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**Post Pandemic World: Towards a Digital Society"**

**Proceedings Book**

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## Characteristics of Strategic Subcontracting Relations of Industrial SMEs

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### Abstract

The paper explores and analyses the activities of industrial small and medium-sized enterprises (SMEs), working as subcontractors, that have built sustainable relationships with at least one of their clients. It focuses on the importance of such dealings for SMEs that enables them to overcome their inherent weaknesses, to enhance competitiveness and to realize promising development. For that reason, subcontractors usually seek to build strategic partnerships with contractors. The paper reveals the main characteristics of the buyer-supplier relations that could be defined as strategic to the subcontracting SMEs, such as: to be sustainable over time, to provide access to key resources and innovations, to lead to acquisition of new competitive advantages and growth, etc. In addition, the paper presents some key traits of the relations that mark the existence of a mutual strategic partnership between subcontractors and their clients. The data and methods used in the paper include a study of literature sources, an investigation of available research findings, results of the author's individual research and expert observations, as well as data from a collective research project.<sup>1</sup>

**Keywords:** small and medium-sized enterprises, entrepreneurship, strategic subcontracting, competitive advantages, contractors, subcontractors

### Introduction

The dynamically changing consumer demands and the highly intensified competition in most markets today lead to changes in the relations between industrial enterprises, to increasing specialisation and division of labour at inter-company, national and international level, reflecting in the growing use of subcontracting as a method of production organisation.

There are numerous studies and publications discussing on: the reasons that urge large companies to use subcontractors; the activities that they could assign to external manufacturers and those that they should keep inside; the benefits of the reasonable and well-organised use of suppliers; the procedures for selection of subcontractors and the ways to evaluate their performance; the decision to turn them into strategic partners, etc. It can be summarised that the available literature and research focus mainly on the reasons, benefits and mechanisms by which large companies use subcontractors. The decisions, strategies and

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activities of subcontractors (often micro, small or medium in size) are rarely subject of research and publication. Even less – when subcontracting can be considered as a strategic lever for business development.

For these reasons, the paper focuses on the buyer-supplier relations through investigation of the subcontractors' point of view. It presents the most important indicators for determining such relations as strategic for the subcontractor companies but also – some key characteristics that mark the existence of a mutual strategic partnership. The data and methods used in the paper include a study of literature sources, an investigation of available research findings, results of the author's individual research and expert observations, as well as data from a collective research project.

## **Theoretical basis**

### ***SMEs' strategic partnerships***

SMEs are one of the engines of the economic development of most countries. Moreover, they solve tasks that are important to the society, such as creating employment or serving small market niches that embrace specific consumer needs.

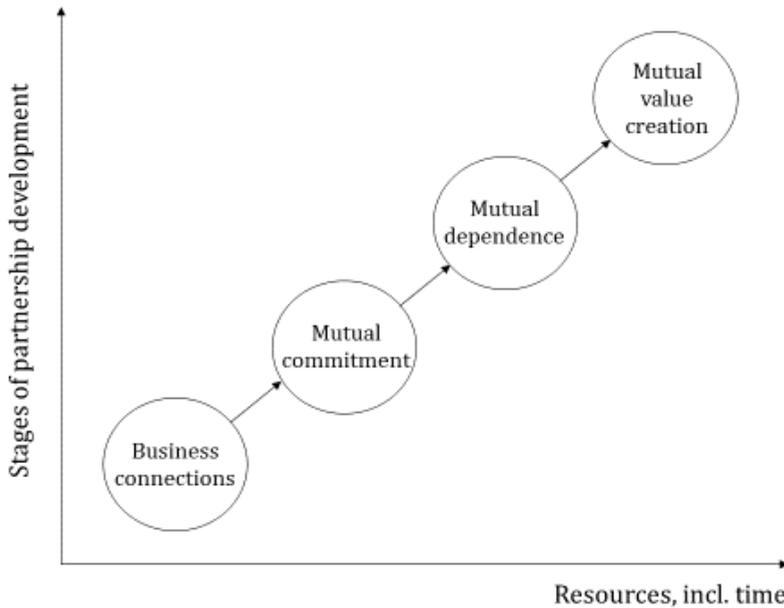
The group of SMEs is rather heterogeneous and it is characterised by different business models. There is not a big discussion in the specialised literature on the statement that the main alternative business models, implemented by SMEs, are the ones of small manufacturers and subcontractors (Cagliano&Spina, 2002). The first model is applied by companies manufacturing small production runs of products designed for a particular group of clients. SMEs that cannot or do not want to be independent small producers choose the second business model, finding their market in the face of large companies of which they become subcontractors.

When applied wisely, both business models can lead to market success, competitive growth and promising development. Nevertheless, whatever SMEs have chosen, the practice shows that they can hardly progress so alone. That is why entrepreneurs and SMEs' managers usually strive for entering and developing partnerships with other, often larger, companies. Through strategic collaboration SMEs are able to: overcome their inherent weaknesses (isolation, resource scarcity), gain greater results from their core strengths, share risks with partners, quickly respond to changes in the environment and undertake considerable strategic initiatives.

Along with the benefits of their involvement in strategic partnerships, SMEs' entrepreneurs and managers face a number of difficulties and problems related to finding a suitable partner, division of rights in relation to joint inventions and other objects of intellectual property, determination of the contribution of each partner to the joint activities, as well as distribution of their benefits. Major obstacles to maintaining sustainable relationships are the large difference in the size of the enterprises, the risk of losing independence of one of the partners and others. However, when the partnership is strategically oriented, the size should not matter: the dependence is mutual and it is not used by one of the partners to the detriment of the other. Therefore, when an entrepreneur purposefully looks for a suitable partner with whom to build strategic cooperation, the best first step is to review his/her already established personal and business relationships. And then, step by step, the strategic partnership is to be developed. Its components and stages may be different depending on the

characteristics of the partners and the goals set. One possible model of building a strategic partnership is presented in Figure 1.

**Figure 1. Components and stages of building a strategic partnership**



Source: Adapted from: Holm, D. B., K. Eriksson, J. Johanson (1999). Creating value through mutual commitment to business network relationships. *Strategic Management Journal*, No 20, 1999, p. 470.

### ***Subcontracting relations of industrial SMEs***

Subcontracting activities can be divided into industrial and trade ones. In industrial subcontracting products are used as components in the contractor's manufacturing process, while trade subcontracting means production intended to be wholesaled by another company (Yurukova, 2009, p. 144). There are not many variations in the views about the essence of the industrial subcontracting in literature. A detailed definition was given by Thorburn and Takashima in 1992, who described it as "the provision, by one firm to another, of relatively specialised inputs, which are then incorporated into the final product of the buying firm. These inputs are distinguished from inputs of a standard kind such as raw materials or electric power, which can be purchased on the open market... It has the implication of a continuing (though not necessarily continuous) relation between the buying firm ... and the subcontractor which may be backed by legal contract, or trust, or both. Often, though not always, the supplying firm may be small in relation to the principal." (Cited from

Curran&Blackburn, 1994, p. 30). Usually the aim of such dealings is a synergetic effect for both enterprises to be achieved and the collaboration may have a strategic character for one or both sides.

Stimuli and motives for SMEs to become subcontractors could be various. However, some important advantages of subcontracting activity might be: stable production orders and sales without considerable marketing costs and risks (the juridical, financial and other responsibilities for the completion and sale of the end output is taken by the contractor); opportunities for borrowing technical and managerial know-how from the client; getting consultancy by the large company in different areas – manufacture, HRM, organisation; gaining experience for working in international environment; opportunities for creation and adoption of product and process innovations, which have an assured market; specialisation in one activity and, as a result – achieving economy of scale; increasing the image when working for well-known clients (Yurukova, 2007, pp. 465-466).

Some risks and weaknesses of subcontracting activity for SMEs can be related to: small size of the profit; irregular orders (lack of long-term contracts); loss of touch with the wide market; loss of independence, flexibility, innovativeness, valuable know-how, etc. (Yurukova, 2009, p. 146). SMEs subcontractors could also face some challenges connected with difficulties to deal with the globalisation's peculiarities; lack of necessary resources or managerial capabilities that hinder them to take on more voluminous and complex tasks (Harizanova&Tsvetkova, 2013, p. 124-125); complicated procedures of negotiation; too high requirements for quality control, production schedules and personnel qualification; etc.

With time, through using advantages and avoiding disadvantages of the subcontracting activity, SMEs could develop in two main directions:

First, it is possible for them to turn to more perspective activities. From “fire brigade” used for compensation of lack of production capacity of the large enterprises and some other “emergences”, they could transform into specialised subcontractors, which possess a technology that the client companies need.

Second, with the help of the knowledge, experience and resources gained, they could invest in developing their own products and in their market realisation (to switch to the first business model). In most cases the manufacture of products with its own brand is tied to larger profits and growth opportunities, but there are many risks that must be stipulated and reduced.

### ***Subcontracting as a buyer-supplier strategic partnership***

The following exposition synthesises the views of many authors regarding the nowadays manner of interaction between subcontractors and their clients, that replaced the traditional model of relationships and leads to synergetic and lasting effects for both parties.

The interest in the role of the supplying enterprises increased as a result of the decentralisation processes of large companies started in the 1970s and widely discussed in the specialised literature (Villa&Panizzolo, 1996; Cagliano&Spina, 2002; Cousins et al., 2008; etc.). In the subsequent decade, however, subcontracting relationships have been usually seen as unequal interactions based on the predominance of power of the buying companies, influencing the decisions and strategies of the suppliers. The subcontractors have not had many opportunities to differentiate their offers and have usually been chosen by manufacturers due to their geographical proximity and/or low price of the services. Such a

position in the supply chain has not always been attractive to the small companies and therefore has been perceived as inevitable, but the only acceptable solution for SMEs that did not possess the necessary resources or abilities to be independent producers.

After the 1980s, the role of subcontractors gradually began to change. Products and markets developed by large manufacturers became more complex and the companies started to face difficulties to coordinate the use of a variety of external resources and competencies supplied by multiple subcontractors. For this reason, they increasingly began to rely on a limited number of privileged subcontractors (delivering more complete and/or complex products, as well as a larger volume of work), interrupting their orders to other suppliers (Harizanova&Tsvetkova, 2013, p. 130; Vasiliska, 2020, p. 741). Subcontracting networks became pyramid structures in which the contractors relied on a small number of strategic suppliers, which in their turn assigned tasks to a significant number of lower-tier subcontractors. Examples of this evolution of subcontracting relationships can be found firstly in the automotive industry, as well as in some other machine-building sectors.

In this light, the importance of subcontractors is much greater than that of ordinary suppliers of production capacity. Those of them who have managed to become major suppliers to large-scale manufacturers could generate high added value in the activities they perform. This is due to the greater opportunities for differentiation based on specialised technology, flexibility or low cost.

With the presence of such prerequisites, *an industrial subcontracting partnership* can be built. This concept is based on the modern approach to organising and managing the relationship between large manufacturers and their suppliers, characterised by tight specialisation and technological expertise of subcontractors and leading to sustainable, fair and, to some extent, balanced relationships.

In addition to the above, the main features and advantages of the current subcontracting model can be pointed out:

Growing demand for reliable subcontractors with which large manufacturers could establish continuous and profitable partnerships, supported by long-term contracts;

Involvement of subcontractors still in the phase of R&D;

Increased integration and complexity of the products produced by the subcontractors;

Parts and products manufactured by subcontractors are supplemented with accompanying services, such as various R&D, design, information, logistics and other services (Villa&Panizzolo, 1996, p. 39);

Growing exchange of information and know-how between buyers and suppliers;

Acceleration of the innovation processes and taking more and more of them by subcontractors;

Increased flexibility of the production processes;

Cost reduction – a common task of contractors and subcontractors;

Reduction of delivery time (“just in time” production);

Strategic commitment of the goals, production plans and management philosophies of both companies;

Mutual dependency caused by the complexity of the relationships and the high investments needed (Gubik, 2005, p. 35).

In conclusion it can be pointed out that nowadays the industrial production, characterised by the increasing competition in terms of conquering new markets, product quality and cost reduction, often leads to the transformation of non-binding subcontracting relationships between established producers and their subcontractors into strategic ones.

### **Methodology and data sources**

Partnerships between enterprises of different sizes, incl. subcontracting ones, should be defined as strategic, based on an investigation of all parties involved. However, the research available in the literature is rarely voluminous and comprehensive enough and targets mainly large enterprises that have chosen to partner with smaller ones for various reasons. In addition, different business relationships may be of strategic importance to only one of the parties involved. It is really interesting, the point of view of the “weaker” in such relationships SMEs to be examined.

Part of the results of two empirical investigations (one – individual, and the other – collective) is presented in the current paper. In both of them the author aimed to identify relationships that, due to the presence of certain characteristics, can be defined as strategic for subcontractors, and to indirectly determine whether they are the same for the contractors.

The author's *individual research* investigated 60 Bulgarian enterprises (selected after a preliminary pilot survey) meeting the following criteria:

to be micro, small or medium in size;

to be industrial ones;

to work predominantly as subcontractors;

to have at least one contractor that they consider as a major business partner.

The survey was aimed at identifying the most prevalent characteristics of the relationships between SMEs and their major partners that, accordingly, could be determined as the main features of subcontracting relations that are of strategic importance to the suppliers. The importance of the relations for the buying companies was indirectly assessed by the opinion of their subcontractors.

The author also uses data obtained from a representative survey of 500 Bulgarian SMEs developing different kinds of international activities. The survey was part of a fundamental scientific *research project* titled “Determinants and models of the competitive performance of small and medium-sized enterprises in international business environment” (2016-2021), funded by the National Science Fund of the Bulgarian Ministry of Education and Science, implemented by a research team with the participation of the author of this paper. Many of the investigated SMEs work as subcontractors for foreign companies but for 35 of them this is a main activity. All these 35 respondents answered that the partnership with the foreign contractors (listed among many other possible business partners) is of strategic importance for the development of their businesses. The main issues that the author verified within this

investigation were whether there are competitive advantages that are strengthened or newly acquired by SMEs as a result of the business partnership with their main contractors, as well as whether there are some other benefits for them.

### **Summarised results of the empirical verification**

As a result of the conducted empirical investigations (described above), the most important criteria for the perception of a **contractor as a strategic partner**, which had a decisive influence on the development of the studied Bulgarian SMEs subcontractors, emerged. They are:

*long duration of the business relations* – this turns out to be the most important indicator for strategic orientation, because most of the surveyed companies define as their main business partner the contractor for which they work the longest;

*large-scale orders* – the work assigned by the main contractor forms a significant share of the turnover of the surveyed enterprises;

*delivery of a (part of) product that is important for the contractor* – many of the studied subcontractors produce complex or fully completed products that allow them to develop their potential, to achieve a good profit, and, at the same time – to satisfy the contractor's requirements;

*implementation of changes, reorganisations and innovations* for the needs of the contractor's production, which are also valuable for other aspects of the enterprises' activities, as well as for their future development;

*acquisition of new or strengthening existing competitive advantages* – big part of the research objects has gained specialised technological expertise, has increased the speed and/or quality of the provided service or has reduced its costs;

*access to key resources* – technologies, equipment, production materials, information, consultancy, etc.;

*growth and development* – more than two thirds of the enterprises have hired new employees and have increased their turnover as a result of the increased and complicated orders of the contractors. Continuous financial inflows have led to investments not only in the expansion of cooperation, but also in development in other areas;

*size and prestige of the contractor* – huge part of the contractors are large enterprises with established reputation or production units of multinational corporations;

*building an image and finding other strategic partners* – the acquired status of a reliable supplier of a well-known manufacturer in many cases leads to attracting new large customers (mainly – foreign ones).

Another important conclusion can also be drawn out of the empirical research: a valuable **subcontracting partnership** is built when the relationship is of strategic importance for both parties involved. Based on the additional information obtained from a large part of the surveyed enterprises, the main characteristics of such a partnership can be deduced:

*mutual benefit based on specialisation and cost reduction* – both parties specialise within their areas of competence, which leads to economies of scale. At the same time, they reduce or eliminate some costs as a result of the established subcontracting relationships;

*sustainability of relations* – both companies benefit from the long-term cooperation, which allows them to plan activities, to cut efforts and costs for finding new counterparties;

*precise fulfilment of obligations and certainty in the relations* – the constant correct execution of the formal agreements leads to achieving certainty in the relations and turning the parties into reliable for each other partners;

*fair distribution of the risks and the benefits of the collaboration* depending on the contribution of each party;

*presence of an innovative element in the relationship* – the sustainable subcontracting partnerships are based on the availability of specialised technological knowledge or equipment of subcontractors, not on benefiting from their cheaper services;

*good interpersonal relationships, tolerance and coherence in doings* – personal cooperation between entrepreneurs or employees, who are responsible for communication with the partner, leads to less problematic business relationships. Both sides are making compromises in order to keep and develop the cooperation;

*mutual and comparable dependence, leading to difficult replacement of the partner* – the mutual mid or high-level dependence is important because neither party can easily end the relationship. This provides security for both companies, as well as opportunity for strategic planning of the business. The dependence should not be used by one of the parties to harm the interests of the other.

An important prerequisite for the development of sustainable subcontracting relations is the presence of relative comparability in the size and resources of the two enterprises. The empirical investigations give grounds the conclusion to be drawn that established strategic subcontracting partnerships predominantly have the medium-sized enterprises, and their growth is connected to the increasing orders of the key customers during the years of collaboration. The absence of a pronounced dominance of one of the sides in the relationship is a condition for building a mutual strategic partnership. Nevertheless, the empirical results show that balance is not a common feature of these relationships. The difference in the scale of the companies or in their degree of dependence leads to a predominance in the power of one of the parties. When this advantage is not used incorrectly, a strategic partnership can be built after all.

## **Conclusions and recommendations**

Subcontracting is a widely used method of division of labour between industrial enterprises. The subcontractor usually offers something that the large manufacturer is not able to do easily and/or profitably by itself. Sometimes the latter is dependent on the specialised knowledge of the subcontractor. The buyer company, in turn, secures the subcontractor's market and brings other benefits, especially when it is considered by the smaller firm as a partner.

The set of criteria that would determine a contractor as a strategic partner should be unique to each company. It could differ according to the subcontractor's industrial specialisation, size, innovation focus, strategy, goals (growth, diversification, internationalisation), as well as

depending on the characteristics of the contractor and the subject of their relationship. Nevertheless, based on empirical investigations conducted among Bulgarian SMEs subcontractors, the current paper presents the most important criteria for the perception of a contractor as a strategic partner, as well as some key characteristics of the mutual subcontracting partnership, that may be applicable in other national contexts.

The empirical results presented in the paper and the analyses made provide a basis for making recommendations to entrepreneurs and managers of SMEs that work as subcontractors. Basically, in order strategic to the supplying companies partnerships to be built, they must wish it and pursue it through behaving proactively. To enter the subcontracting networks of well-known manufacturers or to turn accidental relations into long-term and even strategic ones, it is necessary for the subcontractors to have specific competitive advantages or to be ready to acquire them in the short term. They should develop themselves purposefully in order to become preferred, reliable and hardly replaceable partners of reputable manufacturers. Moreover, they should strive for building relations that are of a strategic importance for both parties because the mutual subcontracting partnerships are more beneficial and stable. Building such relationships requires desire, time, trust, tolerance, precise fulfilment of obligations and coherence in plans and activities.

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## Acquisition of Immovable Property According to Special Laws in Albania

Luan Hasneziri

PhD

### Abstract

Immovable property, reflected in various forms, such as hotels, tourism complexes, apartments, land, agricultural land, etc., is one of the most important assets for the economic development of a country. The classic way of acquisition of Immovable property in Albania is according to the provisions of the Civil Code, through the contract of sale, donation, etc., which constitute the classic way of gaining ownership in any democratic state. Albania, as one of the post-communist countries, has experienced a difficult transition in establishing a market economy and a state of liberal democracy. This difficult transition has been reflected quite clearly in the matter of property regulation in general, and immovable property in particular, for which the Albanian state had to adopt special laws. The problem of a fair and complete regulation of Immovable property in Albania, has remained unsolved and this is the main reason that prompted me to present in this scientific work some of the most important legal issues for its regulation. The scientific work consist of two main issues. The first issue will address, in general, the acquisition of ownership of Immovable property under the laws “*On restitution and compensation of the property to former owners*” and “*On legalization, urbanization and integration of illegal constructions*”. The definition of these laws will be done by defining them critically and comparing them with international standards related to the property rights. The second issue will analyze the problems arising in judicial practice and the implementation of these special laws. In this issue will be analyzed some Unified Decisions of the Joint Colleges of the Supreme Court and of the Constitutional Court that have to do with the nature and content of these laws. Also, in this issue, will be reflected some decisions, given by the European Court of Human Rights or the Strasbourg Court, against Albania, for the violation of the proprietary rights as one of the fundamental human rights and freedoms. At the end of the scientific work will be given its conclusions, as well as the bibliography on which he is based.<sup>1</sup>

**Keywords:** Immovable property, special law, proprietary rights, legalization and urbanization of illegal constructions, international standards of property rights.

### Introduction

1. Property restitution according to the Law “On compensation and regaining of the properties” and “On legalisation, urbanisation and integration of the illegal constructions”

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<sup>1</sup> This scientific work is presented by Dr. Luan Hasneziri, External Lecturer at Albanian University and External Lecturer at the Faculty of Law of the University of Tirana.

The right to the property case in Albania, despite the Civil Code and other specific law, is regulated by provisions in the Albanian Constitution. The latter explicitly states that the right to private property is guaranteed and no one can be deprived of these rights unless it is against public interest and against a just compensation (see article 41, points 1, 3 and 4 of the Constitution of Albania) <sup>1</sup>.

The provision of basic rules regarding the right to private property from the Albanian Constitution, states the importance these rights have in a country which relies on the market economy and liberal democracy. This constitutional rule of the right to property in Albania is in accordance with international standards, because the Constitutions in every democratic country contain specific dispositions for regulation of private property case, as one of the basic human rights and freedoms but also one of the conditions for market economy developments.

Considering the importance the right to private property poses, the Albanian Constitution has provided also the protection of this right from every illegal action or non action of the state authority. According to the Constitution, the right to property cannot be violated without a right legal process which is one of the basic guarantees of the right for protection of the basic human rights and freedoms in a country (see Point 1 of Article 42 of the Constitution of Albania) <sup>2</sup>.

The right to property is also regulated from the most important articles of the international rights that provides the individual rights and freedom in a democratic society, like the Universal Declaration of Human Rights approved by the General Assembly of the European Union on 10<sup>th</sup> December 1948, in the International Pact for the civil and political rights of the General Assembly of the European Union etc. From the international acts that regulate the right to private property in Albania, an important place takes the European Convention of the Human Rights together with its extra Protocols which are part of the Convention. The Protocol 1 of this Convention states that everyone has the right to have its property respected and no one can be deprived from his property, unless for public interest reasons, in cases provided in the law and international rights acts (see the first paragraph and Article 1 of Protocol no. 1 of *the European Convention on Human Rights*) <sup>3</sup>.

In Albania the right to property case in general and the right to real estate in specific, apart for the Civil Code is regulated from other specific law. One of these laws is "*On the returning and compensation of the property to their owners*". The aim of this law was defined in its Article 1

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<sup>1</sup> Article 41, points 1, 3 and 4 of the Constitution of Albania provide:

"1. *The right to private property is guaranteed.*

3. *The law may provide for expropriations or restrictions on the exercise of property rights only in the public interest.*

4. *Expropriations or those restrictions of the property right that are equal to the expropriation are allowed only against the fair compensation".*

<sup>2</sup> Point 1 of Article 42 of the Constitution of Albania provides:

"1. *Freedom, property and rights recognized by the Constitution and by law cannot be violated without a proper legal process.*"

4. *The first paragraph and Article 1 of Protocol no. 1 of the European Convention on Human Rights provides:*

<sup>3</sup>*Every natural or legal person has the right to have his property respected. "No one shall be deprived of his possessions except in the public interest and subject to the conditions provided for by law and by the general principles of international law."*

where states that the state recognises the right to property to former owners of their expropriated properties, confiscated or turned to state property according to the legal acts, sub legal or other court decisions after 29<sup>th</sup> November 1944, or gained in any other unlawful way. According to this law the state would not only recognise ownership but would return the property to the owners if this was possible, and in cases where not possible the former owners would be compensated in the capacity according to this law (see Article 1 of the law "*On restitution and compensation of property to former owners*").<sup>1</sup>

The range of persons benefiting from this law expanded with the law no.7916 date 12.04.1995, "On some changes to law no.7698 date 15.04.1993" "On returning and compensation of the properties to former owners" which changed Article 1 of the above law, defining that would return the property to former owners which were confiscated, nationalised or taken in any unjust way from the state and according to the law no.37 date 13.01.1945 "*On extraordinary taxation*".

This expansion of the range of the persons who would benefit, even the former owners which properties were taken unjustly based on the law in 1945 "*On extraordinary taxation*", was not approved by Constitutional Court, which with its decision no.6 in 2000, decided the invalidation as unacceptable for the Constitution and the international speech agreements: "including law no.37, date 13.01.1945 "*On extraordinary taxation*" which was provided in article 1 of law no. 7916 date 12.04.1995.

In the above decision, Constitutional Court, amid others states: "...Article 1 of Law no.7698 date 15.04.1993 "On returning and compensation of properties to former owners" and also its other dispositions, recognises the right to property the former owners or their heirs for the nationalised properties, confiscated from the state after 29<sup>th</sup> November 1944, or taken unjustly at any cost. By approving this law, the legislator tried to rectify the injustices created by the state at the time, which stripped a relatively high number of owners from their rights to property conform the general rights of the international norms.

Law no.7916 date 12.04.1995, "On some changes to law no.7698 date 15.04.1993" "On returning and compensation of the properties to former owners" which changed Article 1 of the above law, by which expands the range of beneficiary subjects. According to this addition, beneficiary subjects are persons as well whose properties were confiscated from the state based on law no.37 date 10.01.1945 "*On extraordinary taxation*".

Constitutional Court states that this addition of the law in 1995 is not consistent with international Constitution and agreements. The Constitutional Court concludes that the aim of the Law no.37 date 13.01.1945 "*On extraordinary taxation*", was to put the extraordinary tax on the grand profits realised by its citizens and foreigners in Albania during their trading, industrial and intermediate activities from 7<sup>th</sup> April 1939 until 31<sup>st</sup> December 1944. This category of subjects that was affected by this law it is not considered as equal to the other

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<sup>1</sup> Article 1 of the law "*On restitution and compensation of property to former owners*" provided: "*This law recognizes the former owners or their heirs the right of ownership for nationalized property, expropriated or confiscated according to laws, sublaws, and court decisions issued after November 29, 1944, or unjustly taken by the state in any other way, as well as determines the ways and measures for their return and compensation.*

former owners whose properties were not confiscated or used for any fiscal reasons...." (see Decision no. 6, of 2000 of the Constitutional Court of the Republic of Albania) <sup>1</sup>.

The law "On returning and compensation of the properties to the former owners", provided that the property wasn't recognised and was not returned to the former owners, for the movable property and for agriculture land which was affected by the law "On the land" even for the land and agriculture land which was object of this law, provided restrictions in relation to the land area size which was returned or compensated to the former owners. According to the dispositions of this law, while there were no restrictions to recognising the right to property to the former owners which was for the whole area the land the former owner had before, despite the area size, for the return in kind or compensation of this property, provided that it would return in kind or compensations up to 10,000m<sup>2</sup>, in cases when the property was up to this size. When the property was from 10,000 up to 100,000m<sup>2</sup>, was returned in kind or compensated 10,000m<sup>2</sup> plus 10% of the area that the ownership was recognised, and when the property was over 100,000m<sup>2</sup>, was returned or compensated 10,000m<sup>2</sup> plus 1% of the area that the ownership was recognised (see Article 5 of law no. 7698, dated 15.04.1993 "On restitution and compensation of property to former owners" )<sup>2</sup>.

Putting such a restriction from the legislator for the return in nature or compensation of the property to the former owners within a limited area of up to 10,000m<sup>2</sup>, despite the fact that the right to property was recognised for the whole area, was to put a balance between the interests of the former owners and general interests, which required the existence of a free land in order to give to other persons who didn't have land. The restriction set out by this law, which defined the right of return in kind or the compensation of the former owners up to 10,000m<sup>2</sup>, despite the fact that the whole area confiscated was much bigger, is thought to be unjust violation of the lawful interests of the former owners and was not conform the international standards.

The provisions of this law set out detailed rules that defined the cases when the property, after being known to the former owner, was returned to them in kind, obviously within the area specified in the law or compensated in one of the ways provided by law. The restitution of the property or its compensation was based on the principle that when the property was vacant, it was returned to its former owner, while when the property was occupied, it was not returned to the former owner, but he was compensated in one of the ways provided by law.

Making a systematic and logical interpretation of the provisions of this law, we find that property, which included buildings, lands, agricultural and non-agricultural land, was considered occupied in cases when at the time of entry into force of this law served to the realization of public interests. In all other cases the property would be considered vacant and it would be returned to the former owner in kind.

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<sup>1</sup> See also: Decision no. 6, of 2000 of the Constitutional Court of the Republic of Albania.

<sup>2</sup> Article 5 of law no. 7698, dated 15.04.1993 "On restitution and compensation of property to former owners" provided: "In all cases not otherwise provided in this law, the restitution and compensation measures will be complete up to 10 000 m<sup>2</sup>. When the property is from 10 000 to 100 000 m<sup>2</sup>, the amount of return or compensation will be plus 10 percent, while for properties over 100 000 m<sup>2</sup> plus 1 percent".

For the return of free property in kind, two of the cases that this law provided that the property was free, which were provided by articles 12 and 17 of law no. 7698, dated 15.4.1993 have no legal value and force, because the Constitutional Court with its decision no. 4, of 1994 has repealed as incompatible with the main constitutional provisions Articles 12 and 17 of the above law which provided for these cases. Thus, the Constitutional Court, repealing Articles 12 and 17 of Law no. 7698, dated 15.4.1993 "On the return and compensation of properties to former owners", in its decision no. 4 of 1994, among others, it aims: "... Through law no. 7698, dated 15.04.1993 "On the return and compensation of property to former owners ", the new democratic state, although not responsible for the injustices of the past, assumed the moral and legal obligation to put in place, as best as possible, some of the injustices of the previous regime pertaining to the period after 29 November 1944.

With regard to Articles 12 and 17 of this law, the review of the constitutionality of which is the object of this trial, the Constitutional Court concludes that their dispositions are contrary to certain principles and constitutional norms adopted by the constitutional laws in force and universally accepted in international legal acts, which ensure the protection of private property from unjust and arbitrary actions of the state or other entities. According to Article 27 of the constitutional law no. 7692, dated 31.03.1993, "On Fundamental Human Rights and Freedoms": "No one can be denied the right to have private property alone or together with others, and the right to inherit. Acquisition, enjoyment and alienation of property, as well as the right of inheritance are regulated by law".

No one can be expropriated, except for a public interest and against full compensation."

...Contracts in which the state has participated as a selling party of these premises, even if justified reasons are made that make them invalid, can not be unilaterally terminated by the state through its legislative or executive bodies, because it violates the well-known legal principle, according to which no one, even the state, cannot become a judge of his own case. (Nemo iudex in causa sua)...” (see Decision of the Constitutional Court of the Republic of Albania no. 4 of 1994).<sup>1</sup>

Another special law that provides for the acquisition of ownership of real estate is the law "On legalization, urbanization and integration of illegal constructions". Our country, for about last 50 years of the last century, namely from 1945 until 1990, from the point of view of the political and economic system, was characterized by the rule of the totalitarian socialist state, where human rights, including the right to move and choose one's home freely within the country, were completely denied. This resulted in the beginning of pluralism, during the last decade of the twentieth century (1990-2000), but also afterwards, a large part of the population, mainly from the northern, north-eastern and south-east of the country who lived in very difficult economic conditions due to the terrain where they were and unemployment, to move to the western lowlands of the country and mainly on the outskirts of large cities, such as Tirana, Durres, Vlora, etc. The movement of this part of the population, we can say about 1/4 of the entire population of the country, towards the big cities, was a consequence not only of the difficult terrain conditions, lack of infrastructure, as well as economic difficulties and mass unemployment, which had occupied these areas and parts of the population in this

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<sup>1</sup> See also: Decision of the Constitutional Court of the Republic of Albania no. 4 of 1994.

period, but also of the "wind of freedom", which was finally felt by Albanians at the turn of the twentieth century and early twenty-first century.

This caused a social problem which had to do with resolving the issue of land ownership occupied by the newcomers, so it had to be determined who would become the owner of these already occupied lands, the former owners or persons who had come and occupied these lands, and resolving the problem of urbanization and integration of these occupied lands, where new dwellings were built by the newcomers, with other urbanized areas. On the other hand, the movement of a large number of population in the suburban areas of large cities, took place during times when the state and its central and local bodies, failed to take any measures to prevent this chaotic movement and without any urban plan, turning this massive population movement into a social problem that affected the interests of two major social groups:

- a) the interests of the former owners whose lands were occupied by the newcomers and
- b) the interests of the migrants who, it is true that with their relocation had occupied the lands of other persons, but, since they were in very large numbers and moreover the state had not intervened to prevent it or at least to regulate to some extent these movements, these interests had already become a social issue which had to be resolved by the state.

Precisely to regulate these two opposing interests, specifically the interests of the former owners whose lands were occupied and the settlers' interests that had occupied these lands, as well as to urbanize and integrate these occupied lands with other urbanized areas of the country, the Albanian Parliament, approved the law *"On legalization, urbanization and integration of illegal constructions"*. This law is a special way of regaining ownership, due to the fact that one of its main purposes is the transfer of ownership of the occupied land / plot, to persons who came or occupied it, building illegally on them, in accordance with the rules set out in this law. This is explicitly stated in the law, which has provided a special Chapter, which provides legal rules for the transfer of ownership over construction plots in favour of newcomers who have built illegally.

The above law that in its article 1 has defined its purpose or object, which according to this provision is: (see Chapter IV of the law *"On legalization, urbanization and integration of illegal constructions"*)<sup>1</sup>

- a) legalization of informal constructions as well as informal additions made to the legally built facilities;
- b) the transfer of the right of ownership of the land where the informal construction was done in favour of the builder of the facility, according to the rules provided in this law;
- c) urbanization of informal areas /blocks and informal constructions, as well as their integration in the territorial and infrastructural development of the country;
- ç) defining the procedures for the realization of the legalization of informal constructions and the informal additions made to the legally built objects, as well as the establishment and functioning of the structures responsible for their realization;

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<sup>1</sup> These legal rules are specifically provided in Chapter IV of this law, in some articles, from article 15, to article 35, around 20 articles, constituting this Chapter also the most voluminous and most important Chapter of the law, which in total there are 48 articles and six Chapters.

e) despite the fact that in article 1 of this law it is not clearly expressed by its other provisions, as well as by interpreting the law as a whole, it results that one of the other purposes of this law is also the passing of the right of ownership of the object itself or the construction / addition without permission made by the builder, according to the rules defined in this law (see Article 1, amended of law no. 9482, dated 3.4.2006 "*On the legalization, urbanization and integration of illegal constructions*").<sup>1</sup>

## **2. Problems arising in case law regarding the acquisition of ownership of real estate properties by special laws**

One of the main problems in practice had to do with the legal regulations made by the law in 1993 "On restitution and compensation of property to former owners" and the law "On privatization of state-owned housing". The purpose of this last law was to transfer ownership of state-built apartments, mainly apartments to tenants who were mainly residents in the cities that until then lived in rented state-built mansions or even with voluntary contributions.

With the entry into force and implementation of these two laws, namely "On the return and compensation of property to former owners" and the law "On privatization of state-owned housing", for a certain category of houses was created a double situation, because based on these The ownership of these apartments was recognized by the former owners, but on the other hand, it was determined that the tenant who had lived in these apartments would have the right to enjoy and occupy these apartments, for an unlimited period of time until the state or the former owner of the apartment to find another similar living space for the tenant. This meant that for this category of dwellings the former owners became formal owners or had only their own empty ownership, while the right of enjoyment and use, obviously only for residential purposes, belonged to the tenants.

The above two laws tried to establish a balance between the legitimate interests of the former owners of these apartments, as well as the interests of the tenants who had lived in these apartments for years and as can be presumed from the content of law "*On the return and compensation of property to former owners*", priority was given to the interests of tenants and not to former owners, who were left with no ownership of these apartments, a situation which has finally changed after about 20 years where the former owners gained the right to take their apartments that were rented by other persons according to the law "On privatization of state-owned housing". Article 14 of the above law stipulated that the relations between tenants and former owners who become owners under this law, are regulated by law "*On the*

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<sup>1</sup> Article 1, amended of law no. 9482, dated 3.4.2006 "*On the legalization, urbanization and integration of illegal constructions*", stipulates: "This law has as object:

- a) Legalization of informal constructions and buildings with permits with informal additions to the building.
- b) The transfer of ownership of the construction plot, where the illegal construction was erected, according to the definitions made in articles 19, 20, 21, and 22 of this law.
- c) Urbanization of areas, buildings and informal constructions, as well as their integration in the territorial and infrastructural development of the country, improving the living conditions.
- ç) Procedures for the realization of the legalization of informal constructions / objects with permits with informal additions in the object".

*privatization of state-owned housing", thus giving priority to the law "On the privatization of state-owned housing" and the protection of the interests of tenants.*

This position held by the legislator at the time, where in our opinion the legitimate interests of the former owners were violated, in favour of the tenants of the apartments, we think is not fair and grounded and shows once again that for the Albanian state and society, the interests of legitimate owners, who have been subject to great injustice during the communist regime in relation to their property, are not seen as priority. Realistically referring to the social groups representing the conflicts of interest in this case, which were the former owners on one hand and the tenants on the other, the social group which was most powerful in 1993, when this law was adopted, turns out to be the group of tenants and in this case the legislator has chosen to protect the most powerful social group (the interests of the tenants) and not the social group that had the right (the interests of the former owners). Recognition of the right of tenants was also confirmed by the decision of the Constitutional Court of Albania with its decision no. 26, dated 2.11.2005, showing this Court once again that the lawful interests of the former owners of the apartments who were rightfully claiming their property, have a lower value than the interests of the tenants who were staying or residing in these apartments of the former owners. In the above decision, regarding the abolition as incompatible with the Constitution, point 1 of article 9 of law no. 9235, dated 29.7.2004 "On the return and compensation of property", which provided for the return of these apartments to the former owners, the Constitutional Court, among other things, reasons:

"... From the analysis of the above provisions, faced with the constitutional principles and norms, the Constitutional Court concludes that point 1 of article 9 of law no. 9235, dated 29.7.2004, should be repealed as unconstitutional.

The new law no. 9235, dated 29.7.2004, in point 1 of article 9, makes essential changes to the rights of tenants. Thus, while with the previous provisions the state undertook to sort out housing by making the applicants, owners on the same criteria that benefited the rest of the people, the disputed provision does not explicitly provide for these obligations of the state. The disposition provides for insuring their housing through low-rent housing, low-interest loans or state-compensated rental housing.

...It shows from the examination of the case that in the given case, the change of the law favourable to a certain group of the population is not justified by any inherent public interest. It is true that the amended provision favours homeowners, but on the other hand it discriminates against another group (albeit small in number), violating its basic right to life, that of having a shelter. To deny the right to the tenants to become owners, to terminate the lease contract without guaranteeing another shelter, are actions that can not be justified in the public interest ..." (see Decision no. 26, dated 2.11.2005 of the Constitutional Court of the Republic of Albania) <sup>1</sup>

During the practical implementation of the law "On restitution and compensation of property", various problems arose, which forced the Supreme Court, but also the Constitutional Court, to issue several decisions, the purpose of which was to determine correctly and accurately the content of legal regulations provided by this law. In the following case, we will present some

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<sup>1</sup> See also: Decision no. 26, dated 2.11.2005 of the Constitutional Court of the Republic of Albania.

Unifying Decisions of the High Court, which have unified the case law in relation to certain problems that have arisen from the practical implementation of this law.

Thus specifically, during the practical implementation of the law "On restitution and compensation of property to former owners", there were clashes and contradictions with the decree of the President of the Republic "On the property of trade unions", where the Supreme Court with its Unifying Decision no. 85, dated 29.06.2001, unified the case law by determining that, in any case where there are various contradictions and legal regulations between the law "On restitution and compensation of property to former owners", and the decree of the President of the Republic, no. 204, dated 5.6.1992, priority will be given to the provisions of the law "On restitution and compensation of property to former owners".

The Supreme Court in the above decision, among others, concluded that: "... For the purpose of unifying the case law on this issue, the Joint Panels of the High Court, through this decision conclude that:

1. *Whenever the interests of the former owners (their heirs), who benefit from the return (restitution) of the unaltered buildings or vacant lands, according to the provisions of Law no. 7698, dated 15.4.1993, clash with the interests of the unions, who have acquired these buildings or lands, according to the decree no.204, dated 5.6.1992, the consequences of which are regulated by law no.8340 / 1 dated 06.05.1998, the protection of the interests of the former owners (heirs of tire).*

2. *Law no. 8340/1, dated 6.5.1998 "On the regulation of the consequences that have resulted from the implementation of the decree no. 204, dated 5.6.1992" "On the property of trade unions", is applicable so far as it does not fall into contrary to the provisions of Law no. 7698, dated 15.4.1993 "On the return and compensation of property to former owner" (see Unifying Decision of the High Court of Republic of Albania no. 85, dated 29.06.2001).<sup>1</sup>*

Despite the clear position held by the Supreme Court with its Unifying Decision no. 85, dated 29.6.2001, in which it sanctioned that when there was a clash between law no. 7698, dated 15.4.1993 "On the return and compensation of property to former owners" with the provisions of decree no. 204, dated 5.6.1992 "On the property of trade unions", priority will be given to the interests of the former owners and the provisions of this decree would apply only in cases and so far as they did not contradict the provisions of the law in question, the case law was again doubled in the implementation of this unifying decision. Such a thing forced the High Court to issue another Unifying Decision, namely decision no. 5, dated 23.03.2004 by which it sanctioned once again, this time in more detail than the provisions of decree no. 204, dated 5.6.1992 "On the property of trade unions", will apply only in cases where they do not conflict with the provisions of the law "On restitution and compensation of property to former owners" and in case of collision or conflict between these two laws ", priority will be given in any case to the law "On restitution and compensation of property to former owners ".

