
RELATIONSHIP BETWEEN RAIL TRANSPORT AND ECONOMIC & SOCIAL LIFE OF A COUNTRY (CASE ALBANIA)

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ABSTRACT: *This paper aims to identify the perception of Albanian citizens about the effects that a developing rail transport would give in the future. On the other hand, identifying the fields where rail transportation will be more influential according to consumer`s opinion is another important goal. To achieve these objectives a questionnaire was given to about 500 respondents. The result of the paper showed that the development of Albanian Railway would play an important role in economic and social development of Albania.*

KEYWORDS: Albanian Railways, Economic Development, Social Development, VIII Corridor, Albanian Transportation

INTRODUCTION

Railway industry plays an important role in many countries of the world. Since it is more economical than other means of transport, it serves as the main tool for the transportation of passengers and goods. The current situation of the Albanian rail industry is grave. From 447 km of rail lines, are still in operation about 425 km. The existing line presents an intense issue or problems and it is almost physically amortized in its most. Referring to the official sources of the Ministry of Transport, it results that only the line Tirana-Durres has had a recovery a few years ago. The rest of the track, nationwide, was built decades ago, as a result of voluntary work during the years of totalitarianism. The same situation is represented with other travel means, too. Carriages and locomotives are almost depreciated up into disuse. Signage is another important element that is reflected in inoperative of the railway network in the country. It almost does not exist anymore and often it is found as the main cause of accidents. Illegal crossings constructed in these recent years, makes the train speed decreased and typically (Passenger trains travel at 40 km / h, while the goods at 25-30 km / h).

The hypothesis of this study is:

What is the impact of rail transport in the development of the Albanian economy and what are the problems facing it, to achieve standards of European countries?

LITERATURE REVIEW

The European Union has initiated and approved three strategic packages of directives in order to recover and meet the needs of this important sector of transport. The 3 most developed European countries regarding rail networks are Germany, Great Britain and Sweden (Simola & Szekely 2011). Albania is a country where the railway transport plays a small role in economic development nowadays. During the communism period the railway was the only mean of transport, but after the political crises in 1990 everything changed. But the problem with railway network is not evident only in Albania. There are many countries in Europe who suffer the failure of market liberalization. The main reasons are fragmented licensing scheme, the lack of interaction of regional railway with the international one, the lack of licensed rail

drivers by the EU, transportation means, and allocation of security systems. (Di Pietrantonio & Pelkmans 2004).

We must point out that railway transportation brings social advantages in different aspects. We can mention the fact that if a person is employed or not, it can directly affect his perception on the benefits offered by the railways. This transport serves him to go to the workplace. If someone is involved in a group or political activity, it is also important. This benefit is also followed by the fact that there is no requirement for the passengers to be subjects of entry control recording, etc., as there is required in air transportation. Social support is another advantage that consists in the fact that railway costs provide favours to certain people in reaching different locations, meeting their needs by being close to family members, friends and neighbours. Last but not least is participation. This mode of transport enables users to pursue their hobbies, participation in various events, organizing activities, etc. We should emphasize that the key social benefit it offers is mobility. Lack of such aspect, would cause barriers of transportation to workplaces, difficulties in organizing trips for pleasure, education, health needs, shopping, participation in social and artistic events. Thus, mobility is what enables individuals to engage in social life.(Deloitte 2011)

Other advantage associated with rail can bring the fact that trains can be loaded with higher weights in comparison with weights the road vehicles can carry. (Which is its main competitor)? Number of people, goods being transported on a train is several times higher than what road vehicles can carry. In this case, we also note the increasing efficiency of Railway Transport. This benefit brings as a result lower ticket prices or travel costs, thus other consequential benefits derive. (Deloitte 2011). In the recent years it has been noted much governmental efforts aiming to promote the development of this sector in order to increase efficiency, reduce deficits and improve quality of service (Gomez-Ibanez 2004).

