error**" gives the standard errors (i.e.the estimated standard deviation) of the least squares estimates b_j of β_j.
- Column "**t Stat**" gives the computed t-statistic for H_0: $\beta_j = 0$ against H_a: $\beta_j \neq 0$.

This is the coefficient divided by the standard error. It is compared to a t with (n-k) degrees of freedom where here n = 5 and k = 3.

- Column "**Prob** " gives the p-value for test of H_0: $\beta_j = 0$ against H_a: $\beta_j \neq 0$..

  This equals the Pr{|t| > t-Stat}where t is a t-distributed random variable with n-k degrees of freedom and t-Stat is the computed value of the t-statistic given in the previous column. Note that this p-value is for a two-sided test. For a one-sided test divide this p-value by 2 (also checking the sign of the t-Stat).

TEST OF STATISTICAL SIGNIFICANCE

The coefficient of GEXP has estimated standard error of 0.049927, t-statistic of 2.594314and p-value of 0.0133. It is therefore statistically significant at significance level $\alpha = .05$ as $p < 0.05$. This means that GEXP influences the level on GGDP by 0.129 and that there is a positive relation between GEXP and GGDP.

The coefficient of GNIPC has estimated standard error of 0.045588, t-statistic of 18.57299and p-value of 0. It is therefore statistically significant at significance level $\alpha = .05$ as $p < 0.05$. This means that GNIPC influences the level on GGDP by 0.846 and that there is a positive relation between GNIPC and GGDP.

The coefficient of C has estimated standard error of 0.517409, t-statistic of 0.433012and p-value of 0.2393. It is therefore statistically insignificant at significance level $\alpha = .05$ as $p > 0.05$.

The **Durbin Watson** test states that there is a negative autocorrelation between the time series data.

OVERALL TEST OF SIGNIFICANCE OF THE REGRESSION PARAMETERS

We test H0: $\beta_2 = 0$ and $\beta_3 = 0$ and $\beta_4 = 0$ versus Ha: at least one of β_2 and β_3 and β_4 does not equal zero.

From the ANOVA table the F-test statistic is 942.6199with p-value of 0. Since the p-value is less than 0.05 we do reject the null hypothesis that the regression parameters

are zero at significance level 0.05. Conclude that the parameters are jointly statistically significant at significance level 0.05.

The empirical result obtained from Panel Regression model in Table 8 indicates that expenditures and national income per capita has significant impact on the gross domestic product at least at 5% significance level. In order to examine bilateral causality between selected macroeconomic variables Granger Causality test is conducted and result is summarized in the table below.

Pairwise Granger Causality Tests

Sample: 1993 2014

Lags: 4

Table 9: Granger Causality test result

Null Hypothesis:	Obs	F-Statistic	Prob.
GEXP does not Granger Cause GGDP	34	1.30202	0.2963
GGDP does not Granger Cause GEXP		0.87034	0.4955
GNIPC does not Granger Cause GGDP	34	1.15796	0.3529
GGDP does not Granger Cause GNIPC		2.28972	0.0879
GNIPC does not Granger Cause GEXP	34	0.90386	0.4767
GEXP does not Granger Cause GNIPC		1.82489	0.1556

Granger causality test result reported in Table 9 indicates that only GGDP granger cause GNIPC. We do not reject null hypothesis only because GGDP does not granger, not granger cause GNIPC at 10% significance level. There is unilateral causality from GGDP to GNIPC at 10% significance level. It means that GGDP granger cause GIPC but not vice versa.

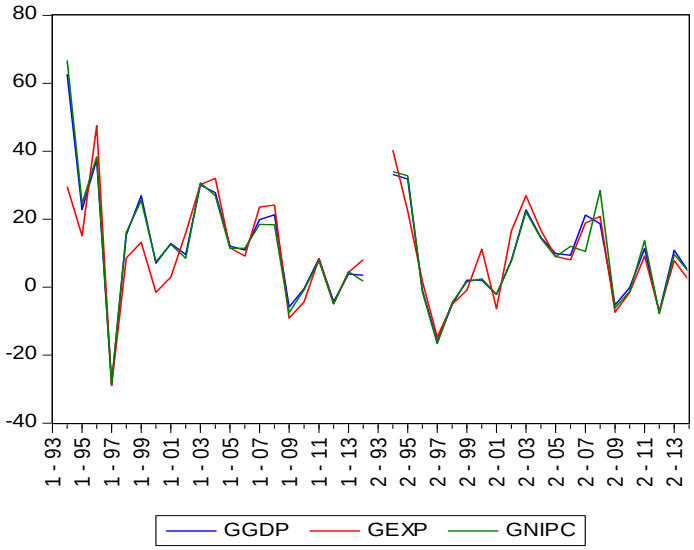


Figure 3: Changes GGDP, GEXP and GNIPC over years

Figure 3 show that all three variables has similar trend over years.

CHAPTER SIX: CONCLUSION

Overall Conclusion

In this paper firstly has been talked about the household consumption which it has extended by mentioning definition and the description of products and services classified as household consumption. It is evident the fact that the greatest consumption consist on food and non-alcoholic beverages passing on second place on dwelling, meaning in housing, water electricity bills, rent payments and similar things. To continue with household consumption trend especially case of Albania according to household budget survey in 2014 report of INSTAT, including average monthly consumption expenditures by prefectures, also the type of households, comparison of average consumption expenditures of household fort period 2007-2009 and 2009-2014 which it is noticed a significant increase. Referring to the distribution of the average consumption expenditures of household by prefectures in years it is evident the fact that prefecture of Tirana has the highest average consumption expenditure followed by prefecture of Gjirokaster and Durres in 2007. Referring to the lowest average consumption expenditure it can be mentioned the prefecture of Berat, Kukes and Diber in 2009. But in 2014 they changed their position followed by prefecture of Lezhe and Fier.