The Joint Panels of the High Court in Unifying Decision no. 5, dated 23.03.2004, among others, states that: "... Decree no. 204 legitimized the transfer of facilities owned by trade unions and the actions performed before its approval have no legal force, as there was no legal act for the transfer of ownership from the state to social organizations. With the issue of the decree (which, as it was treated, has no legal force) we are faced with the fact that the situation was

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<sup>1</sup> See also: Unifying Decision of the High Court of Republic of Albania no. 85, dated 29.06.2001.

unclear and the interests of the former owners and social organizations collide, where the interest of the former owners takes precedence, which continues today based on adopted legal acts. Through them, when there is a possibility, the property is returned to the former owner physically, when it is not possible of a physical return, the former owner is compensated. It should be borne in mind that what is built on the land of the former owner when it goes on sale by the state, it takes precedence to become the former owner's, but in order to transfer ownership, they must pay the value of buildings built by the state according to the provisions of the relevant legal provisions...." (see Unifying Decision of the High Court of Republic of Albania no. 5, dated 23.03.2004)<sup>1</sup>.

Another issue raised in the case law during these years, has been the problem of the clash of the law "On companies", with the law *"On restitution and compensation of the property to former owners"*, where in practice the question has been raised as to which of these two laws will take precedence over properties returned to former owners. Even in relation to this issue, the High Court has ruled with a Unifying Decision, specifically with its Decision no. 25, dated 28.03.2003, stipulating that in case of conflict between these two laws, i.e the law "On companies", of 1993, and the law *"On restitution and compensation of the property to former owners"*, the law that will have priority is *"On the return and compensation of the property to former owners."* In reaching this unifying conclusion in the above Decision, the High Court among other things reasoned that: "... The Joint Panels of the High Court for the purpose of unifying the case law conclude that *the plaintiff as a subject of law which became the owner after the privatization, is not legitimized to file a lawsuit for the abolition of the decision of the Commission for Restitution and Compensation of Property to the former Owners, when the part of the land that was recognized to the former owners (heirs) is included in the company's shareholders capital...*" (see Unifying Decision of the High Court of Republic of Albania no. 25, dated 28.03.2003).<sup>2</sup>

The Supreme Court, in another Unifying Decision, specifically decision no. 46, dated 06.06.2002, has resolved the issue whether there is a collision or interference (intervention) between the law *"On restitution and compensation of the property to former owners"*, and law no. 355, dated 21.11.1946 *"On the repayment of loans taken before 29.11.1944"*, through which it has concluded that, between these laws there is no conflict and the provisions of the law "On restitution and compensation of the property to former owners" has not abolished law no. 355, dated 21.11.1946. In relation to this issue, the Supreme Court in the above Unifying Decision among other things reasons:

...Thus Law no. 7698, dated 15.4.1993 "On the return and compensation of the property to former owners" in its entirety regulates the legal relationship between the state and former owners by undertaking to return to the latter the property received in one of the forms provided in article 1 of this law, such as nationalization, confiscation, sequestration, etc., or obtained unjustly by the state in any other way.

Whereas law no. 355, dated 21.11.1946 "On the repayment of loans taken before 29.11.1944", regulates the legal relations between individuals and mainly between the lender and the borrower. According to Article 9 of this law *"When a property is mortgaged for a loan after*

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<sup>1</sup> See also: Unifying Decision of the High Court of Republic of Albania no. 5, dated 23.03.2004.

<sup>2</sup> See also: Unifying Decision of the High Court of Republic of Albania no. 25, dated 28.03.2003.

*1.4.1929 and this property is today in the hands of the lender, then the mortgaged property is returned to the borrower."*

The two above-mentioned laws have regulated at different times different problems, which are not related to each other. With the law on restitution and compensation of the property to former owners, the state undertakes to return to the former owners (their heirs), to an acceptable, reasonable and objectively possible extent, the properties obtained illegally or unjustly. Therefore, relations are regulated between the state entity, on one hand, and the former owner entity, on the other hand. Whereas law no. 355, dated 21.11.1946 has regulated in a different way from the legal regime of the time (Civil Code of 1929) the relations between private entities, created by high interest loans, covered by mortgages or sale with repurchase agreement. In these legal-civil relations the state has not been a party and therefore has not undertaken either at that time or later, any obligation of its own to private entities..." (see Unifying Decision of the High Court of Republic of Albania no. 46, dated 06.06.2002)<sup>1</sup>.

In another Unifying Decision of the High Court, specifically Decision no. 05, dated 30.03.2005, this Court, has expressed regarding the properties that the communist state of the time had confiscated or nationalized the Catholic Church, properties which at the time of nationalization were listed in the name of private natural or legal persons. The Supreme Court in the above Unifying Decision, has unified the case law stipulating that all properties which at the time of confiscation or nationalization appeared on behalf of private or legal persons, are returned to the Catholic Church, which was actually the owner of these properties, but due to the lack of its legal personality according to the official internal laws of the time, which regulated this institution, had registered them in the name of various private or legal persons (see Unifying Decision of the High Court of Republic of Albania no. 05, dated 30.03.2005)<sup>2</sup>.

Another important problem arising from the case law in Albania had to do with the fact whether the law "*On legalization, urbanization and integration of illegal constructions*", was in accordance with the Constitution of Albania and international acts guaranteeing the right of private property. The Constitutional Court of Albania also ruled on this issue in its decision no. 35, dated 10.10.2007, which decided that the above law does not contradict the Constitution of the Republic of Albania, arguing in essence that the expropriation of these owners was done by law, for a public interest and against a fair reward. In the above decision, the Constitutional Court, among other things, reasons:

"... 3. The Constitutional Court considers that in accordance with Article 17 of the Constitution, the restriction of the property right of the rightful owners has been realized by law, as one of the necessary criteria in case of restriction of human rights.

... Through its jurisprudence, the Constitutional Court has stated that: "Analysis and interpretation by the Constitutional Court of some of the constitutional concepts related to" public interest" and "fair remuneration" and respect for the principles of justice, of proportionality, or of the welfare state, constitute at the same time the constitutional limits of the evaluation space, on which the legislator must be oriented, for the respect of the property right".

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<sup>1</sup> See also: Unifying Decision of the High Court of Republic of Albania no. 46, dated 06.06.2002.

<sup>2</sup> See also: Unifying Decision of the High Court of Republic of Albania no. 05, dated 30.03.2005.

... From the above, the Constitutional Court concludes that since the law on legalizations has as its object the legalization of illegal constructions and especially the urbanization of areas, informal blocks and informal constructions as well as their integration in the territorial infrastructural development of the country, by improving the living conditions, as well as the “public interest” that may justify the expropriation of lawful owners, and the transfer of their property to the owners of unauthorized builders. The Constitutional Court considers that the determination made by the law on legalizations, according to which, the ownership of the expropriated land does not remain with the state, but is transferred to the owner of the building being legalized which does not constitute an obstacle for this designation to be considered necessary for the “public interest”.... ” (see Decision no. 35, dated 10.10.2007 of the Constitutional Court of the Republic of Albania) <sup>1</sup>

The issue of non-compliance with the right to private property in Albania has been ascertained by several decisions of the Strasbourg Court, which has taken decisions against Albania, punishing / sentenced to pay certain monetary values to the rightful owners for non-observance of this right. Thus, in the decision of 22 August 2006, in the case Beshiri v. Albania, the Strasbourg Court found a violation of Article 1 of Protocol no. 1 of the European Convention on Human Rights, which guarantees the right to private property. In this case, this Court, inter alia, states that:

*“...102. Disobeying the decision of the Tirana Court of Appeals, the local authorities left the applicants in a state of uncertainty as to their chances regaining their property rights. Moreover, for a certain period of time, the authorities deprived the complainant of the right to be paid the value of the compensation and of the joy of owning their money. Regarding to the justification submitted by the Albanian side for this intervention, the Court recalls that the lack of funds can not justify negligence on the part of the state to execute the final decision on debt repayment.*

*103. Consequently there has been a violation of the First Additional Protocol to the Convention on the issue of compensation (see The decision of the Strasbourg Court of 22 August 2006, in the case of Beshiri v. Albania).<sup>2</sup>*

In another case, specifically in the case of Sharxhi and others against Albania, with the decision of 11 January 2018, the Strasbourg Court found a violation by the Albanian state of the property right provided by Protocol no. 1 of the Convention. In this decision this Court, among other things, justifies that:

*“...173. The Court further argues that the acquisition of the Ion Residence caused serious consequences for the claimants, as their property had been illegally expropriated, and this did not respect their right to peacefully enjoy their assets (see, among many decisions others, Iatridis, cited above, Papamichalopoulos and Others v. Greece, 24 June 1993, Series A No. 260 B, Column v. Cyprus, No. 28025/03, §§ 70–78, 27 September 2007, Loizidou, cited above, §§ 63–64, and Demades, cited above, §46).*

*174. For the above, the Court finds that the concrete intervention was manifestly in violation of Albanian law and was therefore unlawful (see paragraph 133 above on the respective principles). For this reason, did not respect the right of claimants to quietly enjoy their property. This conclusion makes it unnecessary to determine whether a fair balance was struck between the requirements of*

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<sup>1</sup> See also: Decision no. 35, dated 10.10.2007 of the Constitutional Court of the Republic of Albania.

<sup>2</sup> See also: The decision of the Strasbourg Court of 22 August 2006, in the case of Beshiri v. Albania.

*the general interest of the community and the requirements for the protection of the fundamental rights of the individual.*

*175. for this reason, Article 1 of Protocol no. 1 of the Convention, concerning the expropriation and demolition of applicants' assets... (see The decision of the Strasbourg Court dated 11 January 2018, in the case Sharxhi, etc. against Albania)<sup>1</sup>.*

### **Conclusions and Recommendations**

From what was discussed above in this scientific work can draw some conclusions, one of the most important is the fact that the issue of property rights in Albania even after a period of 30 years since the fall of the communist system has not been resolved fairly and conclusively. This poses a serious problem because it hinders the economic and social development of the country, the absorption of foreign investment in the country, the development of domestic business and the free movement of goods, services and capital. In its post-communist period, Albania has adopted several special laws for the regulation of property rights, such as the laws "On restitution and compensation of property" and the law "On legalization and urbanization of illegal construction". With the adoption of these laws, the Albanian state has tried to establish a fair balance between the interests of different groups of the population, which has been difficult due to poverty in the country and the lack of legal culture among citizens in Albania.

The implementation of special laws related to the acquisition of immovable property in Albania has brought a number of problems. This is clear from the large number of Unifying Decisions of the Joint Colleges of the Supreme Court and the Constitutional Court of Albania, which are decisions that have the force of law in Albania and where these institutions have tried to interpret these special laws. A typical example is the conflict of interests protected by two different laws, the law "On the restitution of property to former owners" and the law "On privatization of apartments", where for apartments former private property rented by tenants, former owners were denied without the right to return these apartments for a period of over 20 years, until finally this issue was resolved fairly, returning them to the former owners.

It is necessary for the Albanian state to undertake deep legal reforms for the fair settlement of the issue of private property, applying the principle that the property should be returned to its former owner, regardless of the different costs and opinions that the lawyers may have on this matter. This is the only way to ensure the economic development of the country, to ensure the well-being of Albanian citizens, as well as to change a state where fundamental human rights and freedoms are respected.

Over the last 25 years, Albania has been punished dozens of times by the Strasbourg Court for its non-compliance with the right to private property. This scientific work presents two typical cases related to this issue, where the last case in addition to the large value of monetary damage, who be paid by the Albanian taxpayers in millions of euros, there was also a political background, which shows that for such a fundamental issue as property rights, the political

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<sup>1</sup> See also: The decision of the Strasbourg Court dated 11 January 2018, in the case Sharxhi, etc. against Albania.

classes in Albania have not yet been consolidated and are unfortunately unable to understand its importance.

In addition to the conclusions reached in this scientific work, from the problems discussed we can draw some Recommendations. The first recommendation concerns the reference of the works of other authors who have addressed the above topic in their scientific works. Regarding the reference in other scientific works, which have addressed the issue of acquisition of immovable property in Albania, it is worth noting that these works in Albania are limited.

However, as for any important legal and controversial issue, we can say that legal scientific works in Albania are not absent. One of these scientific works is: *"Acquisition of ownership of real estate"*, by Klodian Rado, published in 2008, former judge and for several years Head of the Property Restitution and Compensation Agency in Albania, one of the main agencies dealing with the issue of real estate acquisition in Albania. The scientific work of this author is in the form of a Monograph and is recommended to readers who want to get more in-depth knowledge in this field. Another Albanian scientific work that can be recommended for authors who have an interest in this field, is the one entitled: *"Civil Law (Ownership)"*, published in 2010, by the co-authors Prof. Dr. Ardian Nuni and Dr. Luan Hasneziri. This scientific work is a university textbook used by a significant part of the Faculties of Law in Albania, which deals with the main institutes of property law, including the acquisition of ownership over immovable property according to special laws.

From foreign authors a scientific work that can be recommended to researchers, who want to expand their knowledge on the topic discussed above, is *"The Private Right"*, by the Italian author Francesco Calgano, published in 2006, translated in Albanian from the Publishing House *"Luarasi"*. This scientific text is one of the most important works of foreign authors that is in the hands of Albanian lawyers, which deals with the ways of gaining ownership and which is also important for the fact that a large part of civil laws in Albania have been taken from the Italian legal system.

Regarding the recommendations related to this issues, one of the recommendations according to international standards of property rights in Albania, is that the Albanian Parliament should repeal the special laws related to the acquisition of ownership of immovable property, such as the law *"On legalization, urbanization and integration of informal areas"* and the law *"On the treatment of property"*, of 2017, which has replaced the law of 2004 *"On restitution and compensation of property to former owners"*.

The repeal of these laws would be the first step in properly regulating the property issue in Albania, because these laws do not return property to former owners expropriated by the communist regime, but treat former owners as a vulnerable group who need the mercy of the state; while in a democratic state they should be treated with due respect, returning all expropriated properties and when this is not possible, compensating them in nature or in cash, at market value.

Another recommendation would be for the legislature to adopt a new law on the issue of property, where its purpose would be to return the immovable property to its original condition to the former owners and the issue of illegal constructions made on their properties to be resolved according to the rules of the Civil Code of the Republic of Albania, specifically according to its Article 175, which provides that when a person builds on another's land in

treachery, the landowner has the right to either request the removal of the construction done at the builder's expense or to maintain the building by paying the builder the value of the material and the value of the work.

The new law should provide that if it is not possible for the property to be returned to the former owner in its original condition, as it is occupied by public construction, the former owner must be fully compensated or in some way with another property or in money, at the market value of the property today, property has been expropriated by the communist state.

Despite the fact that the acquisition of ownership over agricultural land, according to law no.7501, of 1991 "*On Land*", has not been my subject of discussion in this scientific work, as it belongs to another branch of law such as "*Agrarian Law*", for the full regulation of property issues in Albania, it is necessary to completely repeal this law, which is the main problem of the property issue in Albania. This law divides agricultural land according to the Leninist principle "the land belongs to the one who works it", and paradoxically in the beginning of democracy in Albania this constitutes another agrarian reform made by the "democratic" state in 1991, after the reform made by the communist state in 1945. Instead of this law, a new law "*On agricultural land*" should be approved, where to provide that the property to be returned to the former owners and the issue of occupation of this land with constructions made without permission or in treachery, to be regulated according to article 175 of the Civil Code, cited above. Only in relation to the agricultural lands that remain or are owned by the state, the state can apply the Leninist principle for their division, although, I personally think that this does not contribute to the development of the Market Economy and the Albanian society as a whole.

The last recommendation I would make for the full settlement of the property issue would be for the legislature to issue a special law that would subsidize and assist agricultural landowners, giving them the opportunity to create large landowners of agricultural lands or large and medium-sized farms. Only in this way would it be possible to absorb foreign investments in Albania in the field of agriculture which, together with the other measures mentioned above, would bring the agriculture of Albania out of the primitive state of fragmentation of thousands and thousands of plots, with area of 1000-2000 m<sup>2</sup> and would create the possibility of a modern and developed agriculture, able to compete with the countries of the region and beyond.

## References

- [1] The Constitution of the Republic of Albania
- [2] Protocol no. 1 of the European Convention on Human Rights
- [3] Law "*On restitution and compensation of property to former owners*"
- [4] Decision no. 6, of 2000 of the Constitutional Court of the Republic of Albania
- [5] Decision of the Constitutional Court of the Republic of Albania no. 4 of 1994
- [6] Law "*On legalization, urbanization and integration of illegal constructions*"
- [7] Decision no. 26, dated 2.11.2005 of the Constitutional Court of the Republic of Albania
- [8] Unifying Decision of the High Court no. 85, dated 29.06.2001
- [9] Unifying Decision of the High Court no. 5, dated 23.03.2004

- [10] Unifying Decision of the High Court no. 25, dated 28.03.2003
- [11] Unifying Decision of the High Court no. 46, dated 06.06.2002
- [12] Unifying Decision of the High Court no. 05, dated 30.03.2005.
- [13] Decision of the Constitutional Court of the Republic of Albania no. 30, dated 01.12.2005
- [14] Decision no. 35, dated 10.10.2007 of the Constitutional Court of the Republic of Albania
- [15] The decision of the Strasbourg Court dated 22 August 2006, in the case Beshiri v. Albania
- [16] The decision of the Strasbourg Court dated 11 January 2018, in the case Sharxhi, etc. against Albania.

## The Issue of Disadvantaged Situation and Pandemic

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### Abstract

In the examination of the effects of the COVID-19 pandemic, special attention should be paid to the lagging areas. In the case of the settlements where we should reckon with social and economic backwardness and/or unemployment exceeding the national average, even the smallest change can move the life chances of people living there to a significantly negative direction. We would like to support the theory that the pandemic has resulted in further adverse consequences in disadvantaged settlements besides the existing economic and life quality disadvantages by research performed in Hungary. Besides the infrastructural deficiencies of the families' homes, it is also important to examine the infrastructural elements in terms of the settlements and health care, since health care, including human resources, is a cardinal issue in connection with the efforts to curb the pandemic. Besides these, we should reckon with the changes in the level of unemployment, the possible long-lasting incapacity for work. In the light of the research, it can be defined which professionals' presence and competencies are essential in disadvantaged settlements to prevent the further growth of disadvantages.

**Keywords:** pandemic, disadvantaged situation, multidisciplinary, infrastructure, competence

### 1. Introduction

Settlements which are beneficiary from a social, economic, or infrastructural aspect and/or suffer from significant unemployment<sup>1</sup> demand special attention for both the workers of the economic, social or health sector and the legislators. Regarding the settlements where these characteristics exist, it should be taken into account that even the smallest change can move the life chances and future life prospects of the people living there to a significantly negative direction. During the examination of the effects of the COVID-19 pandemic, great emphasis should be placed on the lagging areas, the areas where possible social and economic backlogs can be found, and unemployment often exceeding the national average, and unfavourable health prospects occur.

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<sup>1</sup> The Government Decree 105/2015. (IV. 23) is about the classification of the beneficiary settlements and the condition system of the classification.

In terms of the distribution of the beneficiary settlements, one of the most affected regions of Hungary was the North-Hungarian region in 2020 <sup>1</sup> which meant 25.69% of all the settlements with similar characteristics in the country, and 26.46% of the population of all the beneficiary settlements lived in this region. Significant differences can be detected even in this territorial unit: Borsod-Abaúj-Zemplén County shows exponentially higher numbers in terms of beneficiary settlements in comparison with the other counties. It should be mentioned that regarding all the counties in Hungary, most of these settlements can be found here (17.97% of the national number, in terms of population it is the second with 18.94% of the national data). More initiations have been started to catch up this area (Rucska & Kiss-Tóth, 2020, Kiss-Tóth & Rucska, 2020, Felszeghi, 2015, Fritz & Perge, 2020).

The study has searched the answer for the following questions: what further difficulties were caused or may be caused by the COVID-19 pandemic in this peripheral county, and what are the possibilities in decreasing further disadvantages?

## 2. Literature Review

Deprivation, the issue of disadvantaged situation has become a determining problem of these days. Not only as a negative social phenomenon we should deal with it, but it is the basis of difficulties occurring in several sectors, so its effects on the economic and health sectors are also determinative (Perge et al., 2020).

Disadvantaged situation means a life situation in which achieving a goal is so important for a certain person or group as for the other members of the society, but they are much more impeded in achieving these goals than the others. In the narrower interpretation of the international practice, those are in disadvantaged situation who can live only on a significantly lower level compared to the living standards and lifestyle of the average population of the certain region because of different causes. Furthermore, those are disadvantaged who may live in a different way than the average population or although their lifestyle is the same, but they can achieve this level only with significantly more efforts (Gidáné, 2006). So, with its complexity in mind, it can be told that it is independent from age and gender, and it can be the typical situation of both individuals and groups or communities.

That person, group, or community (a sub-population) is disadvantaged who/what differs from the average of the population in a biological, mental, somatic or social way. Disadvantaged situation is not just a private issue, it occurs in almost all forms of the communication with the society (Forrai et al., 2008).

## 3. Methodology

### 3.1. Research goal

The study uses the results of research performed in Hungary to support that what kind of further unfavourable consequences have been caused and may be caused by the pandemic besides the existing economic and life quality disadvantages in that disadvantaged region where the number of beneficiary settlements is especially high. In terms of the infrastructure, we examined both the infrastructural deficiencies of the families' houses and the infrastructural elements of the settlements, especially health care, since health care, and

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<sup>1</sup> The number of the beneficiary settlements of the North-Hungarian region on 1<sup>st</sup> January 2020 was 316 that meant 317 778 persons in terms of the population.

mainly the issue of human resources, is a cardinal issue in connection with the efforts to curb the pandemic. Besides these, we have to reckon with the changes in the level of unemployment, and the possible long-lasting incapacity for work.

The authors approach this much researched area of the disadvantaged situation from different aspects from the point of view of the real and possible effects of the pandemic - including but not limited to - with the aim of looking for innovative solutions. Relying on their research, they would like to point out to the areas which should be emphasized more, or which still should be given priority. In the light of the research, it can be defined which professionals' presence and competencies are essential in the disadvantaged settlements to prevent the further growth of disadvantages.

### **3.2. Materials and methods**

Our data were collected from disadvantaged settlements in Hungary. The research in progress performed by the University of Miskolc Creative Region research group included in the Higher Education Institutional Excellence Program (in Hungarian: Felsőoktatási Intézményi Kiválósági Program, hereinafter: FIKP) started in 2018 in Borsod-Abaúj-Zemplén County means a determining part of the examined area. 25 disadvantaged settlements from one of the most backward areas of Hungary, the Abaúj region have been included in the research running for more than two years (Kiss-Tóth & Rucska, 2020). The study also relies on one of the data collections performed by the Faculty of Health, University of Miskolc in connection with the pandemic started in 2019 which focused on the effects of the pandemic on the population.

## **4. Results**

### **4.1. Housing conditions**

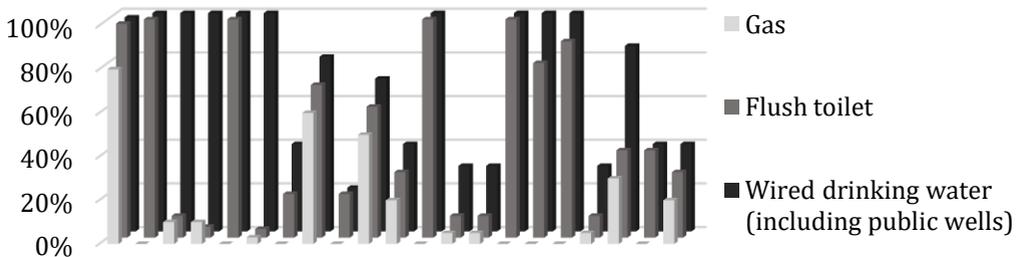
Data of 892 families<sup>1</sup> (from 23 settlements<sup>2</sup>) in the Abaúj region were processed during the examination of the quality of the houses in the FIKP research program. The families' data were used in a summarized form and consequences were made broken down to settlements (Perge et al., 2020). In connection with a pandemic, the existence of infrastructural elements mapped by the FIKP research is especially important in families living in disadvantaged settlements. Working electricity could be found in almost 100% in all the settlements, so almost at all the 892 families. In contrary, tap drinking water (using water from a public well may also be included) showed a variable picture (Figure 1). Tap water supply around or less than 40% was typical in more than one third of the settlements, and there were settlements among them where it was a house quality characteristic determining health in only 20% of the families. Using gas is not widespread in this region: in one settlement, gas was introduced to the houses of about 80% of the people in care, in one settlement it was 60% and there was also one settlement where gas supply was around 50%. On the other settlements the rate of using gas for heating was between 0 and 10% (Perge et al., 2020).

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<sup>1</sup>The common characteristics of the families: they raise children (there is at least one child between the age of 0 and 6 and/or a child between the age of 7 and 18 in mandatory school age but does not visit school) and/or there is a pregnant woman in the family.

<sup>2</sup>In the cases of 2 settlements out of the 23 included in the research, there was not data recording in terms of the data published in this current paper, since they were ageing settlements.

Figure 1: Infrastructure of the families' homes

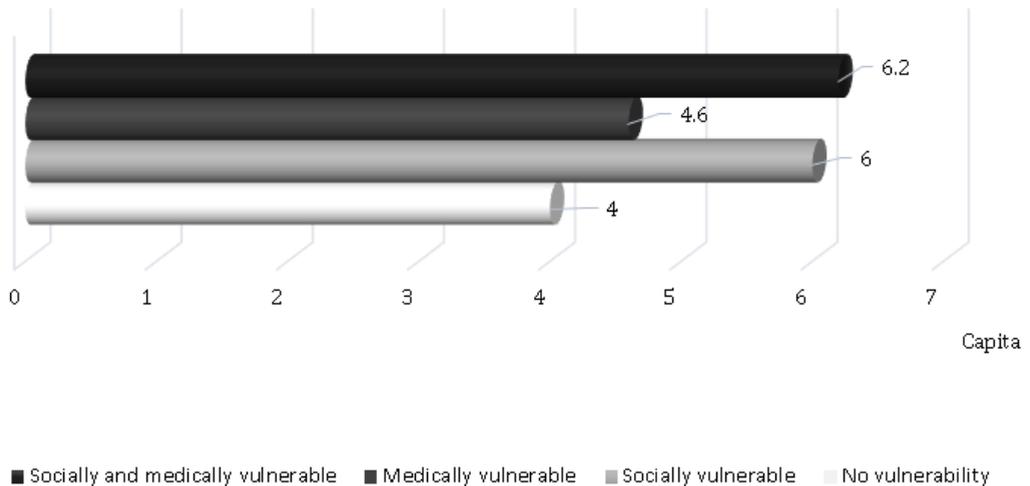


Source: edited by the author

Heating system may determine the quality of the houses. In this region, the number of houses with a traditional heating system was significantly higher than houses heated by a centralized heating system. Housing poverty is also shown by the low number of bathrooms and, in a lot of cases, their total absence, and the rate of flush toilets. Based on the research, flush toilet could be found in those houses which also had a bathroom; according to the results, 100% of the families in care had a flush toilet on 4 settlements, and there were 3 settlements where half of the families in care had neither flush nor non-flushing toilets at all. Data processed in the research have highlighted that this serious house quality problem affects a great part of the region. The existence of a bathroom and a flush toilet showed an occurrence above 90% in 6 settlements in the houses of the families in care, but in 12 settlements the occurrence of them could not reach even 50% (Perge et al., 2020).

Besides the detailed house quality problems and housing poverty, it is important to know the number of people living in the same household. In terms of families where there were any endangering causes (social, environmental and/or health), the number of people living in the same household was much higher than in families without endangering causes (Figure 2). In the non-vulnerable families, four people lived in a household on average, in the socially vulnerable families the number was six, it was 4.6 in families with endangered health, while 6.2 persons lived in the same household on average in families endangered both socially and in health (Perge et al., 2020).

Figure 2: The number of people living in the same household from the aspect of vulnerability



Source: edited by the author

#### 4.2. Provision of settlements in terms of health

Those data are relevant in this current study which were collected based on an expert questionnaire and interviews (Perge et al., 2020) made with seven health visitors working in the primary care<sup>1</sup>.

It has been revealed in connection with the health care institutions that there are settlements where the working process tied to the health visitor's consulting room is usually performed in the physician's office. Modernizations can be found in the cases of some consultants that give the opportunity to use a health visitor's consulting room separately from the physician's office in different rooms. Additionally, in terms of the settlements' supply and infrastructure, the research also dealt with the existence of GP care and paediatric care. Data showed that there was a locally available paediatrician only in two settlements, there was a locally available GP supplying a mixed district (children and adults) in 8 settlements, however, people had to travel to another settlement for seeking medical care from 13 settlements. There were some villages in the sample from where people had to travel even 10 or 17 kilometres for this medical care. Regarding the office hours, people in care of 16 settlements could visit their doctor on every weekday, but the residents of 4 settlements could visit their nearest physician's office only on certain weekdays to have medical care. The answers show that medical care is performed by substitution on more settlements, the substitute doctor travels there once a week, and there are certain settlements which are very far from any kind of medical care. There were some settlements which had not had permanent GP care for decades, only a few families had a car, and bus transport was also rare; and all these circumstances influence the health status of people living there in a negative way. In case of 11 settlements, people had to travel to another place to have preventive health visitor's consultation that, based on the analyses of the health

<sup>1</sup> Health visitors provide complex, preventive family protection service in Hungary.

visitors' answers, was highly limited due to the public transport deficiencies in the region (Perge et al., 2020).

### 4.3. The occurrence of unemployment

528 people took part in the survey made on the Faculty of Health, University of Miskolc during the second Hungarian wave of the COVID-19 pandemic, 330 of them live in the North-Hungarian region. Based on all the answers, in connection with the labour market status, 13 of the fillers were unemployed, 9 of them lived in the North-Hungarian region. 3 from the 9 lost their jobs more than a year ago, 3 of them in 2020 and 3 of them lost their jobs during the 3 months preceding filling the questionnaire. It is important to mention that recording the questionnaire happened by "snowball" sampling during which those could fill it who had internet access.

In the frames of the FIKP research in Borsod-Abaúj-Zemplén County, the half-year interval of the public survey focusing on the adult population's health status and the factors determining it happened in the period of the pandemic. Data collection was performed by the help of the colleagues of the Faculty of Health on the University of Miskolc by paper-based questionnaire method. Answers were filled by 227 adults living in beneficiary settlements. Data processing revealed that 29.07% of the respondents did not have a job at the time of answering and 19.38% did not have any kind of source of income. 8.81% of the sample was pensioner, 14.1% was looking for a job and 7.9% did casual work. In terms of jobs, 13.22% of the respondents were public employees<sup>1</sup>. Based on the subjective judgement of their financial situation, 3.08% of the respondents thought that they were in a very good financial situation, 18.5% judged it as good, and 11.89% thought their financial situation to be bad or very bad, while a great proportion of the sample characterized it as adequate. Unemployed and working persons were in the same proportion among those who qualified their financial situation as bad or very bad, while people who judged their financial situation as very bad were mostly unemployed. The working people who thought their financial situation to be bad or very bad were mostly public workers, however, we could find seamstresses, unskilled workers, teachers or health workers among them as well. In terms of stress, livelihood problems meant the greatest stress factor for 27.75% of the respondents.

### Discussion

From an epidemic point of view, regarding the secondary driving forces of the epidemic process, the most important ones are the changeable elements of the natural, artificial and social environment, such as water supply, sewerage, environmental pollution and livelihood conditions as well (Antmann, 2008). The analyses suggest that poverty and deprivation are typical for the living conditions of the families living in the Abaúj region. One of the areas most to be developed is the tapped water supply; among the examined settlements, we can find some where its existence can be estimated to 20%. Overall, tap water supply is around or under 40% among the included families in 8 settlements out of 21. It has turned out from the analyses that tap water supply in its own does not result in the same rate of the occurrence of flush toilets or bathrooms as water supply. However, in most cases, the existence of bathrooms and flush toilets was more common at the higher proportion of the occurrence, but in contrary,

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<sup>1</sup> 2011 CVI. law on public employment and amendments to laws related to public employment and other laws: get the working population to work, promote the employment of jobseekers

regarding their rate, it was significantly lower. Additionally, in the cases of 3 settlements, where all the families had wired tap water, the rate of bathrooms and flush toilets was 10, 5 and 4%. The number of people living in the same household increases exponentially with vulnerability; in the mirror of these data, it can be concluded that quarantine or separation is not or hardly possible in their cases. Housing poverty can be interpreted as both a family and a social issue, the prevention of the development of further disadvantages originating from house quality problems means priority in a pandemic situation.

Based on the especially high number of unfilled GP districts typical in the Abaúj region (the highest in Hungary) (Kőrösi & Kiss-Tóth, 2020) and the background analyses, it can be stated that there is not any capacity for prevention and educational programs because of the low number of GP districts and the unfilled practices, and besides these, health visitors working in the primary care are overloaded, they deal with a high number of children (Takács, 2020).

According to the data of the research, a significant percent of the people living in the disadvantaged settlements did not have an employment relationship, they showed high unemployment typical for the settlements of the region.

In the questionnaire survey, unemployment was the most common among the respondents who could be reached personally by paper-based questionnaires, on-line answering was not an option in their cases. It can also be observed that there was not a significant difference between the number of unemployed and working people in the subjective judgement of the financial situation, but it showed a difference in its qualification: most of those who judged their financial situation as very bad did not have an employment relationship. Stress also occurs besides the issue of employment relationship and the judgement of the financial situation: more than 27% of the respondents in the disadvantaged settlements marked livelihood problems as the greatest stress factor.

## Conclusion

One of the society's tasks is to help disadvantaged people institutionally on the field of prevention, and to contribute to prevent the development of disadvantaged situation (Forrai et al., 2008). People living in disadvantaged settlements - mainly regarding their health status - need appropriate health, educational and parenting services to break out from deep poverty and their deteriorating health status (Kőrösi & Kiss-Tóth, 2020). A holistic point of view is needed to move the health of people living there to a positive direction, and to achieve that the effects of a possible epidemic influencing the quality of life could be decreased by developing well-being. These settlements require special attention, since besides the serious house quality problems, the existence of houses without comfort, emergency housing and the overload of the health care system, we have to reckon with the existing unemployment as well. Health care and the management of the competencies of people working in primary care are especially important in the case of an epidemic situation. The competency set of health visitors working in the Health Visitors' Service existing for more than a hundred years ago in Hungary has changed with the social demands since its existence, and it has always reflected for the certain public health problems, including the fight against TB (tuberculosis) (Kahlichné, 2015) and cervical cancer screening performed nowadays. Based on the Government Decree of the year of 2020 about the certain issues related to the health care and regular examinations suitable for detecting SARS-CoV-2 coronavirus, every student of the fields of medicine and health sciences can be assigned to perform the examination, without a license to pursue health

activities (Government Decree No. 509/2020. (XI. 19)) which also supports the indispensability of human resources. One method to transfer knowledge and get possible extra competencies necessary for health workers to curb an epidemic is holding vocational trainings that can be performed on-line in our digitalized world.

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## Reshaping Strategies for International Competitiveness of Small and Medium Enterprises in Eastern Europe in the Post Covid-19 Economy

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### Abstract

The purpose of this paper is to search for pragmatic solutions to the challenging situation in the COVID-19 reality. The author has chosen an interdisciplinary approach to deal with the complex management issues for small and medium enterprises (SMEs) in Eastern Europe that have been highlighted by the outbreak of the new virus. The impact has been different across sectors and countries, but there is at least one common aspect. The changes in the business environment have put their international strategies to a test. An element of risk is that in times of crisis, short-term tasks will take all the attention of the managers striving for the survival of SMEs. Against the background of competing concerns, there is the possibility that a strategic long-term perspective is not given the necessary consideration and resources for implementation. If SMEs trade their aspirations for international competitiveness for the fulfilment of short-term tasks, they can miss important opportunities to recover and grow. This paper highlights the importance of balancing between two groups of priorities, each of them with several sub-categories. The first one focuses on the need to take actions in the short-term without forgetting that they can have a long-term impact. The significance of tangible and intangible assets is underlined. The second looks further and directs the attention to the long-term strategic thinking that SMEs need to recover in times of uncertainty and increase their international competitiveness.

**Keywords:** international competitiveness, management, small and medium enterprises, digitalization, post covid-19 recovery

### Introduction

Changes in the international landscape - as highlighted by the joint report of more than thirty international organizations on the impact of COVID-19 around the world (CCSA 2020) - and varying consequences for the business environment across countries have underlined the need for further research for management issues in Eastern Europe. In the search for ways to recover the business, attention is drawn to the strategies of firms for international competitiveness and how they are influenced.

Given the specifics of the pandemic and the impact of various challenges before, it could be expected that companies, especially small and medium enterprises (SMEs), may face difficulties in achieving the strategic goals and plans, set prior to the outbreak of the new virus. The question arises what can be done in the COVID-19 reality.

There is a risk that during the pandemic, the attention of decision-makers striving for the survival of SMEs can be preoccupied with short-term tasks. Amidst competing priorities, there is the possibility that a strategic long-term vision may be set aside and not given the necessary consideration for implementation.

The purpose of this paper is to search for pragmatic solutions to the challenging situation and explore management approaches that bridge the predominantly short-term perspective during the crisis with a long-term strategic mindset.

The research questions for this article are whether there is a need for targeted research in the field of management for SMEs in Eastern European countries and how they can recover and grow in the COVID-19 reality.

Taking an interdisciplinary perspective, this publication has two tasks: first, it elaborates on the justification why SMEs in Eastern European countries deserve additional attention; second, it discusses possible priorities for balanced strategies for international competitiveness in the current conditions.

The publication provides suggestions for the short-term and the long-term perspectives, which can serve as the basis for discussion among interested representatives of the academic institutions and business. The validity of the recommendations may be limited by the development of the international landscape and the spread of the COVID-19.

### **Review of key publications**

Disruptions in 2020 challenged the status quo across countries in Eastern Europe. Enterprises have been influenced in different ways across sectors and countries, but there is at least one common aspect. The changes in the business environment have put their strategies for international competitiveness to a test.

In an information note, the WTO (2020) acknowledges the economic impact of the new virus in particular on SMEs, including micro enterprises. In the context of the pandemic, it is expected that SMEs can face liquidity difficulties as recent research suggests (for example Cowling/ Brown/ Rocha 2020, Gourinchas/ Kalemlı-Özcan/ Penciakova/ Sander 2020, Syriopoulos 2020). The reasons lie in decreases in demand and challenges in the supply chains, as well as limited borrowing capacity.

The joint report of CCSA (2020) also recognizes the susceptibility of SMEs to the negative effects during the pandemic. The data for Eastern Europe is expected to show similar results in terms of the vulnerability of the SMEs, due to their liability of smallness and novelty in some cases.

The existing situation urges SMEs to revisit their strategies for international competitiveness and take appropriate organizational measures to relieve problems during the pandemic. Consideration is needed for both the internal specifics of the companies and the international environment. One approach is to direct the attention inside the company and search for solutions within its capacity that correspond to the dynamics of the situation. As managers have no control for the external factors, they can concentrate on the elements that are in their control. The perspective of the resource-based theory (Hitt/Xu/ Carnes 2016, Alvarez/ Barney 2017), leading back to Penrose in 1959 and 1960, can be beneficial in this respect. A key question is how resources are managed, which determines the performance of a company.

The broad understanding for the assets of the firm includes tangible and intangible ones. Decision-makers need to focus on core products and the appropriate structure. While those questions have brought much notice in terms of bigger organizations – such as the international corporation (for example stressed by Barney, Ketchen Jr and Wright, 2011), they provide valuable insights for managers of other enterprises as well. If SMEs focus for example on their internal organization, reputation, brand or acquired experience, they can find new ways to overcome current obstacles. It can provide food for thought that can lead the company through stormy waters and possibly new horizons for growth afterwards.

For example, Campbell and Park (2017) take a resource-based perspective towards SMEs performance and highlight the importance of intellectual and social capital and entrepreneurial orientation among others.

A key element is the focus on the so called strategically valuable resources of the firm. The idea is not new, but still important in the context of turbulent conditions. Collis and Montgomery (1995) elaborate on it by providing a bridge between the five forces of Michael Porter and the internal view of the firm. The reliance of such resources that are hard to copy or substitute, depreciate slowly and whose value is controlled by the company (not employees, suppliers or customers), as Collis and Montgomery describe them, can play a crucial role during a crisis.

The management of SMEs in Eastern Europe is a complex process. It is due to different factors. The development and implementation of strategies has never been an easy task, even prior the pandemic. The current international environment sets new challenges.

### **Methodological background**

The author has chosen an interdisciplinary approach to deal with the complex management issues for SMEs in Eastern Europe that have been highlighted by the COVID-19 outbreak. It builds on theoretical and empirical analysis.

Statistical data from Eurostat is used to examine the significance of SMEs in Eastern European countries. The focus is on the added value at factor cost prior to the outbreak of the COVID-19 for several reasons. First, it helps determine the significance of SMEs in the economy of the countries before the force-majeure situation during the pandemic. Second, the data allows for comparisons to be made across countries. Third, it is used by other publications as a term of reference. The definitions by the European Commission are used.

With regards to the scope and limitations, a few remarks are worth mentioning. The focus in the empirical part of the paper is on the countries from the Eastern EU Enlargement, for which comparable and official data is available. These include Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia. In the winter of 2020, the latest available data is for 2018.

The search for publications has covered authors from different countries, including from Eastern Europe, who publish in the field of management and small and medium enterprises. A limited number of academic papers, statistical publications and applied research, published in 2020, is to be found. There are still very few publications in Bulgarian language which explain the attention towards foreign publications.

## Findings

In order to review the significance of SMEs in Eastern European countries, it is beneficial to look at their contribution to the added value at factor costs. This section provides the results from the comparison between SMEs and bigger companies, as well as between the different sub-groups on the scale from micro to medium enterprises.

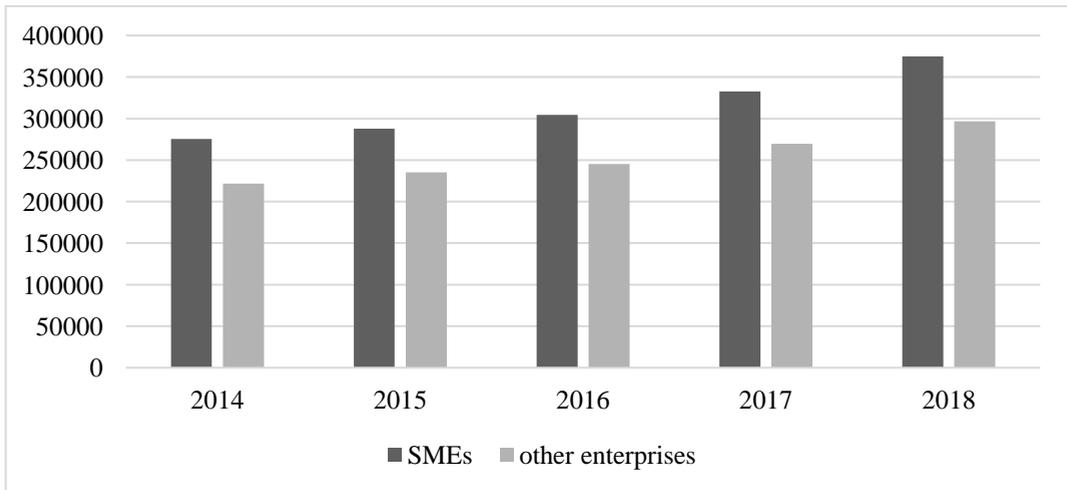


Figure 1. Value added in million-euro, data source: Eurostat

As illustrated on the figure above, the added value created by SMEs is higher than by other enterprises. For the five years from 2014 to 2018, the number has risen from 275529,2 to 374810,5 million euros. Each year, it is higher than the previous one with a different percentage (from 4,5% to 12,63%).