METHODOLOGY

The method used in this paper is the qualitative methodology. This paper is focused on the presentation of a tableau, to identify the relationship that exists between rail transport and the social-economic life in our country. To conclude the realization of this goal, are used as a primary means, questionnaires distributed to various categories of citizens in Albania. The questionnaires were designed structured, as in this way it does not require experience or special skills to fill or complete them. The ways of delivering or distributing questionnaires have been different: face to face, by electronic post (emails) and also by social network. What it's important to note, is that the people who responded to questionnaires, belongs to different ageism, gender, education, professions, habitats. In this way, not only is achieved the representation of the population in a transparent way (500 questionnaires in total), but also enables the selection of thoughts and ideas from different layers of Albanian society. To arrive at more valid conclusions, the questionnaire is designed with 15 questions. All questions are designed and structured, because as such they do not require experience or special skills to answer to them. The focus of the questionnaire aims to analyse the perception that people or the citizens have about the future and the impact of the railways in the development of the country. The questionnaire responses will be reflected processed and synthesized. Their detailed analysis will be presented in a detailed study of this topic. The second used tool is literature review. Studies, articles and different publications on this subject have been the focus of this paper, as a secondary data source.

RESULTS

In the survey participated 500 respondents, 58% of them were women and the rest, 42% were male. Among female travellers 55.9% of them have used train as a mean of transportation during the past 3 years, compared with 44.1% of them were male. The percentage of women who used trains was about 11% higher than male travellers. The data also show that the bulk of rail transport users are mostly of a young age; 32.2% are 31-40 years, followed by an age group of 20-30 years, 31.4% who say that they use mostly travelling by train for pleasure, in 22.4% of cases and 13.8% for business and in about 10% to meet relatives / school. While the two other age groups 41-50 years and over 50 years constitute respectively 18% and 18.4% of all users. Analyses show that 40.8% of the sample completed college, followed by 27.4% who have completed high school and then those who have completed or continue master degree classes with 17.8%. About 70% of respondents residing in the city where the stations are major travel by train. The rest is divided between those who live in the village, with 13% and those living in remote areas with 17%.

A significant proportion of respondents indicated that are unemployed. Precisely this forces intercity movements to perform mostly by train, because of the low cost which is often unaffordable travelling with other means of transport. 19.5% said they are self-employed and most with 51.6% of them declare that they are in working relations and only 7.8% are students. According to the questions 46.8% of cases they stated that their economic situation as average, followed by those who claim that their income is good with 31.4%, bad to 12.4% and finally very well with 7% or more bad only by 2.4%.

The main vehicle to travel to the selected sample with 55.8%, while the rest is distributed among public transport (buses) in 38.2% of a considerable amount but also the expected since we are all aware of the socio-economic conditions of the country, frequent increases in fuel prices or increasing the cost of a car -, including raising the price of car insurance. Travelling by train is recommended only in 3.2% of the cases and for several reasons: first the poor condition of trains and service in this type of transport, secondly, increasing the number of inter-city buses, often is accompanied by other means such as vans (8 + 1), which have reduced travel time but often have increased the cost of travel ticket. About 44% of respondents stated that they frequented travelling by train during the last 3 years.

This percentage shows that this type of transport is still frequented and indispensable for the family to have lower economic level and are employed in the largest cities in 43.8% of cases but also by persons who are not working but because different you have to travel to other cities or areas in 18% of cases, followed by 6.3% students who use train transportation as a means cost-free and conducive to conducting studies conducted on mostly in the capital because here are also focused on large state university and private also. For those who frequent travelling by train during the last 3 years, 24.8% of them say that the frequency of traveling by train goes up to 10 times a year, followed by those who use the train as a means of transportation several times a month 10%, and almost every day by 4.4%

An important reason that the passengers don't prefer to travel by train, is not only the frequency or use of these existing lines but also quality of service with this type of transportation, so this question respondents answered: 39.6% were very dissatisfied, followed from 31.8% who are

dissatisfied, neutral to 17.4% and a small number of travellers are really satisfied or very satisfied respectively 9% and 1.6%.

As for the question about the quality of traveling by train, including speed, infrastructure, cost of the ticket, the geographical distribution of this transport, more than half of them 52.6% say that the quality of the trains is very bad, or worse with 30.5%, and only a few of them think the opposite. The same trend of observed responses when asked about the quality of service on the train, (including, personnel, conditions, etc.), 75% of them think that the train service is very bad or bad. Lack of railway signalling, as a result of depreciation, failures, lack of investment or even theft or destruction by residents of surrounding areas have been the cause of many different accidents. Connected to the ticket price the answers are almost equally distributed, for a good part of their journey by train prices are good in 17.8% of cases or very good in 17.4% of them, it certainly socio economic reasons households that consume most of this type of transport. Almost the same situation presented with the issue of geographical spread rail system.

