



Nations in Transit 2006

Albania

Nations in Transit Ratings and Averaged Scores

	1997	1998	1999	2001	2002	2003	2004	2005	2006
Electoral Process	4.25	4.50	4.25	4.00	3.75	3.75	3.75	3.75	3.50
Civil Society	4.25	4.25	4.00	4.00	3.75	3.75	3.50	3.25	3.00
Independent Media	4.75	4.75	4.50	4.25	4.00	4.00	3.75	4.00	3.75
Governance*	4.75	5.00	4.75	4.25	4.25	4.25	4.25	n/a	n/a
National Democratic Governance	n/a	n/a	n/a	n/a	n/a	n/a	n/a	4.25	4.00
Local Democratic Governance	n/a	n/a	n/a	n/a	n/a	n/a	n/a	3.25	2.75
Judicial Framework and Independence	4.75	5.25	5.00	4.50	4.50	4.25	4.25	4.50	4.25
Corruption	n/a	n/a	6.00	5.50	5.25	5.00	5.25	5.25	5.25
Democracy Score	4.55	4.75	4.75	4.42	4.25	4.17	4.13	4.04	3.79

**Starting with the 2005 edition, Freedom House introduced separate analysis and ratings for national democratic governance and local democratic governance to provide readers with more detailed and nuanced analysis of these two important subjects.*

NOTE: The ratings reflect the consensus of Freedom House, its academic advisers, and the author of this report. The opinions expressed in this report are those of the author. The ratings are based on a scale of 1 to 7, with 1 representing the highest level of democratic progress and 7 the lowest. The Democracy Score is an average of ratings for the categories tracked in a given year.

EXECUTIVE SUMMARY

Albania has made remarkable political, economic, and social progress in the 15 years since the country first began its tortuous transition to democracy. Yet its achievements remain tenuous and the consolidation of democracy far from certain. Putting recent developments in perspective, Albania started its post-Communist transition under the burden of the most vicious Communist regime in Eastern Europe, economic development that resembled sub-Saharan Africa, and disintegrating state institutions. Since then, the country has established the institutions of a parliamentary democracy and has made impressive strides in the establishment of a functioning market economy.¹ Perhaps most important, the elites as well as the people have shown a striking consensus on the issues of democratization and Euro-Atlantic integration.² However, the fraudulent parliamentary elections of 1996 and the meltdown of state institutions following the bankruptcy of the pyramid schemes in 1997 wiped out Albania's democratic gains as well as more than US\$1 billion in savings of Albanian families.³ While the Socialist Party (SP) succeeded in rebuilding state institutions and reestablishing the rule of law and economic growth,

considerable obstacles remain today: organized crime, corruption, a tradition of only partially free and fair elections, weak administrative and technical capacities of state institutions, low rates of foreign direct investment, political interference in the judiciary, uneven enforcement of the law, a weak civil society, and a patchy record on freedom of the media. Although it remains to be seen how the new administration of the center-right Democratic Party (DP) will perform on each indicator, the parliamentary elections of July 3, 2005, offered the country a new chance to move toward a more pluralistic, consolidated democracy. Moreover, the green light by the European Commission for the country to complete the Stabilization and Association Agreement in 2006 should give fresh impetus to the reforms necessary for the country's integration into the European Union (EU).

Two years ago, Freedom House's *Nations in Transit* report on Albania noted that "Albanian democratization brings to mind the legend of Sisyphus: It is marked by periods of progress followed by serious setbacks that bring it repeatedly to the starting point."⁴ During 2005, Sisyphus was climbing up the hill again. The year was marked by free although not fair elections,⁵ which were followed by a peaceful rotation of power, the resignation of SP chairman Fatos Nano following the SP electoral defeat, and renewed optimism on the country's progress toward EU integration.⁶ The new administration has come to power on an overarching campaign promise of fighting organized crime and corruption, the major obstacles on the country's road to European integration. The administration has moved energetically to fulfill its promise by introducing an initiative on the voluntary renouncement of parliamentary immunity, putting a three-year moratorium on small motor vessels on Albanian waters in order to fight trafficking, impounding the goods of firms that have failed to pay customs duties, and cutting operational costs and the privileges of top political and bureaucratic staff. The latter move especially helped restore the idea that winning elections does not mean a *carte blanche* to unlimited privilege and ostensible arrogance. Although it is too early to give a clear verdict on the effectiveness of these measures—the new government took over only at the beginning of September—there are fears that these initiatives have been introduced through sheer willpower and have not been backed up by the necessary legislative packages that would give them the required long-term effectiveness.

National Democratic Governance. As 2005 was an election year, the political dynamics generated by the elections highlighted the improvements as well as the problems in democratic governance. On the positive side, compared with other years, 2005 witnessed two relatively stable governments, although the overly protracted election process and the severe energy crisis that hit the country in November absorbed most of the attention of the executive. The adoption of new rules of procedure has strengthened the legislature's capacity to oversee the work of the executive and improve the quality of legislative work. Furthermore, consensual amendments to the electoral code with mediation from the Organization for Security and Cooperation in Europe (OSCE), less partisan rhetoric during the electoral campaign, the peaceful rotation of power, and a greater opening by both main political parties to civil society made Albanian politics more consensual in 2005. Nevertheless, the short boycott of the Parliament by the new SP opposition over perceived bullying by the DP governing majority demonstrated the fragility of consensual

politics in Albania. The use of parts of the public administration to score points for the ruling party during the election campaign showed that despite organizational improvements, the public administration remains deeply vulnerable to political control. *The rating for national democratic governance improves from 4.25 to 4.00 owing to advances in government stability and efficiency.*

Electoral Process. The July parliamentary elections signaled considerable improvement over past electoral processes. Political parties worked together to amend the electoral code, generally respected the code of conduct initiated by the country's president during the electoral campaign, and managed a peaceful rotation of power. Yet the elections also demonstrated that Albania has a long way to go before it fulfills internationally accepted standards for democratic elections. The two main political parties distorted the constitutional principle of proportionality by encouraging voters to cast the proportional vote for their political allies in order to maximize the number of seats they could earn together. The outcome was a legislature that does not reflect popular will where the smaller parties are concerned. Moreover, a protracted election process and administrative problems, as well as allegations of political violence, sullied the progress made. *Nevertheless, the electoral process showed significant improvements, meriting an improvement in rating from 3.75 to 3.50.*

Civil Society. Civil society organizations displayed an improved capacity to monitor the election process. Moreover, they have increased their effectiveness by cooperating better with one another as well as with state institutions, although there is still much room for improvement. As a result, 2005 witnessed an increase in civil society input in policy making and improved watchdog capacities. However, the structural problems inhibiting civil society growth and effectiveness in the past have continued in 2005. Most nongovernmental organizations (NGOs) remain donor-dependent, while locally sustainable civil society organizations have not shown any progress. *Albania's civil society rating improves from 3.25 to 3.00 owing to enhanced influence on policy making and more effective cooperation among NGOs.*

Independent Media. Albanian media continued to grow quantitatively in 2005. An increasingly crowded market dictated improvements in technology and professionalism, especially in the case of electronic media. Moreover, the decision to decriminalize insult and defamation decreased the amount of political pressure. Yet the lack of financial, audience/circulation, and ownership transparency continued to characterize the media market. A concentrated ownership structure of powerful business groups and a deregulated labor market have made the media subservient to the particular business interests of its owners. Editorial freedom, professionalism, and a market distorted by below cost pricing still plague the Albanian media. *In 2005, the rating for independent media improves from 4.00 to 3.75 owing to decreasing political interference and slight advances in professionalism.*