This outcome suggests that SMEs have a key role to play. As the data shows the added value of other companies has also increased, it is worth looking at the ratio between both groups.

The outcomes are presented on the figure below.

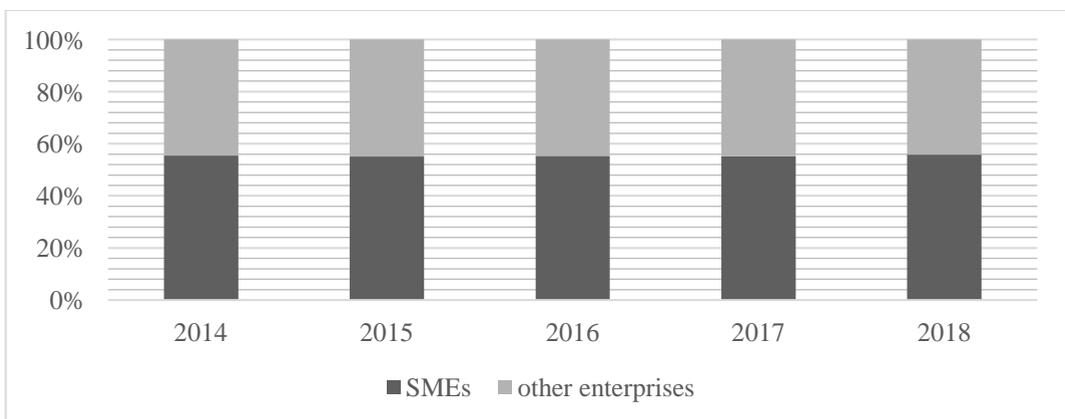


Figure 2. Ratio of the value added by SMEs and other enterprises, data source: Eurostat

During the whole period the added value by SMEs is between 55,03% (in 2015) and 55,78% (in 2018). This indicates two things. First, in each year they created more than half of the whole added value in the region. Second, the outcome suggests their relatively stable share.

It could be expected that their significance can justify bigger interest in how those companies are managed. Compared to other firms, SMEs have substantial contribution. It is worth mentioning that this group includes diverse enterprises. Four categories can be distinguished according to the number of employees, as presented on the figure below.

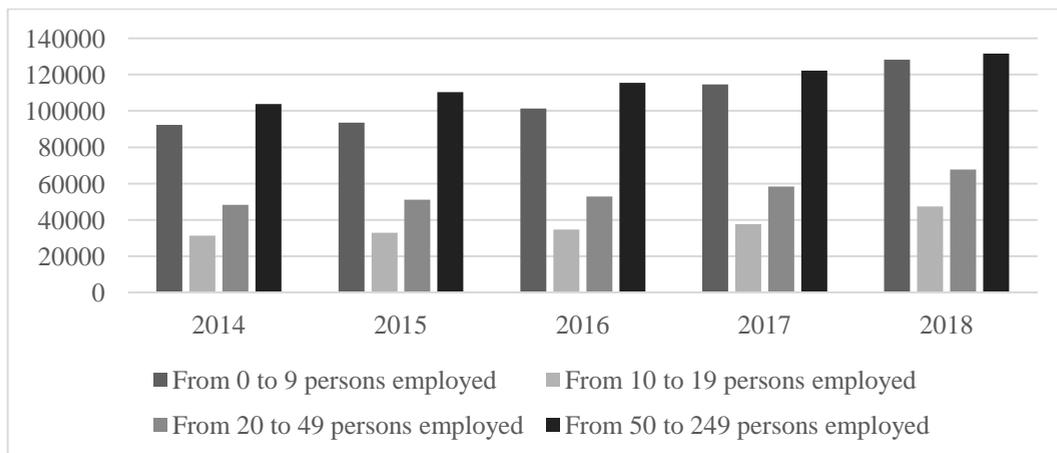


Figure 3. SMEs according to the number of employees: value added at factor cost in million-euro, data source: Eurostat

The added value at factor cost has gradually increased for each of them during the five-year period. The results suggest that all four categories continue to play an important role. Their contribution is however different. The figure below represents the data for 2018, which is the latest available. Enterprises with less than ten employees provide more than one third. The companies with 10-19 workers bring only 13 % of the total value. The firms with 20-49 employees are responsible for 18% of the added value.

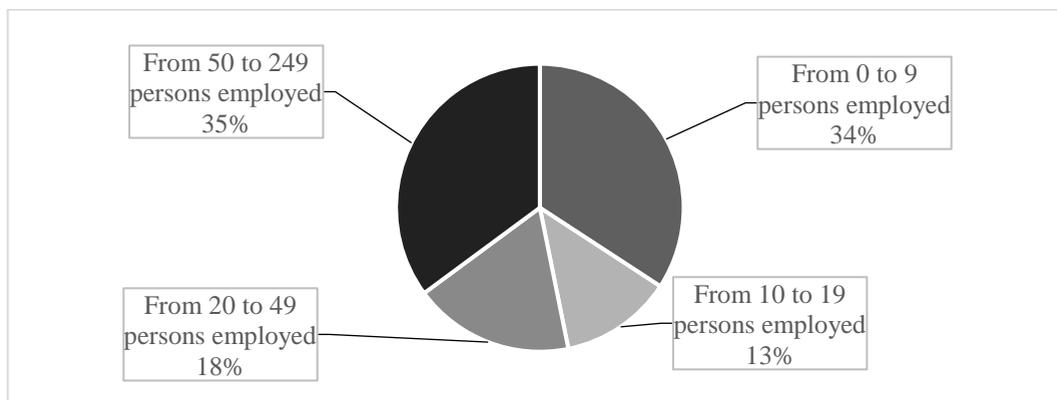


Figure 4. Ratio of the value added by SMEs according to the number of employees, data source: Eurostat

The two groups on both ends of the scale from micro to medium enterprises have almost equal contributions. The data shows that the companies with 50-249 employees provide nearly as much as the firms with 0-9 employees. Each of these groups accounts for more than 30%, as illustrated above. During the five-year period, both have increased the added value they created. It is worth mentioning that the difference between them is becoming smaller and in 2018 is only one percent.

In terms of organizational measures the two groups have different options. A company with less than ten employees is much more flexible, at the same time the liability of smallness is much more applicable to the micro enterprises. In a company with around 200 employees, both the opportunities and challenges of the organization of the work process are different from the first group. More research is needed to distinguish between the characteristics of the companies.

Among the many differences there is something in common – they run the risk of becoming focused too much on the short-term perspective, as the demand and supply are reduced during a crisis.

### **Possible priorities for balanced strategies for SMEs in the COVID-19 reality**

Creating successful strategies for international competitiveness has not been easy prior to the COVID-19 reality, but in times of uncertainty it can quickly become more challenging. In this context the management of SMEs in Eastern Europe, which produce a substantial part of the added value in these economies, is complex.

Among the multiple options, this article argues in favour of an approach that balances between two aspects in adapted strategies. The first is directed towards alleviating short-term needs, the second is devoted to ensuring that a long-term vision is not lost in the middle of the current unusual and challenging situation. For each of them several building blocks are suggested. The next two parts of this paper elaborate on recommendations that are applicable to SMEs, irrespective of their size.

#### **5.1. Alleviating short-term needs**

Faced with the dynamic conditions during the pandemic, SMEs search for strategies to recover quickly their competitiveness, but have to choose carefully their priorities and measures. They can help deal with the short-term obstacles linked to reduced demand and problems with supplies, thus contributing to the survival of the firm and enabling the pursuit of the long-term vision.

The measures can be structured in two groups. The first can look at the situation inside the company. An important aspect is to distinguish between the tangible and intangible assets, and be aware of the fact that the latter can still give a competitive advantage during turbulent times. Both types require additional attention.

Keeping the resources of the company is key, but challenging. The significance of human capital should not be underestimated. Kryscynski, Coff and Campbell (2020) highlight the value of human capital and its meaning in the context of the constant surge for increased competitiveness. In the uncertainty of the COVID-19 reality if businesses lose valuable human resources, it can be difficult to fill the gaps when the impact of the crisis on the business is

softened. Even prior to the pandemic the lack of qualified employees has been felt in different sectors with varying level of qualification requirements.

The theory also provides food for thought on the value of some intangible assets, which could have been neglected during a crisis, and how they can contribute to the international competitiveness and provide what is needed to get the company through the turbulent times. Gao, Zuzul, Jones, and Khanna (2017) elaborate on the role of reputation for long-run survival. Petrick, Scherer, Brodzinski, Quinn, and Ainina (1999) have stressed the importance of reputational capital and global leadership skills. Ginesti, Caldarelli and Zampella (2018) focus on the role of the intellectual capital.

The management can broaden their horizons, if they consider the opportunities that brand, culture and knowledge, among others, could provide. Such assets can lead to the accumulation of tangible assets, which are needed during the pandemic. The prerequisite is that their potential is noticed and developed by the management, aware of the conditions on international markets.

This leads to the second group of measures that companies can take. They are directed outside of the SMEs. The focus is not on the resources that the company has, but on its relations with other players on the market and how they are reflected in the firm strategies. The five forces of Porter (2008) direct the attention towards customers, suppliers, competitors, new entrants to the market as well as those who offer substitutes.

During the crisis it is key to have up-to-date communication. It is useful to gain insight, including through the use of new social media. As the situation for enterprises has changed since the outbreak of the disease, it might have changed for their clients as well. This is why it is important to have quick information exchange opportunities (Kang/ Diao/ Zanini 2020, Johannsen 2018, Santouridis/ Veraki 2017, Sun/ Zhou/ Jeyaraj/ Shang/ Hu 2019). It helps to check what existing buyers need right now and how can the firm deliver or at least contribute towards the immediate needs. Communication with the suppliers is also crucial. The sooner possible delays in input deliveries are established, the more time there is to search for possible solutions. The international dynamics can trigger new ways of interaction between companies, including between companies in the same sector. It should not be underestimated that in some cases collaborations between them can help go through difficult times (Beninger/ Francis 2020, Dimkow 2018, Galloway/ Kuhn/ Collins-Williams 2019).

A few remarks are worth making in this respect. There are two diverging opinions how companies behave in times of crisis: one suggests that there might be more incentives for stakeholders to unite efforts in turbulent times, on the other hand – due to time and resource limitations, they might be less willing to cooperate. Empirical evidence is needed to test which one is valid for the majority of the SMEs. In all cases though, as Hrebiniak (2013) writes in his book, clear communication is one of the main rules to translate strategies into practice. This holds true both for the work within the organization, as well as the relations with external contacts for the SMEs.

Attention to strategic resources, tangible and intangible, in combination with clear communication with key persons within the organization and outside it mark the first steps from a complex process of managing in the COVID-19 reality.

## 5.2. Keeping a long-term vision amidst a crisis

Even in the context of the high uncertainty of the current situation, SMEs should not lose the focus for a long-term vision for development in their strategies for international competitiveness. They risk running into higher costs and losing opportunities if they only concentrate on a short-term survival tactic. There are no guarantees how long the consequences of the outbreak will continue to influence the business environment. If SMEs trade their aspirations for growth for the fulfilment of short-term tasks, they might not only encounter difficulties in keeping their position on the market, but may also endanger their survival.

After the measures to soften the short-term consequences of the COVID-19 outbreak are taken care of, attention has to be given to the long-term implications. The efforts are directed not towards immediate risks, but rather focus on the potential for growth in turbulent times. Such measures should be considered to make sure that some SMEs are not lagging behind in their development.

Possible priorities are structured in two groups. The first is devoted to digitalization, the second to business model innovation. Both topics have received attention among members of the academic institutions and the management, but now it seems that a momentum is building for advancing both agendas across the SMEs in Eastern Europe.

Both topics offer a myriad of opportunities for managers. No matter where they were on the acceptance curve for new technologies, the outbreak of COVID-19 seems to have pushed them further. Kergroach (2020) argues for a special moment for the digitalization of SMEs.

The external stimulus provides only part of the motivation for technological transformation. Whether this will happen depends also on the internal aspects of the firm. Isensee, C., Teuteberg, F., Griese, K. M., & Topi, C. (2020), for example, analyse the role of organizational culture. Other factors linked to the tangible and intangible assets may have influence on the digitalization process.

How far can companies go depends not only on the motivation of the management, but also on the sector and firm specifics. Ottesjö, Nyström, Nåfors, Berglund, Johansson, and Gullander (2020) elaborate on the assessment of the capabilities for digitalization. Apostolov and Coco (2020) discuss a case study framework. It is important to keep in mind to review both challenges and opportunities (Almeida/ Santos/ Monteiro 2020). Research has dealt with these topics for years (for example in Li/ Merenda/ Venkatachalam 2009, Pinzaru/ Zbucea/ Anghel 2020).

The second group of priorities is linked to business model innovations. As it has been discussed in literature, it is for a long time not only about technological advancement (Chesbrough 2007, Schneider/ Spieth 2013, Spieth/ Schneckenberg/ Ricart 2014). The topic continues to receive a lot of attention. Most recently, Filser, Kraus, Breier, Nenova and Puumalainen (2020) point towards the foundations and key trajectories, while Bocken and Geradts (2020) discuss obstacles and enablers and devote time to the organization design and dynamic capabilities. They distinguish three levels: the institutional, the strategic, and the operational.

Such processes are complex. They require careful analysis of the specifics of SMEs and the business environment.

Whether long-term growth will happen, depends on different aspects. Even if SMEs have limited resources, they also have the flexibility. This can help them recover after a crisis. The two abilities that Monsson (2017) highlights are linked to SMEs' vulnerability and adaptability. Innovations could optimize some processes, if they are appropriately applied.

The strategies for recovery and growth for SMEs can stumble upon some difficulties, the main one linked to the complications of balancing between pressing short-term needs and long-term vision. Those companies that succeed in achieving this balance can enrich their strategies for international competitiveness and adapt them for dynamic conditions.

### **Conclusion**

The results indicate that SMEs in Eastern European countries deserve additional attention and have an important role to play. First, they contribute for the creation of more than half of the added value. Second, their share seems to be stable in the years prior to the outbreak of the new virus.

The review of publications of international organizations and diverse authors has highlighted that SMEs are especially vulnerable during the current crisis due to their characteristics. But these can serve as a trigger for faster recovery, especially having in mind their innovation potential.

This article argues that in the turbulent context balanced strategies for international competitiveness can support the recovery and growth of SMEs. Recognizing their significance, this paper structures possible priorities for the management in the COVID-19 reality in two groups.

The first one focuses on the need to take actions in the short-term (without forgetting that they can have a long-term impact). The second looks further and focus on the long-term strategic thinking that managers need to have in times of uncertainty.

Finding the balance between the two groups is key. The companies that succeed in this complex process can enhance their strategies for further development, including on international markets. In the unusual conditions since the outbreak of COVID-19, more research is needed in the field of management for SMEs in Eastern European countries.

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## The Influence of Musically Gifted on the Development of Language Competences

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### Abstract

Cognitive processes related to children involved in music are directly related to other cognitive processes in the brain because music is known to directly or indirectly affect many mental processes, but we still don't have evidence of how and in which way this process takes place. Since the paper deals with influence of musically gifted students on the development of language competencies, in the theoretical elaboration of the paper we will try to analyze and compare musical intelligence in relation to linguistic intelligence. The empirical part of the paper will present the results of research on the process of mastering language competencies among students going to gymnasium who are musically gifted and attend music education in relation to other students.

**Keywords:** music, musical ear, language, competence, achievement

### Introduction

Research about connection between musical and linguistical abilities is not the latest revelation. Proof of how much the musical talent is important for the development of linguistic competences, or second language acquisition have instigated research in that particular field in the 30s of the 20th century. (i.e. Dexter & Omwake, 1934).

Starting with development of musical skills in comparison and co-dependence with linguistic competences, we quickly find ourselves analysing the differences and the similarities between musical and linguistic intelligence. It is important to stress causation and weaknesses of the educational system which has over course of time produced asymmetrical representation and neglect of the musical culture and art in the existing curricula which ultimately had a negative impact on the development of a young person. Cases in which musical abilities can have a positive impact to the learnings abilities (whether of a native or second language) is connected to the possibility of the overlap of several types of intelligence (Gardner, 1993). Gardner states that interaction of various types of intelligence still is not known. The main aim of the current research is the ability of interaction between different intelligence aspects and the possible overlap in various cognitive processes. Eventhough the earlier research was directed at components of the musical and linguistic abilities, the results can be applied in contemporary research although in some cases the results of the newer research often confirm the same findings as those done before.

In this paper only part of the whole research will be shown. The research covers wider population of elementary schools even including some High school (lyceum) students with the intention of comparing given results.

### **Musical and linguistical findings**

(Broca, 1861, Wernicke, 1874) hundred years ago discovered that certain language and speech difficulties are connected to certain brain defects which led them to conclusion that the left hemisphere is largely responsible for linguistic and analytical processes, while the right hemisphere is important for general facts processing. The old belief was that music belongs to functions of the right hemisphere, while the language was considered to be the function of the left hemisphere. Lately certain notions changed and we now see that the situation is much more complex. It is believed that both hemispheres have a lot of auxiliary functions which are part of the processing of both linguistical and musical area. (Maess et al, 2001)

Today it is believed that right hemisphere is important for linguistic prosody and intonation (Blonder et al, 1991; Weintraub et al, 1981) which can be important in the understanding of figures of speech like metaphor. Zatorre (2001) is of the opinion that it does not only apply to musical pitch but also to linguistic pitch – simplistically speaking, pitch, intonation and rhythm are universal categories regardless of the medium via which they're produced, which is confirmed by Patel and Peretz, (1997) who talk about the possibility of the left hemisphere processing information regarding both speech and musical pitch. Springer and Deutsch (1998, pg. 221) think that „although right hemisphere was connected to the pitch, especially where melodic line was important, the left hemisphere activated when it came to structures of the music intervals.“

Therefore, it can be observed that both right and left hemisphere play the part in pitch processing even though differences between musical and linguistic pitch signify that two forms of pitch can be processed independently inside the left hemisphere.

In the current literature the fact which claims that speech and music most likely share nervous resources in the field of intonation, rhythm and time processing is highly stressed. In the same way Ogus and Willatts (1994) results can be explained which show that intonation and rhythmic ability are areas of the music intelligence which most likely affects linguistic skills.

The ever growing research interest for speech and music overlap contributes to the solving of the problem of the structure of such overlap, and also points to the difference between separate cases depending whether the individual has gone through musical training or not.

#### **Relationship between musical education and linguistic skills development**

Some research has shown certain overlap in processing music and language in brain; for example Maess et al (2001) show results of the experiment which shows that Broca center is included in musical syntax processing. They suggest that this area is included in processing of many more information than it was believed. Even though they think that the left pars opercularis<sup>1</sup> is more included in linguistic syntax processing, and that right pars opercularis is more included in processing of the music syntax, it is important to stress that both hemispheres activate considerably both in music and language. Maess et al research offers

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<sup>1</sup> Pars opercularis is in the back part of the lower frontal brain wheel. Left pars opercularis is part of the Broca's center

proof of firm connection between language and music processing and they conclude that that connection can at least partially explain the influence of musical education and verbal ability. (Douglas and Willatts, 1994)

Patel and Peretz (1997, pg. 191) stress the importance of understanding music as „integration of mutual cognitive processes“ moreso than as an „indivisible whole“. Different research deal with different aspects of musical structure and their relationship with linguistic structures (Patel and Peretz, 1997). characteristics that are studied include melody (contour, pitch, tonality), rhythm, tempo, dynamic, measure and song. The results suggest connection between the execution tasks of melody and linguistic intonation. The research that has been carried out by Fries and Swihart (1990) offers support to existance of mutual mechanism which governs metric organisation of music and language. Conversely, it seems that tonality rendition is only typical of music. Rhythm question in language becomes necessary because it delinates the difference between two different languages therefore placing language rhythm and other expressive methods into certain category is still highly debated.

Despite classification difficulties, it is clear that the rhythm is very important language aspect; i.e., numerous research deal with the manner in which mother tongue rhythm affects speech rendition. (i.e. Otake et al, 1993). Children can differentiate between language pairs based on rhythm all the while their mother tongue is present, but they fail to do so when both languages are unknown to them. (Nazzi et al., 2000)

Weinberger (1998) considers that „music benefits intellectual development which superceeds the music itself... learning and musical performance very likely offer direct neurological benefit. It seems that the connection between music an other intelligence types is worthy of further exploration, and it could be said that „Music“ and „Language“ aren't exactly completely independent, mental capabilites but that they are signs of complex sequence of processes in which some are shared, and some are not.

Just as Patel and Peretz (1997) point out, simultaneous language and music study offers the option for understanding and development of language competence just as hearing communication and knowledge in the bigger perspective than it is possible if we focus only on one area. This paper tries to observe the possibility whether high level of musical talent truly contributes to successful language acquisition, that is, in cases where there is no musical education (which could potentially aid it) if such correlation can be equally observed.

## **Empirical part**

### *The object and the research issue*

According to target goal, both issues and research problems have been defined and have been tested on 423 lyceum students grade 1 and 2 of the Split and Zadar area out of which 184 attended musical school or some other musical education whose musical preferences have been tested , and 239 students which never attended any sort of musical education or who never had their musical preferences tested.

Set goal, object and research issue was to tes the correlation and connection of musical and linguistic competences in high school students which attend musical education and those that do not. Musical talent influence on the development of linguistic competences will be researched on achieved results of students in the field of native and second language acquisition.

## Hypothesis

Students who attend musical education have better results in studying native and second language.

Musical talent significantly affects development of all other linguistic abilities.

## Methods and research sample

During research, survey was used – surveys were created specifically for the purpose of this research. The research included 423 lyceum students of 1 and 2 classes in the area of Split an Zadar. Some of the methods used were: survey, description, comparison of the analysis of achieved results of the students in the field of Croatian and English language.

In the empirical part of this paper with the use of statistical methods, assumed hypotheses are tested.

Table 1. The influence of music education on the results achieved in English language in the 1th grade students.

Results of the English language pronunciation test	Attend music school (more than three years)	Do not attend music school
Above average	69,5 %	58,3 %
Average	23,8 %	29,7 %
Below average	8,7 %	12,0 %

Table 2. The influence of music education on results achieved in Croatian language in the 1th grade students

Results of the Croatian language pronunciation test	Attend music school (more than three years)	Do not attend music school
Above average	64,3 %	56,8%
Average	31,2 %	38,1%
Below average	4,5 %	3,1%

Table 3. The influence of music education on results achieved in English language in the 2th grade students.

Results of the English language pronunciation test	Attend music school (more than three years)	Do not attend music school
Above average	87,2 %	66,1 %
Average	12,2 %	29,8 %
Below average	0,6 %	4,1 %

Table 4. The influence of music education on results achieved in Croatian language in the 2th grade students.

Results of the Croatian language pronunciation test	Attend music school (more than three years)	Do not attend music school
Above average	79,2 %	67,8 %
Average	19,9 %	26,7%
Below average	0,9 %	4,5 %

## Discussion

In the first category of the tables we refer to those 184 students who attend musical school or have some other form of musical education, which includes getting tested to see basic musical preferences. In this category musical education entails playing an instrument, and not theoretical musical education. Second category refers to 239 students who do not attend any musical school nor who have been tested to see musical preference which does not necessarily exclude musical talent displayed by some students which fall into the group.

Let's give an example which can be seen in table 3. which shows that 87% of students, who attend second grade of high school and who have not played an instrument for three years or longer have, showed above average results for pronunciation test both in Croatian and English language, whereas only 12,2% achieved average result. Only 0,6%, almost not one student, have achieved very low results.

Therefore, throughout this research and displayed results in above showed tables, the evidence are apparent and unanimously show the correlation between musical capabilities and skills with the ability to acquire foreign language more successfully, unlike mother tongue. Given results show that the ability to differentiate pitch (Intonation) and rhythm in constant and independent relationship with acoustic interpretation of foreign and native language. It is also very useful to add the comparison with similar research which have been carried out in elementary schools (on younger students) where given results undoubtedly show the phenomenon (where students which have engaged themselves in musical education) of achieving better results in development of their linguistic competences in comparison to those which haven't spent as equal amount of time in musical education.

## Hypothesis testing

Research results have confirmed both initial hypotheses.

Students who attend musical education have better results in studying native and second language.

Musical talent significantly affects development of all other linguistic abilities.

## Conclusion

The ultimate goal is to seek answer to many open and unresolved questions regarding this area. Considering we are dealing with overlap of many different intelligence types, we simultaneously enter into interdisciplinary and multidisciplinary areas which demand more

hollistic approach, integration as a foundational connection, team work, co-operative relations of scientists from several scientific fields in order to get closer to the answers that will be regarded as a higher level contribution.

If we do not use the advantages which we can find in natural phenomena, we drift away from the path which leads to success. Concretely speaking, in this case we focus on music which awakens motivational and emotional states which can be interlinked in the dimension of space as well as linguistic intelligence. This paper should encourage further research of the influence of the long-term musical education on other skills, i.e. language or other abilities.

Despite that, it is possible to use music potentiality just like Spychiger (1993) did so that, for instance, a reading lecture becomes more efficient by using the benefit provided by musical education. Taking into consideration presented proof, it is apparent that the connection of music and other abilities and skills is worth further research, and the results so far have been nothing but exceptionally promising.

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## For Resilience and Growth: Supporting the Decision-Making Processes of Tomorrow in a Dynamic International Context

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### Abstract

Achieving resilience in the contemporary international setting is a complex objective. It is the result of multifaceted processes that require vigilant preparation long before a crisis arises. The pursuit of opportunities for organizational resilience and growth can direct the attention to educational institutions, as existing and new challenges are changing the conditions on international markets. The partnership between universities and the business can help managers fulfil the potential of their companies beyond national borders. Such an approach builds on a forward-looking investment in support of the decision-making processes of tomorrow. On the basis of interdisciplinary research, this article argues that in the turbulent global context marked by disruptions, academic institutions have an important role to play. Their contributions can be structured in two groups. First, they can provide profound insights with reference to external and internal factors that influence the international business. Second, they have added value in preparing new generations of international managers taught to contribute to the development of their organizations which are resilient to the changes of time. There is no universal solution that can fit all cases, but there are some aspects that can enhance the approaches that (future) managers can use in cases of adversity – and academic analysis can provide useful guidance in a perplexing context.

**Keywords:** international business, management, resilience, decision-making process, growth

### 1. Introduction

Disruptions in 2020 have challenged companies, adding to the complications that existed prior to the pandemic on the international markets. The resilience of business organizations around the world has been tested and their development has come into question.

In the dynamic international context since COVID-19, enterprises have sought effective ways to overcome the difficulties and move forward. One possible approach is to turn to academic expertise, while the spread of the new virus creates uncertainty in the business environment in different countries and sectors.

The objective of this publication is to explore if educational institutions can be helpful and support the decision-making processes of tomorrow in unfavourable market conditions.

The paper argues that academic expertise can provide useful insights for managers to contribute to the resilience of their organizations and bring them forward in vigorous international setting. Different theories underscore the wide variety of analytical approaches that can support decision-makers during demanding times. The complexity of the various

difficulties during the pandemic emphasizes the need for interdisciplinary expertise. Universities can prepare new generations of managers and equip them with the knowledge to address challenges linked to resilience, strategy development and implementation. The results can be firms that are more robust and capable of growth, including beyond national borders.

Three tasks are set and predetermine the structure of this publication. The first is devoted to resilience and explores diverse perspectives for its achievement by companies around the world. The second is to elaborate on the possible gap between strategy formulation and implementation. The third is to highlight the significance of universities by identifying two reasons that justify their important role.

As far as the methodology is concerned, a few remarks are worth mentioning. The current paper is based on an interdisciplinary approach for several reasons. Achieving resilience is a complex process that has become more perplexing in the context of the international uncertainty during the pandemic. It necessitates knowledge from multiple academic areas. The growth of business organizations has been challenged since the outbreak of the new virus. The efforts for recovery can focus on diverse priorities, which require expertise from different theoretical fields. The decision-making processes are called to address problems with multiple dynamically changing factors within a wide range of specialized issues. Therefore, the pursuit of effective approaches that can contribute to the recovery and growth of businesses require interlinkages across professional areas and academic expertise.

The choice of the topic linked to the outbreak of the COVID-19 highlights that it discusses up-to-date developments in the international business environment. On the other hand, the little time that has passed limits the available primary data. There is diminutive empirical information that allows representative analysis across countries in particular with reference to the performance of companies and the management challenges that they face. More time is needed so that the business is capable of estimating the precise effect of the crisis and sharing that information with external stakeholders, which would allow for empirical studies.

For the fulfilment of the objective of this paper, the author combines the review of publications of international organizations, including statistical data, estimations and analysis, and interdisciplinary literature review. Diversity of authors with various backgrounds is sought after. The sources include latest documents and articles from 2020, as well as earlier publications. They highlight the continuing relevance of some ideas, as well as recent developments in different academic fields.

Beyond the scope of this paper is to the formulation of holistic strategies for resilience and growth. It emphasizes on the potential contribution of academic expertise towards softening the consequences of the pandemic for companies and invites a dialogue among interested stakeholders. More research is needed to explore how academic institutions can support companies in the COVID-19 reality.

## **2. Perspectives to resilience in business organizations around the world**

In times of uncertainty the achievement of resilience is challenged, as the conditions for companies across sectors and countries have changed. International organizations (UN 2020a, 2020b, EC 2020) have modified their forecasts for multiple economic variables that influence the business environment on the national and global levels. The data from the World Trade Organization (2020a, 2020b, 2020c) highlights the decline in trade in both developing and

developed nations. In the context of unexpected disruptions that have affected enterprises, the question is what their management can do.

When options seem limited, one possible approach is to search for academic expertise. It is called to support the decision-making processes to find appropriate ways to deal with the negative aspects from the outbreak of the new virus and even lead to growth.

How companies can support their resilience has attracted more attention (Centobelli/ Cerchione/ Ertz 2020). The term has broadened its importance since it was popularized by Holling (1973) to incorporate different meanings across academic disciplines. Although there are various elaborations (for example Horne 1997, Reinmoeller/ van Baardwijk 2005, Norman et al 2005, Walker et al 2006, Erol/ Sauser/ Mansouri 2010, Kamalahmadi/ Parast 2016), they basically combine two aspects. The first is the ability of an organization or system to absorb change. Disruption can be caused by financial crisis, natural disasters, pandemics, climate change as discussed in Estrada, Griffith, Prim and Sinn (2016) or Woolnough and Kramer (2007). The second aspect corresponds to the capacity of the same company (or system in general) to continue functioning. For firms in the COVID-19 reality, this theoretical perspective can provide valuable insights.

It means that enterprises – seen as complex adaptive systems – are capable of analysing the current situation, controlling key variables and surviving through the difficult times, without losing sight of their strategic goals. To make a parallel with the work of Folke, Carpenter, Elmqvist, Gunderson, Holling and Walker (2002) in different settings, resilience strategies can be the basis for adaptive capacity in “a world of transformations”.

The conditions in 2020 correspond to this description, not only in terms of the environment, but also with reference to multiple variables linked to the outbreak of the new virus. More than ever organizations need the right approach to be resilient in times, when the pandemic has influenced the business setting across sectors and countries in diverse ways. This holds true for different types of enterprises.

Strategies for companies in turbulent times are explored by North and Varvakis (2016) in their book. They highlight that firms need to adapt and learn how to survive and thrive in a quickly changing economic and social context.

Ensuring sustainability in times of crisis is difficult for a variety of reasons (Dallago/ Guglielmetti 2012), linked to the company and the environment. For example Inaki Garagorri (2016) highlights that unlike bigger enterprises, most SMEs do not have effective management systems and tools.

Juergensen, Guimón and Narula (2020) discuss the impact of the new virus and analyse different short-term and long-term implications. Their research shows that although companies have been affected in dissimilar ways, their challenges can be grouped in two categories: linked to respectively the logistics and the demand. The fall in demand does not impact manufacturing SMEs for the first time – this has already happened after the financial crisis (as Juergensen et al (2020) note by referring to Wymenga/ Spanikova / Derbyshire/ Barker 2011). It is worth highlighting that the crisis has added to the difficulties that some firms were experiencing prior to the pandemic. In general the new situation in 2020 has provided food for thought for managers, not only in terms of their survival strategies, but also in terms of their strategic vision and need for adaptation.

Herbane (2019) analyses the variations in the formalization of company activities for strategic growth and resilience in the context of abrupt interruptions. The study underlines a combination of internal to the company and external factors. They include among others personal networks, location, the role of the managers and their attitude to the crisis.

Sullivan-Taylor and Branicki (2011) highlight that for the creation of resilient SMEs there is no universal solution for all cases at the same time. It is worth mentioning that the authors argue that a lot of consideration is devoted to bigger corporations, while the heterogeneous group of SMEs has substantial contribution to the economy and deserves more attention.

Monsson (2017) distinguishes between the ability of SMEs to resist to external shocks and to adapt to them. He argues that although they may be vulnerable to disruption, this should not be seen as a decline, but rather as a temporary condition that can precede growth. It depends what decisions are taken in the meantime. Strategic management can guide companies, but managers need to accept the trade-offs. Short-term profit might be sacrificed for long-term vision. While Monsson focused on Denmark, other authors have analysed the situation in other countries, but reached similar conclusions in terms of the vulnerability of SMEs, linked to the liability of smallness. The results from a study of a sample of 56,221 SMEs from three countries – namely France, Germany, and Italy, conducted by Lefebvre (2020) - suggest that “the impact of working capital management on performance strongly depends on size”.

Other publications choose a different angle. For example, Melián-Alzola, Fernández-Monroy, and Hidalgo-Peñate (2020) adopt a sector-specific approach and focus on hotels, while Sapeciay, Wilkinson and Costello (2017) on the construction industry. Some discuss specific risks – for example Kendra, Clay and Gill (2018) analyse resilience in the context of disasters, Wedawatta and Ingirige (2012) explore the resilience and adaptation of SMEs to flood risk.

Building resilience however is not an easy task. Bhamra, Dani and Burnard (2011) analyse the concept of resilience and emphasize its complexity and different aspects. McManus, Seville, Brunsdon and Vargo (2007) provide a framework for evaluating and enhancing the resilience of organisations. Burnard and Bhamra (2019) identify three types of resilience. Lima, Da Silva, Godinho Filho and Dias (2018) focus on resilience enablers.

There are different approaches, which are documented in the literature, that can help enterprises deal with the turbulence since the outbreak of the new virus. Abundant perspectives can support the management to develop the appropriate strategies and lead their business through the pandemic.

### **3. Development of strategies and their implementation**

Turning goals into outcomes - from a management perspective - has been challenging before the pandemic due to different factors. After the outbreak of the new virus, the changes in the international environment make it even harder. For several months from the end of 2019 to the first quarter of 2020, the outbreak of the COVID-19 has led to difficult to predict the consequences, which have marked international markets (CCSA 2020, WTO 2020a, UN 2020a). At a time when the external factors have changed quickly, business organizations are experiencing multiple challenges due to the less favourable conditions.

In the COVID-19 reality, the question is not only if companies have the strategic planning prior to the crisis, but also if they can deliver results during the current challenges. Hrebiniak (2013) recognizes the huge obstacles that can test the effective execution in complex organizations

and links them to the multiple variables that can influence the outcome. As Hrebiniak stresses it should not be underestimated that more people and a longer period of time are needed for the implementation of a strategy than for planning. Considering the uncertainty after the outbreak of COVID-19, such periods may coincide with various changes both in the supply and demand sides in the countries in Eastern Europe.

Early data shows clear indication in this respect (UN 2020b, WTO 2020a, CCSA 2020, UNCTAD 2020). The specifics of the current situation may thus exacerbate the difficulties with strategy implementation, as documented in literature. Turning companies' goals and plans into outcomes is not easy. The topic is among the important questions for management research. Hrebiniak (2006), having a long experience in the field, highlights that the creation of the strategy is demanding, and making it work is even more challenging. Noble (1999) emphasizes that it is not only the formulation, but how it is executed that matters and organizes the review of literature around "a framework that distinguishes between structural and interpersonal process views of implementation". Even the best-preparation is of little use, if the company cannot deliver on the planned results. MacLennan (2010) elaborates on the challenges of execution of strategies in complex organizations. Cokins (2009) also devotes the attention towards the topic, from the perspective of performance management. Greer, Lusch and Hitt (2017) consider the role of human capital resources. Strikwerda (2017) analyses different schools of thought for strategy execution and highlight important implications linked to control.

Some studies focus on a particular country or region. For example, Čater and Pučko (2010) analyse the factors of effective implementation and provide empirical evidence from Slovenia. Gębczyńska (2016) examines how the strategy is reflected in lower managerial levels, based on the results from Polish companies. Brenes, Mena and Molina (2008) analyse success factors for implementation in Latin America.

Exploring the internal factors that can influence strategy implementation, attention should be given to the way enterprises are organized. In other words, the question about the organizational capabilities is paramount, as it is well documented in the literature (for example Srivastava/ D'Souza 2019, Teece 2017).

Changing structures within the organization can be fast, but the long-term effects of such choices should not be underestimated. The hazard is that decisions for changes are taken without substantial consideration of the different aspects that need to be assessed. They can promptly lead to (un)desired consequences and impact the abilities of organizations to perform in accordance with their plans.

Looking at the external factors, networks also need additional attention in the COVID-19 reality. Zuliani et al (2020) elaborate on lessons learned for the networks support to overcome the COVID-19 crisis. Elfring and Hulsink (2003) focus on the technology sector. Villa and Taurino (2017) even analyse the networks in the context of the so called collaborative management. Liu and Tai (2020) discuss the resilience of production networks during economic crisis.

An important prerequisite for the successful implementation starts with the careful design of the strategy. For both the development and implementation of strategies, the human capital within organizations has a key role.

#### **4. Supporting the decision-makers of today and tomorrow**

To develop strategies for resilience and growth and to implement them even in quickly changing conditions, companies rely on the qualities of their management and teams. The better they are prepared, the higher the results for their organizations can be. This raises the question about the development of human capital. In this respect, academic institutions have key responsibilities. They can be structured in two groups.

First, research can provide profound insights with reference to external and internal factors that influence international business. There is abundant literature on management issues. Several topics can have added value for this article. They include two aspects: the first is devoted to the development of strategies and the second to their implementation, in particular difficulties with it. For example, North and Varvakis (2016) elaborate on competitive strategies in times of dynamic changes and direct the attention towards increasing resilience during a crisis. Other authors such as Gunasekaran, Rai, and Griffin (2011) review key enablers to the resilience and competitiveness.

To sum up, research has elaborated on developing strategies for resilience. Preparing for changing conditions and actually being able to implement what is envisaged are two different things though.

The second group is devoted to the added value in preparing new generations of international managers. The better they are educated to lead and serve their organizations, the more resilient their companies can be. The well-taught human resources can contribute to the development of their enterprises even in dynamic times. This is not an easy task, as universities themselves face key challenges and opportunities (Geryk 2017, Perna 2020, Crawford/ Butler-Henderson/ Rudolph/ Malkawi/ Glowatz/ Burton/ Lam 2020).

Supporting the decision-makers of tomorrow to contribute to the resilience of their organizations can be viewed as a quest. It is the result of multidimensional processes that require vigilant preparation across different academic fields long before a crisis. This means that decision-makers have to be equipped for the unexpected in such a way that they can deliver results even in unfavourable business conditions.

#### **5. Conclusion**

A closer cooperation among representatives of the business and the academic institutions can be beneficial in the search for working solutions to the unusual conditions, created by the outbreak of COVID-19. The results show that scientific and research organizations can offer added value for resilience and growth.

This paper highlights the wide variety of options that can support the decision-making processes. But managers need to choose carefully their priorities in the current business environment. There are no one-size-fits-all solutions, nevertheless the suggestions are built on the common ground that can be applicable to different companies. It is beyond the scope of this article to provide a complete step by step guide. Its aim is rather to invite dialog among interested stakeholders.

Three topics can serve as the basis. The first is organizational resilience in the COVID-19 reality. The second raises awareness about the need to bridge possible gaps between

strategies and implementation. The third emphasizes on two ways, in which academic institutions can have an added value for the decision-making process of tomorrow.

With the advance of more time since the outbreak of the new virus, it would be beneficial to test on the ground the companies' perceptions. Projects could analyse the differences of the firms and the factors for the decision-making processes. New assessments can follow a sectoral approach. Empirical studies can explore the challenges each of them faces and offer context-specific insights.

The foundations have been laid and welcome further research that provides up-to-date advice to bridge theory and practice as the international landscape changes. Surveys that analyse the consequences and opportunities for management in the COVID-19 reality are invited. This paper may contribute to triggering further interest in resilience management and possibly gathering evidence from the business in different countries and sectors of the economy, as time allows the generation of more data and the development of models to guide an informed decision-making process.

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## **The Impact of the Covid 19 Pandemic on the Construction Sector - Case Study: Albania**

**Otjela Lubonja**

**Klea Biqiku**

### **Abstract**

The COVID-19 pandemic was an unforeseen event. As in the rest of the world, our country has been severely affected by the "economic depression" that followed the pandemic. After such an extraordinary surge in the percentage of infected people with this virus, numerous countries around the globe declared a complete national lockdown. The constricted movement of people was necessary. Most sectors have indeed been damaged and therefore have suffered a significant decline, which might take time for recovery. Among the most important is the construction sector, which has been followed by the suspension of works, the postponement of contracts or new projects until a second phase, the significant decrease of employees. The construction sector plays a major role in the country's economic growth. This sector is also considered to have been the "economic engine" as there is a very close relationship between both construction and economic growth. As an investment sector, the construction sector has the potential to have a significant impact on short-term growth. Construction is a crucial component of the development and reorganization process, which focuses primarily also on the provision of capital infrastructure which has a deep impact on the economy of a country. This paper aims to study the effect of COVID-19 on the construction industry. The study was based on the literature and the questionnaire survey method. The most significant impacts of COVID 19 were found to be project suspension, work impact and job losses, cost overrun, time overrun, and financial implications. The results of this study help us to raise awareness about the most critical impacts that cannot be suddenly overlooked by not giving them due importance. These results also help project stakeholders to prepare for any possible scenarios that may occur soon during the planning phase of the construction project.

