

Political and Cultural Development in Albania Under Globalization Influences

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Abstract *The cultural development and Balkan universalism tries to arrive to an ideal of a borderless world of tolerance. Globalization will construct a unique culture identity that will represent the human gender. Another variant of this way of thinking is that Globalization will construct an environment in which culturally self-defining communities will coexist in an harmonious way. The Socio Evolutionism in Balkan countries approach of global transition (having Spencer, {Spencer ideas of globalization countries, year 2002} as its main exponent and representative) occurred from mid nineteenth to mid twentieth century. During those times, socio evolutionism became the way in which human progress was normally conceptualized. Spencer ideas were not friendly with the concept of the State. This concept is very wide when the Globalization is one impact that is now present for developing on Balkan areas. On matters of public administration, the Albania Government's strategy focused on addressing two inter-related sets of interventions: (a) strengthening public financial management, including the management of both public expenditures and revenues; and (b) strengthening human resource management. The Albania Government worked with donors on the public financial management agenda by strengthening core public financial management units (Ministry of Finance, Supreme Audit Institute, Procurement Directorate within the Office of the Prime Minister) as well as the financial management units within each line agency (e.g., budget departments within line Ministries). On matters relating to public sector human resource management, the reform strategy envisaged addressing this issue in two major stages: civil service reform and broader public sector human resource management reform. During the stage, the reforms aimed to create the managerial and professional nucleus required to lead any serious efforts to improve the accountability and performance of public institutions.*

"I Have a Dream, The Running Luck" the speech of creativity, progress and intelligence, I can find the input of it and whether any progress has been made on the issues raised by the speech of brain, the approach key is globalization progress between people".

Dr. Martin Luther King

1. Introduction

In 2006, the Government of Albania signed a free trade agreement with the European Union under the Stability and Association Agreement. Free Trade Agreements (FTA) with countries in the region worked remarkably well and negotiations are underway to convert them in a single FTA through Central European Free Trade Agreement (CEFTA) enlargement. ACIT assisted to the Ministry of Economy, Trade and Energy on several aspects of the new trade policies and economic development programs under an agreement between USAID and EU.

Albania depends on imports for most of its consumption. It was not able to produce enough exports to offset its large trade deficit of US\$814 million in 1999, a huge sum for the size of the economy. This trade deficit may create serious problems for Albania in the near future. A major contribution to offsetting the deficit are money transfers from Albanians abroad, which grew from US\$324 million in 1999 to US\$531 million in 2000. Raw material exports are also crucial but gradually shrinking. Exports are declining, particularly in minerals, contributing only 8 percent of domestic exports in the last quarter of 1999, down from 45 percent in 1998.

2. Literature Review and Hypotheses

2.1 *The impact, performance and cultural development in Albania and Balkan*

In this study we are trying to analyze empirically, the impact of cultural, economical, prejudices factors in the municipal bond market, like Balkan countries. Based on positive political theory and the benefit principle of taxation, benefit of social development in Balkan areas, it is proposed that states that adhere to best practice debt management policies transmit signals to the credit ratings, investment community and influences of prejudices. Balkan countries and Albanian government, on the other hand, should meet its obligations in a timely manner, resulting in lower debt costs. Although the field of entrepreneurship in Balkan is recognized as being of fundamental importance for Balkan economy, and many researchers throughout the world have turned their attention to it, there's, as yet, no agreement as to the research object in this scientific field.

2.2 *Albania administrative influences*

The Government of Albania has adopted a comprehensive policy reform program to strengthen Albania's weak institutional and governance capacity. This policy reform program is being supported by a Structural Adjustment Credit, which was approved by the Bank in June of 1999. The overall objective of the proposed Public Administration Reform Project is to provide required resources for technical assistance, training, goods and incremental operating costs that are needed to implement the Government's Institutional and Public Administration Reform agenda effectively. The Development Credit Agreement (DCA) states the objective of the project to be: The objective of the Project is to assist the Borrower to improve its capacity with regard to policy formulation and coordination, and administrative performance so as to create conditions that will encourage the Department of Public Administration of the Borrower to improve their service delivery.

2.3 *Albania's administrative system and public sector*

Albania's administrative system was considered chaotic and ineffective during transition changes. Its administrative culture - a combination of many influences - emphasized security over service delivery. The capacity of public administration was weak; the system, stemming from a party focused environment, was highly politicized. Corruption was pervasive in every facet of the public sector.

2.4 *Albanian's transition and governance capacity*

The financial collapse in 1997 was a watershed event in Albania's transition from its communist past. It highlighted the problems of Albania's economic governance capacity and, from an administrative standpoint, reaffirmed and highlighted the inefficacy of a public administration, unable to enforce its laws and regulations. As the public's confidence in Albanian institutions had been significantly eroded by the recent events, restoring the public's trust in the government became the main priority of the government. In order to achieve this objective the capacity of the public administration needed to be dramatically strengthened.