Asked about the impact on the economy about 33.7% of them, think that the impact will be very large, followed by 29.2% of them expressed that the impact will be great and very few think that the impact will be low or very low, only 2.2% of those who have given an answer think it will not have an impact. The same was about social impact, the 31% think that social impact will be great because it impacts directly on the household economy, and in 28.4% of answers of this influence are very high, followed by those who think that this influence will be at 24.3%.

About 12% of respondents are still pessimistic about the impact of railways in environmental issues. They think those are associated with important projects and decision-making in the country, as well as seeing the environmental massacre carried out during the last 20 years. This is also reflected in answers obtained from our sample where, respectively, 35.2% and 31.8% of them said that the impact will be very large or large. The expectations of travellers who use public transport and railway in particular are high even as regards issues such as accidents, pollution or traffic. Expectations are too high to reduce traffic with 38.1% followed by those who expect that investment in rail transport system will significantly reduce passenger number of accidents and of course also to 28.8% who say that the environmental impact will be positive, therefore less pollution in areas which extend the rail network. Among them there are still sceptical about these benefits but their number is small, from 3% -6.5%.

Being a candidate in EU, for Albania and the Albanian aspirations towards EU membership, there are a many standards to fulfil, not only political but also social-economic. According to the question about the change of the railway system in the country over the next decades, the respondents in 41.4% answered that our railways will be integrated in European standards. 45.4% of them think that this fact will attract investments across railway functional network in Albania. About 7.6% say that their situation will not change and only 5% say that the situation will deteriorate even further. According to the solutions for the recovery of this sector, data collected indicates that more than half of them, 2.7% rank as major alternative for Albanian railway system recovery, the privatization by powerful foreign companies, followed by those who think it will be the privatization of state-owned and private companies an alternative to 33%, and then as alternative third and fourth respectively with 28% and 27.4% who think they ranked the state as the main investor in the improvement of the railway system in the country

or privatization of local companies while the bottom rank possibility of granting concessions is 26.8%.

About the question if the trade liberalization would improve the situation created, the respondents answered positively by 44% of cases, partly with 40%, followed by 11% have no idea and bottom part pessimistic with 5%. Regarding the question if they have information that Albania is part of Corridor VIII railway that passes in Macedonia and goes in Sofia and later to the Black Sea, in the cities of Burgas and Varna - 56% of claim that they are unaware, so they have information about this project Albanian railways linking the region and beyond. And for those who have responded positively, for 73.6% of this project will bring socio-economic development, to 16.8% this opening with the region and Europe will somehow change the situation and to 9.6% or will not change anything or have no idea what will change. About the question if the rail network which will be an important alternative of communication with neighbouring countries, more than half of respondents (57.5%) think that the drafting of a development plan in the Balkans rail is now not only welcomed but also a necessity of the time.

A significant proportion of respondents think that development of this sector will have a positive impact on areas in which lies the railway system. It is also known that the benefits of the recovery of the railway system in Albania will be direct and in real time regarding to the value of real estate as houses, lands, shops and business growth or expansion around, where 46.4% of them say that the impact will be great or very great, intermediate in 24% of cases, followed by those who think that this impact will be at low or very low, and finally only 7.8% think that this development will not have any impact on the price of houses.

Regarding to the benefits gained from rail users, data analyses shows that the greatest impact will be given to goods and to passenger transport, 62.5% of them, followed by 20.2% who think that this impact will mostly be more sensitive to passengers and 9.6% only to goods and only 2%, answered negatively. The answers to the question "How it will affect Corridor VIII in Albanian tourism and agribusiness", the answers are as follows: 86% will have a positive impact and positive in the development of tourism, especially the border areas of the country or even the various tourist spots which have not yet recognized that foreign tourists as well coastal mountain canyons of the river amazed and national tradition. 77.5% of them again express that the impact will be positive and very positive about this development and interaction of cultures in agribusiness in which our country has excellent practice cooperating with other countries in the Balkans, Europe and beyond about various agricultural products, livestock etc.