Local Democratic Governance. Decentralization continued at a brisk pace in 2005. Local governments showed that they are more responsive to citizens' demands and have increased their managerial and administrative capacities. The legal framework and

policies of decentralization have been completed, and the main challenges exist on the technical side of the transfer of competences to local governments. On the whole, local governments managed to discharge their duties well during the parliamentary elections, while continued problems in voter lists tended to reflect national rather than local weaknesses. *Since governance at the local level has improved public services delivery and demonstrated increased capacities, this rating improves from 3.25 to 2.75.*

Judicial Framework and Independence. Although Albania has made some progress in improving the organization and transparency of the judicial system, this sector continues to be plagued by low efficiency, political interference, and a sporadically implemented legislative framework. The quality of judges has improved, but a great deal remains to be done. The right of full access by all citizens to the courts is not fully respected in practice. The new government has been very active in judicial reform, but positive results have yet to materialize. In addition, before being forced to retreat, the government applied intense pressure on the prosecutor general to resign, raising fears of political meddling with an independent office. *The rating for judicial framework and independence improves from 4.50 to 4.25 owing to improved transparency and reform initiatives by the new government.*

Corruption. There were two positive developments in anticorruption efforts. First, the victory of the DP-led coalition on an anticorruption platform injected much-needed energy into the efforts of the executive to combat corruption. Second, the adoption of the Law on the Prevention of Conflicts of Interest and a detailed schedule for its implementation and civil society monitoring have increased expectations that the war on corruption will soon show results. Nevertheless, Albania's perceived corruption rating worsened, an increasing number of cases of corruption in the public administration were reported during the protracted period of elections and appeals, and the measures of the new government have yet to bear fruit. *Albania's corruption rating remains at 5.25 owing to the lack of results in the fight against corruption.*

Outlook for 2006. The most important event in 2006 will be the local government elections. They present an excellent opportunity for the new governing coalition to show its commitment to the consolidation of democracy in Albania. The stakes will be high since the ruling DP will see these elections as a referendum on its first year in office, while the opposition SP will need to test the electoral performance of its new chairman, Edi Rama, and its revamped leadership structures. The election outcome may also have important repercussions on the outcome of the decentralization process, since the history of the last 15 years has shown that central governments tend to devolve power more willingly when the political party in power controls both levels of government. Moreover, the government will need to demonstrate the political will to forge ahead with the reforms necessary for the process of European integration. The conclusion, or lack thereof, of the Stabilization and Association Agreement with the EU in 2006 may also act as a verdict of the international community on the first year of DP governance. Thus the DP will need to prove that it can govern effectively without undermining the basic principles of democracy or the institutions that sustain it.

MAIN REPORT

National Democratic Governance

1997	1998	1999	2001	2002	2003	2004	2005	2006
n/a	n/a	n/a	n/a	n/a	n/a	n/a	4.25	4.00

Albania is a parliamentary republic. Elected by the Parliament through a qualified majority of three-fifths, the president is invested with limited and largely symbolic powers. The Assembly of Albania is a unicameral Parliament with 140 seats: 100 are elected directly by a simple majority system, and 40 are allotted through a proportional system.⁷ The intent of the proportional allocation is to balance any distortions in political representation that might result from the majority system. Nevertheless, in the last two parliamentary elections political parties have used legal loopholes in the electoral code to gain overrepresentation in the Parliament, thus increasing the distortions of the majority system. Parliamentary elections occur every four years. Political parties need to pass a threshold of 2.5 percent in order to gain representation in the Parliament, while party coalitions need to pass a threshold of 4 percent. The president nominates the prime minister at the suggestion of the coalition of parties controlling the majority of seats in the Parliament. The Constitution provides for a system of checks and balances among the legislative, executive, and judicial branches. In practice, the executive's hold over the other branches, as well as over state institutions in general, is greater than foreseen in the Constitution, but continuous efforts have reduced it over time.

Followers of Albania's post-Communist developments all viewed the July elections as critical for the country's European integration and democratic stabilization. The country lived up to the challenge, managing a peaceful transfer of power for only the second time since March 1992—out of six parliamentary elections since the establishment of multiparty politics.⁸ Despite the OSCE/Office for Democratic Institutions and Human Rights (ODIHR) conclusion that the elections “complied only in part with OSCE commitments and other international standards for democratic elections,”⁹ the European Commission deemed the poll democratic enough to signal a green light for the completion of a Stabilization and Association Agreement in 2006.¹⁰ Nevertheless, the repercussions of an election year—which witnessed the involvement of parts of the public administration in the election effort of the governing Socialist Party, a two-month period of postelection complaints that left Albania with little political leadership, and an intense energy crisis that demanded the full attention of the new Democratic Party administration—negatively impacted the efficiency of governing institutions. The challenges of the new government include quickly resolving the energy crisis, showing tangible results in the fight against organized crime and corruption (its priority as well as the EU's), furthering the achievements of the previous government in institution building, and stimulating the fragile politics of consensus that is tentatively taking hold of the Albanian political scene.

Although the election process showed that Albania still has a long way to go to fulfill international democratic standards, the electoral campaign, the conduct of the elections, and the postelection climate opened the way to more consensual politics in Albania. Both main political parties showed a new openness and less combative tendency throughout the process. The successful efforts of the DP to create the Policy Orientation Committee—a technocratic policy-making structure staffed with highly qualified personnel from the nongovernmental and business sectors—and integrate some of its members in the party leadership structures did much to undermine the claim that the party suffered from internal authoritarianism and hence was not ready to lead the democratic consolidation of the country. With respect to the SP, the resignation of Fatos Nano from the chairmanship after the party lost the elections and the televised democratic election of his replacement, Edi Rama, demonstrated that the SP could handle defeat in a mature and democratic manner. Finally, the interaction between both major parties was a great deal more pragmatic than in past years, as demonstrated by the bipartisan amendments to the electoral code and the signing of the code of conduct for the electoral campaign initiated by the country's president.

Although it remains to be seen whether the new government will be able to stimulate this atmosphere further, this new approach constitutes an encouraging trend in national democratic governance. To date, there are contradictory indications in this regard. On the one hand, the enhanced role of the Parliament and especially the standing committees and the skillful use of the changed rules of procedure by the opposition¹¹ show that the executive may be decreasing its hold on other state institutions and nourishing a less partisan political atmosphere. Government officials have also pledged to preserve the monitoring role of international institutions such as the OSCE as a check on the government's behavior toward the opposition.¹² On the other hand, the decision of the SP to boycott two meetings of the Parliament in November over the tense atmosphere of parliamentary debate during a motion on corruption¹³ demonstrated how easily Albania could relapse into past experiences of extra-institutional politics when the opposition often took the political struggle outside of Parliament and into the streets.

The public administration's internal rules of human resource management and procedure improved during 2005, continuing a trend that started with the 1999 Law on Civil Service, which protects civil servants from arbitrary dismissal and mandated the establishment of the Department of Public Administration (DPA).¹⁴ The publication of job vacancies has become a standard procedure, bringing about an increase in the number of applicants per position. The results of open competitions are published on the Web site of the DPA, which has also drafted a manual on recruitment in order to reduce political interference.¹⁵ Detailed career advancement rules of procedure that include a division of civil service career levels are also being prepared.¹⁶ The Civil Service Commission mandated by the 1999 Law on Civil Service to oversee the proper application of laws relating to the civil service is beginning to work more effectively. Finally, the Training Institute of Public Administration (TIPA) trained more civil servants than in 2004, and in a new initiative with the Ministry of European Integration and the DPA, the TIPA has begun to provide training related to the EU.¹⁷ Nevertheless, the civil service remains hindered by a lack of real separation of the political and administrative levels. Political

appointments, down to director level in most ministries, are still the norm. Crucially, the role of secretaries general to formulate personnel management policies and ensure effective policy implementation and service delivery is compromised by the fact that these positions are staffed through political appointments.¹⁸ The involvement of political appointees in the internal operations of the ministries continues to hinder the career prospects of civil servants and diminish the performance of the civil service.