**Keywords:** Pandemic, Construction, Economy, of Recovery, Development

### **Introduction**

This study focuses on the impact of how Covid-19 affects the construction sector in Albania. Official data limit the possibility of a full analysis of this impact, although reports in various media speak of rising unemployment, poverty and abuse of workers' rights. The analysis in this paper arguments that the impact of the crisis facing the economy and the labor market are found in the development model of recent years. Surveys through questionnaires realize provide us with data for various sectors of the economy and especially for construction.

Given that the construction sector plays a crucial role in the country's GDP, being considered as its "economic engine", we have paid more attention to have a more detailed overview of its

current situation, as well as the tools and mechanisms we will need to overcome this situation. But the question that arises in this study is what is the impact of the pandemic on the economy of our country, mainly in the construction sector and what will be the appropriate measures or instruments to overcome this economic difficulty.

### Literature Review

The literature based on official data and projections realized by the respective stations, as well as based on global models and policies pursued by them to adapt to the new normality. To analyze the situation in which COVID -19 has caused come to our aid some suggestions or studies from personalities in the field of economics and not only.

According to Ricardo Hausmann, a professor at the John F. Kennedy School of Government at Harvard, "Macroeconomists initially thought that the COVID-19 pandemic would shake aggregate demand and that this should be combated with policies that increase consumption. [3]"But they soon realized that, in contrast from the 7 global financial crises of 2008, which collapses aggregate demand, the COVID-19 pandemic it is first and foremost a shake-up of aggregate supply. So even if people want to consume, go to the theater, go out to restaurants, travel, this will be impossible, as everything has to be closed or there will be measures that make the operation of many impossible businesses. According to Hausmann, this situation is unbearable, especially for developing countries. These countries depend on raw material exports, tourism, remittances and are all expected to collapse this year. This will affect purchasing power in these countries and Governments will have a problem with budget revenues. In the report on the world economy, published in the second week of April, the International Monetary Fund characterizes the economic crisis caused by the COVID-19 pandemic, as a crisis that we have never seen before and therefore has an uncertainty great for its impact on people's lives. Most countries in the world are facing at the same time a health crisis, financial crisis and a drastic drop in the price of raw materials, including oil.

According to the projections of the International Monetary Fund, the global economy will fall to -3%, which is a decrease of 6.3 percentage points, compared to the projections of January 2020. This decline is expected to trigger the most negative recession we have seen since the Great Depression crisis and much more negative than the 2008 global financial crisis. At the same time, the World Trade Organization (WTO) has found that global trade is on the verge of collapse, similar to that of 1930, during the Great Depression. According to the WTO, recovery will be faster if countries keep markets open, do not put up barriers and act together. OBT estimates are that world trade will shrink by 13% to 32%, depending on the duration of the COVID-19 pandemic outbreak and the duration of the restrictive measures that have been put in place to prevent the pandemic from spreading. Since we live in a global society, the negative impacts of the pandemic are also present in our country, which appear in a more severe form as we do not possess a sustainable economy. The issues on which our study will be conducted will be based on some research questions:

*How does the economic sector really stand in relation to other sectors?*

*How can we overcome this crisis by relying on more efficient models realized by foreign experts in the field?*

## Methodology

To study construction sector, economy dhe the factor that affect them are used primary and secondary data. As we mentioned before the data were collected mainly through the results concluded from the questionnaires or surveys conducted, data from external models and their impacts from the pandemic as well as through a comparison made between the preventive measures taken in our country and which would be more adequate to be implemented in our country.

The question that arises in this study is what is the impact of the pandemic on the economy of our country, mainly in the construction sector and what will be the appropriate measures or instruments to overcome economic stagnation? To answer this question, raise the hypothesis:

*Hypothesis raised (H0):* The construction sector plays an important role in the economies of our country and has an interplay with other sectors of the economy.

*Alternative Hypothesis H1:* The construction sector does not play an important role in the economy of our country and has no interference with other sectors of the economy.

The study aims to:

To present a clear summary to know the level of decline of the economic sector.

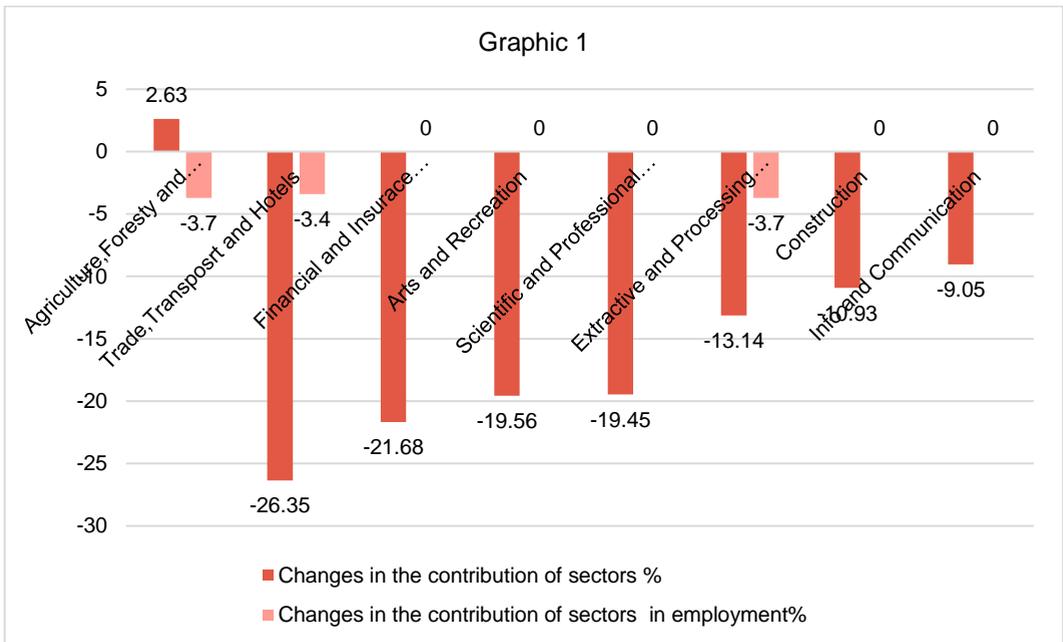
To analyze the adequate interventions to realize the recovery of this sector and of course the economy.

Giving some conclusions and recommendations for improving this situation.

## Data Analysis and Interpretation

The construction sector plays a very important role in the economic development of a country. It is also considered as its "economic engine". There is a relationship between construction activity and economic growth. As an investment sector, construction has the potential to positively impact short-term growth. Construction is an important part of the development and modernization process, which deals mainly with the provision of capital infrastructure, which has an impact on the economic growth, development and prosperity of the country. Such infrastructure creates significant employment opportunities for the population, which generates further investment in other sectors of the economy through the multiplier effect. Given the fundamental importance of the construction sector in job creation, capital formation and its effects of total spread, it is clearly an important sector in the economy. Considering the importance and potential that the construction sector brings, in addition to preventing measures for the spread of coronavirus, a great effort was made by the government authorities for the economic recovery in this sector and not only. One of the most important sectors, such as the construction sector, was accompanied by the suspension of works, the cancellation of new contracts or projects until a second moment, the reduction of staff, etc.

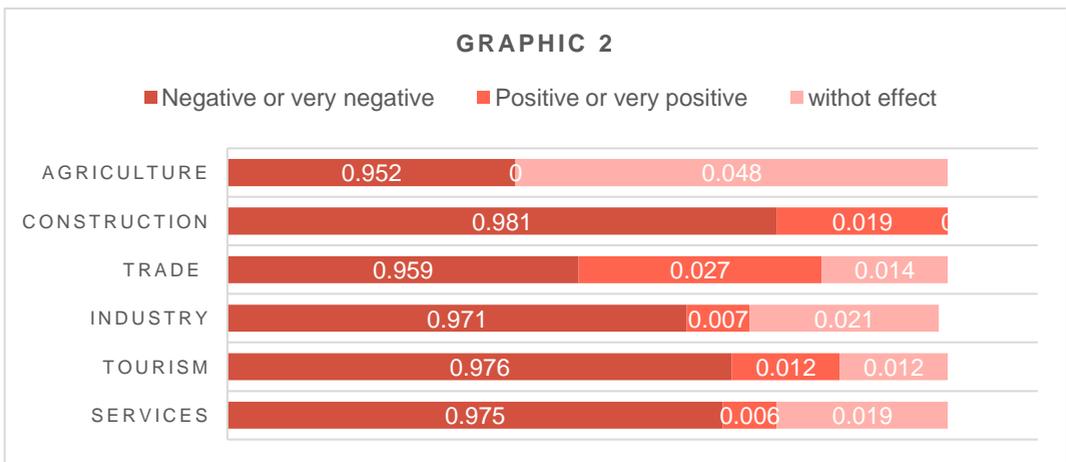
To confirm from what we said above, we come to the aid of some graphics that better illustrate the situation in which the construction sector is.



Graph 1 - Bota E Punës Në Kohë Pandemie: Krizë Dhe Mundësi

Source -FRIEDRICH-EBERT-STIFTUNG (2020)

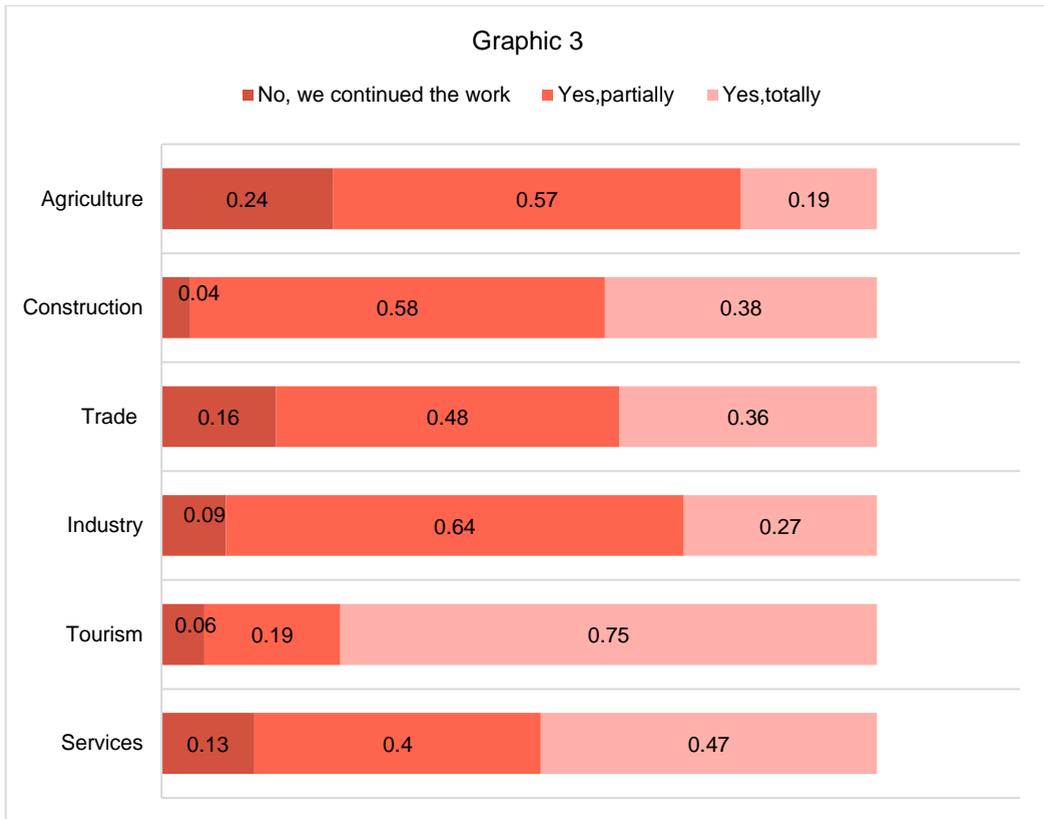
Graph 1 shows exactly that the construction sector has experienced a decline of about -10.93% which is previously its contribution to the employment sector. From this detail we analyze that the importance of this sector is considerable. [2]



Graph 2- Main Findings of the Survey “COVID-19 ON BUSINESSES”-Improving Transparency and Investment Climate.

Source - AIC (2020) *Impact of COVID19 by economic activity:*

The construction sector had a very negative impact, illustrated in the graph, where 98.1% is negative and very negative and the positivity is about 1.9%. As a result of the restrictive measures to prevent COVID19, a direct impact was undoubtedly had on the economy where many sectors suspended their activity and some others partially or continued to operate normally. In this case the construction sector is part of those sectors that partially continued the activity and a percentage in it completely, but in a more reduced way.

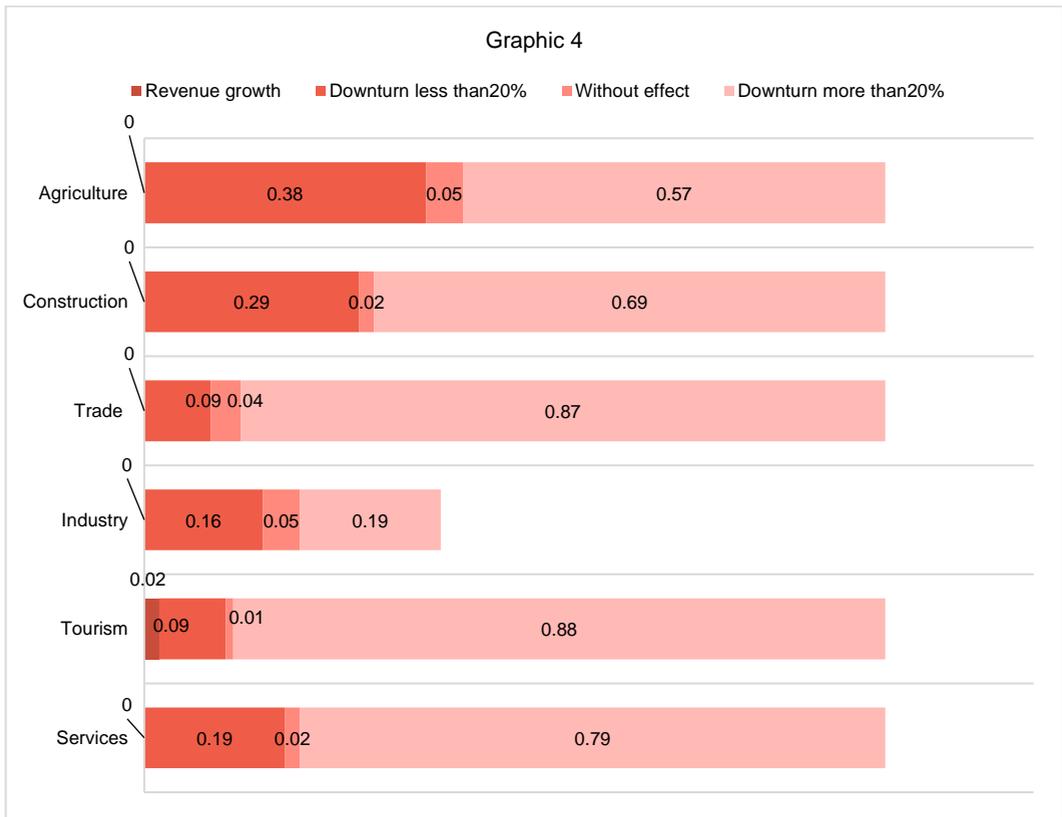


Graph 3 - Main Findings of the Survey “COVID-19 ON BUSINESSES”-Improving Transparency and Investment Climate

Source - AIC (2020)

Graph 3 shows the result for the construction sector, where only 58% of it has continued its activity partially and 38% of it fully. Which is closely related to the importance or impact that the construction sector has on economic development and progress. COVID-19 drastically lowered companies' expectations in terms of their annual turnover more than 80% of them expect reductions of more than 20%. the annual turnovers of the companies will have a drastic decrease due to the preventive measures that were applied. Due to the COVID-19 pandemic, companies faced unique challenges.

In graph 4 we have the expectation for each sector, where it is worth mentioning the construction more than 20%.

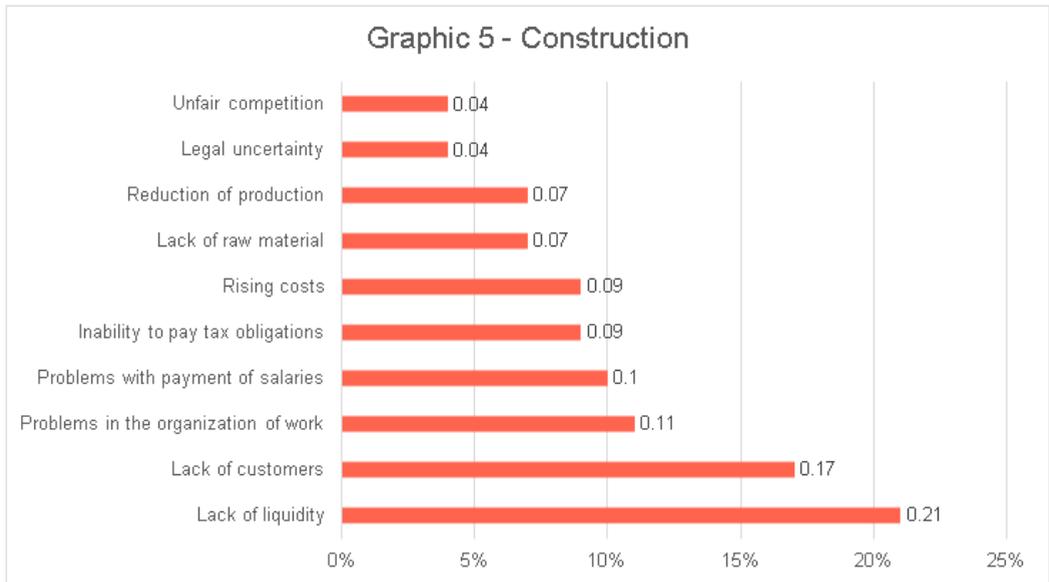


Graph 4 Main Findings of the Survey “COVID-19 ON BUSINESSES”-Improving Transparency and Investment Climate

Source - AIC (2020)

Different sectors have found different ways to ensure the continuity of their activity, where this one have adapted to the new normal. The different sectors of the economy are intertwined with each other and imports play a very essential role in the continuity of their activity. Due to the COVID-19 emergency situation, companies (52%) in Albania, mainly in industry, encountered problems with the supply of raw materials from imports, while some of them are considering domestic sources as an option.

Due to the COVID-19 pandemic, the classic work routine changed drastically and businesses were not prepared to react. These are shown in graph 5.



Graph 5- Main Findings of the Survey “COVID-19 ON BUSINESSES”-Improving Transparency and Investment Climate

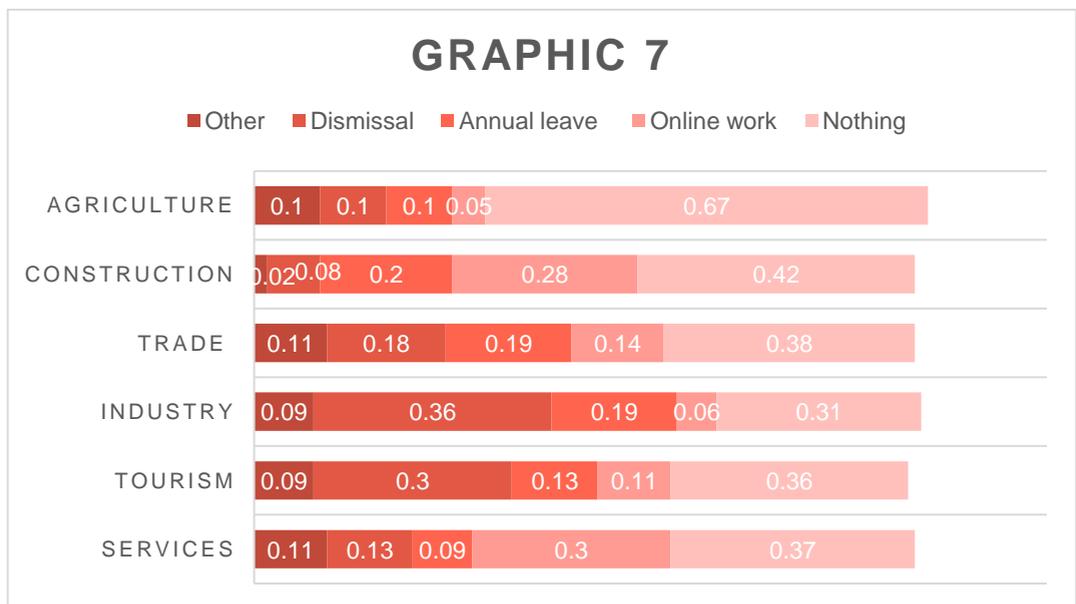
Source - AIC (2020)



Graph 6- Main Findings of the COVID-19 BUSINESS Survey -Improving Transparency and Investment Climate, AIC

It is worth specifying that the construction sector has a dependence of 29% as with 71% they can partially replace them with the products available in our market. COVID-19 is a serious threat to business continuity. These measures are associated with negative effects and really very serious problems which will be reflected in graphic 10. Here we can mention dismissal of staff, issuance of annual leave, online work from home and no measures. In the construction sector dominates with 42% with the lack of measures.

Thus, the sectors of the economy faced some unusual conditions which determined them to make some decisions that in the future may translate into losses. Through that graphic 7 we will have an illustration of this fact.



**Graph 7-** Main Findings of the COVID-19 BUSINESS Survey -Improving Transparency and Investment Climate, AIC

According to statistics, in the construction sector, 8% of them realized job cuts, 20% gave annual leave, 28% worked online from home and 42% of them did not take any restrictive measures.

### **But what were the measures followed by politics in our country?**

In response to Covid-19, the government allocated two financial packages to support citizens and businesses, approved an additional budget for the health and social protection sector, and increased the Reserve Fund for other necessary and unforeseen expenditures. The first package consisted of financial assistance for small business employees who closed due to the pandemic, which included the self-employed, unpaid family workers, as well as employees in commercial natural persons and persons legal. The package also envisioned a doubling of financial assistance and unemployment assistance. The second package focused on:

1) Subsidy for departed and current employees of businesses with incomes below ALL 14 million(€ 113538)closed by government order;

- 2) Support for dismissal / s in the period March 1 - May 17 in all entities (regardless of whether they were closed or not);
- 3) subsidy for all employees of businesses with incomes below 14 million ALL(€ 113538) (except for free professions, trade, pharmacies, beneficiaries of the salary of the 1st package war);
- 4) war wage subsidy for hotel employees in the tourism sector;
- 5) support for Ballsh Refinery employees; as well as
- 6) financial assistance to applicants for economic assistance who are applicants but have not been selected by the economic assistance scoring system.

The government also offered to use two Sovereign Guarantee instruments. While the first instrument (ALL 11 billion) provided for payments of employees affected by the pandemic for three months, interest subsidy from the government and a period of non-payment of principal for 6 months, the second (ALL 15 billion) provided for the application for needs in working capital and investments, as well as offered preferential financing terms, repayment period of up to 5 years, risk sharing with banks and a period without repayment of principal for 6 months.

The scheme also included the postponement of profit tax for businesses until the end of September and for the tailoring, tourism, call center and small business sectors until the end of December 2020. The main problems of economic packages.

A detailed analysis of these packages would require more complete information than what the Ministry of Finance and Economy provides on its official website. Nevertheless, various reports indicate that the support scheme has distinct shortcomings in terms of coverage and level of assistance.

**First**, the scheme excludes a very large number of workers. Thus, the excluded were informal workers and employees in the agricultural sector, who represent respectively 37.4% (*World Bank 2018*) and 36.4% (*INSTAT 2020*) of all employees.

**Second**, the financial support for the employees who benefited from the scheme was very low: the self-employed and the employees in the small business closed by government order received a “war salary” of 26,000 ALL / month for a period quarterly; unemployed and those treated with economic assistance received double the value; and 10,000 employees in the tourism sector, 66,000 employees in the big business, but who lost their jobs and 100,000 employees in the small business affected by the pandemic received only a payment of 40,000 ALL for the three months of closure of these entities (*Porta Vendore 2020*).

According to this estimate, if the Sovereign Guarantee is deducted from government packages, then the fund made available to support employees / groups as well as groups treated with unemployment benefits and economic assistance is smaller compared to the countries of the region. most importantly, there was negligence in the construction sector.

## Recommendations

But what would be the most effective measures to overcome this stalemate according to economic models and world experts? To achieve this purpose the following institutional actions are recommended:

1) *Establishment of tax and legal facilities for the construction sector, a sector that may be involved in the crisis, in the coming months, as a result of cash flow problems of companies active in this sector, including the reduction of construction taxes and creating the legal basis for temporary cadastral registration of buildings under construction.*

2) *Stimulating aggregate demand by stimulating purchases in certain periods (for example 0% VAT on weekend purchases)*

3) *Creating financial instruments to finance the transition to energy, towards more sustainable and efficient energy supply solutions, for businesses and households Economic recovery and transformation will depend on a large number of factors, including the possibilities of any new outbreak of the pandemic, the duration of the pandemic and its impact on consumer and business confidence, but also on the ability of businesses to adapt to the "new normalcy".*

*The government must be proactive in providing adequate support to citizens and businesses, but also flexible at the same time to adapt to any new circumstances that may be created.*

### **Conclusion**

At the end of this paper, we conclude that the construction sector plays a crucial role in the economy of our country and beyond. The pandemic crisis has greatly affected this sector, leading to a decline in its annual income for 2020 and a recovery that lasts over time.

Thus the measures taken by our government agencies were few or almost none, which makes it possible for this important sector of the economy to plunge into a deeper crisis and a recovery that may last longer than other sectors. It would be good enough to turn our eyes away from this sector to help at least a little for its breathing and thus ensure the development and prosperity of our economy.

Tax and legal facilities, reduction of taxes, creation of a legal basis for temporary cadastral registration of buildings under construction, stimulation of aggregate demand by stimulating purchases in certain periods and the creation of appropriate financial instruments, perhaps they would be the right steps to follow in order to have economic development and the construction sector recover as little as possible.

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## **The Impact of Certain European Pillar of Social Rights' Initiatives on Bulgaria**

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### **Abstract**

The present paper analyses and summarizes the estimates regarding the potential effects from the implementation of specific measures of the European social pillar on the Bulgarian economy and society. In particular, the impact of the following three initiatives within the pillar are explored: 1/ The impact of the Minimum Wages Directive proposed by the European Commission on the Bulgarian workers' wellbeing and 2/ The impact of the Work-life Balance on the current Bulgarian legislation. The conclusion is that the pillar has the potential to bring change and improve the social status of low-wage workers in Bulgaria.

**Keywords:** European pillar of social rights, minimum wage, work-life balance, Bulgaria

### **Introduction**

The European Pillar of Social Rights was launched in 2017 with the aim to deliver new and improve the existing social rights of the EU's citizens. Its goals are to ensure quality employment, adequate social protection, and universal access to community-based services in all member states. Although many of the instruments for its implementation are in the hands of the countries themselves, the social partners and civil society, the EU institutions, in particular the European Commission, can help by providing a framework and guidelines. The pillar is also an integral part of the European Semester, and in 2019 almost half of the country-specific recommendations were focused on employment, education and social issues, placing new emphasis on the pillar's three areas: equal opportunities and access to the labor market, fair working conditions and social protection and inclusion. The European Social Fund Plus (ESF+) will help member states to develop skills, employment and social action in line with the pillar's goals.

The pillar is useful for reviving EU initiatives in the social field, but on the other hand its optional nature does not provide much scope for action. Its efficiency depends on the extent to which it can influence member states' policies. In spite of its inclusion in the European Semester, its integration into the overall socio-economic environment is limited due to the restricted competences of the EU in the social policy field. This paper analyzes the potential effects from the implementation of specific measures of the pillar on the Bulgaria, in particular, the impact of the two of its initiatives - the Work-life Balance Directive and the Minimum Wages Directive.

### **The impact of Work-life Balance Directive on Bulgaria**

One of the achievements of the social pillar so far is the adoption of the Work-life Balance Initiative, directed at reaching of a better work-life balance by working parents and carers.

Directive (EU) 2019/1158 aims to improve work-life balance but also to increase women's employment in the EU, encouraging a more equal sharing of parental leave between the men and women.

The main elements of the directive are:

The introduction of **paternity leave**: fathers in the EU must be able to take at least 10 working days of paternity leave around the time of birth of their child, compensated at least at the level of sick pay.

Ensuring that two out of the four months of **parental leave** are non-transferable between parents and compensated at a level that is determined by the Member State.

The introduction of **carers' leave**: workers providing personal care or support to a relative will be entitled to five days of leave per year.

Extending the **right to request flexible working arrangements** to carers and working parents of children up to eight years old.

The directive is accompanied by policy non-legislative measures to member states, f.e. encouraging the use of European funds to improve the provision of formal care services, ensuring protection against discrimination and dismissal for parents, and removing economic disincentives for second earners, which prevent women from accessing the labour market or working full-time. Its aim is to increase women's employment, earnings and career development, to improve families' economic wellbeing and social inclusion, and to provide companies with a more motivated and productive labour force.

In 2018 the employment rate for women (aged between 20-64) in the EU was 67%, which was still 12 pp less than for men (15 pp in 2008). In Bulgaria 68% of the women were employed in 2018 in comparison to 77% of men (Eurostat, 2020b).

Table 1 evaluates the compliance of the current labour legislation in Bulgaria with the provisions of the adopted Directive (EU) 2019/1158.

**Table 1. Comparison of Directive (EU) 2019/1158 legislative measures and Bulgarian legislation**

	Element	Directive (EU) 2019/1158	Bulgarian legislation	Compliance of Bulgarian legislation with Directive
1	Introduction of Paternity leave after birth	Fathers/equivalent second parents will be able to take at least 10 working days of paternity leave around the time of birth, compensated at least at the level of sick pay	Paternity leave already introduced.  Length: 15 calendar days  Financial compensation: 90 % of average gross monthly earnings or the average insurance income in the last 24 months preceding birth	Full compliance

2	Transferability of paternity leave	<p>Strengthening of the existing right to 4 months of parental leave, by making 2 out of the 4 months non-transferable from a parent to another, and compensated at a level set by Member States</p> <p>Parents will also have the right to request to take the leave in a flexible way (part-time or in a piecemeal way)</p>	<p>The first 135 days of leave are available only to the mother. With her consent, when the child becomes 6 months and until the 410th calendar day, the leave can be transferred to the father.</p> <p>Financial compensation: 90 % of average gross monthly earnings/ the average insurance income that the father received in the last 24 months preceding the birth.</p> <p>The father can use it from the day when the new-born child is discharged from the hospital (there is no preposition as to whether it can be postponed to a later stage).</p> <p>No non-transferable periods between the parents</p>	<p>Partial compliance.</p> <p>The requirements for length and financial compensation are met</p> <p>The requirement for non-transferability is not met</p>
3	Introduction of carers' leave for workers providing personal care/ support to a relative/ person living in the same household	Working carers will be able to take 5 days per year	Up to 60 calendar days per year paid at 80 % of average gross monthly earnings	Full compliance
4	Extension of the existing right to request flexible working arrangements (reduced working hours, flexible working hours and flexibility in place of work)	to all working parents of children up to at least 8 years old, and all carers.	<p>On returning to work after leave, the worker may request a temporary change in the duration or the distribution of the working hours</p> <p>Employed mothers of children under 6 years of age have the right to work from home</p>	<p>Partial compliance.</p> <p>The Bulgarian legislation concerns mainly parents, and only for children till 6 years of age</p>

Source: Directive (EU) 2019/1158; Blum, S., Koslowski, A., Macht, A., Moss, P., (eds) (2018); Labour Code of Bulgaria, 2020; Social Security Code of Bulgaria, 2020

The Bulgarian legislation covers fully or partially the directive requirements, as follows:

Regarding paternity leave, Bulgaria covers the requirement for 10 days' well-paid leave, as it is 15 days and it is paid at 90 % of average gross monthly earnings or the average insurance income in the last 24 months preceding birth of the child. Bulgarian legislation applies also for self-employed men. The financial compensation cannot be lower than the minimum salary, however, there is a ceiling on payment equalling a monthly maximum insurance income.

Regarding the paternity leave after birth, the first 135 days of leave are available only to the mother since they aim to ensure mothers' care in the first months of the child's life<sup>1</sup>.

With the consent of the mother, when the child becomes six months and until the 410th calendar day (full maternity leave), the leave can be transferred to the father if he has been

<sup>1</sup> The maternity leave in Bulgaria is 410 calendar days, from which 45 calendar days must be taken before the expected date of birth. The first 135 days are obligatory for mothers (45 calendar days before the expected date of birth, 42 days after birth and 48 calendar days until the 135th day)

insured at the National Insurance Institute for at least 12 months. The financial compensation is 90 % of average gross monthly earnings or the average insurance income that the father received in the last 24 months preceding the birth of the child. The father has the right to use Paternity leave if the two parents are married or live in a shared household. There is a ceiling on payment equaling a monthly maximum insurance income and the financial compensation cannot be lower than the minimum salary.

Regarding leave to care for a sick family member, including a child or to attend to a healthy child who has to stay at home due to quarantine in a childcare institution, the leave can be up to 60 calendar days per year and it is paid at 80 % of average gross monthly earnings.

The Bulgarian legislation also provides for a leave to care for two or more children under 18 years (only available to employed mothers subject to collective labour agreement). Mothers with two children are entitled to 2 days of leave per year, and mothers with three or more children to 4 days per year. Paid annual leave compensation is at 100%.

Regarding flexible work, on returning to work after taking leave, the employed person may request a temporary change in the duration or the distribution of working hours to facilitate reconciliation between work and family duties. The law obliges the employer to consider such a request and agree to it providing it is possible for the organisation.

Employed mothers of children under 6 years of age have a legal right to work from home on request with the same or another employer. When the child turns 6, the mother working from home should be restored to the same position she previously held or, if that position is no longer available, to an appropriate alternative, with her consent. Mothers of children under 6 years may work from home for another employer in which case they should be granted unpaid leave from their former employer and the right to return to the same or an appropriate alternative position after the entitlement to work from home expires (but no later than the child's sixth birthday). The right may be used by the father if the mother is not in a position to benefit from it (Blum, S., Koslowski, A., Macht, A., Moss, P., (Eds), 2018).

### **Factors and expected effects of the Minimum Wage Directive implementation**

In October 2020 the European Commission proposed a directive, which aims at ensuring that the workers in the Union are protected by "adequate minimum wages allowing for a decent living" (European Commission, 2020a). The directive is expected to have positive social and economic effects as increased wealth of workers, reduced pay gap and social inequality, increased market demand, bigger motivation at work and others. It addresses numerous social problems, including:

A very high share of low-wage earners (who earn two-thirds or less of the average gross hourly income in a given country) in the EU - 15,2% in 2018, i.e one in six employees in the EU is underpaid (Eurostat, 2020a);

The relatively high share of people in risk of poverty and social exclusion (persons have an equivalised disposable income below the risk-of-poverty threshold, which is set at 60 % of the national median equivalised disposable income after social transfers) in the EU - 112.8 million people in the EU in 2017, i.e. 22.4 % of EU population (Eurostat, 2020c);

Lack of progress in terms of convergence of minimum wages in the EU - a 7 times difference (312 euros in Bulgaria compared to 2142 euros in Luxembourg<sup>1</sup>) (Eurostat, 2020d).

Rising income inequality due to growing labor market polarization - employment in middle-paid occupations is decreasing while employment in low- and high-paid occupations is increasing;

Need for a mechanism for regular updating of the minimum wage levels in the EU;

Need to support workers after the Covid 19 pandemic, etc. (Moraliyska, 2021).

The main challenge connected with the Directive's implementation is related to the minimum wage definition. It needs to ensure a decent standard of living. One option to define the "decent standard of living", respective the "minimum wage" setting formula, is to apply the Living wages approach, which includes the calculation of an approximate wage for different types of households, needed to cover a certain basket of goods and services that guarantees an acceptable standard of living.

Another option is to adopt a reference value (Kaitz index), representing the ratio between the nominal minimum wage and the average or median wage. In the EU it is assumed that the minimum wage of 60 percent of the median wage is one that allows a full-time worker to avoid living in poverty. Most members of the European Trade Union Confederation support the goal of minimum wage at the amount of at least 60% of the median wage as well (ETUC, 2020).

The ILO states that the economic effects considered in the Living wages approach depend on the proportion of wage-earners affected by a certain minimum wage, and can be evaluated through indicators such as ratio of minimum wages/ to median wages (ILO, 2020). Similarly, the Directive proposal invites member states to use reference benchmarks in their assessment of gross wages adequacy Indicators commonly used at international level, such as 60% of the gross median wage and 50% of the gross average wage (European Commission, 2020c).

Applying a double threshold (60% of the median and 50% of the average wage) is recommended by professionals, who estimate it could lead to an increase - sometimes significantly - in the minimum wage in almost all EU countries with a statutory minimum (Müller, T., Schulten, T., 2020).

The most ambitious indicator would be applying both - double threshold (50% of the average and 60% of the median wage) and a country-specific basket of goods and services. The basket would be defined jointly by the trade unions and employers' organizations that will assess whether it provides a decent standard of living.

#### *Bulgaria's performance regarding reference minimum wage thresholds*

In 2019 Portugal was the only EU member state that covered the double threshold having a minimum wage above 60% of the median and 50% of the average wage. Bulgaria was among the few countries with minimum wage covering almost 60% of the median wage (European Commission, 2020d). Thus, Bulgaria is excluded in the estimates by indicator "Minimum wage as a percentage of the median wage" and is included only in the estimates regarding the

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<sup>1</sup> Monthly rates (in euros) of wages as gross income (before income tax and social security contributions)

potential effects from the introduction of minimum wage as a percentage (40%, 45% and 50%) of the average wage.

The minimum wage in Bulgaria in 2020 was 41,6% of the average wage. The ratio between the average and minimum wage in the country in the last five years has been between 41% and 42% (Table 1).

**Table 1. Ratio Minimum wage/Average wage in Bulgaria in the period 2016 - 2020**

Indicator	2016	2017	2018	2019	2020
Average gross monthly salary	1006	1120	1215	1349	1468
Minimum monthly salary	420	460	510	560	610
Minimum wage as share of average wage, %	41,7%	41,1%	42,0%	41,5%	41,6%

Source: National Statistical Institute, 2020; Council of Ministers of Bulgaria, 2020a; Council of Ministers of Bulgaria, 2020b; Council of Ministers of Bulgaria, 2020c; Council of Ministers of Bulgaria, 2020d; Council of Ministers of Bulgaria, 2020e; Council of Ministers of Bulgaria, 2020f.

#### *Expected effects of the Minimum Wage Directive on Bulgaria*

The European Commission's Impact assessment predicts numerous positive effects from the implementation of the Directive. It includes estimates for indicative values of minimum wages for two different ratios: 1) gross minimum wage as a percentage of the gross average wage; 2) gross minimum wage as a percentage of the gross median wage<sup>1</sup>.

To estimate the magnitude of increasing minimum wage levels on social and economic outcomes, the European commission has executed a microsimulation on the basis of the Euromod model. The results show that on EU level (provided that member states increase minimum wages to 60% of the median wage or 50% of the average wage): 1/ approximately 25 million workers' wages would increase; 2/ The increases of statutory minimum wages could exceed 20% in some member states; 3/ Wage inequality and in-work poverty would decrease by 10% and the gender pay gap would decrease by 5%; 5/ The impetus for work would enhance.

The following analysis is on the expected results of minimum wage increase in Bulgaria.

In 2019 the minimum wage in Bulgaria was almost 60% of the median (European Commission, 2020d), so it covers the highest goal regarding the median wage and needs no improvement (Table 2).

**Table 2. Change in the minimum wage in Bulgaria, necessary to achieve reference levels in relation to the gross median wage (nominal monthly values, in euros)**

Minimum wage in 2019	50% of median wage		55% of median wage		60% of median wage	
	Level	Gap	Level	Gap	Level	Gap

<sup>1</sup> The two indicators have different implications for different countries - the reference values based on the average wage are more stringent for countries with lower or intermediate wage levels (incl. Bulgaria), while reference values based on the median wage are more stringent for intermediate-to-higher wage countries (European Commission, 2020d).

286	239	-48	262	-24	286	0
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Source: European Commission, 2020d

This is why, the analysis in on the expected impact in case of minimum wages increases is calculated as share of different reference levels of the average wage only.

Table 3 shows how the minimum wage in Bulgaria in 2019 needs to change in order to reach the average wage set at different reference level – 40%, 45% or 50%.

**Table 3. Change in the minimum wage in Bulgaria, necessary to achieve reference levels in relation to the gross average wage (nominal monthly values, in euros)**

Minimum wage in 2019 (euro)	40% of average wage		45% of average wage		50% of average wage	
	Level	Gap	Level	Gap	Level	Gap
286	266	-21	299	13	332	46

Source: European Commission, 2020d

In 2019 the minimum wage was 41,6% of the average (Table 1), so it covered the first level. If the goal is set at 45% of the average wage, then the minimum wage should be increased by 13 euro to reach it. If the goal is set at 50% of the average wage, then the minimum wage should be increased by 46 euro to reach it.

Regarding the potential effects of the Directive on employment in Bulgaria<sup>1</sup>, the impact assessment shows that its implementation (in case of minimum wage equal to 50% of the average) would lead to an increase in the wage of almost 1 of 4 Bulgarians (23% of workers). The expected increase in the wages of these workers is also significant – approximately 21%.

An increase of 2% in the wage expenses (including the public and private sector) in Bulgaria is expected in case of minimum wage equal to 50% of the average wage.

**Table 5. Expected effects on workers, wages and total wage bill in Bulgaria**

Indicator	Scenarios of minimum wages as a proportion of the average wage	
	Min. wage = 45% of Average wage	Min. wage = 50% of Average wage
1 Share of workers affected by increases of the minimum wage (%)	Approx. 15%	Approx. 23%
2 Average increase in the wages of those affected by increases in the minimum wage (%)	Approx. 18%	Approx. 21%
3 Change in the total wage bill as a result of changes in the minimum wages (%)	Approx. 1%	Approx. 2%

**Notes:** European Commission calculations based on Euromod microsimulation model. The baseline scenario reflects minimum wages in 2019.

Source: European Commission, 2020d

<sup>1</sup> In 2017 the share of workers with wages at or around the statutory minimum wage (between 80% and 105% of the statutory minimum wage) in Bulgaria is approximately 10%.

The potential effects in case of reaching the target goal of minimum wage equal to 50% of the average implies a substantial reduction in wage inequality (18,5%) in in-work poverty (9%). It would also lead to a small gender pay gap, which will shrink by 2,6% (Table 6).

