

*An Ethnography of Land Market in Albania's Post-Socialist Informal Areas.*¹

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This article analyses the creation of informal areas at the periphery of Tirana, Albania's capital city. I argue that these urban informal areas are sites of fluid uncertainties and appear to be the product of people's distrust of the state law. In post-Socialist Albania, the land market has operated in a 'legal vacuum' and has acquired legitimacy by drawing on a system that has enabled the circulation of property as capital through adaptations of the local tradition of customary law. In such a situation, while national processes may follow a neoliberal approach, what occurs at the micro level would be more appropriately described as a 'kanunisation of the free market'.

Key words: Albania, land market, informal areas, legitimacy.

Introduction

In its commonly accepted logic, neo-liberalism regards market exchange as an expression of *individual freedom* to satisfy rationally given needs through selling and buying any kind of commodity, from land to human labour. Referring to Hungary, Chris Hann has argued that the process of de-collectivization in post-socialist settings brings out a number of competing perspectives on the notion of property, especially the way in which people operate, manoeuvre and use competing ideologies in order to legitimize their claims on land property (Hann 1993: 299-320; see also Scott 1998). The complexity and fluidity of post-socialist realities suggests that there are no durable certainties. In such a scenario, the notion of land *as subject of position* plays an important role in people's lives as a mean to ensure solidity against the uncertain future (Verdery 1996: 135).

Although the market of land in post-socialist Albanian is supposed to be open to the international one, it seems that foreigner buyers are not only restricted by the '*ethno-cratic*' *legal logic* (see Verdery 1998) but also by the rules set by the *Kanun* law on land. In broad agreement with the suggestion that in a 'mobile world' people deal with a very dynamic and plural legal set up (see Benda-Beckmann F., Benda Beckmann K. & Griffiths 2004: 6, 7, 10), the following ethnography shows how a contemporary version of Kanun law has shaped the land market

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in post-Socialist Albania's informal areas. The Kanun law is a kind of customary law, a non-state law. Roughly speaking, all matters solved through the Kanun are legally unacceptable and thus illegitimate for the Albanian state (Bardhoshi, forthcoming). The Kanun law possesses all the characteristic of Khnotic Law as described by Glodsmith and Patrick Glenn (2007).

This article is based on ethnographic research carried out in Albania's urban informal areas, which developed as a consequence of internal migration. Most of the people living in these areas are originally from the North-East; a region that was considered a 'Kanun area' even during communism (Bardhoshi 2009, 2010a). The creation of informal areas appears to be connected to the political élites' continuing quest to secure legitimacy. However, in terms of formal market they can be seen as 'dead capital' (de Soto 2000), because they have no legal back up. As we shall see, the ethnography tells a different story.



Map of Tirana, showing the informal areas.

The land market has operated in a 'legal vacuum'. It has drawn on a system that enabled the circulation of property as capital through adaptations of the local tradition of the Kanun to the new socio-economic and political environment of post-socialism. The *Kanun legal system*

legitimizes actions on the basis of *the ideology of blood relationships*, including economic transactions relating to property.

Towards an ethnography of land market in Albania

According to official statistics, in Albania 6 out of 7 buildings are constructed without formal permission from state authorities. These buildings are located in the informal areas that sprung all over the country during the first years of the post-socialist period.



Uniformity between houses: a sign of equality and solidarity between brothers.

Alia observes that ‘Over 350 thousand Albanian families, or at least 50% of country’s population posses in a way or another extralegal asset, and almost 80% of all business companies are in nature partially extralegal’ (Alia 2008: 230).

The expression ‘informal area’ has emerged as an official legal category in late post-socialist Albania (See Law No. 9482/03.04.2006). These areas have all the characteristics of the informal settlements created throughout Eastern Europe after socialism (Tsenkova 2009: 1-23). They emerged following the internal migration of people who were escaping poverty and hoped to find a better life in the big cities. There have been several waves of migration, two of which were major and are particularly significant in post-socialist Albania. The first big wave took place in 1992, when the political opposition first rose to power; that political leadership originated from the Northern areas of the country. The second big wave of migration toward the cities took place in 1997, coinciding with the failure of the Albanian state and the Democratic

Party (DP) leadership to run the country following the collapse of the pyramid schemes and the subsequent violence that pushed the country to the edge of civil war. Elections were held and a new government was formed by a coalition led by the Socialist Party (SP), whose leadership mainly originated from Southern Albania. What unites these important moments of Albania's recent history is that in both cases different politicians resorted to the mechanism of *exchanging land rights* for votes; in order to consolidate their political legitimacy in ruling the country, they allowed people to settle in the fields of the former state socialist farms.