The elections revealed that the progress of recent years is highly vulnerable to political whims. Several directors of high-profile state institutions, such as the Albanian Electricity Corporation and the Customs Directorate, earned nominations on the SP list of candidates. The use of public administration employees, mostly but not exclusively from customs and tax offices, to campaign for their political bosses not only wasted resources and decreased efficiency,¹⁹ but proved that when push comes to shove, the governing party can still use state institutions for political purposes. Moreover, from an intra-institutional perspective, weak methods of performance measurement and lack of performance-related financial bonuses, very weak human resources departments, and career-making rules that are enforced irregularly and subjectively lower the attractiveness of civil service positions and the performance of the public administration.²⁰ Although the new DP administration has dismissed a number of top civil servants, the courts have generally ruled in favor of the dismissed employees.

The Parliament has increased its role as the main forum for political debates. The adoption of new rules of procedure in January 2005 through a multiparty effort enhanced the transparency of the work of the Parliament, restricted the powers of the Speaker, and strengthened the Parliament's oversight capacities.²¹ The creation of the Conference of Chairpersons and Bureau established a structure of secretariats on the Italian model while restricting the power of the Speaker. Transparency has been enhanced through the publication of the minutes of plenary meetings within a day. The number of standing committees was cut from 13 to 8 to increase the workload of each committee while enhancing its technical capacities. The creation of the new Standing Committee on European Integration as separate from the Foreign Affairs Committee was another positive development. Furthermore, the new rules share the burden among members of Parliament more effectively—each committee member is responsible for a particular piece of legislation. Thus, while the quantitative output of 2005 has been lower than in 2004 owing to parliamentary elections and the slow constitution of the new government, the Parliament's capacities to exercise its functions more effectively have been enhanced.²²

A changed mood in the Parliament has also contributed to increased performance. The election of a young, politically powerful female Speaker in September 2005 has raised the profile of the Parliament on the political scene. The energetic Speaker has demanded increased openness in the daily work of the Parliament, the formulation of new strategies of communication with the public, and a reduction of benefits for parliamentary deputies (although these last measures have yet to pass). Despite a minor boycott in November, the new SP opposition seems determined to use the Parliament as its main platform of communication with the public—as long as the DP majority does not hinder its rights.

The opposition has shown a strong capacity to use the new rules of procedure in its interest, thus enhancing the profiles of the standing committees, bringing ministers in front of these committees, and increasing the involvement of business groups and civil society in legislative work. The DP caucus in the new legislature has also benefited from the election of members that have higher professional and technical capacities than in the past.

Electoral Process

1997	1998	1999	2001	2002	2003	2004	2005	2006
4.25	4.50	4.25	4.00	3.75	3.75	3.75	3.75	3.50

Albania held its sixth parliamentary elections since the beginning of political pluralism on July 3, 2005. The elections were conducted under a new electoral code adopted in June 2003. The frantic amendments to the code in October 2004, January 2005, and April 2005—with OSCE mediation—showed the intensity of political jockeying by both major political parties prior to the elections for the best possible starting position. The bipartisan amendments brought about changes in the criteria for drawing electoral zone boundaries, compiling voter lists, organizing the vote-counting process, and handling complaints and appeals.²³ One hundred deputies were elected through a direct simple majority system in 100 electoral zones, while 40 mandates were distributed according to party lists in accordance with the proportional results of the vote.

These elections proved to be a significant improvement on Albania’s poor electoral track record, although the country has still a ways to go to fulfill the standards of free and fair elections. Since the manipulated elections of May 1996, the international community has deemed local and national elections “acceptable,” although they were never free and fair. The losing party has always contested the results, while international monitoring organizations have uncovered politically motivated fraud, irregular voting lists, and other administrative shortcomings. There are strong indications that the international community accepted these low standards because of fears of the security implications of political instability in Albania.²⁴ That had a negative impact on the process of democratic consolidation—in fact, public opinion is becoming increasingly skeptical of the possibility of holding completely free and fair elections in Albania.²⁵ This time around, the EU made it clear that the signing of the Stabilisation and Association Agreement depended upon the holding of free and fair elections.²⁶ Moreover, the main political parties realized the high stakes of failing this test, since the then opposition DP had made it clear that it would use protests to attempt to overthrow the government if the SP manipulated the elections.²⁷

In order to maximize the number of seats in the Parliament, the two main political parties encouraged voters to cast their majority vote for them and the proportional vote for their allies, which would thus maximize the number of seats they would take through their allies from the 40 seats of the proportional vote. Called the “Dushk phenomenon,” this tactic was named after the electoral district where the parties first employed the strategy during the 2001 parliamentary elections. As a result, the Republican Party (RP), for example, took 22 percent of the vote, although its electoral base is 10 times smaller.²⁸

Most of the seats won by small parties in the proportional vote came from the electorate of the two main parties. The Dushk phenomenon most penalized the Socialist Movement for Integration (SMI), led by former prime minister Ilir Meta, which received 8.5 percent of the vote nationwide and only 5 mandates in the Parliament.²⁹ Whether the SMI will be able to maintain its popular support and eventually become the third pole in Albanian politics is an open question.

The DP agreements with other right-wing parties resulted in the formation of the Alliance for Freedom, Justice, and Welfare (AFJW). The DP fielded 100 candidates, 15 nominated by its allies on the common list. For the party list contest, AFJW members registered separate lists, but the RP list contained about 30 DP members, including DP parliamentary deputies from the outgoing Parliament. On the other side of the political spectrum, the SP registered 100 candidates, but in many districts SP allies had their own single-seat candidates as well. Also, the left-wing parties had separate party lists contending for the 40 mandates of the proportional system.³⁰ Although the leader of the DP, Sali Berisha, had offered a deal to amend the electoral code in order not to repeat the Dushk phenomenon, the SP rejected the offer. Yet it was the DP and its allies that, through better organization, profited most from this strategy, ensuring that the SP lost the proportional distribution of mandates. The split of the SMI from the SP may have been key to the SP's loss in the single-seat section of the vote—especially considering that in absolute terms the SP managed actually to increase its votes in comparison with its returns in the 2001 elections, which it won.

The DP-led coalition gained 57 percent of seats followed by SP and its allies with 39 percent and the SMI with 4 percent. Despite fears of unrest, the elections brought about a peaceful rotation of power that culminated in the swearing in of a new government formed by the DP and its allies on September 3, but only after a lengthy process of mostly unsubstantiated appeals by losing SP candidates.