**Table 6. Expected effects on wage inequality, in-work poverty and gender pay gap in Bulgaria**

	Indicator	Scenarios of minimum wages as a proportion of the average wage	
		Min. wage=45% of average wage	Min. wage=50% of average wage
1	Reduction in wage inequality in simulated hypothetical minimum wage scenarios, D5/D1 indicator* (%)	Approx. 17%	Approx. 18,5%
2	Reduction in in-work poverty in simulated hypothetical minimum wage scenarios (%)	Approx. 17%	Approx. 9 %
3	Reduction in the gender pay gap** in simulated hypothetical minimum wage scenarios (%)	Approx. 1,7%	Approx. 2,6%

*Notes:* European Commission calculations based on Euromod microsimulation model. The baseline scenario reflects minimum wages in 2019.

\* The D5/D1 indicator is calculated as the gross wage earned by the median earner (D5) divided by the gross wage of the worker who earns more than 10% of all workers (D1).

\*\*The gender pay gap is the difference between average gross hourly wages of male and female employees as % of male wages, unadjusted for individual characteristics.

Source: European Commission, 2020d

### **Additional positive effects on Bulgaria**

At present Bulgaria lacks a quantitative mechanism (based on a set of criteria as poverty line developments, inflation or general wage increases) for setting and updating of the the minimal wage in the country. Bulgaria received Country-Specific Recommendations within the European Semester (in the period 2014-2019) that required a transparent minimum wage setting mechanism based on objective criteria. The implementation of the Directive is likely to accelerate the process of setting of such a mechanism, as well as guidelines for minimum wage updating.

In addition to that Bulgaria is also among the member states, where the requirement to consult social partners does not specify the institutionalised setting but instead the approach is left to government. This process often leads to non-binding recommendations, with an unknown influence on the final decision-making. This process is likely to improve with the Directive, which requires strengthening the role of the social partners.

Another expected positive effect is that the minimum wage increase is likely to improve work incentives. Simulations show that in all member states work incentives would improve when minimum wages are increased. Similarly, the final amount of the minimum wage depends on the particular tax system in the respective country. In EU member states where in-work benefits are withdrawn and the personal income tax system is progressive (income tax rates increase with increasing wage incomes), the net gain of a minimum wage increase is lower.

Bulgaria is among the countries where the net gain is rather high – over 70% - which is due to the lower progressivity of the personal income tax system in the country.

A positive impact is also expected on labor productivity, as most companies would react to minimum wage increases by cutting non-labour costs, increasing product prices, and improving productivity (Bodnár, K., L. Fadejeva, S. Iordache, L. Malk, D. Paskaleva, J. Pesliakaitė, N. Todorović Jemec, P. Tóth & R. Wyszynski., 2018).

Some insignificant positive fiscal effects of increased minimum wages are estimated on EU level as well, due to increases in tax revenues and reductions of benefit expenditure. These could reach up to 0.1% of GDP or up to 0.4% of GDP in case minimum wages are increased to 60% of the median wage or 50% of the average wage (European Commission, 2020d).

### Expected negative effects

As a whole, the Impact Assessment of the directive predicts limited negative effects in the EU. The effects are estimated on Eu level and are expected in the form of increased labour costs for the business (especially for SMEs), respectively a smaller profit, and a small inflation (a 10% increase in the minimum wage leads to 0.4% to 0.6% increase in consumer prices). Approximately  $\frac{3}{4}$  of the economic cost of the higher minimum wages is expected to be borne by consumers, and the rest by firms. However, the negative impact on the business is likely to be compensated by the increased consumption<sup>1</sup> and demand by the low-wage workers.

In the most ambitious case of increase of minimum wages to 60% of the median wage or 50% of the average wage, the negative impact on employment in the EU is expected to be up to 0.5% of total employment (up to 0.2% if the increase is according to the lower reference values), and as a whole the benefits of the minimum wage increases to concerned workers are predicted to significantly outweigh the negative employment impact on them (European Commission, 2020d).

**Table 7. Expected negative effects on employment in Bulgaria**

	Indicator	Scenarios of minimum wages as a proportion of the average wage	
		Min wage = 45% of average wage	Min wage = 50% of average wage
1	Estimation of possible negative employment effects (%)	0,4%	0,8%

Source: European Commission, 2020d

The expected negative employment effect in Bulgaria in the case of 50% of the average wage would reach up to 0,8% of the the total employment (Table 7).

### Conclusion

The European Pillar of Social Rights is a social policy framework with the potential to guide EU action in the social field over the next decade, so as to promote social convergence between

<sup>1</sup> The positive impact on aggregate consumption is varying among different income quantiles, being bigger for the lowest quintile and gradually decreasing across the income distribution (European Commission, 2020d)

the Union's member states. Although no tangible results of it have yet been identified, some initiatives that were proposed and adopted are likely to evoke numerous effects when implemented by the member states.

It can be concluded that the implementation of the Directive (EU) 2019/1158 will require some little amendments to the Bulgarian labour legislation in order for full compliance to be achieved. However, this could mean that the effects from it would not be significant, as its advantages have already been applied. The most influential of the new amendments would be the 2 months of non-transferable leave between the two parents, which is still not a legal requirement in Bulgaria.

As it concerns the implementation of the proposal of the Minimum Wage Directive in the country, it has the potential to bring a big change in the social situation in Bulgaria and to significantly improve the social and economic status of a big part of the Bulgarian workers, who are low-income earners. The maximum positive impact, however, would be possible in case the most ambitious scenario is applied (increase of the minimum wage up to the highest reference values – 50% of the average and 60% of the median wage).

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## The Multiplier Effect of European Union Funds in the Alentejo Region, Portugal, Between 2014-2020

Diamantino Ribeiro

### Abstract

The Partnership Agreement established between the European Union and the Member States for the implementation of the European Structural and Investment Funds for the period 2014-2020 has come to an end. It is, therefore, important to understand what impact the Partnership Agreement had on public and private investments in the different Portuguese regions. Support for regional investment has allowed the construction or modernization of collective infrastructures, such as schools, promotion of cultural and natural heritage, investment in energy efficiency, investment in Information and Communication Technologies (ICT) for public services, develop research and development initiatives, as well as urban rehabilitation and mobility. This also includes investments of intermunicipal and business nature. This paper is part of an extended study that analyses the multiplier impact of the application of European Union funds in public and private investment in the 7 Portuguese regions: Porto and North of Portugal, Centro, Lisbon and Tagus Valley, Alentejo, Algarve, Azores and Madeira. In this article we analyse the multiplier impact of the investment of the European funds allocated to the Alentejo Region, in Portugal, under the H2020 Program until the month of March 2020.

**Keywords:** Alentejo, H2020, European, value capture.

### Introduction

The Multiannual Financial Framework (MFF) 2014-2020 proposed by the European Commission estimated to fund more than 1 billion Euros (1.08 % of Gross Domestic Product - GDP) (Parlamento Europeu, 2013).

Portugal was to receive around 25 billion Euros in operational programmes, regional programmes on the mainland (North, Centre, Lisbon, Alentejo and Algarve) and as well as in programmes for the Autonomous Regions of Madeira and Azores, (Assunção, 2013; Francisco, 2016; POISE, 2014).

The European funds purpose is to contribute to the achievement of the priorities defined by the EU, such as, sustainable and inclusive economic growth, job creation, research, etc.. (Commission, n.d., 2011a, 2011b; Europeia, 2015; Nathan & Scobell, 2012).

The MFF regulation also provides for some special instruments, which give the Union the possibility to react to unforeseen circumstances or to finance expenditure for clearly defined purposes, which cannot be financed under the MFF ceilings. Special instruments are the Emergency Aid Reserve, the Solidarity Fund, the Flexibility Instrument, the European Globalisation Adjustment Fund, the Unexpected Margin and Specific Flexibility to Combat

Youth Unemployment and Strengthen Research (Assunção, 2013; Commission, 2014; Silva & Matos, 2018).

The five main Funds listed below work together to support the economic development of the various Member States: 1. European Agricultural Fund for Rural Development (EAFRD), 2. European Social Fund (ESF), 3. European Maritime Affairs and Fisheries Fund (FEAMP), 4. European Regional Development Fund (ERDF), 5. Cohesion Fund (CF).

Through these financial instruments the EU aims to support innovation, training and education in cities and rural areas, to reduce unemployment, boost competitiveness, stimulate economic growth, promote entrepreneurship, combat social exclusion and contribute to the development of a more resource-efficient and environmentally friendly economy (Comissão Europeia, 2014; Commission, 2011b; Parlamento Europeu, 2013).

### **Methodology**

The main questions to be asked by this study are: a) What is the amount invested in the regional economy for each euro of support allocated by the European Union through the H2020 program. b) What is the percentage distribution of community support versus investment for each area of intervention? c) What is the execution rate when there is less than one year to the end of the program?

Data was retrieved on the H2020 Alentejo Region web page<sup>1</sup>. The analysis was structured in two levels. The first regarding the axes of intervention, thematic objectives, and investment priorities; the second according to the following themes: human capital, business competitiveness, social inclusion and employment, sustainability and efficiency and technical assistance.

After collecting, organizing and processing the data, we obtained the results that allowed to answer the study's questions.

### **Partnership Accord - Portugal 2020**

The Partnership Agreement established between Portugal and the European Commission (Portugal 2020), brought together the actions of the 5 European Structural and Investment Funds - ERDF, Cohesion Fund, ESF, EAFRD and FEAMP - in which the programming principles were defined, in order to establish the economic, social and territorial development policies to be developed in Portugal, between 2014 and 2020 (AD&C, 2014; Assunção, 2013; Estrategor, 2018; POISE, 2014). These programming principles were aligned with Intelligent, Sustainable and Inclusive Growth, as per Europe's 2020 Strategy (Comissão Europeia, 2014; Parlamento Europeu, 2013).

Portugal should receive about 25 billion Euros, over the 7 years of the program; for that purpose, the government defined Thematic Objectives (TO) to stimulate growth and job creation, the necessary interventions to achieve them and the expected results with this funding: stimulating the production of tradable goods and services; increasing exports; transferring results from the scientific system to the productive framework; complying with compulsory schooling up to the age of 18; reducing levels of early school leaving; integrating people at risk of poverty and combating social exclusion; promoting sustainable development from the point of view of efficiency in the use of resources; strengthening territorial cohesion, particularly in cities and low-density areas; rationalizing, modernizing and empowering the

<sup>1</sup> Disponível em: <http://www.alentejo.portugal2020.pt/>. Consultado em 20.12.2020

Public Administration, are the main objectives of the policies to be pursued in Portugal 2020 (AD&C, 2014, 2015; Estrategor, 2018).

The programming and implementation of Portugal 2020 was organized in four thematic areas: 1. Competitiveness and Internationalization; 2. Social Inclusion and Employment; 3. Human Capital; 4. Sustainability and Efficiency in the use of resources. It also considered the transversal areas related to the Public Administration reform and the territorialisation of the interventions (AD&C, 2015).

In terms of eligibility for the European Investment Funds (ERDF, CF, ESF, EAFRD and FEAMP), the 7 regions of Portugal were divided into:

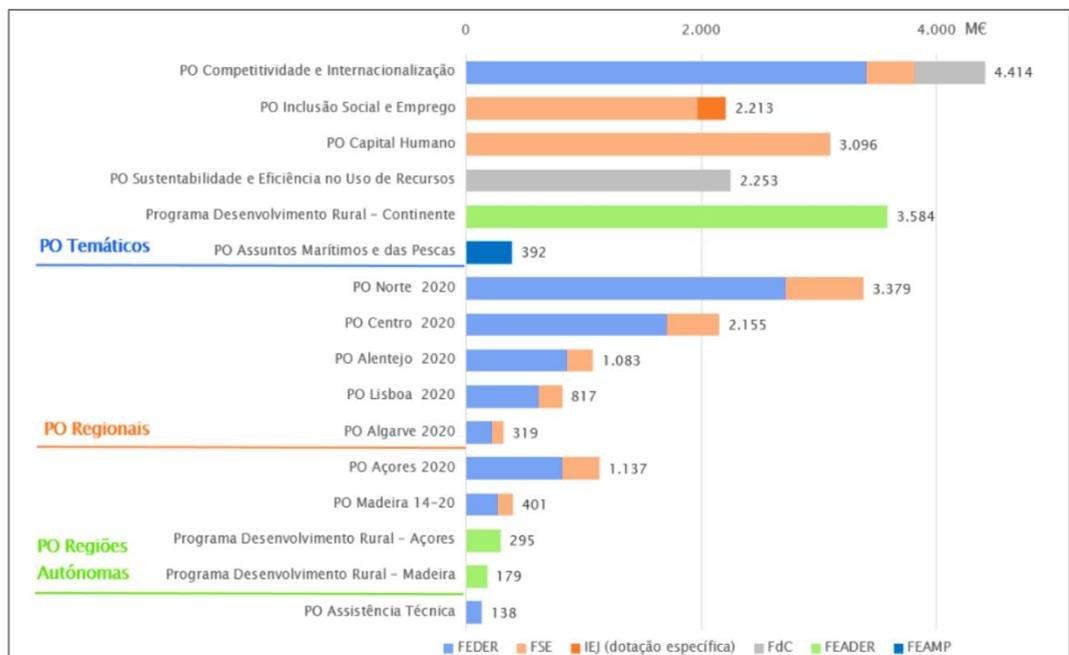
Less developed regions (GDP per capita < 75% EU average): North, Centre, Alentejo and Autonomous Region of the Azores (RAA) - Co-funding rate of 85%;

Regions in transition (GDP per capita between 75% and 90%): Algarve - Co-funding rate of 80%;

Most developed regions (GDP per capita > 90%): Lisbon and Madeira Autonomous Region (MAR) Co-funding rate of 50% (Lisbon) and 85% (MAR).

The funding allocated to Portugal was to be distributed among each of the 16 Operational, Thematic and Regional Programs, as per the graphic 1:

Graphic 1 - Operational, thematic and regional programs



Source: Portugal 2020<sup>1</sup>

<sup>1</sup> Retrieved from <https://www.portugal2020.pt/content/o-que-e-o-portugal-2020>. Last accessed: 9/9/2020



architectural heritage and the surrounding natural spaces as a result of the delimitation of nature protected areas and reserves.

In addition, the agricultural potential resulting from the exceptional soil and climate of the Alentejo Coast, namely for fruit and vegetable production, may turn it into a major supply center for European markets.

The biogeographic situation of crossing Mediterranean and Atlantic environments and the ancestral occupation of the territory on a scale of medium and low density were shaping natural systems through a balanced management of resources that originated a wealth of landscapes and biological diversity of European importance. The uniqueness and harmony in the relationship between the built heritage and the surrounding natural spaces, give Alentejo a genuine and recognized identity and authenticity.

The Alentejo landscape, of national and European reference, brings together the conditions to act as a biogenetic and amenity repository, in a multifunctional and sustainability perspective, combining the concerns of protecting nature and ways of life with socio-economic dynamics.

Alentejo asserts itself as a sustainable territory with a strong regional identity, supported by a polycentric urban system, guaranteeing adequate levels of territorial cohesion and affirming a reinforced integration with other national and international spaces. Territorial sustainability is based on the valorization of endogenous resources, namely natural and landscape values and the development of increased levels of strategic coordination and functional cooperation. The main urban centers are the structuring poles of regional cohesion and competitiveness and the reinforcement of the polycentric character of the regional urban system also involves the strategic strengthening of sub-regional urban systems, making the most of resources and affirming territorial specializations, in order to guarantee a more sustainable development and a balanced and sustained growth in the region.

A significant set of public and private investments, within the region reinforce the potential to attract new business investments, creating objective conditions for a new positioning of the Alentejo in terms of international economic relations (CCDR-A, n.d.).

### **Operational Program Alentejo 2014-2020**

With an allocation of more than €1,082 million, out of which 903.118.506 from the European Regional Development Fund and €179.82.,865 from the European Social Fund for the 2014-2020 period, the program aimed to promote the competitiveness of the regional economy, sustainable development and internal cohesion in the region, as well as the region's capacity to contribute to the achievement of the main national and European development objectives. The European Union's objectives are: to provide an overall investment in the region of € 1,310.731.737 over the years, i.e., €1 of funding should generate a regional investment of €1.21.

#### **5.1 Main objectives**

The Operational Program would help the promotion of the competitiveness of the regional economy and sustainable urban development and internal cohesion in the region, as well as the region's contribution to the achievement of the main national and EU development objectives:

35% of the OP resources are allocated to support competitiveness and innovation in SMEs.

Over 6% of the resources will boost research and technical development (RTD) and innovation, helping the country reach its national Europe 2020 target by increasing its share of GDP spent on RTD from 2.7% to 3.3% (1.5% in 2011). In particular, the contribution of the OP is expected to foster knowledge transfer in RTD and innovation to SMEs.

Around 7.5% will be dedicated to promoting employment and the valorization of endogenous resources - contributing to reach the national Europe 2020 target of 75% employment for the 20-64 age group (69.1% in 2011).

More than 12% will be dedicated to promoting education and qualification - helping the country reach its national Europe 2020 target to reduce early school leaving to 10% (from 23.2% in 2011).

Nearly 12% of resources will be used to promote sustainable urban development.

Almost 15% of the OP funds will support the shift to a low carbon economy (investments in energy efficiency and sustainable mobility); these funds will contribute to Portugal's national Europe 2020 target of 31% of energy derived from renewable resources (compared to 27.3% in 2011). To ensure the sustainable development of the energy sector, the support will improve energy efficiency and sustainable mobility.

In the OP, the thematic concentration of the ESF is 17.7% of the total ESF allocation. The ESF share of the OP is 17.1%.

### **Priorities**

The Program will focus on 9 main priorities: 1. Competitiveness and Internationalization of SMEs; 2. Education and qualification; 3. Research, technological development and innovation; 4. Sustainable urban development; 4. Employment and economic valorization of endogenous resources; 5. Cohesion and social inclusion; 5. Energy efficiency and mobility; 6. Environment and sustainability; 6. Institutional capacity building and administration modernization.

### **Expected Impacts**

Increase in the value of exports as % of turnover of SMEs to 15%; 65% of SMEs with 10 and more employees involved in innovation activities; 92% of students benefiting from updated primary and secondary choices; Increased capacity of the education or childcare infrastructure to reach another 4.777 children; Support for about 80 research projects in the region; 22 more companies cooperating with research institutions; Support for about 25 sustainable mobility projects in the region, including bicycle lanes and development of intelligent public transportation systems; Support to the rehabilitation of about 734 households in urban areas; The entire population should benefit from improved health services, including support to 80 public health and social services; Contribute to an annual decrease in greenhouse gas emissions of about 17.323 tons CO<sub>2</sub>; Facilitate the entry of about 6.400 people into socially needed jobs; Increase in the % of households with improved energy classification; Support for about 5.000 SMEs, with subsidies and other repayable forms of support; Contribution to create about 4.250 direct jobs.

### Analysis and results as of March 31st, 2020

Up until March 31<sup>st</sup>, 2020, a total of 3.796 projects were approved, generating a total investment of 1.373 million euros, with community support of 967 million euros (70.4%), as shown in Table 1 below:

Table 1- Approved projects

Theme	Nr. of Projects	Investment amount	%	EU Contribution	%	Investment per 1 € of incentive
Human Capital	158	93 683 952	6,8%	77 143 019	8,0%	1,21 €
Business Competitiveness	1 160	684 246 493	49,8%	436 731 005	45,1%	1,57 €
Social inclusion and employment	1 813	247 331 632	18,0%	177 918 810	18,4%	1,39 €
Sustainability and efficiency	637	324 474 537	23,6%	255 136 629	26,4%	1,27 €
Technical assistance	28	23 633 958	1,7%	20 375 175	2,1%	1,16 €
<b>Total</b>	<b>3 796</b>	<b>1 373 370 572</b>	<b>100,0%</b>	<b>967 304 638 €</b>	<b>100,0%</b>	<b>1,42 €</b>

Source – CCDR Alentejo 2020<sup>1</sup>

The Human Capital investment funded 158 projects, worth €77.143.019, generating an investment of €99.683.952.

In the area of Business Competitiveness, which includes Research, Development and Innovation, the 1.160 business projects (49.8% of the total) represented an investment of approximately €684 million with a European contribution of €436 million.

Support was given to 1.813 projects in the area of Social Inclusion and Employment for a total of €177 million, generating a regional investment of €247 million.

For Sustainability and Efficiency, 637 projects were supported for a total of €255 million, generating a regional investment of €324 million.

Finally, 28 projects were supported in the area of Technical Assistance for a total of €20 million, generating a regional investment of €23 million.

The results indicate that each Euro of support granted by the European Union through H2020 had the following impacts:

Human Capital = €1.21;

SMEs Competitiveness = €1.57;

Social inclusion and employment = €1.39;

Sustainability and resource efficiency = €1.27;

<sup>1</sup> Retrieved from: <http://www.alentejo.portugal2020.pt/>. Last accessed 21.01.2021

Technical Assistance = €1.16.

Regarding the percentage distribution (base 100) of the support granted *versus* the investment made per area, the indicators are as follows:

Human Capital - 6.8% support / 8% investment;

Competitiveness of SMEs - 49.8% support / 45.1% investment;

Social inclusion and employment - 18% support / 18.4% investment;

Sustainability and resource efficiency - 23.6% support / 26.4% investment;

Technical assistance - 1.7% support / 2.1% investment.

### Conclusion

We can conclude that in the framework of Horizon 2020, and according to the data available until 31 March 2020, 3.796 projects were funded in the Alentejo region, representing a total investment of €1,373.370.572.

If we consider that the initial objectives of the European Union foresaw a support of € 1,082.944.371 creating an overall investment in the region of €1,310.731.737, i.e., each euro of funding should generate a regional investment of €1.21, we can conclude that the Alentejo Region, is still lacking about 115 million EU funding (execution rate of 89.3%), is just over €62 million away from reaching the value of the investment forecasted for the region.

In short, for each euro of EU funding with a multiplier expectation of €1.21, the Region has so far achieved an impact of €1.42.

In our opinion, these programs are a very important contribution to value creation.

### 7.1 Future studies

At the end of our ongoing longitudinal study on each of the 7 Portuguese regions [North (Silva & Ribeiro, 2019), Centro Region, Lisbon, Alentejo, Algarve (Jesus-Silva et al., 2020), Azores and Madeira] which is planned for early 2021, we will publish a summary of the 7 papers where we compare the 7 regions.

We will also include tests on the impact of these investments on regional and national GDP.

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## Rebooting and Rejuvenating India's External Sector Post-Pandemic

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### Abstract

The integration of Indian economy through the channels of trade and capital flow has been accelerated over the last two decades. Even during the Covid-19 pandemic, policy stimulus continued to promote export-led growth in the economy. These decadal efforts to retain the exiting market share and capturing the new market continues to face number of challenges for India. India is presently known as one of the most important players in the global economic landscape. After the US-China trade war scenes, the outbreak of Covid-19 pandemic has questioned China's integrity across many countries of the world. When developed countries thinking over shifting their manufacturing base out of China, attracting this large chunk of capital flight has challenged Indian government. Data shows that the aggressive policy measures taken by both the central and state government to tap the crowding out of investment from China apparently succeeding. But this is a short-term picture, will it continue in the long-run? That is questionable. The 'Make in India' or 'Atmanirbhar Bharat' initiatives, export-led growth policy stimulus during pandemic, rise in exports of food products, generic medicines, newly entered FDI and flood of FIIs in Indian economy. All these dots need to be connected at the backdrop of India's New Foreign Trade Policy (2021-26). This research paper would like to focus on each one of the above mentioned initiatives by the Indian government and its significance to the entire trade policy as such. Paper would also like to consider the sustainability part of these initiatives.

**Keywords:** trade, capital flows, trade policy, market share, exports, pandemic, sustainability

### Introduction

Efficiency and growth can best be achieved by competition in world markets and preferential market access can encourage firms to enter the export market. The external balance is determined directly by the spontaneous interplay of optimizing behavior by domestic and foreign agents. The state of the external balance, therefore, signals occasion for policy action

The integration of Indian economy through the channels of trade and capital flow has been accelerated over the last two decades. Even during the Covid-19 pandemic, policy stimulus continued to promote export-led growth in the economy. These decadal efforts to retain the exiting market share and capturing the new market continues to face number of challenges for India.

India is presently known as one of the most important players in the global economic landscape. After the US-China trade war scenes, the outbreak of Covid-19 pandemic has questioned China's integrity across many countries of the world. When developed countries thinking over shifting their manufacturing base out of China, attracting this large chunk of capital flight has challenged Indian government. Data shows that the aggressive policy measures taken by both the central and state government to tap the crowding out of investment from China apparently succeeding. In-house policy changes, reforms, initiatives in Indian markets will surely contribute in enhancing its economic growth parameters.

The 'Make in India' or 'Atmanirbhar Bharat' initiatives, export-led growth policy stimulus during pandemic, rise in exports of food products, Pharma specific to generic medicines, newly entered FDIs and flood of FIIs in Indian economy. All these dots need to be connected at the backdrop of India's New Foreign Trade Policy (2021-26).

This research paper has focus on each one of the above mentioned initiatives by the Indian government and its significance to the entire trade policy as such. Paper has also considered the sustainability part of these initiatives. Regarding methodology, secondary data sets have been used extensively in the paper to support the research statements.

### **Make in India Initiative and Export Performance**

Make in India initiative has been the major national programme of the Government of India that was launched in 2014 and designed to facilitate investment, foster innovation, enhance skill development, protect intellectual property and build best in class manufacturing infrastructure in the country. The primary objective of this initiative was to attract investments from across the globe, enhance the pace of economic growth in India and mainly strengthen India's manufacturing sector, which in turn can boost the Indian exports. The focus of Make in India programme was mainly on 25 sectors. They include: automobiles, automobile components, aviation, biotechnology, chemicals, construction, defence manufacturing electrical machinery, electronic systems, **food processing**, IT & BPM, leather, media and entertainment, mining, oil and gas, **pharmaceuticals**, ports and shipping, railways, renewable energy, roads and highways, space, textile and garments, thermal power, tourism and hospitality and wellness. Of these, the followingsix sectors were projected as the Superstars that include Automotive, Electronic systems design and manufacturing, renewable energy, Roads and highways, **Pharmaceuticals and food processing**. There has been robust growth of Pharmaceuticals and food processing in terms of their export potential in the pre and post Pandemic Covid 19. Also as per the FDI Policy of 2018, these two sectors are categorized under 100% FDI through automatic route (makeinindia.com). Therefore in this paper we are focusing on these two sectors in terms of the present and the future (pre and post Pandemic) focus of Indian exports. Exports in September 2020 were \$27.58 Billion, as compared to \$26.02 Billion in September 2019, exhibiting a positive growth of 5.99 %.

Let us have a look to the trends in overall exports of India since the launching of Make in India initiative.

**Table 1 Overall Export growth**

Year	Billion \$	% of GDP
2014	468.35	22.97%
2015	416.79	19.81%
2016	439.64	19.16%
2017	498.26	18.78%
2018	538.64	19.85%
2019	528.30	18.41%
2020 (till December)	313	12.07%
Proposed in 2021	350	NA

Source: www.statista.com

Major commodities/commodity groups which have recorded positive growth during September 2020 (Post Pandemic) against September 2019 (Pre Pandemic) are **Other cereals (337.22%)**, Iron Ore (109.65%), **Rice (93.86%)**, Oil Meals (47.52%), Carpet (42.89%), Ceramic products & glassware (36.17%), Oil seeds (35.69%), **Cereal preparations & miscellaneous processed items (33.57%)**, **Drugs & pharmaceuticals (24.38%)**, Handicrafts excl. handmade carpet (21.82%), **Meat, dairy & poultry products (19.97%)**, Jute manufacturing including floor covering (18.64%), Cotton yarn/fabrics, handloom products etc. (15.39%), Spices (11.44%) and Tobacco (11.09%) . (The trends of the items in the bold are shown separately ahead in Table 2 and 3). These trends resulted in some positive facts for the economy in terms of its External sector. They are

**Merchandise trade:** The trade deficit for September 2020 was estimated at \$2.72Billion against the deficit of \$11.67Billion in September 2019, which is a decline of 76.66 %.

**Services:** As per RBI's Press Release (October 2020), the trade balance in Services (i.e. Net Services export) for August 2020 is \$6.84Billion. The estimated trade balance in September 2020 was little more at \$6.85Billion.

**Overall Trade Balance:** Taking merchandise and services together, overall trade surplus for April-September 2020-21 is estimated at \$17.74Billion as compared to the deficit of \$49.91Billion in April-September 2019-20. **(Source: Ministry of Commerce and Industry PIB Oct 2020)**. All these facts are acknowledged in an article by C P Chandrashekhar and Jayati Ghosh titled "India's external sector gloom amidst the global pandemic" Dec 28,2020 Business Line. It is well explained by the following graph.

**Graph 1 Trade Profile of India: Pre and post Pandemic**



Source: “India’s external sector gloom amidst the global pandemic” Dec 28,2020 Business Line.

**Food processing**

In case of the food processing, it is the 2<sup>nd</sup> largest in terms of global food production, 1<sup>st</sup> in the production of many agricultural commodities, 5<sup>th</sup> largest in the production, consumption, exports and expected growth as per the estimates of World Food India, 2019. It is one of the Sunrise Industries in India that blend the agricultural and industrial growth. India’s food processing sector is one of the largest in the world and its output is expected to reach \$ 535 Billion by 2025-26 (IBEF). It lies at the centre of the Make in India initiative and rightly expresses the notion ‘vocal for local’.

New initiatives like a planned infrastructure outlays of around 100 lakh crore Rupees and 25 lakh crore Rupees to boost the rural economy have put the food processing sector on a high growth trajectory. The Pradhan Mantri Kisan Sampada Yojna, for example, is a comprehensive package to create modern infrastructure with efficient supply chain management from farm to retailers. Recently introduced Atmanirbhar Bharat vision, the scheme of Formalization of Micro Food Processing Enterprises (FME) with an outlay of Rs.10,000crore is the best example of export led growth policies in India. In this regard, *India’s food sector attracted \$ 4.18 Billion FDI between April 2014 and March 2020.*

*Let us have a look on India’s agricultural exports of which the processed food is the significant component.*

**Table 2 Selected Agricultural Exports**

Product/Item	2019-20		2020-21 (March-Dec 2021)	
	Quantity in MT	Value in Rs. Crore	Quantity in MT	Value in Rs. Crore

<b>Non-Basmati Rice</b>	<b>5036190</b>	<b>14352</b>	<b>8217255</b>	<b>22856</b>
Basmati Rice	4454713	31025	3380654	22038
Buffalo Meat	1152324	22661	804996	17621
Miscellaneous Processed Items		4677		4412
Fresh vegetables	1927788	4616	1882068	4120
<b>Processed vegetables</b>	<b>223145</b>	<b>2210</b>	<b>284691</b>	<b>2361</b>
Processed Fruits & Juices	568865	4590	394843	3707
Cereal Preparations	342996	3871	285553	3416
<b>Other Cereals</b>	<b>500837</b>	<b>1449</b>	<b>1878183</b>	<b>3067</b>
<b>Alcoholic Beverages</b>	<b>139601</b>	<b>1648</b>	<b>196476</b>	<b>1891</b>
<b>Wheat</b>	<b>217010</b>	<b>438</b>	<b>976083</b>	<b>1869</b>
Dairy products	111145	1982	79264	1609
<b>Pulses</b>	<b>229637</b>	<b>1491</b>	<b>215070</b>	<b>1533</b>
<b>Milled Products</b>	<b>283275</b>	<b>1063</b>	<b>280628</b>	<b>1124</b>
<b>Processed Meat</b>	<b>442</b>	<b>15</b>	<b>477</b>	<b>9</b>
Total		114057		102451

Source: APEDA (Agricultural and Processed Food Products Export Development Authority)

The above Table reveals very clearly the performance of the exports of processed food items like Processed vegetables, meat, Milled products, Pulses etc. which have shown clear cut increase either in the quantity or the worth of these exports. The Non-Basmati rice, Other Cereals and the Alcoholic Beverages have shown impressive rise in quantity as well as the worth with reference to pre and post Pandemic. Taking into account the 2020-21 figures for just 10 months of that post Pandemic year, even if the figures for Dairy products, Cereal preparations, Fresh vegetables ect. show little decline in the quantity or the worth, their export potential in the coming days is unquestionable. The overall performance of this sector exports in the post Pandemic stands commendable.

### Pharmaceuticals

India is one of the largest producer/provider of pharmaceutical products and a leading player in the global generic medicine market (20%), exporting nearly 50% of its production. Since the launching of the Make in India, the growth of this sector has been impressive and that is continued, rather enhanced during and post Pandemic period. India enjoys an important position in the global pharmaceuticals sector. According to the IBEF (India Brand Equity Foundation), Indian pharmaceutical sector is expected to grow to US\$ 100 billion, while medical device market is expected to grow US\$ 25 billion by 2025. Pharmaceutical exports include bulk drugs, intermediates, drug formulations, biologicals, Ayush and herbal products and surgical. By November 2020, India exported pharmaceuticals worth US\$ 15.86 billion in 2020-21. Pharmaceutical exports from India stood at US\$ 16.28 billion in 2019-20 and US\$ 2.07 billion in October 2020.

**Table 3: Worth of the Pharmaceutical exports of India**

Year	Value in Billion US Dollars
2012	10.1
2013	12.6
2014	14.5
2015	14.9
2016	16.9
2017	16.8
2018	17.3
2019	19.1
2020	15.86 by November 2020

This impressive growth of the Pharmaceutical exports had been the result of multiple factors. The Union Cabinet allowed the amendment of existing Foreign Direct Investment (FDI) policy in the pharmaceutical sector in order to allow FDI up to 100% under the automatic route for manufacturing of medical devices subject to certain conditions. Due to this stimulus, the drugs and pharmaceuticals sector attracted cumulative FDI inflow worth US\$ 16.86 billion between April 2000 and September 2020 according to the data released by Department for Promotion of Industry and Internal Trade (DPIIT).

### **Fiscal incentives to promote the Export growth**

**Fiscal incentives are the incentives provided through the Fiscal policy in terms of some tax concessions, rebates, and subsidies. Some of these are**

Indian government has planned to set up a fund of Rs 1 lakh crore (\$ 1.3 billion) to boost companies to manufacture pharmaceutical ingredients domestically by 2023.

Under Budget 2020-21, Rs. 65,012 crore (\$ 9.30 billion) has been allocated to the Ministry of Health and Family Welfare.

The Government has allocated Rs. 34,115 crore (\$ 4.88 billion) towards the National Health Mission under which rural and urban people will get benefited.

Rs. 6,400 crore (\$ 915.72 million) has been allocated to health insurance scheme Ayushman Bharat - Pradhan Mantri Jan ArogyaYojana (AB-PMJAY).

Government of India has designed 'Pharma Vision 2020' to make India a global leader in end-to-end drug manufacture and the Approval time for new facilities has been reduced to boost investment.

Government has provided some support on manufacturing and exports. The major support from the Government has been on tax concessions, basically available to small and medium companies (MSMEs). They come with excise exemptions.

New Textile Policy of India is in the pipeline and is going to emphasis more on textile exports wherein India has a comparative advantage. Cotton Corporation of India has procured 90.87

lakh bales during the current cotton season 2020-21. Certain Indian Textile Products are listed in the US Trafficking Victims Protection Re-authorization Act (TVPRA) child labour/ forced-labour List 2020. Steps have been taken through Embassy of India in the US for delisting of such products.

Despite the fact that the Covid 19 Pandemic brought the world economy to a standstill, it is clear from above discussion that the Indian economy has performed really well in terms of its export growth at least in some sectors already mentioned. The per capita exports in India stood at about USD 241, as compared to USD 11,900 in South Korea and USD 18,000 in China by 2020. Looking at the initiatives taken by the Indian government so far, **Indian economy has a huge potential to become a strong exporter on the world stage.** Being Federal in nature, this can be achieved by making **India's states and union territories** active participants in the country's export efforts. It is interesting to look at the Export Preparedness index Report 2020. The **NITI Aayog in partnership with the Institute of Competitiveness** released this report. This Report aims at **identifying challenges and opportunities**, enhance the effectiveness of government policies and **encourage a facilitative regulatory framework for exports. It ranks the Indian states on the basis of four pillars: Policy, Business Ecosystem, Export Ecosystem and Export Performance and 11 sub-pillars. The Top five states as per their scores (on 100) in this regard are**

**Gujarat - 75.2**

**Maharashtra - 75.1**

**Tamil Nadu - 64.9**

**Rajasthan - 62.6**

**Orissa - 58.2**

The above picture represents the imbalance in the Export preparedness of Indian states as 70% of India's exports are dominated by five states- Maharashtra, Gujarat, Karnataka, Tamil Nadu and Telangana. To maintain the existing performance of Indian exports, apart from the Union government, the state governments too need to gear up with greater initiatives.

### **FDIs and FII inflows in India**

Pandemic is going to affect investors and economies differently depending upon the country context and FDI motivations. FDI could play an important role in supporting economies during the economic recovery following the pandemic. Evidence from past crises has shown that foreign-owned affiliates, including small and medium enterprises, can show greater resilience during crises thanks to their linkages with, and access to the financial resources of, their parent companies (e.g. Alfaro and Chen, 2012; Desai et al., 2008). FDI could be particularly important for emerging and developing economies given that other sources of international financing, including portfolio investment, have fled these economies (see OECD Investment policy responses to COVID-19).

In case of India, FDI is a major driver of the economic growth and an important source of non-debt finance for the economy. Investors' friendly FDI policy and removing policy bottlenecks became the prerequisite for attracting more FDIs in India. Measures taken by the Government on the FDI policy reforms, investment facilitation and ease of doing business have resulted in increased FDI inflows into the country.

Indian Ministry of Commerce data reveals that total FDI inflows recorded of \$ 58.37 billion during April to November 2020 which is the highest one for the first eight months of the financial year 20-21 and 22% higher as compared to the first eight months of 2019-20. Major chunk of FDI have come in the sectors like Manufacturing, Communication Services, Retail and Wholesale Trade, Financial Services, etc.

Government of India is specifically focusing on two sectors for FDI inflows, namely Defence and Insurance. Defence has been a priority sector of the Indian government since 2014. Make in India and Atmanirbhar Bharat initiatives have also been emphasizing on defence sector. The defence arena opened up 100 percent for the private sectors' participation in year 2001 and slow FDI allowances were allowed to enter in to the sector. Recently Ministry of Defence (MoD) along with the Reserve Bank of India (regulatory body for the FDI allowances) the FDI threshold has been raised from 49 percent to 74 percent under the automatic route. Defence Production and Export Promotion Policy (DPEPP) of the MoD highlighted the long gestation and capital intensive nature of this sector still has huge potential in employment generation and export performance. This will focus on dynamic defence, aerospace and shipbuilding industry, for reducing dependence on imports, for promoting export of defence products and creating an environment that fosters innovation and R&D.<sup>1</sup>

Very recently the FDI limit for Indian Insurance sector has been increased from 49 % to 74 %. Insurance practices have not dawned fully among Indian population. Increase in FDI limits for Insurance sector will bring global insurance practices along with new product features and selling strategies in the country.

Many economists believe that the World was suffering from 'secular stagnation' before this pandemic and continue to observe the same trend post this unprecedented situation. Secular stagnation here would mean having interest rates and inflation permanently lower than the historical rates. Most of the advanced countries have slowed on productivity growth, aging and population stagnation reduces the proportion of work force and the shift from industry to services which are less investment intensive have contributed further to trigger up this stagnation. The combined effect of this is persistent glut of global savings and reduction of investment demand which is actually putting downward pressure on prices and interest rates and apparently will continue in the long run. This will keep money flowing to emerging markets, in search of high returns.

Same is getting reflected in inflows of Foreign Institutional Investors (FIIs) in Indian equity and debt markets. Foreign Portfolio Investors/Foreign Institutional Investors (FPI/FII) have been one of the biggest drivers for India's financial markets, having invested around Rs. 2.17 trillion (US\$ 30 billion) in 2020-21 (as of January 07, 2021).<sup>2</sup> This has been the highest among all other emerging markets. Other the above mentioned core economic variables; there are other non-economic variables which must have pushed up the FII inflows in India, which would include reduction in Covid-19 cases, vaccine progress, unlocking process of the economy, etc. India is being viewed as a potential opportunity by investors with the economy

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<sup>1</sup> <https://economictimes.indiatimes.com/news/defence/view-time-for-government-private-sector-to-pick-up-pace-to-strengthen->

<sup>2</sup> <https://www.ibef.org/economy/foreign-institutional-investors.aspx#:~:text=Foreign%20Portfolio%20Investors%2FForeign%20Institutional,FIIs%2FFPIs%20to%20the%20country.>

having the capacity to grow tremendously. Buoyed by strong support from the Government, FII investment have been strong and is expected to improve going forward.

### **Trade tack ticks in the past and now**

Trump administration initiated 'Trade-war' in 2018. During the 2016 presidential campaign, Donald Trump repeatedly gave assurances that American trade policy would be favorable to the American people. Ex- US President Donald Trump referred to the series of import tax on some countries and its most important reference thread was built with China.

In the initial months of the Trade War, the US demanded that China should stop subsidizing the 10 industries prioritized in its "Made in China 2025" plan. These include robotics, aerospace and software. China dreams to be the World's primary artificial intelligence center by 2030. The United States had accused Beijing of stealing intellectual property rights. US believes Chinese laws undermine intellectual property rights by forcing foreign companies to engage in joint ventures with Chinese companies, which then gives the Chinese companies access and permission to use, improve, copy or steal their technologies. The Trump administration estimated that the theft of American intellectual property was \$ 225 billion dollars to \$ 600 billion every year. In addition, according to some important evidence, Chinese companies, often by the involvement of government officials, run cyber attacks on American companies to steal intellectual property.

The European Union, Canada, Mexico along with India started raising import tariffs to safeguard their positions. Eight countries filed a complaint with the WTO saying that the US cannot use national security as a defence against them. India was never a part of this trade war but it did feel the heat of this fight between two giants of the world economy. To be on a safer side India opted to concentrate on the rupee value stability and maintaining the required foreign exchange reserves for the security. We could sense the politicization of this trade war, silence of WTO over the fight, wasted interests of some of the EU countries. However, the future of China's economic relationship with the US remains uncertain after a two-year trade war between the two giants. US President-elect Joe Biden mentioned that he wouldn't quickly remove tariffs imposed by the Trump administration and will consult allies before developing a China strategy.

After the US-China trade war scenes, the outbreak of Covid-19 pandemic has questioned China's integrity across many countries of the world. When developed countries thinking over shifting their manufacturing base out of China, attracting this large chunk of capital flight has challenged Indian government.