The donors concurred with this assessment. IDA, starting with the 1998 CAS, considered governance and institution building as one of the central planks of its intervention and identified the need to adopt and implement reforms to build an accountable and transparent state as the most important challenge facing the Government of Albania. Over the next several years, the Albanian Government, in partnership with donors, emphasized institutional reform and capacity building and developed a comprehensive strategy to strengthen the public institutions for more effective governance.

Three specific types of task-oriented are (1) public administration (2) implementing reforms and (3) monitoring [16]. In order to improve the business environment for private sector-led growth and investment and to strengthen the trade capacity of Albania's governmental institutions and private businesses to fully and competitively participate in the open global market, USAID supported the establishment and operation of a resource center—The Albanian Center for International Trade. Implemented by an Albanian NGO, the Institute for Contemporary Studies, the Albanian Center for International Trade (ACIT) aims to:

- Strengthen the institutional capacities of the government, private sector, civil society and media in trade related areas;

- Promote and facilitate public debate and participation of all stakeholders in the trade policy-making process;
- Support the choice of policy options of stakeholders by providing professional appraisals and analyses;

3. Methodology of this paper research

3.1 Research Goal and Empirical analyze

This article examines the government incentives towards foreign direct investments (further – FDI) of Central and Eastern Europe countries by evaluating the external influencing factors of foreign investment. It is argued that the major incentive affecting FDI inflows involves more fiscal than financial incentives. Tax deduction is considered to be the most significant influencing factor on attracting FDI. Hence, the empirical analysis is based on exogenous variables. The empirical model was used to determine causal relationship between macroeconomic variables and FDI intensity in Central and Eastern European countries. The article introduces some policy recommendation for the increase of FDI intensity in Central and Eastern Europe. Subsequently, in a second stage, the reform would address the larger body of public employees to improve productivity and accountability for their work and ensure that public policies, programs and services are delivered reliably and cost-effectively.

3.2 Management and human resources legislation

The recruitment of 50 civil servants under transparent, competitive, merit-based procedures as established under the human resources management legislation was completed. The Public Administration Reform Project (PARP),¹ under review in this ICR, was an investment credit aimed at supporting the implementation of this ambitious reform agenda. The credit targeted governance and institution building to support both the public expenditure management and the human resource management agendas. It was complemented by a long series of policy based adjustment operations and extensive economic and sector-related work as well as related activities financed by other donors.

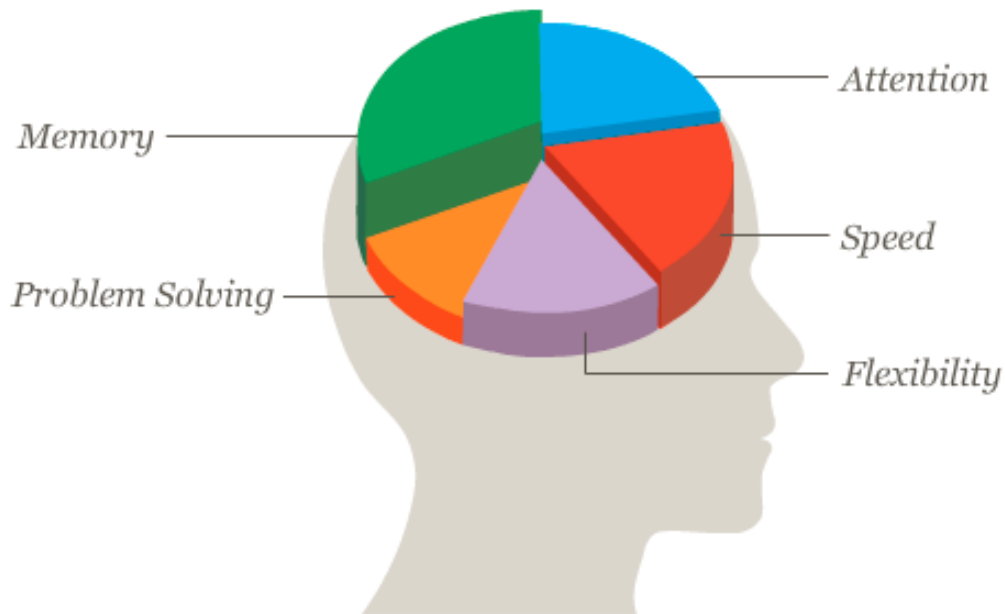
3. Historical overview and Globalization Process

3.1 Globalization is not a recent process. The influences of Globalization in Albanian Development

In summarize a historical overview of globalization as a concept on the following lines. The quote used at the beginning of this paper (by Seneca) represents very well the idea of human integration, which is the very kernel of Globalization. A lot of literature has been written mentioning indirect and also direct references to the idea of Globalization (understood as universal integration and lack of boundaries between people) since Greek times. However, not only the Western part of this world saw an approach to Globalization. In Asia, the Confucianism -school had a more or less consistent idea of what brotherhood integration meant. And in South America, cultures like the Chavin constructed huge trade networks covering almost all the Andes region by 900 B.C. The brotherhood idea was not at all alien to them. But it was in the Age of Exploration and discovery where the encounter with a “new world” produced a lot of literature of social criticism based on “supposedly direct accounts of noble savages”. The notion of global transition is mentioned in Moro’s Utopia but this attempt is not as serious, however, as the city that Francis Bacon created in his “New Atlantis”: Bensalem. Bacon’s view of an ideal world culture embodies scientific virtues that have since found many intellectual imitators. Bacon was able to describe “the reflected advances of science needed in order to promote the idea of a universal morality and system of law”.