These elections marked several improvements from previous ones. First, the bipartisan commission's work on the new electoral code improved the legal framework by taking into account the recommendations of the OSCE/ODIHR on the local elections of October 2003. In this regard, a notable advance was the obligation of local governments to administer the voter lists, thus decreasing the capacity of political parties to manipulate the lists—one of the main problems of previous elections when voter lists were prepared by the Ministry of Decentralization and Local Government with no oversight from the opposition.³¹ Political representation in the seven-seat Central Election Commission (CEC) was also improved, especially in October 2004 when the SP surrendered one of its five seats to the opposition.³² Second, the code of conduct initiated by the country's president and signed by 16 political parties obliged the signatories to abide by the law and exercise restraint during the campaign. Although the code did not have any formal monitoring mechanisms, the parties conducted the least partisan electoral campaign to date. Third, the media generally followed the guidelines of the electoral code on campaign coverage quite closely,³³ though some complained that the guidelines were too restrictive.³⁴ Fourth, the CEC administered the election process in line with the electoral

code and without political bias despite facing enormous political pressure and logistical and administrative challenges.³⁵

Although the elections cleared the main roadblock to concluding the Stabilization and Association Agreement with the EU, the ODIHR still qualified them as “[complying] only in part with OSCE commitments and other international standards.”³⁶ The Citizens Advocacy Office (CAO), a watchdog anti-corruption organization, evaluated them as “free but not fair and equal.”³⁷ The problems manifested in these elections may be classified as administrative and political. In spite of improvements in the voter lists, insufficient political will on the part of local government structures and basic shortcomings, such as missing personal identification documents and the lack of a uniform system of building addresses, meant that irregularities continued in these elections as well. Also, voting center commissions did not sufficiently respect procedures, particularly regarding the use of ink to prevent multiple voting, the secrecy of the vote, and the checking of voters’ identity. The counting of votes was often contentious and took considerably longer to complete than was foreseen in the law, mainly because of obstruction of process.³⁸

However, it was the political problems that created the most controversy. First, there were sporadic allegations of politically motivated violence, negligence, or pressure on public employees to perform political tasks. Two people lost their lives during the elections; one of them was an election observer killed in an election center, and the other was head of the DP for the Kukes region.³⁹ Still, compared with incidents in other elections, these were random in nature and had a marginal effect on the electoral atmosphere. The main political problem was the use of electoral strategies by both major political camps that distorted the constitutional objective of proportionality “to the closest possible extent”⁴⁰ through formal (DP) or informal (SP) use of the previously mentioned Dushk phenomenon.

Since the elections, a vigorous debate has sprung up on how to reform the electoral system in order to avoid such distortions of popular will in parliamentary representation. For example, the citizens movement MJAFT! has organized debates with politicians on how to reform the system. All political actors have formally agreed that the electoral system should be reformed in line with ODIHR recommendations in order to avoid distortions of the objective of proportionality, improve voter lists by issuing new identity documents, and ensure consistency in campaign finance provisions. The great loser of the Dushk phenomenon, the SMI, has taken the lead in proposing electoral reform. The SMI proposal recommends establishing a unicameral Parliament elected through a proportional system with a 5 percent threshold. Understandably, the two main political parties have supported the threshold segment of the SMI proposal, but their stand on a unicameral Parliament is unclear.

Although attempts to amend the electoral code in order to nullify the Dushk phenomenon have yet to make headway, the parties have moved more aggressively toward solving some of the administrative problems that marred the July 3 vote. The elections demonstrated that the accuracy of voter lists, transparency of campaign finance, and an

election administration controlled by the two main parties continued to present problems. The new center-right administration has acknowledged these deficiencies and has made their solution a priority.⁴¹ A bipartisan parliamentary committee was set up on October 20 to reexamine the application of electoral laws in the last elections, with both major parties emphasizing the need to deal with administrative drawbacks. Furthermore, the Albanian president called a roundtable of all parliamentary political parties on December 7 in order to build up the political will necessary for reform.⁴² Everything points toward eventual amendments of Albania’s electoral code—another common feature of all Albanian parliamentary elections since the beginning of political pluralism.

Civil Society

1997	1998	1999	2001	2002	2003	2004	2005	2006
4.25	4.25	4.00	4.00	3.75	3.75	3.50	3.25	3.00

No civil society organizations existed in Communist Albania, and the country’s pre-Communist history reflected very low levels of civic participation in collective action. That may partially explain the structural weaknesses of the civil society sector in Albania—a cluster of donor-dependent and thus donor-driven local NGOs and very few genuine local interest groups. This is a regional problem in Southeastern Europe that has led some academics to term local civil society as “ersatz civil society.”⁴³

In Albania, the Constitution and relevant legislation protect civil liberties. Creation of business associations and Chambers of Commerce are not only allowed but encouraged. The same is true for nonprofits, NGOs, and trade unions. The 2001 Albanian Law on NGOs is considered one of the most liberal such laws in the region, allowing NGOs considerable latitude in their activities, rights, and responsibilities. NGOs generally operate without government restriction. Over the last 15 years, Albanian NGOs have demonstrated an increasing capacity to impact policy making while they have lagged behind in their watchdog and monitoring roles. Nonetheless, the lack of local sustainability capacities has stunted the growth of the civil society sector.

In the course of 2005, NGOs gained influence and took on a growing role in virtually all aspects of public life,⁴⁴ making important gains even in watchdog and monitoring roles. The main field of activity in which local NGOs made their presence felt was the monitoring of the parliamentary elections, which saw the most massive mobilization of such groups for an election in the country’s history. The electoral code provides for observation of the elections by domestic NGOs, which have to be accredited by the CEC within five days of a request’s submission. The CEC adopted an open and flexible approach to accrediting observers, rejecting very few requests, all on reasonable grounds.⁴⁵ The biggest organizations accredited by the CEC were the Domestic Observer Forum, led by the Albanian Coalition Against Corruption (ACAC), and the Albanian Youth Council, which mobilized around 2,500 and 1,000 observers, respectively.⁴⁶ However, other NGOs launched smaller campaigns as well.⁴⁷

The ACAC mounted the largest campaign and covered about half of the voting centers. This monitoring had a positive impact by changing voting procedures to decrease the

possibility of rolling vote fraud, voting with birth certificates (of which thousands went missing prior to the elections, constituting a fraud threat), and cell phone vote fraud.⁴⁸ Moreover, the ACAC closely monitored media coverage of the electoral campaign and published its findings, which were mainly positive, in detailed public reports.⁴⁹ Overall, civil society monitoring and reports helped the democratic legitimacy of these elections in the face of political challenges from the losing parties. In the postelection period, civil society organizations initiated debates on the need to reform the electoral system in order to prevent legalized distortions of popular representation (as in the Dushk phenomenon). For example, the MJAFT! movement organized several such debates in its Speaker's Corner program.

Albanian civil society counted several highly visible successes in its policy-making input and watchdog roles as well. For example, the CAO acted to outlaw the conflict of interest inherent in having judges sit on the High Council of Justice (HCJ), a body tasked with overseeing the behavior of judges. The CAO then drafted a proposal for HCJ reform that would make the mandate of HCJ members incompatible with any other private or public positions except for teaching.⁵⁰ Also, the ACAC lobbied for and eventually participated in drafting the Law on the Prevention of Conflicts of Interest, which was approved by the Parliament in April 2005.⁵¹ Although the role of civil society organizations as actual drafters of bills caused some controversy in the media, it is noteworthy that civil society initiatives have rarely, if ever, had such an impact on policy making in Albania.

Another major initiative was MJAFT!'s sustained campaign against the opening of a casino in downtown Tirana by Hyatt Regency Hotel and Tourism Hellas S.A. MJAFT! mobilized citizens and representatives of religious communities in order to present the casino issue as a fight between community welfare and vice.⁵² Although the campaign ultimately failed, MJAFT! did demonstrate that policy decisions without extensive consultations with interested groups may be costly for the government. In its watchdog role, civil society's most noteworthy success came in November 2005 when Prime Minister Berisha agreed to have the ACAC closely monitor the implementation of the Law on the Prevention of Conflicts of Interest. However, it remains to be seen how the agreement will be implemented in practice.

Despite these success stories, the structural shortcomings of Albanian civil society have not changed. As foreign donors signal their intent to slowly withdraw funding from Albania as the country progresses toward EU integration, there are concerns among the NGO community about local sustainability capacities. The lack of funding by government and private businesses remains the greatest handicap in this regard. The Open Society Foundation–Albania which has been one of the main pillars of civil society support in the country, announced in 2005 that it would shift its emphasis toward providing support for a network of local NGOs judged to have the best capacity to adapt to changes in the long run, with the goal of eventual self-sustainability.