In case of trade, the export-led growth strategy served China well over the past three decades but is now at risk, given that major trading partners have yet to transition from the rescue stage and are facing deep recessions, limiting the demand for Chinese exports. New restrictive trade practices in some countries also increase the risks for existing Chinese production and employment patterns. (Ehtisham Ahmad, Nicholas Stern and Chunping Xie 1 June 2020) Another set of literature on patterns of trade post-covid specifies that the focus will remain on the reconfiguration of international supply chains (e.g., Ivanov & Dolgui, 2020; Verbeke, 2020) "The export boom is one of the biggest economic surprises this year regarding China's outlook," with the country benefiting from effective containment of the virus and strong Christmas orders, said Zhou Hao, an economist at Commerzbank AG in Singapore.

Barring few similarities like geographical proximity, size of the economy, factor endowment, the political, social and economic differences between India and China are substantial. We must agree that the competition between China and India is mutually complementary and win—win cooperative. Whether its domestic economy or external sector, policies of these two countries vary to a large extent. Export-led growth has been on agenda for Chinese Economy for a long and that reflects in its market share as well. India has been emphasizing on the domestic market capacities and their enhancement for long and continued with small portion of external sector. It is the first time that India has aggressively mentioned its export-led growth ideologies through the capture of domestic potential. Therefore, it is pertinent to make a note of the India's New Trade Policy which is still under process for the years 2021-26 obviously in context of other government initiatives and the significance of this entire package as such.

### **India's New Foreign Trade Policy**

India's new Foreign Trade Policy which is under process, will come into effect from April 1, 2021. Indian trade policy always is for Five years span and formulated by the Ministry of Commerce and Industry in accordance with other ministries. A key driver for India to achieve the USD 5 Trillion mark in an expedited time frame would be boosting exports, both merchandise and services, through systematically addressing domestic and overseas constraints related to the policy, regulatory and operational framework for lowering transactions costs and enhancing ease of doing business, creating a low cost operating environment through efficient, cost-effective and adequate logistical and utilities infrastructure. Improvements in the operations of the domestic manufacturing and services sector in combination with efficient infrastructure support by the government would result in correcting the imbalances within India and feed into the trade policy. (Ministry of Commerce & Industry).

Up till now regional authorities of Director General of Foreign Trade (DGFT) were engaged with the States/ UT Governments. Considering the federal structure of India, it is necessary to engage the district levels as well to tap the potentials lying there as an export hub. This has to be done through systematically addressing domestic and overseas constraints related to the policy, regulatory and operational framework for lowering transaction costs and enhancing the ease of doing business, and creating a low-cost operating environment through efficient logistical and utility infrastructure.<sup>1</sup>

New policy is surely going to focus on Improvements in the operations of the domestic manufacturing and services sectors in combination with efficient infrastructure support by the government which would result in correcting the imbalances within India.

### **Conclusions**

Economic reforms aimed at Improving resource allocation by eliminating market distorting policies, minimizing the regulatory burden on business, reducing FDI Volatility by increasing

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<sup>1</sup> [https://www.business-standard.com/article/economy-policy/new-foreign-trade-policy-2021-2026-to-be-rolled-out-from-april-says-govt-121011300117\\_1.html#:~:text=Union%20Ministry%20of%20Commerce%20and,a%20leader%20in%20international%20trade.](https://www.business-standard.com/article/economy-policy/new-foreign-trade-policy-2021-2026-to-be-rolled-out-from-april-says-govt-121011300117_1.html#:~:text=Union%20Ministry%20of%20Commerce%20and,a%20leader%20in%20international%20trade.)

economic and political stability, and removing natural resource dependence by diversifying the economy can induce FDI led growth in the long run.

In the present pandemic scenario the Foreign Direct Investment has been the battlefield for emerging markets. Indian government has genuinely provided many incentives and schemes time to time to boost the growth of FDI in India. These incentives apparently have contributed in creating a conducive environment for investment, opening up new sector for foreign investment, modern and efficient infrastructure. Time to time amendments in FDI policy with a view to make it more investor friendly has helped. Foreign Investment facilitate portal has been introduced by govt. for investor to facilitate the foreign direct investment.

Boosting exports would become a key driver for India to achieve the USD 5 trillion mark economy in an expedited time framework. This has to happen in a sustainable manner. India cannot afford to ignore or even further creation of market imperfections. Unprecedented pandemic followed by lockdown across the World has given some time for introspection. The 'Make in India' or 'Atmanirbhar Bharat' initiatives, export-led growth policy stimulus during pandemic, rise in exports of food products, generic medicines, newly entered FDI and flood of FII in Indian economy. All these dots need to be connected at the backdrop of India's New Foreign Trade Policy (2021-26). Taking the sustainability issue into consideration, the existing composition of Indian exports needs a substitution in terms of more green exports and their promotion accordingly.

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## **Digital Transformation Industry and Higher Education: University Students Perception and Awareness About Industry 4.0 in Calabria (Italy) -Emerging Trends from An Ongoing Study**

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### **Abstract**

Starting from 2016, the spread of industry 4.0, in Italy, has raised unprecedented questions about the possible changes that involve higher education, with particular reference to students enrolled in engineering courses. With the implementation of Industry 4.0 technologies, new types of employment will be created and today's students will work in the future in an increasingly globalized, automated and interconnected world; it will therefore be necessary to obtain new skills and abilities required by the ongoing digital transformation. Accordingly to these premises, the objective of this research – still ongoing - is to collect the perceptions of university students in Calabria on some specific topics: their level of knowledge of Industry 4.0 and the main enabling technologies, their degree of awareness of the necessary competences for their future work and the suitability of degree courses according to the transformations underway. The research methodology is quantitative-descriptive and a structured questionnaire was handed in order to collect data. According to what has arisen from the sample (about 100 students enrolled in the Department of Mechanical, Energy and Management Engineering of the University of Calabria), most of the interviewees stated to know Industry 4.0 fairly / very well, even if the level of knowledge was related to the term in which they are enrolled and to the type of technology mentioned (augmented reality, collaborative robots, Internet of things, etc.). Among the e-skills regarded essential for their future work, most of them (52%) consider the "ability to manage innovative solutions by applying 4.0 technologies to business processes" to be fundamental, but just over half of the interviewees believe that the university does not offer them suitable degree courses to obtain these skills.

**Keywords:** Industry 4.0, Tertiary Education, Education 4.0, Competences, Digital Technology

### **Introduction**

A few years ago Klaus Schwab (2016), founder and executive director of the World Economic Forum (WEF), focused on the fourth industrial revolution, defining its characteristics, opportunities and risks. The author underlined how this revolution is profoundly marking many areas of our reality: from the way in which our economies work to those in which we carry out our work, from the way we communicate to the very idea of "human being".

One of the elements that distinguishes Industry 4.0 is the interconnection between physical and digital systems that is produced through continuous adaptations and the use of intelligent machines (Magone, Masali, 2016). According to Butera (2017), this determines transformations in the working field: new professions, new roles, new skills and people trained in a different way than in the past. If in previous industrial revolutions technologies allowed the person to tell the machine what to do in a standardized way nowadays, however, the common goal in replacing human labor is to produce "thinking technologies", in which it is the man who designs the ways in which robots and automata react to the environment around them. We have thus moved from a stage in which human beings instruct the machines what to do to one in which human beings instruct the machines on how to think.

All this raises unprecedented questions even in the education field, especially since these changes occur at such a high rate that they pose new issues to all the people involved. Some sociological analysis have highlighted how the unpredictable and intermittent nature of the changes that characterize today's society, risks of calling into question the "basic assumptions of education" (Bauman, 2010). In fact, some basic functions of the education system seem to be lacking: improving students' knowledge and qualifications in order to satisfy the needs of the world of employment. It is therefore necessary that, especially in the tertiary education system, the focus of this paper, training and research courses are developed in order to intercept the new professional and innovation needs and, more generally, to respond to the challenges of employability.

That said, this research<sup>1</sup> aims to investigate the relationship between higher education and the transformation processes of Industry 4.0, with particular reference to Engineering which, like other study courses belonging to the STEM disciplines, enable new professions. The questions to which the research wants to answer are the following: what is the level of knowledge of Engineering students regarding Industry 4.0 and its main enabling technologies? What are their perceptions about the necessary competences for their future work? And finally, do the students consider their curriculum adequate in relation to the transformations underway?

## 1. Background

### 1.1 The fourth industrial revolution (or Industry 4.0)

The fourth industrial revolution is something that human being have never had to deal with before. According to Schwab (2016), if the previous industrial revolutions were determined by single inventions, the new industrial revolution arises from multiple innovations converging with each other. Many of these innovations - some still in an embryonic state, others under development - have given rise to "combined" technologies that can be used in various areas: physical, digital, biological. The new digital technologies that are generating important transformations in industrial systems around the world can be grouped into four broad macro categories (McKinsey & Company 2015):

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*Data, computational power and connectivity.* Data, the emblem of the fourth industrial revolution, determine the computing power of machines and connectivity, for which the devices and platforms that allow their collection, storage, management and analysis are essential. Cloud computing refers to the set of resources (hardware and software) that allow the storage and processing of a huge amount of complex digital information (big data) at low cost. IoT (acronym for Internet of Thing) are instead the set of devices connected to the Internet, which make it possible to collect and communicate data, thus making the entire production apparatus interconnected. These are physical objects capable of transmitting information about their status to other objects (M2M communication, or Machine to Machine) or to people (MMI, or Man-Machine Interaction).

*Analytics and intelligence.* The analysis and processing of the data collected allows softwares and machines, using appropriate algorithms, to learn instructions to decide and act autonomously. This is made possible by machine learning, a subset of the artificial intelligence discipline that allows devices to learn without having been explicitly programmed. These tools can be applied in the production, accounting-administrative and strategic decision-making areas.

*Human-machine interaction.* It involves touch interfaces equipment together with and augmented and / or virtual reality, which makes the use of technology more intuitive and easier in the workplace.

*Digital-to-physical conversion.* This category includes all those tools that allow the production of a "physical" good starting from a digital model (additive manufacturing, 3D printing, robotics).

Through these technologies, also known as Key Enabling Technologies, it is possible to interconnect people, machines, objects and systems, producing and using data and information, with unprecedented power and speed. However, according to Butera (2017), such technologies "will not have deterministic effects since they certainly upset the existing ones, but it is only designing that will draw new organizations, new businesses, new cities, new companies and above all the quality and quantity of the work" (Ibid, p. 293).

A recent study by McKinsey (2021), entitled *COVID-19: An inflection point for Industry 4.0*, highlights how organizations' approach to digitization has influenced their response to the pandemic. Three main findings emerged from the report: companies that had already scaled digital technologies emerged stronger from the crisis; those who were still implementing these solutions were able to put them to the test in reality; while for those who had not begun to adopt technologies for Industry 4.0, the crisis was a wake-up call. 94% of respondents said that Industry 4.0 and the technologies related to it were essential to ensure the functioning of all activities during the crisis; 56% said these technologies were essential to respond to the crisis.

Industry 4.0 seems to accomplish that process of slow approach towards the economy of knowledge that has characterized the evolution of production methods in the last 20 years (Foray, 2000; Tronti, 2003). In this new scenario, the issue of competences becomes fundamental both because workers are required to have a high level of training in labor market entry and because continuous updating and retraining phases will be necessary.

## 2. Competences and Education 4.0

For many years the question of competences has been dealt with in different sectors of the organizational sciences (Consoli-Benadusi, 1999), in psychological-cognitive and sociocultural studies (Billet, 1996; 2001), in those studies which deal with the problem of the assessment, certification and in the work policies (Auteri-Di Francesco, 2000), and it is finally intended as the innovatory criterion of the school policies (Ajello, 2002) and higher education. For these reasons it is a polysemous concept, always in progress and, therefore, with difficulty it is definable in a univocal manner. As it has recently been suggested by Giancola and Viteritti (2019), in the ambit of public and scientific debates, competences appear as a 'boundary object', that is as «an issue, a concept, an object which connects but also which distinguishes meanings and actors, a field for interest which creates agreement but also a field of differentiation, a symbolic artifact ... which is not lacking in tensions and conflicts» (Ivi, p. 12).

Competences play a main role in the development of Industry 4.0, since there will be significant changes in the world of employment. Many jobs will be replaced by automation, while others will be substituted by new types of jobs.

Robots can «perform increasingly complex and coordinated tasks within a physical structure that binds their interaction with the outside world» (Gavosto and Molina 2019, p. 175). Moreover, artificial intelligence thanks to the ability of algorithms is able «to replicate human behaviors, including creative ones and dictated by common sense» (ibidem). It can therefore be assumed that many tasks - manual and intellectual - until recently considered protected from competition with machines, are at risk because they are becoming computerized. Consider, for example, driving heavy vehicles or physiotherapy assistance, or the formulation of medical diagnoses based on the reading of radiological tests.

At the same time, however, the 4.0 company will require a large number of knowledge workers who are experts in executive design, systems integration, information technology, maintenance, etc. As Butera (2017) states, the new jobs in the fourth industrial revolution are not just something more to add to the long list of skills on technologies «in reality they are new roles... to be acted in the work context and based on i) responsibility for results, ii) operational contents that can be continuously improved and perfected, iii) positive management of relationships with both people and technology, iv) continuous acquisition of adequate competences» (Ivi, p. 299).

In the smart factory, a substantial part of the new employees will have to possess quite high and qualified digital competences and, in order to meet the demand for highly qualified personnel from companies, education will assume an important role in the coming years since «new skills and differently formed people» will be needed (ibidem). In a future in which production processes will be increasingly digitized and interconnected, it is necessary to train people with an articulated mix of competences (technological, managerial, leadership, emotional intelligence, creative thinking, change management skills, etc.). Therefore it is necessary that the competences of the established professions (technical, managerial and relational) will be integrated with the new digital skills (communication and interaction skills in social networks, greater collaboration in less hierarchical and structured workplaces, more technological and dynamic work environments).

In the WEF of 2018, were identified some key skills considered fundamental to make a difference in the labour market:

«Skills continuing to grow in prominence by 2022 include Analytical thinking and innovation as well as Active learning and learning strategies. The sharply increased importance of skills such as Technology design and programming highlights the growing demand for various forms of technology competency identified by employers surveyed for this report. Proficiency in new technologies is only one part of the 2022 skills equation, however, as 'human' skills such as creativity, originality and initiative, critical thinking, persuasion, and negotiation will likewise retain or increase their value, as will attention to detail, resilience, flexibility and complex problem-solving. Emotional intelligence, leadership and social influence as well as service orientation also see an outsized increase in demand relative to their current prominence» (WEF 2018, p. 12).

It is therefore necessary that educational systems, in order to be effective within the "fourth industrial revolution", adopt a vision of "Education 4.0". According to what emerges from the WEF (2020) report on the "School of the future", there are eight fundamental components in terms of content and experiences that define high-quality learning, suitable for Industry 4.0 environment: 1. Global citizenship skills; 2. Innovation and creativity skills; 3. Technology skills; 4. Interpersonal skills; 5. Personalized and self-paced learning; 6. Accessible and inclusive learning; 7. Problem-based and collaborative learning; 8. Lifelong and student-driven learning (WEF 2020, pp. 7-13).

According to Gueye and Exposito (2020), Education 4.0 is a new educational paradigm that «could be defined on the basis of two emerging trends, one based on general innovations and changes in education and pedagogy, and the other on the integration of technologies introduced by Industry 4.0 into education».

A decisive role will be played by tertiary education and, in particular, by universities. That is, a 4.0 university is needed or, as Bennet (2018) defines it, an Ecological University or University for others, characterized by the fact that it is outward-oriented, deeply connected with the surrounding businesses and communities, and committed to meet the needs of its students.

According to Jhingan «the universities need to break away from the process driven, technology supported mass teaching systems to a new way of education that appreciates the personalisation of learning. Flexible curriculums focus on imparting life skills, student centric learning methods and use of technology are bringing in the concept of "Education 4.0"» (Saxena, Bath & Jhingan, 2017).

### *1.3 The Italian context*

In 2016 was presented in Italy the "National Industry 4.0 Plan" (now called "Transition Plan 4.0") developed by the Italian Government and the MISE in collaboration with other institutional actors, the MIUR, the MEF, local authorities, the business world and that of university research and trade unions. The most important feature of this program is that it is a Plan with a completely innovative approach that favors transversal interventions and introduces various measures, both in terms of supporting the digital transformation of businesses and in terms of training people. With regard to the latter aspect, one of the objectives of the Plan is to innovate curriculums in the various areas of education. Investments have been planned for the university both in terms of teaching and research. In the first case, it concerns both the investment in university courses that provide outgoing professionals specialized in Industry 4.0, and the birth of Departments of excellence with synergistic addresses to Industry 4.0 (such as engineering, information technology, economics and

management, etc.) and related classes. In the second case, it is about funding allocated by the government for the National Research Program (PNR) for Projects of Relevant National Interest (PRIN), for PhDs and National Technological Clusters on the research areas considered priority by the National Research Plan.

The ability to produce innovation depends on the production of knowledge and, from this point of view, universities are fundamental for the repercussions they can generate at an industrial and territorial level. In particular, STEM (Science, Technology, Engineering & Maths) study courses are fundamental in the context of Industry 4.0, as they are able to train people capable of operating in the design, implementation and management of interconnection and automation. In the future, therefore, it is necessary to train people with high technological skills (to make processes work and manage) and relational (with reference to communication skills, leadership, etc.) and, from this point of view, the university continues to play a fundamental role as a training and qualification agent for human resources.

In this context of great innovations and transformations, which are affecting both the business and education areas, the process of change becomes co-evolutionary, in the sense that it implies a parallel evolution of both the business and academic worlds, with mutual influences. The opening of higher education towards the socio-economic context is fundamental, as well as the Competence Centers, conceived in the Industry 4.0 Plan and still present today in the Transition Plan 4.0, that are set up according to the public-private partnership model, by at least one research organization and by one or more companies. The purpose of these innovation poles is developed on three axes: 1. orientation through the preparation of a series of tools aimed at supporting companies (especially small and medium-sized enterprises) in assessing their level of digital and technological maturity; 2. training, with the aim of promoting and disseminating competences in the Industry 4.0 sector; 3. implementation of innovation, industrial research and experimental development projects. The development of industry 4.0 is at the basis of the creation of these poles that will have to act in a context, that of digital training, which is still underdeveloped in Italy.

## 2. Methodology

In this study was adopted a quantitative-descriptive research design, suitable both to better conceptualise the phenomenon under study and to formulate any hypotheses to be subjected to empirical control in subsequent investigations (Agnoli 2006; Creswell 2014). The tool used for data collection is a structured questionnaire composed of 25 closed-ended questions. The questionnaire, built ad hoc, is divided into two parts: the first one is useful for detecting the socio-personal variables, the second one is structured in such a way as to measure the degree of knowledge of the students of Industry 4.0, the perceptions relating to the competences useful for the future work and their idea with respect to the consistency of training courses with the transformations related to Industry 4.0. Before starting the actual research, to verify the functionality of the questionnaire and its effectiveness, a pre-test was conducted on a small sample of students (about 50). The questionnaire proved to be effective for measuring the variables of interest and, subsequently, we started the research. Limesurvey was used to create the questionnaire, an open source application that allows online surveys.

As it regards the recruitment of participants, since there was no list of subjects on which to carry out the survey, the “snowball” sampling technique was opted for (Goodman 1961). This is a type of non-probabilistic sampling which, as is known, allows the inference to the entire

population subject to the survey, but has the advantage of involving subjects who are more motivated to respond, than those contacted at random (probabilistic methods). The students enrolled in the Department of Engineering, Mechanics, Energy and Management of the University of Calabria were involved in the survey, thanks to the intervention of some teachers of the Department who made it possible to circulate the link of the questionnaire (during class hours or on social groups).

The education offer is based on five study courses (Table 1): two Bachelor's degree courses (Management Engineering and Mechanical Engineering) and three Master's degree courses (Management Engineering, Energy Engineering and Mechanical Engineering). In the academic year 2020/2021, 1,927 students, mainly males, enrolled of which 1461 in bachelor degree programs and 461 in master's degree programs.

Table 1 – Composition of students enrolled in the Department of Mechanical, Energy and Management Engineering, by gender and course of study

	M	F	Total
Bachelor's degree course in Management Engineering	411	281	692
Bachelor's degree course in Mechanical Engineering	650	119	769
<i>Subtotal</i>	<i>1.061</i>	<i>400</i>	<i>1.461</i>
Master's degree course in Management Engineering	144	112	256
Master of Science in Mechanical Engineering	100	17	117
Master's degree course in Energy Engineering	77	16	93
<i>Subtotal</i>	<i>321</i>	<i>145</i>	<i>466</i>
<b>Total</b>			<b>1.927</b>

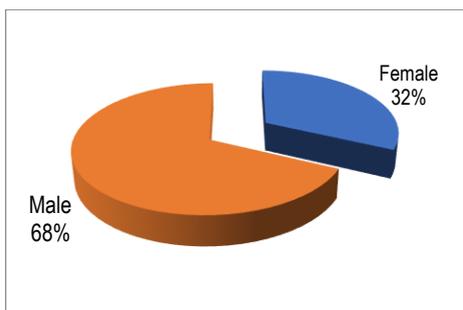
Source: Student National Register – MIUR (Ministry of Education, Universities and Research)

### 3. Results

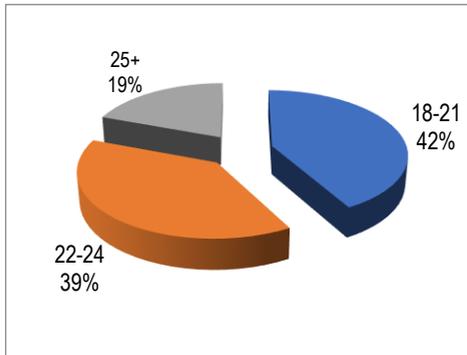
#### 3.1 The sample

So far 93 students have participated in the survey, 68% of whom are males and 32% females (Graph 1). 42% are aged between 18 and 21, 39% between 22 and 24, and 19% over 25 (Graph. 2).

Graph. 1 – Genre



Graph. 2 – Age



As regards the type of study course, 42% are enrolled in bachelor's degree courses (35.5% Management engineering and 6.5% Mechanical engineering) while 58% are enrolled in master's degree courses (Table 2 ).

Table 2 – Students enrolled for course of study (%)

<b>Bachelor's degree course in Management Engineering</b>	<b>35,5</b>
<b>Bachelor's degree course in Mechanical Engineering</b>	<b>6,5</b>
<i>SubTotal</i>	42
<b>Master's degree courses in Management Engineering</b>	<b>32,3</b>
<b>Master's of Science in Mechanical Engineering</b>	<b>16,0</b>
<b>Master's of Science in Energy Engineering</b>	<b>9,7</b>
<i>Subtotal</i>	58
<b>Total</b>	<b>100,0</b>

### 3.2 Awareness of Industry 4.0

When analyzing their degree of awareness of Industry 4.0 (Graph 3), to the question "Have you ever heard of Industry 4.0?" 42% of respondents said they are fairly informed on the subject, 29% have heard of it but do not know the subject, 16% know the subject very well, while 13% do not know the subject at all. Examining the data based on the type of study course, 32.3% of students enrolled in master's degree courses "have heard of it and are fairly informed on the subject" and 16.1% "know the topic". Students enrolled in bachelor's degree courses, 19.4% "have heard of it but do not know the subject / do not know the subject at all, 12.9% have never heard of it, while only the 9.7% have heard of it and are quite informed on the subject (Table 3).

Graph 3 – Level of Awareness of Industry 4.0

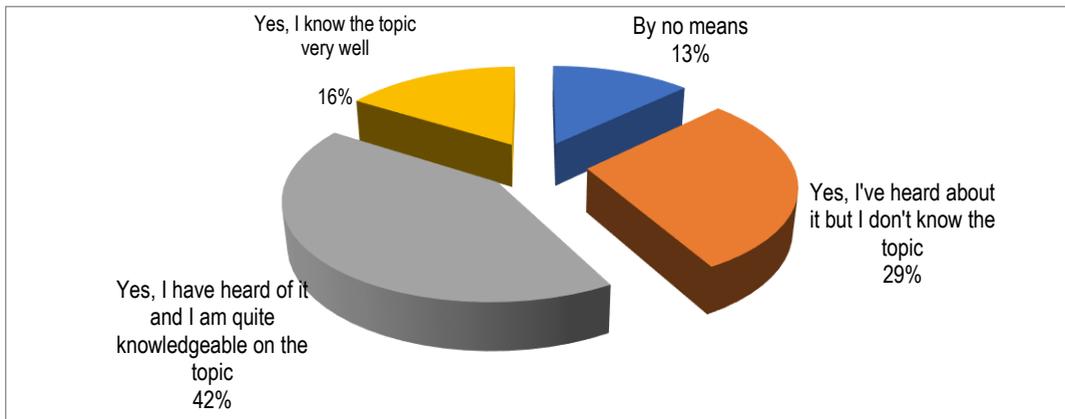


Table 3 - Level of awareness of Industry 4.0 based on the type of study course (%)

	By no means	Yes, I've heard about it but I don't know the topic	Yes, I have heard of it and I am quite knowledgeable on the topic	Yes, I know the topic very well
Bachelor's degree course in Management Engineering	12,9	16,1	6,5	0,0
Bachelor's degree course in Mechanical Engineering	0,0	3,2	3,2	0,0
<i>Subtotal</i>	12,9	19,4	9,7	0,0
Master's degree of Science in Mechanical Engineering	0	0	12,9	3,2
Master's degree course in Management Engineering	0	6,5	16,1	9,7
Master's degree of Science in Energy Engineering	0	3,2	3,2	3,2
<i>Subtotal</i>	0,0	9,7	32,3	16,1

To further investigate their degree of awareness of Industry 4.0, they were also asked to comment on the main enabling technologies (Table 4). As emerges from the results, "Smart materials" is the type of technology less known by 74.2% of the interviewees (percentage given by the sum between 41.9% of those who "have heard of it but do not know the subject" and 32.3% who have never heard of it) followed by Cybersecurity known little / not at all by 58.5% of the sample (percentage given by the sum of 35.1% of those who "have heard of it but do not know the topic" and 23.4% who have never heard of it). The best-known technologies are, instead, "3D Printing, Big Data / Analytics, followed by Collaborative robots and Cloud.

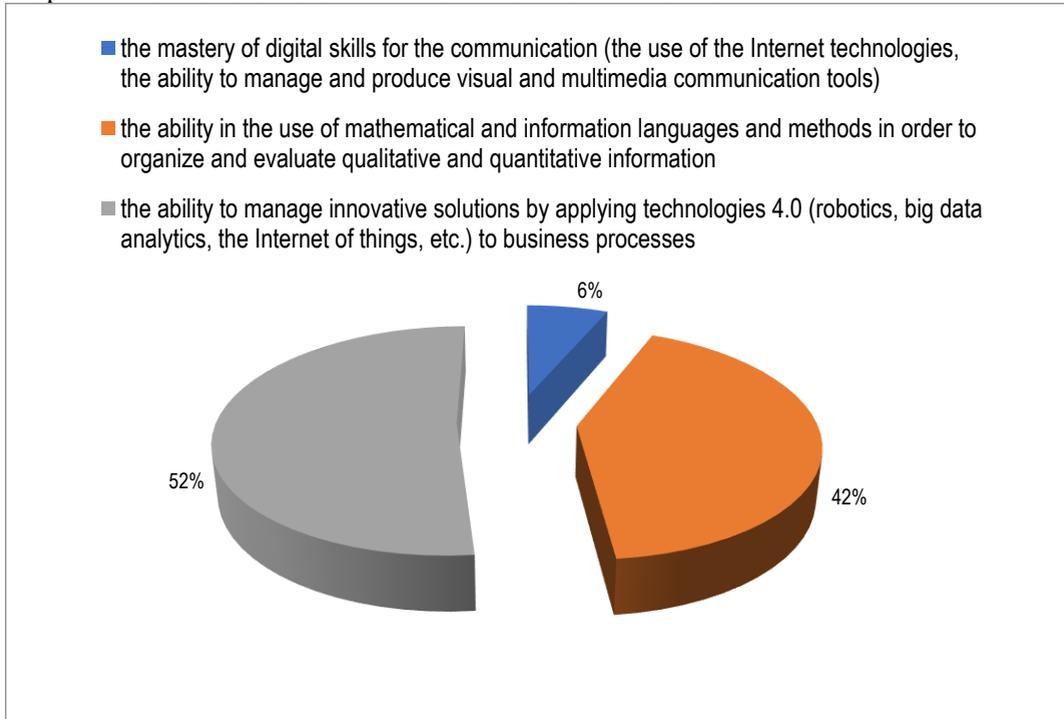
Table 4 – Level of awareness of the main enabling technologies (%)

	By no means	Yes, I've heard about it but I don't know the subject	Yes, I have heard of it and I am quite knowledgeable on the subject	Yes, I know the subject very well	Total
Smart materials	32,3	41,9	12,9	12,9	100,0
Collaborative robots	9,7	29,0	49,5	11,8	100,0
3D Printing	6,5	29,0	48,4	16,1	100,0
Augmented Reality	9,7	38,7	38,7	12,9	100,0
Horizontal and vertical integration	35,5	12,9	38,7	12,9	100,0
Internet of Things	25,8	22,6	38,7	12,9	100,0
Cloud	0,0	38,7	41,9	19,4	100,0
Big data/Analytics	6,5	29,0	51,6	12,9	100,0
Cybersecurity	23,4	35,1	28,7	12,8	100,0

### 3.3 Perceptions of e-skills for the future and effectiveness of higher education curriculums

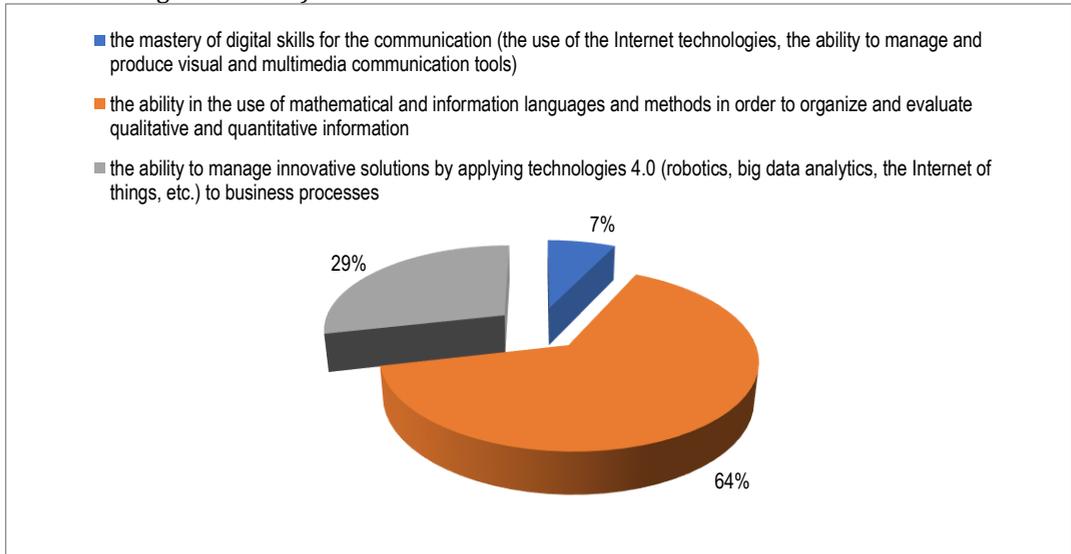
The perception of students regarding the importance of 4.0 skills was investigated with the question "Which of the following e-skills do you think is fundamental for your future work?" (Graph. 4). 52% of the respondents stated to be important "the ability to manage innovative solutions by applying technologies 4.0 (robotics, big data analytics, the Internet of things, etc.) to business processes", 42% consider fundamental "the ability in the use of mathematical and information languages and methods in order to organize and evaluate qualitative and quantitative information", while only 6% considers useful "the mastery of digital skills for the communication (the use of the Internet technologies, the ability to manage and produce visual and multimedia communication tools)".

Graph. 4 – E-Skills considered fundamental for the future of work

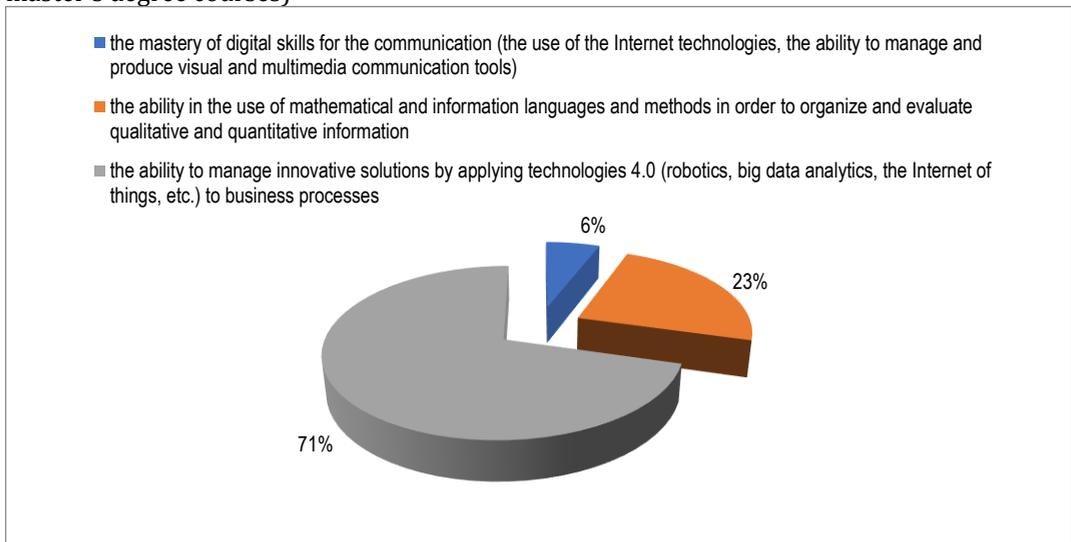


However, the opinion of the students varies according to their degree course area. 64% of students attending three-years degree courses (Graph. 5) claim that it is essential to acquire "the ability in the use of mathematical and information languages and methods in order to organize and evaluate qualitative and quantitative information"; 29% consider that it is important to acquire "the ability to manage innovative solutions by applying technologies 4.0 (robotics, big data analytics, the Internet of things, etc.) to business processes", while only 7% believe that it is useful "the mastery of digital skills for the communication ". The situation changes for students enrolled in master's degree courses (Graph. 6): 71% think that "the ability to manage innovative solutions by applying technologies 4.0" is fundamental, 23% considers fundamental "the ability in the use of mathematical and information languages and methods in order to organize and evaluate qualitative and quantitative information ", while only 6% believe that digital skills are essential.

Graph. 5 - E-Skills considered fundamental for future employment (students enrolled in bachelor's degree courses)



Graph. 6 - E-Skills considered fundamental for future employment (students enrolled in master's degree courses)



The interviewees were then asked how much they consider their course of study useful for them to acquire the aforementioned e-skills (Table 5). 67.7% of students consider them not very useful in developing "the ability to manage innovative solutions by applying technologies 4.0 (robotics, big data analytics, the Internet of things, etc.) to business processes", while they are considered quite or very useful (respectively 48.5% and 32.3%) to develop the "the ability in the use of mathematical and information languages and methods in order to organize and evaluate qualitative and quantitative information".

Table 5 – Perception of students with respect to the effectiveness of university curriculums for the acquisition of e-skills (%)

	none	little	enough	much
the ability to manage innovative solutions by applying technologies 4.0 (robotics, big data analytics, the Internet of things, etc.) to business processes	9,7	67,7	9,7	12,9
the mastery of digital skills for the communication (the use of the Internet technologies, the ability to manage and produce visual and multimedia communication tools)	9,7	32,3	45,2	12,9
the ability in the use of mathematical and information languages and methods in order to organize and evaluate qualitative and quantitative information	3,2	16,1	48,4	32,3

#### 4. Discussion

Based on the results of the research, some considerations can be advanced which, however, cannot be generalized. First of all, it should be noted that only just over half of the sample is aware of industry 4.0. This result could be determined by the fact that mainly students from master's degree courses who have developed greater knowledge of the subject completed the questionnaire. Students of the master's degree program in Mechanical engineering, for example, can choose between three curriculum that form: engineers expert in the design of robotic equipment and systems, engineers expert in mechanical design and engineers expert in the most advanced methodologies and tools in the industrial field. This means that a greater participation in the survey of students enrolled in bachelor's degree courses, which are about three times the number of colleagues in master's courses, would significantly lower the percentage of students who know the technologies of Industry 4.0.

The fact that the students of the master's degree programs declare that they know Industry 4.0 much more than what their colleagues in the bachelor's degree courses declared, implies at least two observations: 1. addressing the issues of industry 4.0 at university level helps to train people with adequate knowledge on the subject. If the ability to produce innovation essentially depends on the production of knowledge, universities are fundamental from this point of view, above all for the repercussions they can generate at a social and economic level. 2. most students enrolled in bachelor's degree courses do not know the Industry 4.0 because, probably, in the previous school grade the issue was never dealt with or was dealt with in a very superficial way. Considering the transition phase towards a completely automated and interconnected industry, it would be the case that even in upper secondary schools, especially in those preparing to face university studies in the STEM field, a greater knowledge of enabling technologies is promoted and, more in general, of Industry 4.0.

With regard to the importance of e-skills, there seems to be an awareness of the importance of the ability to acquire 4.0 skills, to a greater extent by students enrolled in master's degree courses. This result is important if read in the light of the results of a survey conducted by the Excelsior Information System (2018) which found a "digital mismatch", ie a misalignment between the digital skills possessed leaving the education system and the request coming from the world of work, and in particular by those Italian companies that have invested in 4.0 technologies. The demand for digital skills varies according to the different production sectors, but above all it varies on a regional basis and the ability to manage innovative solutions by applying 4.0 technologies to business processes is one of the most sought-after skills in

Calabria and, in general, in Southern Italy. It should also be remembered that digital skills have long been recognized as key skills for training people and for their integration into the Europe of knowledge. Even the recent publication "European Skills Agenda" by the EU Commission, for sustainable competitiveness, social equity and resilience, clearly places them at the center of attention. The Report highlights how, between 2005 and 2016, 40% of new jobs were created in digitally intensive sectors and the rapidly growing demand for digital experts is not being met. We also read that «The green and digital transitions as accompanied by demographic trends are transforming how we live, work and interact. We want to ensure people have the skills they need to thrive. The coronavirus pandemic has accelerated these transitions and brought new career challenges for many people in Europe. In the aftermath of the crisis, many Europeans will need to retrain in a new skill or improve their existing skills to adapt to the changed labor market».

### Conclusions

The ongoing results of this study are bringing out some interesting aspects. To fully understand the transformations in industry 4.0, we need to look at people rather than technology. The workforce is a key component of the digital transformation and culture and education are the main elements on which to leverage to promote awareness and knowledge of these issues. The real challenge for the university is training looking to the future, that is, providing the skills to young people to face a future in which there will be different jobs from those we are used to today.

Technological innovations are producing disruptive changes in people's lives, but at the same time they also offer possibilities for economic and social growth. From this point of view, the digitization processes underway can represent for Calabria, but more generally for Italy, an opportunity for the relaunch of a region where youth unemployment rates are among the highest in Europe, at a time when, especially due to the consequences generated by the emergency situation of the pandemic Covid-19, the social and economic gap is likely to further increase compared to the rest of the country and Europe. It is therefore important that tertiary education courses, in particular the university which absorbs the vast majority of students who choose post-diploma courses, continue to generate innovation and development in cultural, social, design, productive and economic terms, precisely for the repercussions that can generate at a territorial and industrial level.

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## Legal Education and Upbringing of Order

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### Abstract

A great importance to a democratic society is the creation of legal literacy education on rule. Such a breeding seems to be primarily present in the consciousness of every citizen. The principles of a democratic state should be installed, first to society. These principles embodied in the individual consciousness in the form of legal and institutional consciousness. Moreover every man should know that c`demands of an institution, and should make it impossible to solve the institutional and democratic way, even when he finds the office door closed, even by officials when a problem exists as insoluble. An individual should not be equated with the passivity that is generally characterized by officials, but must use every means to protect the right and dignity. Methodology: First, quantitative analysis was used to see why the number of citizens dissatisfied with the exercise of their rights is increasing. Secondly, qualitative analysis was used by analyzing the social and objective causes that lead to a lack of legal education of the public. Expected results: the consequent link between the lack of information on the law and non-exercise of the right. This scientific paper seeks to give concretely what are some of the strategies that should be used to have a well-informed public and satisfied with the exercise of law.

**Keywords:** law, regulation, education, rule of law, individual.

### Introduction

#### **Youth and the importance of legal education in their awareness.**

Adolescents, in the stage of physiological and psychological growth, will be easily influenced by different thoughts and bad social behaviors. This is because in schools, legal education is not perfect and family information is lacking. As a result, illegal behavior and criminal actions will be produced. There is a simple analysis of the impact of legal education produced by society, school and family. And we will introduce appropriate countermeasures to strengthen legal education for adolescents, improve legal awareness, and avoid illegal and criminal behavior (Sun, 2015, pp.892).

Juveniles and young people are the hope that the future of our society will be better and that they will be the first to contribute to reducing the crime rate. The consequence of the high number of crimes committed by juveniles and young people in recent years has been very high.

Also, poverty continues to be a rural phenomenon also because of the possibility limited that the rural population has in the use of public services. 1.8 percent of children live in extreme poverty according the Assesment on measuring the standard of living, 2008, while 17.14 percent of children live in poverty. 13.48 percent of children of mountainous regions live in

families in it which both family holders or just one are unemployed, while at the national level this indicator is 9.33 percent (Action plan for children, 2012-2015,pp.8)

We need to focus on the essential role of legal education in helping people understand and use the law as a tool for change. In this regard, we know that there are a significant number of people who cannot get justice for everyday problems and that these unmet needs cause or exacerbate sets of issues that have a social and economic impact on individuals, communities and the broader goals of public policy. We believe the law should be available at times and in places where people need it.

Young people show that there is a wide range of areas where the law affects them. These include legal age restrictions (sexual consent, voting, smoking, alcohol consumption, etc.), labor regulations (especially concern for young people on the move), education laws (dropout, discipline, home schooling), children's rights and the Internet (especially You Tube and social media) etc.

Often, most states believe that by submitting periodic reports to the United Nations Committee in Geneva, their work is complete, but in our view this is not enough. The Convention on the Rights of the Child, which in itself consists of a number of non-negotiable standards and obligations, which is universally agreed upon, provides protection and support for the rights of the child. In adopting the Convention, the international community realized that people under the age of 18 often needed special care and protection, which adults did not need. The Assembly of the Republic of Albania ratified the Convention on the Rights of the Child with law no. 7531, dated December 11, 1991.

Ratification of the CRC and its optional protocols have had a positive impact on the development of legislation and policies in the country. However, there is a general lack of adequate resources allocated to ensuring its implementation. This material will be a basic tool for informing young people about their fundamental rights and freedoms, so that they understand what is right to do and what is not. They need to know what the age for criminal responsibility is and what the negative consequences of juvenile punishment are.