Albania has signed Free Trade Agreement with Balkan countries (CEFTA). It is expected that its impact on the economy of the countries to be sensitive and direct, linking this agreement with the availability of a modern railway system in the country, to create the possibility of increased commodity exchanges. 44% of our respondents expressed positively, followed by those who hope that the modern system of railways and the CEFTA Agreement to increase the exchange of goods and have provided positive developments in all Balkans countries. Only 2% do not believe this will have positive developments and 7% say they have no clear idea. Regarding to the role of Human Resources nowadays in Albanian Railways, 46% of respondents think that HR are partially capable of operating with a modern system operating according to European standards, followed by 31% who say that our human resources are not able to work with modern systems of railway and only 16% think positively.

As for the extension of the railway system with Montenegro a significant proportion of respondents, over 46% see it as an opportunity with positive effects in the future, 30% are neutral and the rest do not think that opportunities will be small and only 1.2% stated that this project will not be realized. The intention trend is also positive about the questions related to tourism and the development of industry and economy, where major answers were optimistic with above 50%.

Asked if justified investments to be carried out for modernization of railways in Albania, respondents answered as follows: 44.8% of them say probably yes, followed by 32.3% believe that investments fully justified by stating that the service through the new system rail will be very profitable, about 10% are pessimistic and 12.2% of them have not a clear idea whether the new modern railway network will justify these investments which certainly caught the highest values. Given that investment in a railway network amortized as is the case of Albania investments in infrastructure, equipment, human resources, etc., is certainly very large, so the question of where the Albanians believe in building a modern railway, 46.9% of believing the investment by foreign investors, in 29.7% of cases in a collaboration between domestic and foreign investors, while 16% trust investment of state budget and only 36 respondents believe simply to a private investment. Those who think to investment by the state, in 88% of cases stated that this investment would be worthwhile to improve socio-economic conditions surrounding areas.

Given the fact that Albania and Kosovo have already reduced the physical distance between them via a nation, respondents were asked whether it would be profitable to build a railway line with Kosovo. About 89% of answers were positive and it is because of the convenience that provides a contemporary line, low cost and short distances.

DISCUSSION

Referring to the current situation, rail transport in Albania does not consist in a pillar that the economic development of the country can be supported. Although Albania's position is strategic in Balkans and Europe, this network appears still backward compared with other countries of the region and beyond. Road transport is very supported by the governments of last decades. This development is reflected in the tendency of Albanian citizens to use and preferred this mode of transportation. On the other hand, as regarding to railways, the projects designed still remain in the panel of plans for the future. As noted by the interpretation of questionnaires, railroad transportation in the future may serve positively in the economic and that social area of our country. Citizens have claimed that they view positively the recovery of this network for the reasons mentioned above. Although trains are currently the modes of transport less usable in the country, the likelihood of future seem hopeful. Travelling by train is preferred as a mode of transportation in the future, for half of the respondents. The predominance of their opinions on European integration of the country's railways is another positive factor in the possible attendance of trains. Albanian railways S.A is not adequate for this integration institution, after the entry of other operators competing in the market, is seen as a much better development.

IMPLICATION TO RESEARCH AND PRACTICE

Previous studies about Albanian Railways have focused only the physical factors of this kind of transport. The contribution of this paper consists in analysing of the citizen`s perceptions about the Albanian railways. On the other hand, it will serve as a base to support a detailed study on the management of rail transport in Albania.

CONCLUSION

The Construction of Passage VIII will positively affect in the development of the Albanian railway, especially in the field of tourism and agribusiness. These two areas are very promising for the future of the Albanian economy, bearing in mind the fact that Albania is a signatory of the CEFTA. Besides this fact, tourism is an important area where development policies are focused in recent years. Some recommendations that generate for the future focus on the role of government and other stakeholders to develop concrete plans for the reconstruction and efficient implementation of the railways in Albania. More concrete recommendations will be summarized as follows:

- Government and stakeholders must develop supportive policies for the development of railway transport in the future.
- Obligations for the completion of standards of the railway, which derives from the signing of the SAA and in the future of EU accession, should be treated seriously. Their fulfilment will reflect the country's economic development.
- The Government should value the role of rail in the facilitation of road traffic and the number of accidents in the road.
- Studies on the rail transportation should consider also the needs for the regional development of country

FUTURE RESEARCH

This paper aims to bring a connection between rail transport and economic development. It will serve as the basis for a deeper study in the future, especially if foreign companies have interest to get the Albanian railway concession. Further studies could focus in the role of railways in the tourism development of Albania.

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