In the field of labor rights and trade unions, the Albanian Constitution guarantees the right to earn a living by choosing or accepting lawful work. The legal minimum wage for all workers over the age of 16 is approximately US\$106.95 per month, which is

insufficient to provide a decent standard of living for a worker and his or her household.⁵³ There was no change in the legislative framework that regulates trade unions and guarantees the right of workers to exercise this right in practice through the labor code of 1995. A minimum of 20 people can form a trade union. Albania has two “umbrella” unions: the Confederation of Albanian Trade Unions (KSSH) and the Union of Independent Albanian Trade Unions (BSPSH). According to their own sources, BSPSH membership has grown from 84,000 in 2004 to 90,000 in 2005,⁵⁴ while the number of KSSH members is 98,908 and reportedly growing.⁵⁵ Both unions are politically affiliated: the BSPSH with the governing DP and the KSSH with the opposition SP. However, trade unions continue to remain very weak actors in labor relations. The decline of the manufacturing sector in Albania, high unemployment, organizational weaknesses, and a general distrust of collectivist forms of political action have left trade unions on the margins of Albanian economic life.

Although several journalists associations exist, they remained relatively inactive in 2005. The two principal associations, the League of Albanian Journalists and the Association of Albanian Journalists, have not made any notable attempts to raise journalists’ awareness of their rights and organize them for their common good. There are also other journalists associations, established on the basis of shared interests, such as environmental reporting, or on a regional basis, such as the League of Northern Journalists, or by gender, but they have not contributed to the plight of journalists in the unregulated Albanian media labor market, either. The International Research & Exchanges Board has supported the idea of establishing a trade union for journalists, but all attempts to set up an effective organization have failed so far, owing to lack of cooperation within the media community or lack of interest in changing the situation.⁵⁶

Cooperation among NGOs remains inefficient and takes place primarily because of donor funding conditionality. Nevertheless, 15 years of working experience has created a shared culture among NGOs that facilitates cooperation. Given the increasingly more challenging environment faced by local civil society groups, a number of informal initiatives have been launched to facilitate cooperation—although they have yet to bear fruit. The most sustained and institutionalized effort so far has been the Network for Open Society in Albania, which the Open Society Foundation–Albania launched to create a core self-sustainable network of organizations that will hopefully provide the basis of homegrown civil society in Albania in the future. After a rocky start, the ACAC, sponsored by the U.S. Agency for International Development (USAID), took a key role in election monitoring and in November concluded an agreement with the Berisha administration to monitor the transparency of procurements and financing of Albanian government ministries.

Independent Media

1997	1998	1999	2001	2002	2003	2004	2005	2006
4.75	4.75	4.50	4.25	4.00	4.00	3.75	4.00	3.75

The Albanian media have come a long way from the total control exercised by the Communist Albanian Labor Party to relatively free, sophisticated, professional, and diverse print and electronic offerings that exercise important informative and oversight

functions in society. Although the continued proliferation of media outlets and market forces brought about increased professionalism by journalists and editors, the basic structural problems that have hindered the qualitative growth of Albanian media remained unchanged. The lack of financial, circulation, and ownership transparency has distorted the market and hampered professional growth as well as thorough assessments of media market characteristics. Although there was less political interference in the media, media outlets continued to be subordinated to the business interests of their owners. The precarious position of the media in Albanian society was also reflected in the country's fall by 12 places in the annual ranking conducted by Reporters Without Borders, the international media-monitoring group. That decline occurred mainly because of a physical attack by the mayor of Korca municipality on a broadcast journalist, poor professional ethics due to an irregular labor market, financial unsustainability, and the stranglehold of business concerns on the media. Despite the challenges previously listed, 2005 marked no changes in the legislative framework regulating the Albanian media market.

In 2004, Freedom House reported that Albania had the largest number of print media per capita in Europe but the lowest circulation per capita. Yet the proliferation of media outlets continued unabated in 2005. The number of daily papers increased from 19 in 2004 to 26 in 2005, but the circulation of all of them combined does not exceed that of the first opposition newspaper in 1991.⁵⁷ Very few (if any) of these papers make a profit—though the continued lack of reliable circulation data makes the situation unclear.⁵⁸ In the electronic media market, Albania now has 66 television stations and 45 radio stations—a far cry from the situation in 1995, when state radio and television had a complete monopoly.⁵⁹

The proliferation of media outlets has injected dynamism, information diversity, and professionalism in Albanian media. Moreover, political interference has decreased, as noted by the objective and professional performance of the media during the election campaign coverage of July 2005.⁶⁰ On October 13, 2005, Prime Minister Berisha announced that he had ordered his officials to use only the right of public response, rather than legal proceedings, to seek redress for defamatory statements made by the media. That decision signaled the intent of the new administration to dispatch with one of the few legislative tools at its disposal to influence the media.⁶¹ Nevertheless, the lack of legal provisions regarding the allocation of state advertising leaves it up to the government to decide whether to use that financial “carrot” to encourage favorable press coverage. The Law on Public Procurement stipulates that government advertisements should be allocated to the three papers with the highest circulation, but without a transparent circulation-tracking system, that mechanism remains insufficient to prevent potential politicization.

The decline of political interference in the media has made editorial control of the media by a few powerful business groups, unfair pricing practices, and an unregulated labor market the greatest challenges faced by the media. A concentrated ownership structure characterizes both the broadcast and print media markets, a problem exacerbated by the lack of legislation regulating cross-ownership of print and electronic outlets. Owners of

electronic outlets are simply required to state their ownership when applying for a broadcast license from the National Council of Radio and Television (NCRT). As a result, all major media groups—Klan, Spekter, Koha, and Edisud—own at least one publication as well as a radio and/or television station.⁶² The owners use their other businesses to finance their media holdings, which in return act as public relations tools to further their owners’ business interests. Even the most popular commercial television outlets, which have benefited from considerable investment, have not managed to become self-sustaining. Only half of their total annual income comes from advertising revenues.⁶³ The price for this dependency is strong control over editorial policy, which is worsened by a lack of employment contracts and labor instability. Although there are no reliable figures, according to the Institute of Media as much as 90 percent of journalists may be working without contracts.⁶⁴ The end result is financially unviable media that respond feebly to market demands and suffer from weak public credibility.

Although media legislation is considered to fulfill basic requirements for a free and independent media, revisions are still needed to protect journalists from libel suits and ensure ownership and financial transparency. Already amended four times since its adoption in 1998, the Law on Radio and Television still fails to fully regulate the activity of the electronic media—a reality confirmed by the recent launch of two digital operators which broadcast without licenses because the NCRT does not yet have the authority to license them.⁶⁵ Even with these legal deficiencies, after a timid start in 2000, the NCRT, which also regulates the electronic media market, has gradually improved its performance and forced Albanian broadcasters to comply with property rights by not broadcasting bootlegged programs. The NCRT has also drafted a strategy for how it may achieve financial independence from the state budget and become self-sustainable. At present, Articles 119 and 120 of the criminal code make insult and defamation criminal offenses punishable by a fine and up to six months’ imprisonment.⁶⁶ However, a series of amendments are being prepared to make defamation punishable only under the civil code. In addition, the prime minister’s directive alluded to previously has already de facto decriminalized defamatory statements in the media—though some have raised concerns over a blanket ban on government officials’ ability to invoke their basic rights to seek redress through the courts.