To help curb the growing abuse and exploitation of children worldwide, the United Nations General Assembly in 2000 adopted two optional protocols to the Convention in order to increase the protection of children from involvement in armed conflict; and from sexual exploitation.

### **Juvenile Criminal Justice Code, a product of UNICEF**

The Juvenile Justice Code is a product of UNICEF. This code shows that justice for minors has been and is a priority of the Albanian state. It is guided by the principle of the highest interest of the children. "Higher interest of the child" means the right of the child to have a healthy physical, mental, moral, spiritual, social development, as well as to enjoy a family and social life suitable for the child (Law no. 37, 2017, article 3).

Undoubtedly, the commission or exposure of a juvenile to criminal offenses carries responsibility for him. What we want to achieve is to prevent the involvement of more and more juveniles in crimes than to punish them.

The Albanian Government through the Ministry of Justice, with the support of UNICEF and partners and civil society actors whose mission is the rights of minors, have had supplemented

the Code with its bylaws. These changes establish a criminal justice framework for children, in line with the UN Convention on the Rights of the Child (CRC) and other international standards. Our vision aims to establish an effective and child-friendly system, which protects their highest interest. The establishment of an integrated data system will serve to generate information for juveniles in conflict with the law at any time and at any stage of the prosecution, trial and execution of the court decision. One of the priorities of 2020 is the treatment of juveniles by two institutions that will offer rehabilitation programs, reintegration based on the individual plan of each juvenile.

What are the terms by which minors should be introduced and educated?

"Juvenile criminal justice" as proceedings relating to criminal offenses, including the investigation, prosecution, trial, execution of a sentence, any other measure involving a juvenile in conflict with the law, victim or witness of a criminal offense.

"Minor" is any person under 18 years of age

"Juvenile in conflict with the law" is any person who has reached the age of criminal responsibility up to the age of 18, against whom there is a reasonable suspicion that he has committed a criminal offense, has been taken as a defendant and / or has been convicted with a final court decision for the commission of a criminal offense.

"Juvenile victim" is any person under the age of 18 who has suffered moral, physical or material damage as a result of a criminal offense.

"Juvenile witness" is any person under 18 years of age, who may have information related to the criminal offense.<sup>1</sup>

"Rehabilitation" is the encouragement and development, in the sense of the responsibility of the juvenile, of a sense of respect for the rights of others, to promote and enable the healthy physical, mental, spiritual, moral and social development of the juvenile; and to prepare him to return to society.

- "Competent body / participant in the administration of juvenile criminal justice" is, as the case may be, a judge, prosecutor, judicial police officer, state police officer, lawyer, psychologist, social worker, mediator, employee of the Unit for Protection of Child Rights and probation service, the employee of the juvenile rehabilitation and detention facility, as well as any other structure / official involved in this process, who exercise the responsibilities and competencies provided in this Code and who are trained and specialized in criminal matters with juveniles and young people.

- Restorative justice measure "is any measure that allows a juvenile in conflict with the law to understand the responsibility and correct the consequences of a criminal offense, to compensate the damages and / or to agree with the victim / injured party and other persons

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<sup>1</sup> The regulations provided in this Code do not include juveniles who commit criminal offenses under the age of criminal responsibility, against whom criminal proceedings are not initiated or, if initiated, terminated immediately. In this case, child protection structures are set in motion and all measures provided by the law on the rights and protection of children are implemented, in order to provide them with the same procedural guarantees, assistance and services as for minors in conflict with the law / victim or witness, regarding the interrogation process and contact with the police and prosecution bodies.

affected by the criminal offense, where the juvenile who committed the criminal offense and the injured party actively participate together to resolve the consequences of a criminal offense, usually with the assistance of an independent third party.

The purpose of this Code is (Law no. 37, 2017, article 2):

1. To inform and educate minors and young people on actions or omissions that are allowed and those that are prohibited, indicating the consequences (sanctions) in case of non-compliance with these legal provisions.
2. Guarantee a legal framework on juvenile criminal justice that is in line with the Constitution, the United Nations (UN) Convention on the Rights of the Child and other international standards and norms aimed at the protection of minors and effective protection of the best interests of the minor.
3. To promote the reintegration of the juvenile in conflict with the criminal law and for the juvenile to play a more useful role in society.
4. To guarantee the re-socialization and rehabilitation of the juvenile who has committed a criminal offense.
5. To protect the rights of the juvenile in cases when he is a witness and / or victim of a criminal offense.
6. To prevent the re-victimization and second victimization of the juvenile, who has previously been a victim of a criminal offense.
7. To prevent the recurrence of criminal offenses by minors.
8. To protect the principles of public order in the process of administration of juvenile criminal justice.
9. To increase the responsibility and professionalism of the competent bodies in the administration of juvenile criminal justice cases.
10. To guarantee educational and preventive measures for juveniles who commit criminal offenses and to ensure the establishment of supervisory mechanisms for their implementation.

So, the three main pillars on which we rely to protect the minor are:

- Prevention;
- Guaranteeing educational measures and their supervision;
- Rehabilitation and reintegration into society.

What is the age of criminal responsibility?

Perpetrators of criminal offenses are persons who by their action or inaction allow a criminal offense to occur, thus causing the consequence of the criminal offense.

- For the purposes of criminal responsibility for crimes, is considered a juvenile, a person who has reached the age of 14, but not 18 at the time of the crime.

- For the purposes of liability for criminal offenses, is considered a minor, a person who has reached the age of 16, but not 18 years at the time of the commission of the criminal offense.
- In the case when the age of the person is impossible to determine accurately, but there is reason to believe that he is a minor, he is considered as such, in the sense of this Code, until his age is determined (Law no. 37, 2017, article 7).

### **What are the criminal offenses where the juvenile is most exposed?**

- Criminal offenses: The offenses with which the legal values of a person and a certain community are violated, are called criminal offenses or in a general term, criminality. They are divided into crimes and criminal offenses.
- Intentional homicide: Includes all those criminal offenses against life, committed intentionally such as intentional homicide, premeditated murder in connection with another crime, premeditated murder, murder for blood feud, murder in other qualifying circumstances, murder of officials public, murder of state police officers, murder due to family relationships and murder of baby.
- Serious criminal offenses against property: Includes those offenses that aim to steal a person, using violence or force such as robbery, armed robbery and theft resulting in death.
- Sexual crimes: Includes those illegal acts that affect the sphere of security of sexual freedom and the normal development of sexual formation, such as sexual or homosexual intercourse with minors, sexual intercourse or homosexual violence with minors aged 14-18 years , violent sexual intercourse with adults, homosexual violence with adult violence, sexual or homosexual intercourse with persons incapable of defending themselves, sexual or homosexual intercourse with the threat of using a weapon, sexual or homosexual intercourse abusing duty, sexual or homosexual intercourse with persons of the same sex or under guardianship, sexual or homosexual intercourse in public places, sexual violence, shameful acts and sexual harassment.
- Attempted theft: Includes offenses such as attempted bank robbery, attempted armed robbery, attempted violent theft, and other attempted theft.
- Crimes in the field of drugs: Includes offenses such as the production and sale of narcotic, cultivation of narcotic plants, narcotics trafficking.
- Domestic violence: Includes acts such as beating, or other act of violence, serious threat of murder or grievous bodily harm, against a person who is a spouse, ex-spouse, cohabitant or ex-cohabitant, close gender or close relationship with the perpetrator criminal, consequently violating its physical, psychosocial and economic integrity.
- Violation of traffic rules refers to Article 290 of the Criminal Code (INSTAT, 2018, pp.4).

### **The family and its impact to legal education.**

In order to gain a firmer understanding of the subject, it is necessary to explore the root causes of young people's advice needs. There are, perhaps, two principal causes: the nature of adolescent transition and the social exclusion of a significant minority of young people (Kenrick, 2002, pp.3 ).

Definitions of adolescence will vary from individual to individual, culture to culture and in relation to the current cultural, socio-economic and political climate. What is common is recognition that adolescence entails a time of transition and change when most of a person's characteristics are changing from what is typically considered childlike to what is typically considered adult. Changes in the body are most easily observed, but other attributes, such as thoughts, behavior and social relations, also change radically during this period (Lee, Muhammed & Downes, 2002).

It has been identified three locations for the key factors which can put young people aged 13–19 at high risk of social exclusion:

- The family – poor parenting; family conflict; low income; poor housing; being placed in care.
- School – low achievement; truancy; exclusion.
- The community – disadvantaged neighborhoods; friends condoning or involved in risky behavior (Kenrick, 2002, pp. 4).

'Looked after' children and young people and care leavers are known to be particularly vulnerable to experiencing school exclusion, sexual exploitation, poverty, mental health problems, substance abuse problems, low levels of educational attainment and other factors that precipitate social exclusion.

There remain a number of barriers to solving the legal problems youth encounter. For one, youth are considerably more likely to not obtain legal advice and do nothing to solve a legal problem. Young people are also the least likely to recognize they need advice and to know where to go for help. The transition to adulthood is a tumultuous time for all youth, but marginalized youth face additional problems that make this transition even more precarious. PLE can play an important role in early intervention by catching youth before they fall through the cracks. When a young person decides to take action they often do not have basic knowledge of where to go for help. As a result, youth often have a limited awareness and familiarity with their rights and the operation of the legal system (Report, 2013.).

There is considerable research that indicates that youth are not seeking advice from mainstream expert sources. Youth are more likely to use expert advice or services if they are (Report, 2013):

- face-to-face;
- friendly;
- non-judgmental;
- informal;
- holistic and address emotional and social problems;
- confidential;
- age-specific/appropriate;
- honest and objective; and
- not contradictory to their own life experience.

Although with the development of social economy progress and education in the modern family, the situation that parents lack of legal knowledge and the weak sense of law is changed. They began to pay more attention in the comprehensive development of children and grow up, the older generation of parents treat the stereotyped reading as the only way to change your life, but the parent, influenced by the relevant state propaganda work, have gradually recognized that exerts significant impacts of quality education to the child in the new era, they believe that they should let the children learn extensively diverse knowledge. Although many parents have a new understanding in the quality education, there are still some parents have insufficient legal knowledge, legal consciousness and the legal concept are lack. Their understanding and view of legal is probably declinational, and has the deviation of national laws and regulations, they cannot learn and understand law in a right way, so they cannot teach the relevant legal knowledge to the children (Sun, 2015, pp.894).

That school problems are not surprising is fine every time parents talk to their child about it all experiences that the child encounters at school. Also parents should be in constant contact with teachers. Parents have opportunity to call or go straight to school, only e just to be informed that everything is fine. Important participation in parent meetings is also very big, where you meet will meet the child's teacher.

### **Is it enough for children to learn legal education to school?**

There is no scientific system of legal education. The students in school are teenager's mainstream groups, so the school is the main position for teenagers' legal education activities. But because of the influence of the exam oriented education system, legal education of young people in the school has not received enough attention. Because of the lack of understanding of legal education in school, some school think that legal education is to carry out a number of 893 legal thought of lectures, or please some court for teenagers to talk briefly about the national laws and policies, there is no need to occupy special classroom time to teach legal knowledge for teenagers. So the youth legal education in school education system is not perfect (Sun, 2015, 895).

Youth legal education is not only the responsibility of school, but an important task for the social, school and family. "we need to build a system of teenager legal education should be made up of three-dimensional, continuous, and extensive education system, young people is the object of it, the community, schools and families is the main body, to form a legal education for all-round and multilevel based on the value (Xining, 2003, pp.22).

The school must give to the youth people at least:

Information is the provision of systems and processes which make comprehensive, up-to-date and accessible information available to young people. There is no assessment or recommendation about the information's appropriateness, and decisions, choices and action are left with the young person. Information work can include signposting to other services or providing young people with resources to discover their own answers to their questions and needs.

Advice is concerned with helping a young person to change or cope with practical issues and problems. It seeks to widen the young person's choices by providing accurate and relevant information about their rights, options and potential courses of action. The advice worker may identify and recommend ways forward, but decisions and choices are left to the young person.

Any action agreed by the young person may be undertaken by, with, or on behalf of the young person (Quality Standards for Youth Information, 1999).

Through his work, the teacher, creating a successful partnership between school, students and family makes it possible to prepare students for long lasting success the learning process, despite the cultural diversity of students, in order to complete their studies with the highest possible results and to contribute as much as possible positively in life and in the community. The teacher should know that students need a lot of skill and knowledge to be successful, but above all, to motivate that feel motivated and skilled in a rapidly changing world around knowledge of values civic. The teacher must be the one who creates knowledgeable and conscientious citizens who are able to see the world critically, make smart decisions about their lives and others. Education is the best way to keep the foundations of democracy alive at school, in life, society and family (Alimusaj, 2018, pp.8).

With the emergence of new social trends, and with changes in local and global communities, the role of education is being further developed to meet the current needs of students. EDC / HRE is the foundation of tomorrow's European and world peace and dialogue. Conflict management issues, respect for diversity, intercultural responsibility and an understanding of the rights and responsibilities of citizens are central issues in school settings (Brett, Gaillard & Salema, 2009, pp.79).

## **Conclusions**

First we must emphasize the direct connection of young people, their behavior and lack of order in society and disrespect for the law.

The reasons why the number of criminal offenses committed by young people is increasing, are social, economic, missing family relationships, etc. Most importantly, we need to link state policies to these reasons. So we must heal these wounds of society so that we can have a new generation well educated with moral and legal norms.

Most states believe that by submitting periodic reports to the United Nations Committee in Geneva, their work is complete, but in our view this is not enough. The Convention on the Rights of the Child, which in itself consists of a number of non-negotiable standards and obligations, which is universally agreed upon, provides protection and support for the rights of the child.

'Looked after' children and young people and care leavers are known to be particularly vulnerable to experiencing school exclusion, sexual exploitation, poverty, mental health problems, substance abuse problems, low levels of educational attainment and other factors that precipitate social exclusion.

From the study conducted above, it results that the family and the school are the most important environments where the personality of the individual is formed, where it is strengthened by principles and they are shown what is right and permissible by law to be done. To date, it has been proven that the family plays the first role because young people say that the greatest care for their behavior is expressed by family members, while the school should do even more. It is not enough just the completed seminars or the subject of "Citizenship" should be reinforced with more frequent activities in this direction as well as the review of the subject "Citizenship" where to deal more with the Criminal Code and criminal offenses with young perpetrators. During the information that young people should receive,

we should focus on the nature, quantity and consequences of criminal offenses committed by young people.

Another effective tool that should be applied throughout the school year is questionnaires or surveys to see what young people perceive of crime and how it changes over time. Questions should be simple to understand, concrete and intertwined with psychosocial elements.

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## Fearism and Racism: Investigating Middle Eastern Refugee Youth's Lived Experiences in the United States

Dilek Kayaalp

### Abstract

In this study, I explore the social experiences of Middle Eastern refugee youth in the United States. Sixteen young people from Afghanistan, Iran, Iraq, and Syria aged 15 to 31 participated in this research. Hall's conceptualization of *representation*, Ahmed's *cultural politics of emotion*, Cohen's *moral panic*, and Fisher's *fearism* proved to be useful theoretical tools to examine refugee youth's experiences of marginalization and racism. To explore the refugee youths' lived experiences, I conducted a critical ethnographic inquiry. I conducted my fieldwork (in-depth interviews and participant observations) in Florida, for two years, from 2017 to 2019. The interview data indicate that racist narratives and misrepresentation of refugee youth negatively affect young people's experiences and social participation. In response, this study suggests continued investigation of the interplay between representation and fearism to decode state discourse and dominant cultural codes to provide alternative forms of social participation for refugee youth.

**Keywords:** fearism; racism; representation; Middle Eastern refugee youth; United States

### Introduction

In this article I explore the relationship between fearism, racism, and representation of refugee youth as "fearsome strangers." Hall's conceptualization of *representation*, Ahmed's *cultural politics of emotion* and *politics of fear*, Fisher's *fearism*, and Cohen's *moral panic* are used as theoretical tools to examine the interplay between fearism, racism, and the lived experience of Middle Eastern refugee youth in the United States. My research questions are: i) How do these young people identify and position themselves? ii) What are their reactions to and perceptions of racism, fearism, and misrepresentation?

Fisher (2014) argues that fearism, like racism, is embedded in the dominant discourses of society. It is the outcome of an oppressive system which reproduces and maintains a fear-based culture. Fisher (2014) describes fearism as "the pathological ideology that keeps a fear-based culture as the hegemonic way of knowing and thus overdetermines the very understanding of fear itself" (p. 9). In this view, fear becomes a tool created and maintained by the dominant group to control and manipulate the general population.

Since fearism contributes to structural oppression within the fundamental trilogy of power, privilege, and domination, I wish to understand the relationship between fearism and racism, particularly how they reinforce and encourage each other. That is, how the refugee "other" becomes an agent of fear and what role racism plays in this construction. Although fearism and racism are both related to emotions (Ahmed, 2014), such as passions of racism, they cannot be reduced only to individual reactions. They are both the products of pathology and

oppression operating at broader social levels, affecting many individuals and conditioning social relationships. Fisher (2014) argues that “fearism works continually on all levels of society and its institutions” (p. 11). Therefore, they are structural problems of society and the state. Sara Ahmed (2014) suggests that fear is an aspect of nationalism, a rational attitude of the dominant who think that they are in danger and need to protect themselves, their privileges and power, and their nation from the outsiders, including refugees and asylum seekers. Fear thus contributes to a constructed social and ideological imagination (Thompson, 1988). Ahmed (2014) takes the implications further, asserting that “emotions should not be regarded as psychological states, but as social and cultural practices” (p. 9).

In short, narratives and cultural practices which nurture fearism and racism are social products (Ahmed, 2014). They are created and circulated through collective memory, language, objects (material items), and images. These narratives portray minorities as dangerous outsiders, producing a hierarchy between a nation’s “insiders” (the dominant group) and its “outsiders” (the refugees). In this hierarchy, refugees occupy the very bottom and have limited rights and restricted upward mobility. Fearism and racism combine to racialize the public space, segregating refugee youth spatially from the dominant group and constraining their behaviour; unlike the dominant group, refugee youth do not move much and occupy a smaller geographic area (Ahmed, 2014). Fear is used to suppress and control the refugee youth in order to “protect” the general population.

Examining racist and fearist narratives, i.e., systematically analyzing racist and fearful narratives about “others” (Fisher, 2014), requires exploring how and why these societal fears are reproduced by the official language of the state and supported by the mainstream population. One must examine those who are held in fear, as “the response of fear is itself dependent on particular narratives of what and who is fearsome” (Ahmed 2014, p. 69). In this particular study, I argue that the official language represents and defines refugee youth as fearsome outsiders. They are thus reduced to a linguistic sign that produces a meaning (Ahmed, 2014), which is circulated through the official language or representational system (Hall, 2013). As Hall (2013) put it, through representation “meaning is produced and exchanged between members of a culture” (p. 27). Hall continues,

Representation is the production of the meaning of the concepts in our minds through language. It is the link between concepts and language which enables us to refer to either the ‘real’ world of objects, people or events, or indeed to *imaginary* worlds of fictional objects, people and events [my emphasis] (p. 29).

Representation, as a socially constructed and imaginary classification, categorization, and meaning-making practice, plays an important role in how we understand our world. We interpret and represent objects, people, and incidents through our knowledge (which is always subjective, partial, and shaped through personal experiences) and the culture we live in. Cultural references, codes, and norms are very difficult to un-learn as they are part of our group identity and individual experiences. As Hall argues (2013) “we are all, as it were, locked into our cultural perspectives or ‘mind-sets’” (p. 8). Hall further explains that,

These codes are crucial for meaning and representation. They do not exist in nature but are the result of social conventions. They are a crucial part of our culture – our shared ‘maps of meaning’ – which we learn and unconsciously internalize as we become members of our

culture. This constructionist approach to language thus introduces the symbolic domain of life, where words and things function as signs, into the very heart of social life itself. (p. 13)

Representation, in Hall's view, becomes a powerful tool to regulate social relations and negotiations. It may also become a dangerous medium in the hands of the dominant group which has the power to produce knowledge and represent or misrepresent ("untrue" representations) the other. The narrative of refugee youth as fearful outsiders is constructed and circulated at the pleasure of the dominant group, who fixes the meaning until the cultural codes change (though investigation of these cultural codes and decoding state rhetoric incites change).

In their study *Policing the Crisis*, Hall et al. (1978) indicate that conservative, authoritarian state discourses generate the idea of a *crisis* caused by immigrant youth and their violent acts. In response, the state claims the necessity of domination over the youth to protect its citizens. According to Hall et al. (1978), *the increased state control and representation of refugee and immigrant youth as the threats of social order are moments of crisis of the state, rather than crisis of society* [emphasis mine]. The authors of *Policing the Crisis* show how

...the themes of race, crime and youth condensed into the image of mugging come to serve as the articulator of the crisis, as its ideological conductor. It is also about how these themes have functioned as a mechanism for the construction of an authoritarian consensus, a conservative backlash. (Hall et al., 1978, p. viii)

Similarly, Cohen's (1972) concept of *moral panic* explains how conservative discourses, including the mainstream's consensus, marginalizes young people and makes them agents of moral panic:

Societies appear to be subject, every now and then, to periods of moral panic. A condition, episode, person or group of persons emerges to become defined as a threat to societal values and interests; its nature is presented in a stylized and stereo-typical fashion by the mass media; the moral barricades are manned by editors, bishops, politicians and other right-thinking people; socially accredited experts pronounced their solutions; ways of coping are evolved or resorted to...Sometimes the panic is passed over and is forgotten, except in folklore and collective memory; at other times it has more serious and long-lasting repercussions and might produce such changes as those in legal and social policy or even in the way society conceives itself." (p. 28)

According to Cohen (2002), moral panic comprises some ethical problems. While some significant issues are ignored or even denied (such as genocide or racism), some "harmless forms of rule-breaking" become historic threats in society. While the nature of moral panic can change from context to context, it is socially constructed. Cohen (2002, xxvi) argues that, "social problem construction always needs some form of enterprise. It does not, however, need a moral panic." As a result, the construction of refugees (and asylum seekers) as fearful others does not need a moral panic as refugees are the imagined threat or moral panic per se.

Similarly, according to Thompson (1998), any crisis that threatens social order causes moral panic. In this social crisis a group of people are depicted as a threat to the social order and the cause of the problem. While the "dangerous" (or the target) group changes according to the context and time, the dominant group is always portrayed as the victims though they have more power and privileges compared to the others. According to Thompson's analysis, context

and political agenda are significant triggers of moral panic. Moral panic is created to divert attention from structural problems of society (such as poverty, inequality or racism).

Cohen (2002) argues that the vilification of refugees by the media and mainstream people leads to the representation of refugees as “bogus”. Unlike “genuine” refugees, “bogus” refugees are seen as people who lie about their conditions. According to this narrative, they are merely economic migrants looking for better opportunities.

Using these theoretical perspectives on narratives of crisis and moral panic, I wish to explore the following questions to understand the interplay between fearism, racism, and the experiences of refugee youth in the US: What constitute a moral panic? What is the relationship between fearism, racism, representation, and moral panic? How are refugee youth constructed as the agents of moral panic and fear?

### Refugee Youth in the US

Refugees in the US in recent years have faced many renewed difficulties, including grossly distorted misrepresentations. The Trump administration’s xenophobic approach towards refugees and asylum seekers reclassified them as economic migrants who “chose” to move to the US, putting them in a vulnerable position without the usual refugee claims for state protection (Nawyn, 2018). This approach denies the painful experiences endured by refugee and asylum seekers while providing the government with justification to keep them out of the country. Moreover, the new policies reinforced the authority of the Trump administration to control the population of the country (Crossman, 2020). Through official language that reinforced the supremacy of “white” Americans, refugees were (mis)represented as illegal migrants and even criminals. They become a “morally untouchable category and a term of abuse” in schools and throughout American society (Cohen, 2011, xxii). For example, former president Donald Trump used such language explicitly when he directed his most dehumanizing and violent language toward migrants (Scott, 2019).<sup>1</sup> The circulation of these racist narratives makes these imagined negativities into common-sense knowledge of the society (Kryzanowski, 2020).

In this anti-immigrant rhetoric, refugees from Middle Eastern countries were particularly demonized. According to Nawyn (2018), Trump’s Muslim ban targeted Middle Eastern refugees from predominantly Muslim countries and constructed them as “criminals,” “rapists” and “terrorists” (Colvin, 2018)<sup>2</sup>. As hatred and fear of Middle Eastern people grew, they became targets of Islamophobia regardless of their religious affiliation; many were Christians or non-Muslims of other beliefs. Perhaps in this context their specific identities mattered little,

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<sup>1</sup> Trump reports “When the MS-13 comes in, when the other gang members come into our country, I refer to them as animals. [...] You wouldn’t believe how bad these people are. *These aren’t people. These are animals* (in Colvin, 2018). Similarly, in his Presidential announcement in 2016 Trump reports, “When Mexico sends its people, they’re not sending their best. They’re sending people that have lots of problems, and they’re bringing those problems with us. They’re bringing drugs. They’re bringing crime. They’re rapists (in Lee, 2017).”

<sup>2</sup> In one of his speeches, Trump creates this untouchable category by criminalizing and scapegoating asylum seekers in the US. Trump reports, “the release of illegal immigrant criminals, drug dealers, gang members and violent predators into your community and providing safe harbor to some of the most vicious and violent offenders on earth.” (in Colvin, 2018, p. x)

as they remained non-white and non-American, unassimilable foreigners in the eyes of American authorities and indeed of many Americans.

Representation of these asylum seekers and refugee youth as outcasts by the state and its formal institutions (broadcast media, organized religion, systems of education, etc.) or by “the circuit of culture” (the myriad informal yet influential cultural practices; see Hall, 1997a; 1997b) made refugee youth enemies of the nation. However, communicated, these representational practices fostered racism, fearism, and moral panic that separated the social and economic disadvantage of the refugees from the structural inequalities of the country, reducing the problems to crises of “race” and “refugees” while criminalizing the newcomers’ differences. As Essed (2002) summarizes it, “racism must be understood as ideology, structure and process in which inequalities inherent in the wider social structure are related to biological and cultural factors attributed to those who are seen as a different ‘race’ and ‘ethnic group’” (p. 185). The state and its mainstream public respond with “the policing of difference” (Hall, 2000a). As Sager (2018) states, “the term ‘crisis’ is mobilized for political and ideological reasons. [...] The language of crisis is often connected to migration as well as racist and xenophobic ideologies” (p. 2).

### **Methodology**

To explore Middle Eastern refugee youth’s experiences in Florida, US, I conducted a critical ethnographic inquiry. I conducted in-depth interviews with 20 refugee youth (aged 15-31) and non-participant observations in different settings during a 24-month period.

I participated in group gatherings and cultural events, including exhibitions, and seminars organized by refugee youth. I also conducted classroom observations and formal in-depth interviews with refugee youth from Syria, Iran, Iraq, and Afghanistan in a private school. My study was reviewed and approved by the Institutional Review Boards (IRB) of the University of North Florida.

My cultural background, as a woman from the Middle East, helped me build relationships with the refugee youth in Jacksonville (Florida) since we shared geographical origins and cultural similarities. I met my key informants and other participants during my daily, non-academic encounters (such as in a mosque or a Middle Eastern store in Jacksonville). Ethnographers advise that “long-term immersion in context increases the likelihood of spontaneously encountering important moments” (Arnould & Wallendorf, 1994). My informal encounters helped me build trust relationships with my potential participants and led to invaluable exchanges of information.

During my data collection, I paid particular attention to what the youth left unsaid. For example, they generally avoided political issues. Many didn’t talk about their refugee status—their fears, regrets, or the reasons they fled from their home country. They never mentioned the US invasion of Iraq and Afghanistan and its impact on their lives, creating conspicuous silences during our conversations. Ethically, a researcher cannot coerce study participants to discuss unpleasant topics, but moments of silences can be very revealing if the researcher understands the reasons for the participants’ hesitations and fears.

### **Findings**

Youth’s self identification and their experiences of racism, fearism, and Islamophobia in the US formed central themes in this study. I argue that exploring refugee youth, their cultural

background, and experiences requires examining their complex and transnational identities. Therefore, in this study, I investigate youth's lived experiences in the US and their pre-migration histories. Further, the data indicate that racism perpetuates fearism and vice versa. Young people become the object of fear—fearsome others—due to racism, white supremacy, anti-immigrant policies and Islamophobia.

### ***Refugee youths' identities***

My data show that young people are proud of their distinct personal characteristics, ethnic origins, and cultural identities. They regret that they had to leave their country of origin because of wars and political conflicts. Despite this pride, some youth report that they needed to adopt the norms, customs, and even the dominant ethnic identities of their host countries.

Their feelings of marginalization influence their social interactions, personal relationships, and identities. During my school observations, I noticed inter-group conflicts among young people primarily due to their ethnic origin (Iran or Iraq), religious affiliation (Christian or Muslim), and their English proficiency. This suggests that refugee youth's friendships are selective, as they choose friends only from a certain group of people. Friendships also appeared conditioned by historical context. For example, prolonged military conflicts between countries such as Iran and Iraq during the 1980s still affect the interactions between those of Iranian and Iraqi origin and their daily conflicts in the US.

Alex, one of my participants from Iraq, explains his self-identification and feelings of double marginalization as a Christian in Iraq and as a refugee in his two host countries of Turkey and the US.

Many people are dying in Iraq. Sunni and Shia people kill Christians—our people. DAESH tries to kill Christians more than Muslims. [...] In Turkey we stayed for 3 years. People in the middle school people were not nice. They were telling me 'you are from Iraq, you are ugly.' They were bullying. I don't want to change myself. Why don't you accept me as I am?

Alex continues to talk about his interactions with his peers and explains the importance of ethnicity (Arabic vs Persian heritage) in his friendship. Alex says "I don't like Iranians. They speak funny, they look funny."

Maddy, a young woman originally from Iraq, also describes her cultural identity and her emotional connection with her home country. Maddy says, "I consider myself as Iraqi because I was born there. I will never forget that. My family is in Iraq and we call them a lot."

Similarly, Tom talks about his regrets of fleeing from Iraq and his feelings of not-belonging in the US.

I feel bad about Iraq because people are hungry, they are fighting. Sometimes I don't feel I belong here [US]. Sometimes I am like "why am I here? Why can't I speak Arabic? Why am I not in my own country, speaking Arabic with my siblings? [...] After I went to Turkey, after 5 months, my grandmother died. She felt that my dad left her. She said to me, "I missed you a lot." I still remember our last conversation. One month later she passed. If we didn't leave, maybe she was still alive today. [...] If there was no war, I would live there (Iraq).

Tom continues to explain how his interactions with peers negatively affects his self-identification and sense of belonging. Tom states,

I am Christian. I speak Arabic and Syriac. I am not American. I am proud of my country [Iraq]. Some people say, 'you are stupid.' I say, 'thank you.' Sometimes friends help you, sometimes they push you in a negative way. They don't want you to get better.

Similarly, a comment by Jasmine, a young Muslim woman from Afghanistan, shows the interplay between peer pressure, Islamophobia, and the youth's cultural identification. Jasmine reports, "I started to wear headscarf once I moved to the US. They [her peers] were constantly mocking me and saying that 'you will go to hell, if you don't cover well.'"

My findings indicate that although many young people are proud of their ethnic origins and cultural identities, inter-group conflicts, cultural and historical contexts of their host and home countries affect their identity formations and social interactions.

### ***Youths' Reactions to Racism and Fearism***

Young people report that they are subject to racism and fearism in the US, as well as bullying and Islamophobia, because of their ethnic origin (Arab and Persian), their mother tongue (Arabic, Syriac), and their distinct cultural identities (including clothing, food, and other customs). Even more surprisingly, some of them report that they are subject to Islamophobia and stereotyping because of their Middle Eastern background though they are not Muslims. This in turn affects their sense of belonging. Some youth report that they do not feel they belong to the US and want to move back to their home country.

Some of them also state that they experienced racism and fearism in their country of origin because of their minority ethnic and religious status. Those of Kurdish Iraqi heritage, for example, or Syriac Orthodox religious beliefs faced prejudices at home and now find themselves "doubly marginalized" in the US and other host countries where they lived temporarily because of their additional status as Middle Eastern refugees.

Rosy explains her double marginalization in Iraq and the US because of her minoritized status as a Kurdish Muslim refugee woman. Rosy reports that Kurdish people and their culture have long been treated badly in Iraq. As a result, Kurdish people have been struggling with racism, poverty, and discrimination at many levels for many years. Rosy says,

People [Iraqi] think that Kurdish people have minds like a donkey [belittle Kurdish people]. They make fun of our traditional clothes [Kurdish men wear traditional pants]. They say, 'you are farmers.' We celebrate Newroz. They even don't want us to celebrate Newroz.

Rosy's story indicates that her challenges have been complicated after her husband started to work in an American company, their personal situation worsened as the country's security declined and animosity rose towards people working in American companies. Eventually, they decided to move to the US. Rosy goes on to share her cultural challenges, like Islamophobia, after she migrated to the US. Rosy says,

Some people treat me badly because of my headscarf. One of my neighbours said "go back where you came from. This is not your country." I told her "You are old. I treat old people with respect." In the gym people are very bad and unfriendly. They ask me "what is this? [referring to her headscarf]" So, I put my hood on to hide my headscarf.

Alex explains his experience of racism in the US with particular attention to language. Alex reports, "America is nice. But kids don't understand other cultures. They are racist. I speak four languages; they speak only one. That's not easy."

Maddy also experiences racism. She and her family lived in a refugee camp, Yarmuk, in Syria for six years. After the Syrian civil war started in 2011, they moved to the US. She explains her challenges in the US and recognizes the fear and hostility of mainstream Americans towards refugees:

I came here when I was young. The most difficult thing was to change schools and have no friends. Some of them [Americans] are not okay with refugees. Maybe they think this is their country. Maybe they are afraid of refugees.

Likewise, Tom's statements indicate that young people from the Middle East not only struggle with racism and bullying but also Islamophobia and fearism. Tom states,

Americans think that Arabic people are bad. But we have to show them we are good people, not bad. Some people think that you do not know anything, you are dumb, stupid. [...] Some people say, "this is America." They say, "you are a terrorist." 50% of the people are like that. They will bully you. If you are from another country, they say "why don't you go back to your country." If you are Arabic and Muslim, they say "you bomb things." Sometimes people don't want to be friend with you because you are from Iraq.

Tom continues to describe his experiences, noting racism he and his family experienced from teachers in his own country, Iraq. Tom says,

My older brother was the best in school (in Iraq). But teachers didn't want him to be successful. We were Syriac Christians maybe that's why. In Iraq they put you down. We came here (US) to show people who we are.

These findings indicate that young people have been struggling with racism, misrepresentation, fearism, and inter-group conflicts daily in their social and educational circles. In addition, anti-immigrant policies and narratives, including state racism, have direct impacts on their lives and experiences.

## **Conclusion**

My analysis indicates that youth's self-identifications, interpersonal relationships, and day-to-day experiences are affected by the cultural context of the society, including the official narratives of racism, fearism (imagined social crisis), and misrepresentation (refugees as fearful others). In the American context, refugee youth's cultural identities, ethnic origins, and religious affiliations are a personal source of pride, but negatively affect their status and mobility, their identities, experiences, feelings of security, and their treatment by the social mainstream. Fearism and racism reinforce each other as young refugee people become the object and target of fear and mistreatment for their assumed fundamental qualities. Youth's experiences of racism, at times a double marginalization for being a minority in their home country and then being a Middle Eastern refugee in the host country, affect not only their socialization into American society, but also the social interactions among others from the Middle East. Ethnic conflicts among youth, particularly from Iran, Iraq, Syria, and Afghanistan are prevalent and visible.

As a result, I suggest ongoing investigation of the interplay between racism, fearism, and misrepresentation to help decode the discourses of the state and dominant cultural codes to provide alternative forms of participation and safe spaces for refugee youth.

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## How Harvard's Case Method Can Help to Overcome the Challenges of Applied Data Science Education

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### Abstract

Data science is a new profession emerging along with the exponential growth in the era of digital overexposure. A data scientist provides support to the decision-making process by looking at past and current data. Application of it is an essential skillset in a world of uncertainty where everything from communication to transport, industry to commerce, involves data. Harvard Business School Professor C. Roland Christensen was the world's leading authority on case method teaching, which he described as "the art of managing uncertainty". This paper gives an overview of possible contributions of case method teaching to respond to challenges of applied data science education. Showing that unlike lectures, applied data science education cannot happen only in passive reception of knowledge classroom isolation, it requires a deeper understanding of implications in real cases. Through their close analysis, the case method connects theory to practice, and classes unfold without a detailed script when successful instructors simultaneously manage content and process. This synthesis of current research can be useful to teachers and the student community by providing evidence about the contribution of case learning methodology in applied data science education.

**Keywords:** Data Science, Education, Marketing Intelligence, Case Method, Learning Methodology

### Introduction

Data science (DS) is about decision-making in an increasingly data-driven world we live in today. It has employed great efforts in developing advanced analytics, improving data models, and cultivating new algorithms. However, there are organizational and socio-technical challenges that arise when executing a DS project: lack of vision and clear objectives, a biased emphasis on technical issues, a low level of maturity for ad-hoc projects, and the ambiguity of roles in DS are among these challenges (Chkoniya et al., 2020; Martinez et al., 2021).

As companies power up model development, DS teams are going into overdrive to better connect and communicate with business leaders. Firms are launching data literacy programs to help business teams better understand what DS is and what it can do (Babcock, 2020).

Demand for DS education is surging and traditional teaching methods are not meeting the needs of those seeking training. In a data-driven society, the main priority is to bring applications to the forefront. The individuals tasked with developing DS courses should not

only have statistical and computing training but also have experience analyzing data with the main objective of solving real-world problems (Hicks & Irizarry, 2018).

This paper gives an overview of the contribution of Case Method (CM) teaching to applied DS education.

## **Background**

DS is a new profession emerging along with the exponential growth in the era of digital overexposure. A data scientist provides support to the decision-making process by looking at past and current data. Application of it is an essential skillset in a world of uncertainty where everything from communication to transport, industry to commerce, involves data.

In this section, an overview of possible contributions of CM teaching to respond to challenges of applied DS education. Showing that, unlike lectures, applied DS education cannot happen only in passive reception of knowledge classroom isolation, it requires a deeper understanding of implications in real cases. Through their close analysis, the CM connects theory to practice, and classes unfold without a detailed script when successful instructors simultaneously manage content and process. Applied DS and CM Teaching and definitions used for the analysis in this review are introduced.

### *Case Method*

Case Learning (Wang & Yang, 2010) and Case Study approach (Garg & Varma, 2007) are among two other synonymous terms by which CM is also known (Razali & Zainal, 2013).

Teaching based on cases or problems can be traced back to Christopher Columbus Langdell, who prepared the first casebook for students in the Harvard Law School in the 1870s (Servant-Miklos, 2019). This method was adapted to business education by Edwin Gay, the first dean of the Harvard Business School, in 1908 (Lima & Fabiani, 2014). Since then, the method has spread into curricula in many fields (Lundberg & Winn, 2005). The CM is a Socratic student-led system where students review a case (a story about how an organization faced a specific business problem) and have to think through possible solutions and what they would do in the same situation (Stoten, 2020). Critical thinking is “the ability to make decisions based on data, with its inherent uncertainties and variability” (Holmes et al., 2015). Unlike other teaching methods, there is no lecturing with the CM (Patil & Karadesai, 2016).

### *Data science*

Data Science (DS) is inherently applied and interdisciplinary, it is a unique blend of skills from analytics, engineering & communication aiming at generating value from the data itself (Braschler et al., 2019). DS combines multiple fields including statistics, scientific methods, and data analysis to extract value from data, being is an umbrella term used for multiple industries, such as data analytics, big data, business intelligence, data mining, machine learning and artificial intelligence, and predictive analytics, and is being increasingly adopted to analyze and predict consumer behavior (Chkoniya, 2020; Cognetik, 2020).

Where:

Big data is a collection of unstructured data that has a very large volume. The major demanding issues in big data processing include storage, search, distribution, transfer, analysis, and visualization (Khade, 2016).

Data mining is defined as a process used to extract usable data from a larger set of raw data. It implies analyzing data patterns in large batches of data using one or more software (Ge et al., 2017).

Predictive analytics is the branch of advanced analytics which is used to make predictions about unknown future events (Kumar et al., 2020).

Machine Learning is used in DS to make predictions and also to discover patterns in the data, in situations where necessary the machine learn from the big amounts of data, and then apply that knowledge to new pieces of data that streams into the system (Liu et al., 2018; Zolghadri & Couffin, 2018).

Artificial Intelligence is the field of study that describes the capability of Machine Learning just like humans and the ability and refers to programs, algorithms, systems, and machines that demonstrate intelligence (Khanna et al., 2020; Shankar, 2018).

Business intelligence is a data analysis process that organizations use to gain insights into business performance and improve operational decision-making (Jakhar & Krishna, 2020).

## **Methodology**

To better understand challenges in decoding consumer behavior with DS, this paper presents a systematic literature review that helps to understand the contribution of CM Teaching to Applied DS Education.

One way to achieve greater rigor and better levels of reliability in a literature review is to adopt a systematic approach, which allows the researcher to make a rigorous and reliable assessment of the research carried out within a specific topic (Levy & Ellis, 2006). The result must be the "state of the art" and demonstrate that the research in question contributes something new to the existing body of knowledge, the methodological approach is mainly supported in three phases: input; processing, and output (Sampaio, 2007). The input phase begins with the definition and presentation of the main goal of this research: "Determine the most recent applications of DS techniques in CBR context".

After that, continues with the process of data source identification requiring the definition of rigorous string that suits the different bibliographic databases selected. Scientific articles (ar) or conference proceedings (cp) related to CBR and DS from six main academic databases were searched. These academic databases include Springer Link, Web of Science, Scopus, IEEE Explore, Google Scholar, and Science Direct. Concerning the goal of identify the publications related to research works around the application of CM Teaching in DS, in the first, it is used the string: TITLE-ABS-KEY ("CM Teaching") AND TITLE-ABS-KEY ("DS") AND (LIMIT-TO (DOCTYPE, "cp") OR LIMIT-TO (DOCTYPE, "ar")). So, applying exclusion and inclusion criteria cited, the total document results are 821. In this case, as all results are about recent articles, published between 2017 and 2021, in the English language.

All the publications titles and abstracts were read manually for relevance checking. This process resulted in 79 publications being excluded. Lastly, 21 eligible publications were selected. The analyzed publications were investigated based on the relevance to the research domain and availability.

## Findings and Discussion

While DS is somewhat a “hot topic” there is still little literature that addresses the applied side of DS.

Emerging technologies like the DS are bringing new opportunities, challenges, and solutions for many domains including agriculture, plant sciences, animal sciences, food sciences, and social sciences. These disruptive technologies are at the center of the fourth industrial revolution, but we not ready yet to educate and prepare new generations to help society, science, and humanity adapt them (Catal & Tekinerdogan, 2019).