Ordinary Albanians widely believe that the land of the former state farms has been occupied by the newcomers. Such belief is partially true, as in the cases when 'the law of the strongest' has prevailed in occupying the land. In many cases, however, the occupiers were representatives of the former state farms, who seized the land and then sold it to new comers. In doing so they used their power and knowledge of the legal status of the land, benefiting at the same time from a lack of sanction from state institutions. For example, while he was in office, the former chairman of a commune sold almost all the land of the state farm under his jurisdiction to the new comers in the early 1990s. Before becoming chairman of the commune, this man was the director of that specific state farm; now that land is called 'informal area 52'. It has also often happened that the same plot of land has been sold to several people. Sometimes politically connected individuals who lived in the neighbourhoods near the former state farms occupied the land and bullied the new comers to buy the land from them. They used their political connections as a protection mechanism or as a guarantee for the transactions. Inevitably, the widespread use of political connections has strongly influenced the public image of the state, which has become especially evident in the processes of negotiation and delegitimization of state law. The 'privatisation' and use of the state's public power for personal interest by politically well-connected individuals seems to be symptomatic of Albania's post-socialist society. The state seems to be no longer a 'reified' power; it has become human with a face and a name. Often, these politically well-connected individuals are identified by their community with the state and the law. They are addressed in the street with phrases like 'you are the state' (*ti je shtet*) or 'you are the law' (*ti je ligji*).



Main square of Kamza Town, representing the etalon of the informal area.

Many people whom I have interviewed on the issue of land transactions possess a handwritten document which includes details of the land that has been purchased, the position and size of the land in square meters, the property's borders and the name of the seller. In several instances these documents include also the names of state representatives, for example the name of the Reeve (*kryplaku*),² or of the chairman of the commune. Sometimes, these documents clearly state that the transaction was done in the presence of officials. In a number of cases the transaction occurred and was signed in the offices of state institutions. Nevertheless, a good number of transactions, particularly during the first phase of migration, were based on verbal contracts stipulated in the presence of witnesses and carried out in public spaces, such as coffee houses. In most cases, the buyer asked the seller to guarantee that the land *was state property and that it did not have any other owner besides the state*. Beyond that, to buy a land that had a prior owner was not considered wise because this would inevitably generate future conflicts of ownership. It seems that people believed that in the near future the state would, in one way or another, recognize their right of ownership. According to an Albanian proverb, the 'State will never be old', meaning that the state will never die. This belief has been endorsed by the promises regularly made by both right- and left-wing parties at electoral times (de Waal 2005).

² The Albanian word *kryplaku* means 'chairman of the village'; literally, this word could be translated into English as the 'elder'. In this case, however, it is used in accordance to the meaning provided by state law, that is, to indicate a local government institution.

The above processes are not exactly in tune with the Kanun and, therefore, with traditional land transactions as they, for example, take place in the villages. According to the *Kanun*, the act of land selling is very much part of a kind of social continuity, as defined by Gluckman (1965: 115, 116.). ‘Ideal types’ of *Kanun land transactions* could be briefly described as follow: 1) The land to be sold should be offered first to patrilineal close kin; 2) If none of the patrilineal kin wants to buy the land, or is unable to buy it, then the offer should be made to the neighbour whose property borders the land: thus, from *jus sanguinis* to *jus vicinities*; 3) If the neighbour is unable or does not want to buy the land, efforts are made to find a buyer within the village, thus preventing the land being sold to someone from outside the village. Both the land market and the distribution of immobile wealth and livestock are controlled by patrilineal males (de Vaal 2005).

The newly formed neighbourhoods of the informal areas appear to have ‘inherited’ some of the traditional relationships commonly found in the villages of origin of the new urban settlers. This does not mean that the new settlers reproduced in exactly the same way the social and economic life of their villages (see Prato 2011 on avoiding cultural determinism, p.135-36); of course there are important changes that need to be mentioned. First, in the new settlements exogamic rules of marriage are less relevant; second, there is not communal property; third, and most significantly, although a good part of the settled families are linked by blood, the new neighbourhoods are not patrilocal. The new social environment displays new forms of vicinities, where the new neighbours might be brother and sister, brothers-in-law or father-in-law and son-in-law. The traditional organization of the village was not based on this kind of relationship; neighbourhoods were patrilineal and patrilocal.