To conclude, the aim of this study was to estimate the factors that affect household consumption taking the main variables as adjusted net national income per capita, household final consumption expenditure and GDP per capita. Also it exist three hypotheses which are explained by using the regression model. The data used for this project were retrieved from World Bank Specifically, the variables and data regarding those variables have been retrieved from the 1986 to 2015.

This model is highly explained by the variables taken into consideration, the regression results showed that all variables taken into consideration have different relationships with expenditures. The theory applied in this study explains that the only factor determining the household consumption is the income that the household has. Even though this theory is known as the base stone on the consumption expenditure, there have been significant developments in this field, and several alternative theories have been put forward.

The estimated average monthly consumption expenditure of households has increased from 2007 and on, which is shown in table results. This is as a result of an increase in the number of households.

According to the model in the anova f-statistics results shows the value less than 0.05 for this reason we reject null hypothesis. On the other side Durbin Watson has e negative autocorrelation between the time series. According to three variables for three countries which this study was based on it is noticed that has approximately similar trend over years.

Further studies

This study has its importance not only for the fact that there are factors which affect household consumption but the information on who are exactly these factors and how they have changed in recent years, their impact directly or indirectly and comparison with neighbouring countries, in this case Kosovo and Macedonia. Exactly, i think, as a result of the study of these factors, taken into consideration some suggestions as increasing fiscal policies of relaying family and employment. I can't leave without mentioning education which is an key and basic factor, regardless of the data that were not found. Furthermore the employment is another basic factor. Therefore it is needed more training and facilitation monetary because as it shown by regression there is the point where is influenced. Each member to has the possibility for support from monetary part by specialized segments of employment to increase welfare and being happy and fulfilled .

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APPENDIX: Regression data

Econometric model

Albania

Years	Adjusted net national income per capita (current US$)	Household final consumption expenditure (current US$)	GDP per capita (current US$)
1986	614.9627064	1309162500	719.1572957
1987	593.0545527	1337825025	699.3842921
1988	570.0424578	1370649988	676.5667325
1989	608.5742009	1453374975	723.4096102
1990	534.3603489	1271486850	639.4638993
1991	277.8593417	1036054826	348.7113178
1992	166.1187351	1079374623	218.4921659
1993	334.4308989	1468051509	380.5273711
1994	557.5941681	1903197901	619.0651634
1995	694.7405308	2191517725	760.5593758
1996	961.3219036	3232478088	1046.358511
1997	687.3897716	2297095141	749.584649
1998	798.3263408	2495135323	865.3021618
1999	1002.211885	2823903391	1098.425463
2000	1077.404283	2780575460	1175.788981
2001	1213.294617	2861954975	1326.970339
2002	1316.66827	3318805978	1453.642777
2003	1721.236938	4320930436	1890.681557
2004	2184.508266	5704685139	2416.588235
2005	2434.178543	6364888963	2709.142931
2006	2712.330966	6948730872	3005.012903
2007	3213.636876	8587894756	3603.013685
2008	3803.508149	10661832509	4370.539647
2009	3518.37227	9692385874	4114.136545
2010	3490.984155	9274774659	4094.358832
2011	3760.914778	10049676971	4437.811999
2012	3576.51389	9563770551	4247.839852
2013	3739.611354	9977576305	4412.345578
2014	3805.041823	10784092031	4568.568827
2015		9040858145	3945.217582

Kosovo

	Adjusted net national income per capita (current US$)	Household final consumption expenditure (current US$)	GDP per capita (current US$)
1986	..		
1987	..		
1988	..		
1989	..		
1990	..		
1991	..		
1992	..		
1993	..		
1994	..		
1995	..		
1996	..		
1997	..		
1998	..		
1999	..		
2000	..		1087.762401
2001	..		1490.361033
2002	..		1587.505829
2003	..		1969.562713
2004	..		2135.332847
2005	..		2190.552079
2006	..	3507243759	2371.662079
2007	..	4337530797	2788.479464
2008	..	5145012451	3254.860674
2009	..	4936787997	3209.694109
2010	..	5025430464	3283.211938
2011	..	5801223242	3736.840999
2012	..	5753950919	3600.887
2013	..	6207381837	3890.300665
2014	..	6561363938	4073.819117
2015		5593212820	3561.574731

Macedonia

Years	Adjusted net national income per capita (current US$)	Household final consumption expenditure (current US$)	GDP per capita (current US$)
1986	..		
1987	..		
1988	..		
1989	..		
1990	..	2996855124	2240.140336
1991	..	3063617347	2360.997767
1992	..	1619583775	1171.765237
1993	1046.947263	1823817888	1297.859379
1994	1402.804976	2559976905	1728.51994
1995	1862.956737	3133359580	2277.59157
1996	1836.41542	3189308271	2258.159242
1997	1531.749661	2720620564	1896.728172
1998	1462.912448	2583846154	1799.701399
1999	1485.991033	2560509666	1837.230208
2000	1522.960839	2846852998	1875.127132
2001	1490.572779	2667000798	1835.014521
2002	1604.759809	3108168168	1980.752878
2003	1961.097398	3944567885	2431.836776
2004	2243.246942	4603636879	2787.773056
2005	2442.726603	5019103679	3063.595426
2006	2736.824851	5423775353	3351.30259
2007	3023.714459	6447782016	4063.74594
2008	3883.867425	7789417618	4821.540575
2009	3645.641316	7215616114	4566.341332
2010	3601.320524	7106403301	4561.177546
2011	4093.987813	7756585908	5079.962079
2012	3774.12575	7200873663	4709.511628
2013	4140.174374	7761885363	5219.535681
2014	4322.006009	7918862289	5453.281275
2015		6829483959	4852.657848