In America (1776), George Mason states for the first time the idea that will be converted some time later into the first lines of the United States of America Declaration of Independence: that all men are by nature created equally free and independent and have certain inherent rights. On the context of the French Revolution, it was Condorcet who brought the politics of evolution. Condorcet “had faith that through a new approach to morality and the social good, tempered by science, humankind is capable of bringing about progressive improvements. Science is then not only instrumental.

¹ UNESCO study, year 2002. Universal Declaration on Cultural Diversity pp 129,136,



Tab1. The influences of globalization and it's changes in social references. Seneca theory, A world beyond difference Blackwell Publishing - 2004

It begins with a moral influence." To Condorcet, rights must be the same for all beings endowed with moral ideas and with the faculty of reason. Ideas were given expression in the 1789 French National Assembly motto. The Socio Evolutionism approach of global transition (having Spencer as its main exponent and representative) occurred from mid nineteenth to mid twentieth century. During those times, socio evolutionism became the way in which human progress was normally conceptualized. Spencer ideas were not friendly with the concept of the State. He analyze for a sort of faith in the global supremacy of civilization without the need of a state, where the principle of the "survival of the fittest" will go through all state efforts to secure the welfare of its citizens. The same Spencer conception of human progress enjoined the destruction and assimilation to what to the eyes of Spencer were uncivilized non competitive societies.

H 1. The Albanian - reforms aimed to create the managerial and professional nucleus required to lead any serious efforts to improve the accountability and performance of public institutions.

During the first years of the reform, the government focused on improving the legislative framework to ensure that its objectives could be achieved. By 1999, and prior to the approval of the credit under review by this ICR, the Government had identified and adopted a large number of measures which provided important institutional capacity to strengthen the public administration. Supported by the Structural Adjustment Credit (SAC), and Public Expenditure Support Credit, the government undertook a number of pivotal actions which defined the framework of reform. Among them, Parliament revised the Civil Service Law in November 1999, and an independent Civil Service Commission (CSC) was created and staffed. The cultural universalism tries to arrive to an ideal of a borderless world of tolerance. Globalization will construct a unique culture identity that will represent the human gender. Another variant of this way of thinking is that Globalization will construct an environment in which culturally self-defining communities will coexist in an harmonious way where even though cultural differences exist, they will not be important: a sort of.

H 2. Albanian investment operations provided the technical assistance that was relevant to the development and implementation of the broader policy changes and allowed the Public Administration Reform project to focus on its core mission.. The credit Albanian targeted governance and institution building to support both the public expenditure management and the human resource management agendas

Credit lines are considered as a limit granted to a customer for use within a specific period of time. Credit lines are not used as an 'extension' of a current account of the customer and can only bear debit balances. Micro businesses often use working capital to pay short term obligations as inventory or it can be also utilize for long term projects such as

renovations or expansion. If working capital dips too low, a business risks running out of cash. The small loans can be used as a fast cash option to caution the periods when cash flow is not available.

Conclusions and recommendations

The core set of measures of impacts on institutional performance to monitor intermediate institutional impacts is indicated in the Albania. It includes an extensive list of indicators, some of which were intended to help the Government of Albania, focus attention on the longer-term objectives of its reform effort, and to capture the more immediate and concrete progress. They include: Policy and Public Expenditure Management: aggregate fiscal discipline including inflation rate, revenue predictability, and fiscal aggregates; strategic prioritization including policy volatility, delays in auditing, and deviation from functional appropriations and operational efficiency including representative deviation by spending units at sector level, and transparent, competitive procurement Public Sector, Human Resource and Management: In Albania fiscally sound pay and employment practices including the number of civil and public servants in comparison with international practices, and fiscal weight of public employment in comparison with international practice; competitive and non-arbitrary remuneration including civil service pay (vertical and horizontal compression), and comparisons with the private sector; and human resource management based on rules, performance and fairness including rule Albania credibility, and limited incidence of political appointees in the civil service project was complemented by several other investment operations, including health, education, social services, land development, agriculture services, legal and judicial services, as well as various adjustment operations such as the Adjustment Credit Albania CSAAS the Poverty Reduction Support Credit (PRSC) series and the Development Policy Loan I (DPL I). These investment operations in Albania provided the technical assistance that was relevant to the development and implementation of the broader policy changes and allowed the Public Administration Reform project to focus on its core mission.

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