The changing significance of blood relations in the informal areas

The settlers in the informal areas have a distinguishing relationship with the land. First, many did not give up their land in their villages of origin. It is worth noting that, in some cases - like in the case of the Brut village in the Has region (Northeast of Albania) – the village as a whole no longer existed or its borders may have shifted.³ Even in such extreme situations, however, the

³ This process may be due to various reasons, which would need a separate article to be properly explained.

settlers retained ownership not only over their land but also over the village's communal land. Second, in the city, the newcomers have created new socio-economic relations through which new conceptual maps on 'property' have been elaborated and which are defined by the reality of the so-called *informal areas*. The new urban dynamics can be explained by the way in which a family gained *de facto* the property in the informal area, which in turn is very much related to the history of how that family came to establish itself in that specific informal area (for further details, see Bardhoshi, 2010b). It is important to note that this new 'conceptual map' continues to stress the relevance of blood relations. This deserves some explanation.

When selling a property in the informal area, usually a first offer is made to the neighbour. It is often the case that the neighbour is also related to the seller by blood. In this new context, a 'reformulated' *morality* of exchange still obliges the seller to make the first offer to the person with whom he has blood relations and who is also his neighbour. Significantly, in the context of the informal area land transactions are no longer strictly patrilineal – that is, brother selling to brother, or nephew buying from his paternal uncle, or vice-versa; in fact, land transactions also occur between brothers and sisters and between a maternal uncle and his nephew, and so on. The relevance of blood relations is made visible by the uniformity among neighbouring houses, which also represents a clear material sign of equality and solidarity among siblings. Furthermore, often brothers and sisters live in the same building, each having their own apartment. In such cases, the market is restricted to the members of the close family.

The importance that continues to be attached to reciprocal help accounts for another strong reason why, in the informal area, a property should be first offered to the neighbour. The way in which help is reciprocated is not limited to the construction of the house, but includes support provided throughout the time of residence in the area. Such a support extends to relations in the village of origin. Should a neighbour – who might or might not be a blood relative – show no interest in buying the land on offer, the seller usually makes an offer to kin who live outside the neighbourhood. Furthermore, following the 'hierarchy of offers' demanded by the *Kanun's* moral regulation of the land market, the sellers feel obliged to offer the land they want to sell in the informal area to the kin or the neighbour who is taking care of their property in the village of origin. Should they contravene this moral obligation, the sellers would be sanctioned and the kin or the neighbour would no longer look after their property in the village.

Concluding remarks

This ethnography points to the continuous tension between the moral crisis of legitimacy of state law – which is inevitably reflected in the way in which the state is perceived and trusted – and the local logic of land transaction that seems to draw on the ‘sanctity of tradition’. In the Albanian crisis of state authority, which is intrinsically linked to an ‘economy of uncertainties’, the ‘*Kanun Man*’ is faced with, and participates in the creation of, a new socio-economic and legal reality; the reality of the informal areas. This new socio-economic and legal arena reflects the clash between the ideology of ‘possessive individualism’ and what Gellner has defined as the communitarian ideology of ‘the dictatorship of cousins’ (but, see Prato 2011: 136-37 and 139). Such a communitarian ideology has taken many shapes, changing from patrilocal kinship to a more inclusive typology of kinship ties and networks that recognizes the matrilineal line (see also the case of Bledar asking help of his mother’s brother’s son, in Prato 2011: 146) and ‘fictive kin’, and extends to other neighbourhood relations.

When it comes to the land market in the informal areas it is observable that the value of a given property or land derives not only from its market price but also from kin relations, the personal and ‘family’ sacrifice and the work invested in it. Nevertheless, it should be underlined that, in spite of the new dynamics displayed by the land market in informal areas, in all the cases that I have observed, land transactions are *male-only* run businesses.

To put it briefly, informal areas are sites of *fluid uncertainties*; they appear to be a product of people’s distrust and mistrust of the state law (Pardo 2000), a result of the state’s failure to implement the law. It could be argued that this empirical reality is also a by-product of the neo-liberal ideology, challenged (Giordano and Kostova 2002) – as the state and its laws are often challenged – by a morality deriving at times from tradition, at times from failed political promises and often from the daily struggle in pursuing security and happiness in the post-socialist situation. If, following Gledhill (2004: 332-348), at national level what is occurring in Albania can be described as a process of neoliberalised legal systems, at micro level it would be better described as a process of ‘*kanunisation of the free market*’.

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