In 1991, the Soros Foundation became the first to introduce the Internet to Albania. Although Internet connection services have improved in the larger cities, the number of users remains very low at 75,000, or 2.4 percent of the population,⁶⁷ since monthly tariffs vary between US\$16 and US\$35, or 15 to 45 percent of an average monthly income.⁶⁸ However, Albania has about 130 Internet cafés that are very popular with young people, who have no other means of access. Moreover, the government has adopted a master plan that aims to ensure free Internet access in all schools by 2008. By the end of 2006, the plan calls for establishing Internet connections in 65 to 75 percent of the country’s high schools and 8 to 10 percent of elementary schools.

Local Democratic Governance

1997	1998	1999	2001	2002	2003	2004	2005	2006
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n/a	n/a	n/a	n/a	n/a	n/a	n/a	3.25	2.75
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The decentralization of power from central to local government structures has been one of the success stories of governance in Albania. The legal framework for the creation of accountable and decentralized government was already in place prior to 2005. This year, however, witnessed better implementation of existing laws as the central government began to transfer the management of water utility companies to local government structures and to provide unconditional grants to local entities for education and health care. Overall, despite growing resistance from central government institutions such as the Water Regulatory Entity on further decentralization,⁶⁹ a clear political will exists to complete the reform of decentralization.

Albania's decentralization reform is based on the Law on Organization and Functioning of Local Governments, adopted in 2000. This law outlines the duties and responsibilities of local governments and is the legal cornerstone of the decentralization process. In order to strengthen the administrative and technical capacities of local governments, the Council of Ministers approved in March 2005 a package of amendments to the Law on Civil Service to ensure that local government structures would come under its jurisdiction. The amendments aim to improve the recruitment and retention of civil servants in the public administration. However, the new legislature has yet to adopt them.⁷⁰

With the specific policies on how to complete decentralization already adopted, it is now a matter of solving the technical issues to allow for full functional decentralization.⁷¹ Local governments earned the right to spend local taxes in 2001, and they started taking advantage of these new opportunities in 2002. With the help of USAID, the central government adopted a formula to determine the amount of unconditional transfers to local governments—the first Balkan country to implement such a formula. From 8 percent of local expenditures in 1998, local governments now control about 50 percent of their expenditures.⁷²

Although the new center-right administration folded the Ministry of Decentralization and Local Government into the new Ministry of the Interior in September 2005, the government has indicated that it will forge ahead with the decentralization of power. Particular emphasis has been placed on the devolution of fiscal powers and enlargement of the fiscal autonomy of local governments. For the period 2006–2009 government officials envisage a three to fourfold increase in state budget grants to local entities.⁷³ Although it is still too early to measure the effects of this move on the progress of decentralization reform, the government is preparing to remove conditional transfers for local government structures, determine capital investments with a specific formula, and decentralize water utility companies and the power to collect small-business taxes.⁷⁴

In 2003, local governments earned the right to maintain and operate all pre-university education facilities in their communities through grants allocated to them by the state budget.⁷⁵ In 2005, the responsibility for the allocation of capital expenditures in the areas of primary education and health care was transferred to regional councils. Currently, they

are responsible for the allocation of investments for communes and municipalities (with the exception of the 12 capitals of the regions/counties, to which these funds were transferred directly). Despite some initial confusion due to a lack of preparation, the quality of service has improved. The government is also in the process of eliminating conditional grants, which were often allocated according to political preferences, in favor of unconditional grants, which are allocated according to an objective formula and allow local governments to have more realistic expectations about the financial inflows from the central government.

Another area where decentralization reform has progressed relatively well in 2005 is the decentralization of water utility companies. It is expected that by the end of 2005, about 20 percent of customers will be served by decentralized water utility companies, while in 2006 the process should be complete.⁷⁶ However, some of these companies remain in poor financial shape, as they have yet to receive promised funds from the Ministry of Public Works, Transportation, and Telecommunications. Nevertheless, on the whole, water provision services have improved as local governments have proved to be more customer-oriented and have demonstrated a constant increase in their administrative capacity. Neighboring local government units have cooperated in managing water utility companies together in order to earn economies of scale and cover costs,⁷⁷ showing that fears that smaller companies would lose such financial advantages were exaggerated.

In 2005, the major test for local governments was the administration of voter lists for the July parliamentary elections. Between October 2004 and January 2005, the central government transferred the responsibility for handling voter registration, as well as compiling and maintaining voter lists, to local entities. It was presumed that since local governments maintained the civil registers, the political manipulation of voter lists that had occurred in previous elections would be avoided.⁷⁸ Voter lists were updated by door-to-door verification between November 2004 and February 2005. However, problems with inconsistent methodology, multiple entries, and 470,000 incomplete entries—especially in urban areas, owing to mass migration and the existence of informal residential areas or slums—marred the process, opening the way to allegations of political manipulation of voter lists.⁷⁹ Despite these problems, the new voter lists were a great deal more accurate than previous ones. Yet the challenge of reforming the civil registration process by introducing a uniform system of building addresses and issuing personal identification documents remains to be met in the future. In this sense, the 2006 local government elections will be not only politically important, but also a litmus test for the capability of local governments to properly discharge their duties.

The conflict between the new center-right administration and the municipality of Tirana in November–December 2005 showed that the gains made by local governments in the last few years are susceptible to rollback by an antagonistic central government. Given that the mayor of Tirana, Edi Rama, is also chairman of the SP, the political struggle between the governing Democrats and the opposition Socialists spilled over onto the local government level. The decision of the Council for Regulation of the Territory of the Republic of Albania—the country's highest urban planning body—to demolish the Zogu i Zi overpass sparked the row, since the municipality of Tirana had approved the contract

for building the overpass. Soon developing into the hottest political news at the end of the year, the dispute brought relations between the municipality and the central government to a deadlock. The mayor of Tirana filed a civil court case against Prime Minister Berisha for defamation and other charges. The European Commission agreed to send a delegation to monitor the situation, since the gridlock was “endanger[ing] the normal functioning of local autonomy in Tirana.”⁸⁰ Despite the fact that the Office of the Ombudsman issued a report in favor of the municipality of Tirana, by the end of the year neither side seemed willing to back down.

Judicial Framework and Independence

1997	1998	1999	2001	2002	2003	2004	2005	2006
4.75	5.25	5.00	4.50	4.50	4.25	4.25	4.50	4.25

Albania has a three-layered court system: 29 district courts, 6 civilian appeal courts, and the Constitutional Court and the High Court.⁸¹ The president proposes the names of Constitutional and High Court judges, while the Parliament has to approve the appointments. Judges then serve nine-year court terms. The Constitutional Court interprets the Constitution following a request from state institutions. On the other hand, the High Court is the last instance of appeal after the appeals courts.⁸² The High Council of Justice, the regulatory body of the judiciary, appoints, transfers, disciplines, and dismisses judges of the courts of first instance and the courts of appeal.⁸³ The HCJ comprises 15 members, including 9 judges. A judge sitting on the HCJ faces an obvious conflict of interest between his or her daily work as a judge and the HCJ mandate of overseeing the behavior of judges. The new center-right administration pushed through new legislation, the Law on Organization and Functions of HCJ, which requires judges to resign their judicial posts once they have accepted an HCJ nomination.⁸⁴ Adopted in November 2005, the law made it illegal for anyone to hold on to a judgeship or any position other than teaching for as long as he or she is a member of the HCJ. A major obstacle to the proper functioning of the HCJ was thus removed.

Although in 2005 Albania made progress in several vital areas—organizational capabilities, transparency, the functioning of the HCJ, criminal and juvenile justice, and training—the proper implementation of the legislative framework and the overall effectiveness of the justice system remain problematic. It was an ironic but truthful evaluation of the state of Albanian justice when the new justice minister, Aldo Bumçi, reported that although the Tirana Office of the Bailiff declared that it had closed 51 percent of court cases, a Ministry of Justice checkup showed that only 38 percent had been executed.⁸⁵ Although the rate of execution of judicial rulings has constantly improved—3,704 files were closed in 2002, 4,856 in 2003, and 6,050 in 2004⁸⁶—the scandal shed light on the distance left to travel. In a speech to the Parliament on November 7, Bumçi declared that 12,933 rulings were awaiting execution in September 2005, of which proceedings had been initiated on 5,594 while work on the remaining 7,339 had not yet started.⁸⁷

On the positive side, the new Legal Reform Commission, an advisory body, has already prepared a study on the reorganization of district courts. Second, an “anti-Mafia” package contains new legal tools to facilitate the seizure of criminal proceeds and to focus the priorities of the serious crimes court solely on organized crime. Third, a new memorandum of cooperation among the prosecutors general of the western Balkans has improved regional judicial cooperation. Fourth, the quality of judges has been improving, as the Albanian School of Magistrates has enhanced its capacity to plan and deliver both initial and ongoing training of judges and prosecutors following the adoption of amendments governing the school’s operation.⁸⁸ These amendments have made continuous, on-the-job training mandatory for judges and prosecutors, and a long-term strategy has been adopted to ensure future sustainability. Finally, together with the Ministry of the Interior, the Ministry of Justice is the largest recipient of additional funding in the new draft budget that the government has sent to Parliament. The extra funds should prove especially useful in providing bailiffs with the basic requirements for discharging their duties properly.

However, the effectiveness of the judicial system is still a matter of concern. The right of full access by all citizens to the courts has yet to be fully respected in practice. Poor cooperation between prosecutors and the police and the lethargic prosecution of court cases need to be addressed. The existence of two parallel inspection services from the HCJ and the Ministry of Justice should be resolved by divesting the ministry of an investigatory role—beyond purely administrative measures—in order to safeguard the independence of the judiciary.⁸⁹ Finally, the institutional relationship between the minister of justice and the HCJ may need to be revised. The minister sits on the HCJ, and although he has no voting rights in disciplinary proceedings against judges, he has the power to initiate such proceedings. This arrangement has raised concerns over judicial independence. Finally, the justice system has been plagued by low staff morale because of the relatively low status and salary of judicial staff, such as court and judicial administrators. Except for judges, judicial employees do not have civil servant status, and their salaries are as a rule lower than those of their equivalents in other ministries.

The judiciary is one of the areas in which the new center-right administration has been the most active. Besides the planned increase in the budget for the Ministry of Justice, the government plans to improve the juvenile justice system and the efficiency of the Prosecutor General. On the former, preparatory work is being carried out in order to amend the legislative framework in consultation with UNICEF and the European Commission.⁹⁰ On the latter, by noting that the Prosecutor General had failed to open a single case against a high official or politician—despite damning reports from the High State Audit, the media, and the international community on the scale of corruption in state institutions—the governing party has publicly placed pressure on the Prosecutor General. The DP, however, lacked a constitutional basis on which to act against the Office of the Prosecutor, an independent body, and faced suspicions that such a move would represent the first step toward political control of the judicial system. In the end, the DP prudently decided not to act even though a simple majority in the Parliament and presidential approval would have sufficed to remove the Prosecutor General.⁹¹ It remains

to be seen whether the political storm caused by this issue will improve the performance of the Office of the Prosecutor.

In the area of torture and ill-treatment, the Center for Rehabilitation of Trauma and Torture Survivors (CRTTS) issued a damning report on the police's use of torture.⁹² The CRTTS report noted that ill-treatment of minors in pretrial detention centers continued despite improvements in the overall conditions of these centers. Also, the process of transferring the management of predetention centers from the Ministry of Public Order to the Ministry of Justice lags far behind the original target of March 2004. Lengthy pretrial detentions as a result of delayed investigations remain a serious problem.

A number of measures have been taken to improve the legislative, institutional, organizational, and infrastructural shortcomings of the penitentiary system, but overcrowding and poor living conditions remain problematic. A number of laws in compliance with European standards, such as a code of ethics for the prison system and a law on prison police were introduced.⁹³ New prisons were opened in the towns of Peqin and Lezha, and other establishments had their capacities expanded. Yet these improvements were funded almost exclusively by foreign donors, and the government lacks a long-term strategy on bettering the conditions in the penitentiary system.

Corruption

1997	1998	1999	2001	2002	2003	2004	2005	2006
n/a	n/a	6.00	5.50	5.25	5.00	5.25	5.25	5.25

The victory of the DP-led coalition in the July elections on an anticorruption platform has brought renewed vigor to the struggle against corruption in Albania. Although it is too soon to evaluate the results of these efforts, the government has taken a variety of organizational, legislative, political, and financial measures to live up to its electoral promises.

The new administration inherited one of the most comprehensive anticorruption legislative frameworks in the region, while poor implementation had turned Albania into one of the most corrupt countries in Europe. Designed by the Anticorruption Monitoring Group—an interministerial body—the government's 2005 Action Plan on the Prevention of and Fight Against Corruption⁹⁴ failed to be put adequately into practice, a victim of a lack of sufficient political will.⁹⁵ According to Transparency International's Corruption Perceptions Index, the rating for Albania in 2005 fell to 2.4 from 2.5 in the previous two years, where 10 indicates the lowest level of perceived corruption. The annual report of the High State Audit for 2004, released on October 21, 2005, stated that 24.4 billion lek (more than US\$ 200 million) had been wasted.⁹⁶

Nevertheless, it is by no means clear whether actual corruption levels had actually increased over the past year.⁹⁷ A poll conducted by the World Bank and the European Bank for Reconstruction and Development suggested that corruption was declining in all Balkan countries except Serbia and Macedonia.⁹⁸ The high profile that this issue has taken in public debates, the media, and the electoral campaign—as well as the statements

of international community representatives—may have heightened popular perceptions of corruption levels. Although this awareness is a precondition for the political will necessary to combat corruption, it seems that in Albania anticorruption discourse envisions this fight as an end in itself rather than as a means to improve governance.⁹⁹

Moving quickly to define the war against corruption as its primary goal, the new government created an Anticorruption Task Force headed by Prime Minister Berisha. The adoption of the Law on the Prevention of Conflicts of Interest and the expansion of the mandate of the High Inspectorate of Declaration and Control of Assets (HIDCA) both strengthened the legal framework. The detailed asset declarations of the ministers of the new DP-led government and ongoing efforts to verify these declarations established a positive precedent, though some concerns remain that the law failed to cover some potential conflicts of interest.¹⁰⁰ An agreement between the HIDCA and the Ministry of Foreign Affairs for the provision of help by the latter to verify the asset declarations of public officials abroad may yield results in the future. The new administration amended the Law on the Prevention of Conflicts of Interest in order to increase its scope beyond the central public administration. And on November 2, the prime minister issued a detailed order outlining specific deadlines for the implementation of the law and the setup of working groups in each ministry to oversee the implementation process.¹⁰¹

Furthermore, on November 11 the prime minister agreed to allow the ACAC to monitor the implementation of the Law on the Prevention of Conflicts of Interest. He also ordered the full publication of financial transactions of government institutions in order to further public transparency.¹⁰² After an initially shaky start, the ACAC—a coalition of 25 civil society organizations—has taken a primary role from the civil society perspective in the fight against corruption. Finally, after a heated debate in which the opposition accused the government of using the excuse of corruption to put political pressure on state institutions, the Parliament adopted a resolution on November 15 on the increased role of the legislature in handling corruption-related issues.¹⁰³ It seems quite probable that the success of the government's anticorruption initiatives will be one of the key issues on which Albanians will judge the performance of the new government.

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NOTES

¹ U.S. Embassy in Tirana, "Albania Today: Looking Toward the Future," remarks by Ambassador Marcie B. Ries, Institute of Balkan Studies, Thessaloniki, October 17, 2005, www.usemb-tirana.rpo.at.

² Eno Trimçev, *Democracy, Intellectuals and the State: The Case of Albania*, Albanian Institute for International Studies, Tirana, 2005.

³ Elez Biberaj, *Albania in Transition: The Rocky Road to Democracy* (Boulder: Westview Press, 1998).

⁴ Freedom House, *Nations in Transit 2004: Albania*, www.freedomhouse.org.

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- ⁵ Citizens Advocacy Office (CAO), *Dritare per Transparencen*, (Window on Transparency) Tirana, November 8, 2005.
- ⁶ Albanian Institute for International Studies, *Albania and EU: Perceptions and Realities 2005*, Tirana, 2005.
- ⁷ European Commission, *Albania: 2005 Progress Report*, Brussels, November 9, 2005, p. 9.
- ⁸ The second multiparty elections of March 1992 also resulted in an orderly transfer of power. However, at the time, the governing SP did not have the will to continue governing anymore since it had lost almost all internal social control. Thus its campaign was lukewarm and self-defeatist—the governing party could not shoulder the responsibility of governance anymore. Elez Biberaj, *Albania in Transition: The Rocky Road to Democracy* (Boulder: Westview Press, 1998), pp. 35–38.
- ⁹ OSCE/ODIHR Election Observation Mission Report, *Republic of Albania: Parliamentary Elections 3 July 2005*, Warsaw, November 2005, p. 1.
- ¹⁰ Olli Rehn, Address to the Albanian Parliament, November 11, 2005.
- ¹¹ Interview with Eric Roman Filipink, political officer, OSCE presence in Albania, November 3, 2005.
- ¹² H. E. Besnik Mustafaj, *The Foreign Policy Vision of the New Albanian Government*, Albanian Institute for International Studies, Tirana, October 10, 2005.
- ¹³ *Shekulli*, November 7, 2005.
- ¹⁴ Law 8549, Status of the Civil Servant, November 11, 1999, www.pad.gov.al.
- ¹⁵ European Commission, p. 12.
- ¹⁶ Interview with Artan Hoxha, executive director of the Institute for Contemporary Studies, November 8, 2005.
- ¹⁷ European Commission, p. 12.
- ¹⁸ *Ibid.*
- ¹⁹ Interview with Artan Hoxha, executive director of the Institute for Contemporary Studies, November 8, 2005.
- ²⁰ *Ibid.*
- ²¹ OSCE report, *Modernising the Capacity of the Assembly of the Republic of Albania*, OSCE presence in Albania, October 13, 2005.
- ²² Interview with Eric Roman Filipink, political officer, OSCE presence in Albania, November 3, 2005.
- ²³ OSCE/ODIHR Election Observation Mission Report, *Republic of Albania: Parliamentary Elections 3 July 2005*, Warsaw, November 7, 2005, pp. 3–4.
- ²⁴ Albert Rakipi, Aldo Bumci, and Blendi Kajsii, “Albania—A Weak Democracy, a Weak State,” in *The Inflexibility Trap: Frustrated Societies, Weak States and Democracy* (Sofia, Bulgaria: Center for Liberal Strategies, January 2003), pp. 115–168.
- ²⁵ An October 2005 survey by the Albanian Institute for International Studies found that only one-third of respondents believed that Albania will have free and fair elections in the future. See *Albanian Democratization: In Search of Accountability*, Albanian Institute for International Studies, Tirana, 2005.
- ²⁶ Ambassador Osmo Lipponen, head of the OSCE presence in Albania, declared that these elections were “the ticket to [Albania’s] integration, be it in the security structures or in the European Union.” Interview with Ambassador Osmo Lipponen by Eva Simoni, *TeleArberia* (TVA), May 5, 2004.
- ²⁷ Freedom House, *Nations in Transit 2005: Albania*, www.freedomhouse.org, p. 1.

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- ²⁸ OSCE/ODHIR Election Observation Mission Report, “Annex I: Summary of Official Results,” in *Republic of Albania: Parliamentary Elections 3 July 2005*, Warsaw, November 7, 2005, p. 30.
- ²⁹ OSCE/ODIHR Election Observation Mission Report, *Republic of Albania: Parliamentary Elections 3 July 2005*, Warsaw, November 7, 2005.
- ³⁰ OSCE/ODIHR Election Observation Mission Report, *Republic of Albania: Parliamentary Elections 3 July 2005*, Warsaw, November 7, 2005, pp. 9–10.
- ³¹ Koalicioni i Vezhguesve Vendor, Raporti Perfundimtar.
- ³² OSCE/ODIHR, p. 7.
- ³³ Albanian Coalition Against Corruption, *Monitorimi i Mediave Per Zgjedhjet Parlamentare 2005* (Media Monitor for the Parliamentary Elections 2005) Raporti III, Tirana: 1 Korrik, 2005.
- ³⁴ Interview with Remzi Lani, executive director of the Albanian Media Institute, November 1, 2005.
- ³⁵ OSCE/ODIHR, p. 8.
- ³⁶ *Ibid.*, p. 1.
- ³⁷ Zyra per Mbrojtjen e Qytetareve, *Dritare per Transparencen*, Tirana, November 8, 2005.
- ³⁸ OSCE/ODIHR, p. 2.
- ³⁹ Albanian Institute for International Studies, *Albanian Democratization: In Search of Accountability*, Tirana, 2005.
- ⁴⁰ *Ibid.*, p. 1.
- ⁴¹ Interview with Selami Xhepa, councilor to the Minister of Economics, December 12, 2005.
- ⁴² Office of the President, *Presidenti Moisiu mblodhi tryezen e partive politike parlamentare* (President Moisiu calls the table of parliamentary political parties), December 7, 2005, www.president.al.
- ⁴³ Jacques Rupnik, “On Two Models of Exit from Communism: Central Europe and the Balkans,” in Sorin Antohi and Vladimir Tismaneanu, eds., *Between Past and Future: The Revolutions of 1989 and Their Aftermath* (Budapest: CEU Press, 2000), pp. 19–20.
- ⁴⁴ European Commission, p. 20.
- ⁴⁵ ODIHR, p. 18.
- ⁴⁶ *Ibid.*
- ⁴⁷ For example, the Albanian Human Rights Group (AHRG) mobilized 92 volunteers to monitor the election process in several prisons and pretrial detention centers as well as regular polling stations. For the AHRG’s election report, see AHRG, *Raporti Paraprak i Zgjedhjeve Parlaemntare 3 Korrik 2005*, Tirana, 2005.
- ⁴⁸ In this case, the “voter” photographs his marked ballot and then presents the picture to a fixer, who then pays the “voter” for voting for the given party. Interview with Pjerin Marku, executive director of the Albanian Coalition Against Corruption, November 15, 2005.
- ⁴⁹ Albanian Coalition Against Corruption, *Monitorimi i Mediave Per Zgjedhjet Parlamentare 2005*, Raporti III (Tirana, July 1, 2005).
- ⁵⁰ Interview with Citizens Advocacy Office members, December 2005.
- ⁵¹ Interview with Bardhi Kadilli, adviser on corruption issues to the Office of the Prime Minister, February 27, 2006.
- ⁵² *Shekulli*, “MJAF!: Te Minimizohet Klientela Shqiptare e Kazinose,” December 5, 2005.
- ⁵³ European Commission, p. 21.

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- ⁵⁴ Interview with BSPSH official.
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