### *Case Method as the Potential Solution*

It has been long argued that social science education must transform itself to support students' acquisition of twenty-first-century competencies, such as critical thinking, effective communication, and collaborative problem-solving. Recognizing the limitations of the lecture model in fostering these competencies, scholars favor to integrate theory with practice. There are three most common approaches currently used to introduce practice in the business curriculum: the CM, internships, and problem-based learning with four building blocks of a management learning epistemology (Perusso & Baaken, 2020):

Ill-defined problems where students.

Execute solutions in real-life.

In close collaboration with a real organization, with learning.

Supported by a process of reflection (Perusso & Baaken, 2020).

In the context of applied DS education, the action-oriented goals for decision-making literacy education often demand a more active, situated approach to instruction. A key philosophical model that can meet these needs is experiential learning. Field-based, hands-on experiential learning is a mainstay of meaningful science education throughout a student's career (O'Neil et al., 2020). Drawn from the work of Dewey, Lewin, Piaget, and others, this philosophy views learning as a dialectical process that integrates concrete, personal experiences with reflection, consideration, and application (O'Neil et al., 2020; Warren, 1995; Wilson & Beard, 2013). Experiential learning is distinguished from traditional approaches in that learning constitutes a process – where “concepts are derived from and continuously modified by experience” (Kolb & Kolb, 2017) – rather than the accumulation of a fixed set of ideas or outcomes.

CMs, or case-based learning, like other problem-based methods, are intended to develop students' ability to solve problems using knowledge, concepts, and skills relevant to a course. Cases provide contextualized learning, as contrasted with learning disassociated from meaningful contexts. The CM has long been used effectively in business and law education (McKeachie et al., 2006; Razali & Zainal, 2013). Its potential use in Applied Science such as Applied DS however has yet to be further explored.

### *How Harvard's case method can help bridge the gap between DS and decision making*

The discipline of DS has emerged over the past decade as a convergence of high-power computing, data visualization and analysis, and data-driven application domains. Prominent research institutions and private sector industries have embraced DS, but foundations for effective tertiary-level DS education remain absent (Turek et al., 2016).

There are three foundation stones for DS projects success: project, team, and data & information management. This is a constantly evolving and improving framework to adapt to new challenges in DS, generating uncertainty (Martinez et al., 2021).

Harvard Business School Professor C. Roland Christensen was the world's leading authority on CM teaching, which he described as "the art of managing uncertainty" (Barnes et al., 1994; Cullen, 2013; Forman & Rymer, 1999).

In CM, subjects are presented to students through real cases whereby students themselves either individually or in group discussions work through the problems and issues presented in the cases (Razali & Zainal, 2013). The CM approach is deemed necessary for DS education to expose students to real scenarios that challenge them to develop the appropriate skills to deal with practical problems. As a largely theoretical subject, DS students could understand more about the practical application of DS concepts and ideas via such active learning activities.

Case developers usually equip the cases with a teaching note (Erskine et al., 2019) that guides instructors on how to deliver the materials, for instance, highlighting important issues and providing sample questions. In exploring solutions in a case discussion, students place themselves in the shoes of the protagonists and try to analyze the issues that drive the decision-making process (Hoffer, 2020).

Case-based learning provides opportunities to increase engagement and foster inclusion for diverse communities of learners. Teaching with cases leverages the strengths of storytelling to help students internalize abstract concepts. Stories are the way we make sense of the world and translate abstract concepts into understanding. CM has a focus on engagement and inclusion, spanning traditional educational settings, online learning, and one-to-one virtual coaching models. Findings of research studies that assess case-based learning outcomes are provided, along with suggestions for incorporating new material into existing curricula to help learners construct new understandings and build inclusive behavior skills (Hoffer, 2020).

This indirectly trains students to confront real issues and to develop experience in proposing practical solutions. The basic criteria for a good case include: a clear problem statement; focus on one issue or problem; and alignment with the program objectives. Besides, cases must be based on meaningful realistic situations, which do not contain ideal and clear-cut solutions (Zhang & Li, 2010). The rationale behind having no clear-cut solutions is that the answers finally offered should come from students' deep analysis, discussion, and understanding, rather than being self-evident. This facilitates students in enhancing their analytical and problem-solving skills as well as promoting proactive learning (Razali & Zainal, 2013).

The results indicate that four main factors contribute to the acceptance of CM among students as a method for teaching and learning. The factors are Environment, Case, Instructor, and Student. Each factor has its own constituted criteria or characteristics that determine the efficacy of the method (Razali & Zainal, 2013).

#### *Success Factors*

Successful experiential learning occurs when students take initiative and actively participate in there. Further, experiential learning is augmented when disciplinary content is applied in authentic contexts and can therefore be 'tested' against relevant real-world problems with opportunities for reflection and refinement (Knobloch, 2003; O'Neil et al., 2020).

Demand for DS education is surging and traditional courses offered by statistics departments are not meeting the needs of those seeking training (Hicks & Irizarry, 2018). The American Statistical Association (ASA) has recognized changes in training made necessary by a changing landscape. In 2005, they first put out suggestions for a direction for the future of introductory statistics, and they updated these suggestions again in 2016 (Carver et al., 2016). Their target is teaching introductory statistics at a college, but the wisdom contained also applies to teaching DS in any environment:

Teach statistical thinking.

Focus on conceptual understanding.

Integrate real data with a context and purpose.

Foster active learning.

Use technology to explore concepts and analyze data.

Use assessments to improve and evaluate student learning.

The increasing use of CM in teaching and research ushered in a paradigm shift in pedagogical approach in recent years. It underscores the relevance of traditional learning discourses in professional education. Cases focus primarily on the individual development, cognitive behavior, personality, learning, interaction pattern and examine the interplay of all variables (Tripathy, 2009).

For example, there has been a great deal of recent educational research pointing out the significant measurable benefits of active learning (Koedinger et al., 2015; Wieman, 2014). It's also worth pointing out that some scholars argue that these suggestions point in the right direction but are simply not enough (Cobb, 2015).

Austin, Heskett, and Bartlett surveyed their colleagues at the Harvard Business School and determined eight characteristics of excellent cases (Austin et al., 2015):

Focus - important issue(s), requiring a plan or action

Completeness – sufficient narrative and data to answer the questions

Clarity and Succinctness – targeted and organized detail

Engagement – enable identification with stakeholders

Controversy – richness of conflict and issues

Complexity – layered dilemmas lacking obvious solutions

Robustness – requiring analysis, rigor, supported assumptions  
8. Intellectual Richness – opportunity for insights and discovery

Building an environment in which students feel free to expose their knowledge state and compassionately help each other learn is incredibly difficult. The idea of a growth mindset was first put forth by Carol Dweck (2017). Their research points out the importance of students believing that they can improve through practice. More interestingly, perhaps, they offer suggestions as to how to foster growth mindsets such as praising effort as opposed to skill (Hicks & Irizarry, 2018).

## Conclusions

Demand for data science education is surging and traditional courses offered by statistics departments are not meeting the needs of those seeking training (Hicks & Irizarry, 2018). Cases can help students grasp concepts, develop skills, become more engaged, and satisfied in the learning process. Also, cases can help faculty develop more inclusive learning environments. In line with the Kolb (2017) framework for experiential learning, a case or a story can provide an experience that engages students to reflect, to build a revised understanding of the world by applying new concepts, and to test this understanding in new situations. While navigating this cycle, faculty have the opportunity to introduce concepts of diversity and inclusion (Hoffer, 2020).

In an Applied Data Science course, the CM can help students gain the perspective of new decision-makers. Building upon findings, future studies can address the effects of CM implementation in practice.

This synthesis of current research can be useful to teachers and the student community by providing evidence about the contribution of case learning methodology in applied data science education.

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## Hindu Businessmen and the Use of the Joint Stock Company in British India

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### Abstract

Hindu joint family businesses play a major role in contemporary India. The increasing usage of joint stock companies did not lead to the replacement of the Hindu joint family businesses; instead, Hindu businessmen made the joint stock company into an appendage of the joint family business. This was accomplished through another institution, the managing agency. This paper will look at the relationship between the joint stock company, the Hindu joint family business, and the managing agency, and shed light on the adoption of joint stock companies by Hindu businessmen. Our discussion will be supported by case studies of Hindu business families.

**Keywords:** Hindu joint family, joint stock company, managing agency, Indian business history, British India

### Introduction

On the eve of the 21<sup>st</sup> century, family business dominated India's business scene.<sup>1</sup> In 1995, 80% of India's top 500 businesses were family businesses (Phansalkar, 2005, pg. 60). Of the 297,000 joint stock companies in India in 1993, 294,000 were controlled by family businesses (Dutta, 1997, pg. 30). More recent research also suggests that 95% of all businesses in India are family owned and that 461 of the top 500 companies are family owned (Alderson, 2011, pg. 9). Statistics for as late as 2011 note that 70% to 80% of all businesses in India were family owned (Jennings, 2015, pg. 96). The prominent role played by such businesses is not a new phenomenon. Hindu joint family businesses have played a dominant role in India's economy for many centuries. Hindu businessmen have during this period had exposure to other organizational forms but the Hindu joint family has remained the preferred form of business organization. This article will examine the relationship between the Hindu joint family and the joint stock company.<sup>2</sup>

A cursory glance will suggest that the joint stock company possesses numerous advantages over the Hindu joint family business: businesses governed by joint stock companies may find

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<sup>1</sup> While there is some disagreement over the numbers involved, it is accepted that family businesses play a dominant role in modern India.

<sup>2</sup> This work on the interaction between the Hindu joint family, the joint stock company, and the managing agency is the result of further development of a previous work by the author, *The Divergence of the Economic Fortunes of Hindus and Muslims in British India: A Comparative Analysis*. While the previous work provided a comprehensive comparative analysis of Hindu and Islam business institutions (the Hindu joint family and the Islamic partnership respectively) and inheritance laws (the Mitakshara and Hanafi schools of jurisprudence), the current work draws from the previous work's discussion of adoption of Western business practices by Hindus.

it easier to raise capital, include outsiders in the business, and protect assets from personal consumption vis-à-vis those run by a Hindu joint family business.<sup>1</sup> Despite these disadvantages, the Hindu joint family business persisted as the primary business organization among Hindu businessmen. For much of the late 19<sup>th</sup> and early 20<sup>th</sup> centuries, rather than replacing Hindu joint family businesses, joint stock companies served as an extension of these businesses. How did joint stock companies become appendages of Hindu joint family businesses in India during this period? What prevented the replacement of Hindu family businesses by the joint stock company? While earlier studies have noted the importance of the Hindu joint family business, they have failed to explain its persistence in the face of new organizational forms such as the joint stock company. Previous studies such as (Dutta, 1997), (Phansalkar, 2005), or (Tripathi, 2004) have also not engaged in a comparative analysis of the joint stock company and the Hindu joint family business. Our work will suggest the following: Hindu joint family businesses survived the onset of the joint stock company and were able to use and exploit joint stock companies for their benefit through the utilization of an intermediary organization, the managing agency. What characteristics of the managing agency allowed for this? First, managing agencies allowed Hindu joint family businesses to raise great amounts of capital for launching joint stock companies without surrendering control. Second, managing agencies permitted Hindu joint families to control numerous joint stock companies simultaneously.

The Hindu merchant castes of India utilized the joint stock company to expand beyond their traditional niches such moneylending and retail, and enter manufacturing.<sup>2</sup> We will see how despite the fact that Hindu businessmen had shown reluctance to adopt the joint stock company for many centuries, the rise of managing agencies greatly eased the adoption and use of joint stock companies. Let us look at previous discussions of Hindu joint family businesses in India.

## Literature Review

The use of a Hindu joint family as a business organization has received attention in the past. The interaction between capital, the Hindu joint family, and caste networks (particularly the Marwari caste) has been examined (Birla, 2009.) Comparisons of the Hindu joint family with Western family firms, the Korean *chaebol* and the Chinese *jia* have been made (Dutta, 1997, pp.13-15). A comparative analysis of the Hindu joint family and the Japanese *zaibatsu* also exists (Ghosh, 1974). A detailed comparison of Hindu and Islamic legal and business institutions reveals that Hindu businessmen had significant advantages over their Muslim colleagues (Kuran and Singh, 2013).<sup>3</sup>

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<sup>1</sup> This will be discussed in detail below.

<sup>2</sup> The term Hindu merchant caste refers to Hindu castes which have engaged primarily in trade and moneylending in British India. It includes castes such as the Chettiars, Marwaris, Banias, and others. These castes made up 2.9% of the Hindu population according to the census of 1931. We also include Jains under this category because despite belonging to a different religion they utilized the Hindu joint family system. Some Hindus of non-mercantile castes (especially Brahmins) were also able to utilize the joint stock company to enter manufacturing. However, our discussion's primary focus will be on merchant castes.

<sup>3</sup> Kuran and Singh highlight the advantages Hindu businessmen had over Muslim businessmen due to the differences in their institutions. Their discussion stresses two points: first, Hindu inheritance law encouraged capital accumulation whereas Islamic inheritance law encourages capital fragmentation.

Previous business histories of India's merchant castes have only alluded to the Hindu joint family but have not sufficiently analyzed its role in fostering the financial success of these castes. The Nattukottai Chettiers (Rudner, 1989) and Marwaris (Timberg, 1969; Timberg, 1978; and Taknet, 1986) are among the Hindu castes which have been studied. The Muslim merchants of south India (Mines, 1972) have also received attention. The historical trading patterns of castes (Mehta, 1991) have also been discussed. *The Oxford Business History of India* offers a comprehensive survey of Indian business history in the 19<sup>th</sup> and 20<sup>th</sup> centuries; however this discussion neglects to systematically analyze the characteristics of the Hindu joint family which fostered adoption of the managing agency (Tripathi, 2004.) Tripathi's study of business families in western India provides rich biographical detail of Indian entrepreneurs but neglects deeper institutional analysis (Tripathi, 1990.) A growing number of studies tend to focus on the history of a particular business family; while such narratives are qualitatively rich they fail to provide a theoretical understanding of the Hindu joint family business.<sup>1</sup> Earlier discussions of the joint stock company in the South Asian context while acknowledging the control joint stock companies of by business families have paid little or no attention to the workings of the Hindu joint family. While the managing agency has received some attention, its role in facilitating the adoption of joint stock companies needs more attention.

Our study hopes to fill lacunae in the previous literature shedding light on some of the key characteristics of the Hindu joint family. We will also provide a comparative analysis and discussion of the interaction between the joint stock company and the Hindu joint family business. We also hope to show in greater detail how Hindu joint family businesses utilized managing agencies to adopt joint stock companies.

### **The Hindu joint family business and joint stock company: a comparison**

Let us turn to a brief discussion of the Hindu joint family and look at some of its key characteristics. The Hindu joint family exists due to the *sapinda* bonds between its members.<sup>2</sup> There is no limit on the number of coparceners that may be included in a Hindu joint family business.<sup>3</sup> The existence of a Hindu joint family business does not depend on any particular member and there is no limit on how long it may exist. All coparceners are members of the Hindu joint family business. The shares of coparceners in a Hindu joint family business vary as per births, deaths, and adoptions. All members of a Hindu joint family (even if they are not coparceners) have rights to the joint family's business. Outsiders may be included in Hindu joint family business via a partnership agreement. Since there is no limit on the size of a Hindu joint family, it may have an infinite number of branches and engage in a variety of businesses.

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Second, the Hindu joint family made it easier for businessmen to transition to corporate life than the Islamic partnership because the latter lacks durability. This discussion will build on those findings and focus on the interaction between the Hindu joint family, the managing agency, and joint stock company in British India.

<sup>1</sup> Biographical sketches and family histories include (Chauhan, 1997); (Jones, 1992); (Joshi, 1975); (Karanjia, 1997); (Khanolkar, 1969); (Little, 1967); (Piramal, 1996); (Piramal, 1998); (Rao, 1986) and (Tripathi, 1981).

<sup>2</sup> Hindu joint family businesses are not firms because a firm is "a collection of persons who have entered into a partnership for the purposes of sharing the profits of a business carried on by all or any of them" (Gopal [1958] 1964, 554) whereas membership in the Hindu joint family business results from the *sapinda* bonds.

<sup>3</sup> A coparcener is defined as an "heir inheriting an undivided interest in an estate."

The head of the Hindu joint family business is the *karta*. He is typically the eldest male member of the family. The *karta* may engage in the following activities: make key decisions for the family business, sue on behalf of the family, borrow capital, alienate property, and pledge family property for credit. The *karta* does not need the approval of the other members of the family and he is not liable to them. An important exception is engaging in business activities which are not part of the family's ancestral business: if the *karta* chooses to invest funds outside the ancestral business he will need the approval of other members of the family. The *karta* can give duties to other members of the family and may also give his position to a younger member of the family. The liability of the *karta* is unlimited while the liability of other coparceners is limited to their share in the family business. The son and grandson of the *karta* may be held responsible for his liability as well. Other coparceners may also be responsible for debts the *karta* has incurred in order to run the family business.

The profits from the Hindu joint family business may be consumed by any member of the family. Assets of the Hindu joint family may also be used for "family necessity." There are no clear rules regulating free riding by family members in Hindu joint family businesses.

We obtain the following points from our discussion above; first, there is no limit on how long a Hindu joint family business may exist. Second, a Hindu joint family business may have an infinite number of branches in a variety of businesses. Third, the property and profits of the Hindu joint family are held collectively and there are no clear rules for preventing free riding. Fourth, the liability of most members of the Hindu joint family business (with the exception of the *karta*) is limited.

The Hindu joint family and the joint stock company share some important similarities. While the Hindu joint family is a result of the *sapinda* bond and a joint stock company comes about as a result of a legal contract, both may exist indefinitely. There is also no limit on how many individuals may be included in the Hindu joint family and the joint stock company. The members of the Hindu joint family (with the exception of the *karta*) and joint stock company both enjoy limited liability.

Let us turn to the differences between the joint stock company and the Hindu joint family business. First, all members of the Hindu joint family have rights to the profits of the business whereas only shareholders have rights to the profits of a joint stock company. Second, while the members of the Hindu joint family must be related, there is no such limitation on who may own shares in a company. Third, shareholders may enter and leave a joint stock company at will whereas entry and exit from a Hindu joint family requires adoption, birth, marriage or death and partition. Fourth, the rules for regulating free riding are vague in Hindu joint families, whereas in joint stock companies, individuals who do not perform their duty may be excluded from the business. Fifth the shares of the members of the Hindu joint family fluctuate with births, deaths, and adoptions, whereas the shareholders stake in a joint stock company is fixed.<sup>1</sup> Finally, the earnings of a Hindu joint family business may be diverted for family profit whereas the earnings of a joint stock company need not be diverted for familial ends.

From our discussion above we may infer that joint stock companies have the following crucial advantages over Hindu joint family businesses: First, Hindu joint families allow all members to take profits from the business while the profits of a joint stock company accrue to its

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<sup>1</sup> The value of these shares may vary as per market prices.

owners. Second, joint stock companies may easily include non-kin as members whereas this is not the case with the Hindu joint family. This allows joint stock companies to tap into the resources and skills of unrelated individuals who are interested in associating with the company whereas Hindu joint family business cannot do so.<sup>1</sup> Third, the Hindu joint family offers no clear rules to prevent free riding while joint stock companies may dismiss staff who free ride.<sup>2</sup>

Despite these advantages, the joint stock company was rarely adopted by Hindu businessmen. What accounts for this? Previous literature (Tripathi, 1990) has suggested that a lack of education and insufficient exposure to Western ideas may have accounted for the reluctance of merchants from exploiting joint stock companies for launching industrial ventures. Others suggest that the reluctance of Hindu businessmen to utilize joint stock companies may have stemmed from a distrust of Western business institutions. Both explanations ignore the possibility that Hindu businessmen sought to do business within the aegis of the joint family rather than engage in independent business ventures.<sup>3</sup>

Joint stock companies were adopted by Hindu merchants through an intermediary institution, the managing agency. The managing agency provided Hindu businessmen with an organizational form that was similar to the Hindu joint family and also allowed them to engage in industrial ventures without abandoning the Hindu joint family business. A managing agency was a firm that gave control of the joint-stock company to the managing agents (it was not necessary to own the majority of shares in the joint stock company.) Managing agencies typically managed numerous joint stock companies in different industries. Nearly all of India's private corporations were controlled by managing agencies (Lamb, 1995, 110). Managing agencies were in turn controlled by business families (Brimmer, 1955, 558; Lamb, 1955, 102; Tripathi, 1990, 27; Tripathi, 2001, 43).

What factors enabled the adoption of managing agencies by Hindu business families? First, due to the underdevelopment of British India's capital market, Hindu merchant castes were one of very few groups endowed with sufficient capital for industrial enterprises. Families belonging to merchant castes floated joint stock companies in order to raise sufficient capital to initiate manufacturing ventures. The shares for these joint stock companies were typically bought by members of the same caste of the family which had floated the joint stock company. Second, since some characteristics of the managing agency mirrored the Hindu joint family, many business families were able to adopt it with relative ease. Hindu joint family businesses

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<sup>1</sup> A Hindu joint family business may make a contract or in some cases a partnership with an outsider who possesses the skills the business needs. However, this person cannot become a member of the Hindu joint family business.

<sup>2</sup> Family members may request a partition of the Hindu joint family if they feel some members are taking the family's resources without making a contribution. However, partitions result in lower social standing for the family and its members.

<sup>3</sup> What factors could have prevented Hindu businessmen from abandoning joint family businesses? Forsaking ties with the Hindu joint family business could have had numerous social repercussions including strained relationships with one's family, lack of access to capital and support from familial and caste networks, and social ostracism. A Hindu entrepreneur who was aware of the benefits of the joint stock company did not need to abandon the Hindu joint family business; instead he could have continued to utilize the resources of the Hindu joint family business while running a joint stock company.

frequently functioned in a manner similar to a managing agency. A Hindu joint family businesses controlled and managed firms which worked in a variety of businesses just as one managing agency managed joint stock companies in a variety of fields. Hindu businessmen were almost always familiar with the Hindu joint family and could grasp how an organization in which a central unit controlled numerous branches operated.

### **History of the Joint Stock Company in India**

Let us now turn to a brief history of joint stock companies in India. Joint stock companies were first introduced to southern India in the middle of the 17<sup>th</sup> century by Dutch and English merchants for the purpose of assuring a steady supply of cloth from Indian traders. These early joint stock companies differed from modern joint stock companies in that they did not allow merchant-shareholders to sell their shares and also lacked legal personality. The impact of early joint stock companies was very limited. First, they failed to spread from southern India to other regions of India. Second, by the eighteenth century, they had disappeared from southern India as well. Previous literature has suggested that these early joint stock companies lacked effective means of conflict resolution among shareholders. (Arasaratnam 1966, 90-91) suggests that these companies were inter-caste and thus caste rivalry prevented the long term viability of these companies. (Brennig 1979, 92-93) argues that these companies lacked effective means of dispute resolution. If these companies lacked means conflict resolution or preventing caste rivalry, how did they survive for well over a century? It is possible that Indian merchants used these companies for only specific ventures but choose to conduct much of their business through the Hindu joint family.

However, it also likely that Indian merchants felt their needs were fulfilled by the Hindu joint family and did not see particular benefit from the adoption of the joint stock company.<sup>1</sup>

Joint stock companies did not return to India until the early 19<sup>th</sup> century. The first joint stock company promoted by an Indian was the Calcutta Steam Tug Association in 1836.<sup>2</sup> However, joint stock companies failed to gained popularity in India and only two joint stock companies functioned in the mid-19<sup>th</sup> century.

What accounts for the lack of popularity of joint stock companies in India during this period? First, it was very difficult for joint stock companies to gain corporate status. Only a legislative act by the Indian Legislature or the British Parliament could grant a company corporate status in India.<sup>3</sup> Second, joint stock companies were viewed as partnerships and could be dissolved with ease. Both directors and shareholders had the status of partners. Third, in the absence of legislation dealing with joint stock companies, rules of English common law and equity were used. One of the consequences of this was that actions between partners were unsustainable if the accounts belonged to the firm. Directors and shareholders could not engage in legal action against each other if company funds were involved. Another consequence of the application of the rules of English common law and equity was that in any legal action against a debtor, all partners were regarded as plaintiffs and all shareholders had to be present in

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<sup>1</sup> The joint stock company could have been an effective means for raising large amounts of capital; however, Indian merchants of the 17<sup>th</sup> and 18<sup>th</sup> centuries were not participating in industrial ventures and may not have needed so much capital for their trading ventures. Indian merchants also have utilized the partnership for long distance business ventures.

<sup>2</sup> In 1829, the Union Bank was promoted as a joint stock company by Alexander & Co.

<sup>3</sup> Only 5 companies had been given corporate status till 1850.

order to sue the debtor. Fourth, given that the liability of every shareholder was unlimited, particular shareholders could be singled out for the payment of company debts (Rungta, 1970, pg. 65).

The Act of 1857 was the first piece of legislation to lay down comprehensive rules for the formation, existence, and liquidation of a joint stock company.<sup>1</sup> The Act provided limited liability to joint stock companies (Govt. of India, 1955, i). Second, joint stock companies with over twenty shareholders were required to register. Third, dividends could only be paid out of the company's profits (Rungta, 1970, pg. 69). The number of joint stock companies was only 16 before the passage of the Act; three years after its passage the number tripled to 48. The Act of 1857 did not lead to the widespread usage of joint stock companies (Rungta, 1970, pg. 47).

### **Hindrances to the Spread of Joint Stock Companies**

The industrialization of India in the 19<sup>th</sup> century was hindered by two factors: a shortage of capital and reluctance on the part of members of the Indian business class to enter the industrial sector.<sup>2</sup> Enterprises such as cotton mills or tea plants required between Rs. 300,000 to Rs. 500,000. In the absence of an organized capital market, it was difficult to raise sufficient capital for such ventures.

Joint stock banks were controlled by Europeans and usually only served the needs of European investors.<sup>3</sup> Indian moneylenders had large amounts of capital but charged exorbitant rates and thus discouraged prospective investors (Bagchi, 1970, pg. 233). Wealth in rural areas was kept as precious metals or used largely for conspicuous consumption. The incomes of the peasantry and working classes were insufficient for capital accumulation (Rungta, 1970, pp.54-57.) Individuals seeking to raise large amounts of capital would have to turn to their family or to caste networks; however individuals who did not have ties with a wealthy family or caste network would have faced immense difficulty raising capital.

A second obstacle was the reluctance of the merchant classes to enter the industrial sector. While some members of the merchant castes had the potential to raise sufficient capital, industrial ventures were frowned upon by Indian merchants (Oonk 2001, pg. 422; Rungta 1970, pp. 56-57; Tripathi 1990, pg. 46).<sup>4</sup>

The history of the founding of the Ahmedabad Spinning and Weaving Company's illustrates the challenges faced in raising sufficient capital for industrial ventures in British India. Its founder, Ranchhodlal Chhotalal was a Hindu from a non-mercantile caste.<sup>5</sup> Chhotalal had been

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<sup>1</sup> The Act of 1850 had given joint stock companies legal personality but did not limit liability and also failed to require registration of joint stock companies.

<sup>2</sup> Hindu and Muslim merchants were reluctant to enter industry at this time; however, some Zoroastrians did enter industry.

<sup>3</sup> The first Indian owned joint stock bank opened in 1906.

<sup>4</sup> Tripathi argues that lack of education and an exposure to Western ideas were two of the main reasons why merchants were reluctant to participate in industry (Tripathi, 1990, pg. 76). Thus, he ignores the possibility that before the late nineteenth century, most Indian merchants were still unfamiliar with how joint stock companies could be used to launch industrial ventures. We will see below that members of Indian merchant castes only began to enter manufacturing once it had demonstrated sufficient profitability.

<sup>5</sup> Chhotalal's family were Nagar Brahmins and had a history in the civil service.

trained as a civil servant but hoped to launch an industrial venture.<sup>1</sup> Chhotalal possessed numerous advantages over the average Indian of the time: he was well connected with the bureaucracy and was fluent in English. After acquiring knowledge of textile production, he attempted to raise capital for a textile mill in 1846. However, local bankers refused to grant Chhotalal a loan on the grounds that he lacked sufficient business connections. Chhotalal tried to raise capital again in 1853. He received support from a prominent English entrepreneur, but the bankers backed out from the scheme shortly before the launch of the venture. However, Chhotalal continued to establish contacts with bankers and in 1858 he was able to launch Ahmedabad Spinning and Weaving Company. The company was initially worth Rs. 300,000 and had sixty shares. Chhotalal only had two shares in the company and used a managing agency contract to retain control of the company.<sup>2</sup>

We obtain some important lessons about the challenges a potential entrepreneur could face in 19<sup>th</sup> century India from the history of the establishment of the Ahmedabad Spinning and Weaving Company. First, Chhotalal's caste background played a crucial role in delaying the establishment of the company. As a Brahmin he was regarded as an outsider by the established businessmen in the region. This prevented him from obtaining sufficient capital both the first and second time he tried to launch his company. Second, Indian bankers were very reluctant to support any industrial venture and only supported Chhotalal after a cotton mill had been successfully launched in Bombay a few years earlier. Chhotalal, despite his education and connections with the British establishment, had to wait at least a decade in order to secure the requisite capital for an industrial venture. We may infer that entrepreneurs without Chhotalal's education or social connections were likely to have faced even greater obstacles.

### **The Rise of the Managing Agency**

The increasing utilization of the managing agency offered a solution to the problem of the dearth of capital (Brimmer, 1955, pg. 560; Misra, 1999, pp. 68-70). A managing agency may be seen as a firm which controls numerous companies via a managing agency contract (Brimmer 1955, pp. 554-555).<sup>3</sup> The managing agency contract explicitly states both the rights and duties of the managing agency and the company it manages (Ibid).

How did managing agencies operate? Managing agents assessed the costs and success of a particular venture. Managing agents then registered the company and selected the board of directors. Managing agents issued shares to themselves and close associates. If the enterprise showed potential, managing agents would issue preference shares which were sold to the public. The process would be repeated in order to launch new ventures. Once agents had recovered their initial investment, they would repeat the process and launch new enterprises (Ibid, 561.) Managing agency contracts specified the salary, tenure, and powers of the

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<sup>1</sup> Chhotalal had received an excellent education and had command of Gujarati, Sanskrit, Persian, and English.

<sup>2</sup> The remainder of the shares belonged to leading business families of the region and some of Chhotalal's friends.

<sup>3</sup> A managing agency may take on one of many organizational forms such as a partnership or public limited company. The companies controlled by it are usually joint stock companies.

managing agents. Typically, few restrictions were placed on the power of the managing agents.<sup>1</sup>

British and Indian managing agencies differed in significant ways. British managing agencies were partnerships of members who had either technical skills or financial resources. One of the members would provide technical or managerial skills while the other would represent an established family in order to give the company an air of respectability. Partners were rotated on a regular basis. When partners retired they were replaced by someone who had the requisite skills. Partners were rarely related to one another and were not succeeded by family members (Brimmer, 1955, pp. 556-557).

Managing agencies run by Indians were extensions of the joint family. The members of the managing agency firm belonged to the same family and the eldest male held the highest position of authority. When a joint family launched a joint stock company, the shares would be sold to other family members or to persons belonging to the family's caste (Tripathi 2004, pp. 112-113.)<sup>2</sup> The family maintained control of the joint stock company through a managing agency contract. Thus families could retain capital while still maintaining control of the joint stock company (Ibid).

Managing agencies allowed a family to control several companies simultaneously. The managing agency firm would use the first company launched by the family as base, and float other joint companies throughout different industries. The funds from the first company launched by family were used to ensure float other joint stock companies and maintain control over them (Tripathi, 1990, pp.26-27). Responsibilities were divided among family members on the basis of industry or geography (Lamb, 1955, pg. 102). If a managing agency needed additional partners, it would typically look for individuals from the family's caste (Brimmer, 1955, pg. 558).

Managing agencies addressed the shortage of capital in two ways. First, a managing agency could transfer capital from one of the joint stock companies under its control to another. (Managing agencies differ from holding companies because the former's control over joint stock companies stems not from ownership of shares but from the managing agency contract.) A joint stock company operating solely by itself could face difficulty in raising capital; on the other hand, a joint stock company managed by managing agency could receive additional capital from its sister companies. As noted above, managing agencies also used capital from one joint stock company to launch other joint stock companies (Ibid, pg. 562). Second, Indian banks were reluctant to lend to joint stock companies not controlled by managing agencies because these companies had higher rates of failure than those governed by managing agencies. Joint stock companies governed by managing agencies found it relatively easier to raise funds (Ibid).

The adoption of the managing agency system proved beneficial to members of Hindu merchant castes for the following reasons: First, the managing agency allowed merchants to control numerous joint stock companies while having a limited stock of capital. Second, the structure

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<sup>1</sup> Tenure for managing agents often tended to be two decades long (Oonk, 2001, pp. 429-430; Basu, 1958, pp.5-6).

<sup>2</sup> Since the shares of a joint stock company were bought by relatives and caste-fellows of the managing agents, this may have removed conflicts of interests between managing agents and shareholders.

of the managing agency was sufficiently similar to that of the Hindu joint family business: a central unit governed numerous branches which operated in various industries. Third, Hindu merchant families could control numerous joint stock companies without owning a majority of shares in them via a managing agency contract.

### **Case Studies**

Let us turn to some brief histories of Hindu joint family businesses. Our discussion will shed further light on the utilization of joint stock companies to further strengthen the Hindu joint family business.<sup>1</sup>

#### **Case Study 1: Khataus**

The Khataus traded cotton and textile in Bombay in the early nineteenth century.<sup>2</sup> In 1874, they launched their first joint stock company Khatau Makanju and Company and controlled it via a managing agency. The managing agency consisted exclusively of family members. However they waited until 1936 to enter manufacturing and within a few decades they controlled eleven joint stock companies through family run managing agencies (Hazari, 1966, pp.199-200; Tripathi 1990, pp. 76-85).

**Analysis:** The Khataus followed a pattern typical to Hindu joint family business: they stayed in the cotton and textile industry and only used a joint stock company to raise additional capital. They also used the managing agency in order to control their first joint stock company. This pattern was replicated over fifty years later in 1936 when the Khataus entered manufacturing on a larger scale.

#### **Case Study 2: Sarupchand**

The roots of the Sarupchand<sup>3</sup> family lie in northern India and it has been involved in money-lending for many centuries. In 1789, one of the family's members, Seth Pusaji, migrated to central India and used his family's capital to enter the retail business in Indore. Pusaji's descendants managed the business as one unit but expanded the family's enterprises into banking and marketing. In 1916, one of Seth Pusaji's descendants, Hukamchand, built three textile mills in central India. He then built one of the largest jute mills in South Asia. The family business was registered as a managing agency in 1919 and controlled numerous joint stock companies in precious metals, textiles, and other areas (Taknet, 1986, pp 80-81; Timberg, 1978, pp. 216-217).

**Analysis:** The Sarupchand family is an example of a successful Hindu joint family business. It was involved in moneylending for many centuries and entered trade in the late 18<sup>th</sup> century. The family only entered manufacturing in the early 20<sup>th</sup> century. It utilized joint stock companies as a means of raising capital; however managing agency contracts allowed the family to maintain control of these joint stock companies. Despite using many joint stock companies, the Sarupchand family's business empire continued to be run along the lines of a Hindu joint family business.

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<sup>1</sup> The three families in our sample were chosen to illustrate the how Hindu businessmen continued to use the Hindu joint family as an institution and used joint stock companies to augment their family businesses' earnings.

<sup>2</sup> The Khataus belong to the Bhatia caste and were originally from Gujarat.

<sup>3</sup> The Sarupchands were Marwaris from Rajasthan.

### Case Study 3: Lalbhai

The Lalbhais trace their roots to Gujarat and obtained a fortune as jewelers and moneylenders in the seventeenth century.<sup>1</sup> The family business was split among six branches in 1814 but the Lalbhais retained their influence. The Lalbhais also augmented their fortune by successfully speculating on cotton during the American Civil War. The Lalbhais entered manufacturing in 1897 by launching the Sarsapur Manufacturing Company. Capital for this venture was raised almost exclusively with the help of family members and caste networks. The Lalbhais then launched a joint stock company in 1905 to raise more capital and eventually controlled nine joint stock companies through managing agencies (Hazari, 1966, pg. 247).

**Analysis:** The Lalbhais followed the pattern of many families from business castes. They engaged in moneylending and held their wealth collectively. Even after the family was partitioned into six branches, the branches continued to cooperate to ensure the business success of the family. The Lalbhais entered manufacturing only after it had been demonstrated that industrial ventures could be profitable. They found capital in familial and caste networks and launched joint stock companies to attain additional capital. Joint stock companies were managed as a Hindu joint family business: the family held wealth collectively and management decisions were made collectively. While the Lalbhais did not have a majority of the shares in their joint stock companies, they controlled these companies through managing agencies.

We find some common patterns in the three Hindu joint family businesses we discussed above. First, each of these families were initially involved in trade and moneylending. They had established themselves in these industries and had numerous branches. Second, these families entered manufacturing either during the latter part of the 19<sup>th</sup> century or the early part of the 20<sup>th</sup> century.

### Conclusion

We discussed the relationship between the Hindu joint family business and the joint stock company in British India. We engaged in a brief comparative analysis of the two organizational forms and saw that the joint stock company possess many advantages over the Hindu joint family business. We also saw that Hindu businessmen were initially reluctant to utilize the joint stock company and only began to utilize it through an intermediary organization the managing agency. Many Hindu business families found the managing agency to be an attractive organizational form because it made it easier to raise capital and allowed Hindu business families to control joint stock companies without owning a majority of the shares. We concluded our discussion with a look at case histories of Hindu joint families and their adoption of joint stock companies. Our discussion also sets the stage for future studies of the interaction between the Hindu joint family and the joint stock company. How will the relationship between the Hindu joint family and joint stock company evolve in the future? And how does the rise of new forms of business, particularly internet based businesses, shape the relationship between the two institutions? And what impact will globalization and India's growing economic power have on the relationship between the Hindu joint family and joint stock companies? We will have more clear answers to these questions as the 21<sup>st</sup> century unfolds.

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<sup>1</sup> The Lalbhais were Jains belonging to the Bania caste. They were in Rajasthan before their migration to Gujarat.

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## Interventions in Urban Site Post COVID-19 - Case Study: Tirana, Albania

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### Abstract

The COVID 19 pandemic caused a radical change around the world, which was reflected in many areas such as economy, lifestyle, everyday behavior, politics, diplomacy, nature, and so on. As with any other sector of the economy, the construction sector has had a significant negative impact. Humanity's challenges have adapted to new rationality, the duration of which is unknown as are the consequences. Events such as the closure of state borders, quarantine, or preventive measures to stop the spread of COVID 19, allow us to reflect and identify what are the most important elements for us and how to address these last with priority. There has been a surge of interest in a healthy lifestyle, quality, and sustainable development as well as a trend toward the creation of a green city to have a better quality of life and easier adaptation to the new post-COVID rationality. *But what are the necessary tools to be introduced to adapt to the new rationality which focuses on new urban interventions and lifestyles?* Our paper will help us to create such an adaptation by being implemented in an urban setting, our paper will assist us in developing such an adaptation. Public spaces will be created on the basis of the new order and normality, enhancing the area with greenery and vitality while, of course, maintaining social distance. Implementation of photovoltaic panels and a trend toward the sustainability of architecture or green city. This intervention will bring vitality and better conditions for all, allowing people to cope more easily with post-COVID stress.

**Keywords:** urban development, design, post-COVID, architecture, new rationality.

### Introduction

This paper investigates post-Covid-19 urban interventions in Tirana, Albania. Examples to be reflected include a new intervention or approach that can be used in urban areas to maintain the well-known COVID-19 protocol, which essentially has social distancing. The analysis and interventions carried out in the urban site will provide us with a clear overview of the elements to consider, as well as the need born in the area for vitalization and tuning of the existing situation. As cities manage their immediate response to the COVID-19 pandemic and then see urban site interventions as well as long-term recovery efforts, there is an opportunity to transform cities.

*But the question that arises in this study is, what are the necessary instruments that need to be implemented to adapt to the new normality focusing on the new urban interventions and lifestyle?*

## **Literature Review**

The literature has been carefully chosen based on genuine analysis and studies that find places to be applied in more developed European countries, with the goal of adapting these models to the conditions and parameters that our country provides. Urbanism is an intervention that can be implemented in cities of any size. Many of these initiatives aim to improve urban and public health. The outbreak of the COVID-19 pandemic has had a significant impact on the organization of cities all over the world, raising a slew of issues concerning urban development.

The pandemic's multifaceted impact resulted in blockades, school, public space, and cultural institution closures, rising unemployment, and a drop in tourism and related revenues, particularly in cities. The consequences are disproportionately affecting vulnerable populations, which frequently live in highly populated areas with high urban or informal densities, precarious employment, and very little financial sustainability, in response to difficulties accessing distance education, health care, and other essential services.

As a consequence, the pandemic has left an irreversible mark on the appearance of cities and has triggered us to reassess the development of cities in various dimensions - social, economic, and environmental. Therefore, the pandemic has left an irreversible mark on the appearance of cities and has made us rethink the development of cities in different dimensions - social, cultural, economic, and environmental. Similarly, urban development is multifaceted and encompasses various aspects and dimensions of development in cities made up of different neighborhoods. Responses to COVID-19 revealed that urban interventions are adaptable, allowing for a multi-dimensional connection with city planning and development.

Our research will be based on the following questions:

- 1. What could be the smart interventions or some elements that would revitalize the area?*
- 2. How can we improve the lives of citizens by avoiding or minimizing the stress and trauma that COVID-19 left?*

Our carefully selected literature assists us in studying the appropriate interventions that can be applied in various urban areas by providing an accurate panorama of the models and urban interventions used in other countries around the world. As previously stated, we focused on a study area in Tirana, Albania, analyzing an urban block. The intervention focuses on revitalizing the residential block by creating recreation spaces, green spaces, flexibility in movement and internal circulation, and so on.

However, the question that arises in this study is, what are the necessary instruments that must be implemented in order to adapt to the new normalcy by focusing on new urban interventions and lifestyle?

To answer this question, we propose the following hypothesis:

*Hypothesis raised (H0):* Urban interventions should primarily aim to revitalize the area by implementing various movement plans and maintaining physical distance.

*Alternative Hypothesis H1:* Urban interference should essentially revitalize the area by implementing various movement plans while avoiding physical preservation and distancing.

*The study's objectives are as follows:*

- Introduce a novel approach to the research topic.
- To investigate appropriate interventions for revitalizing the area and adapting to the new post-COVID-19 normalcy.
- Presenting some conclusions and recommendations for improving the situation, as well as our intervention strategy

### **Data Analysis and Interpretation**

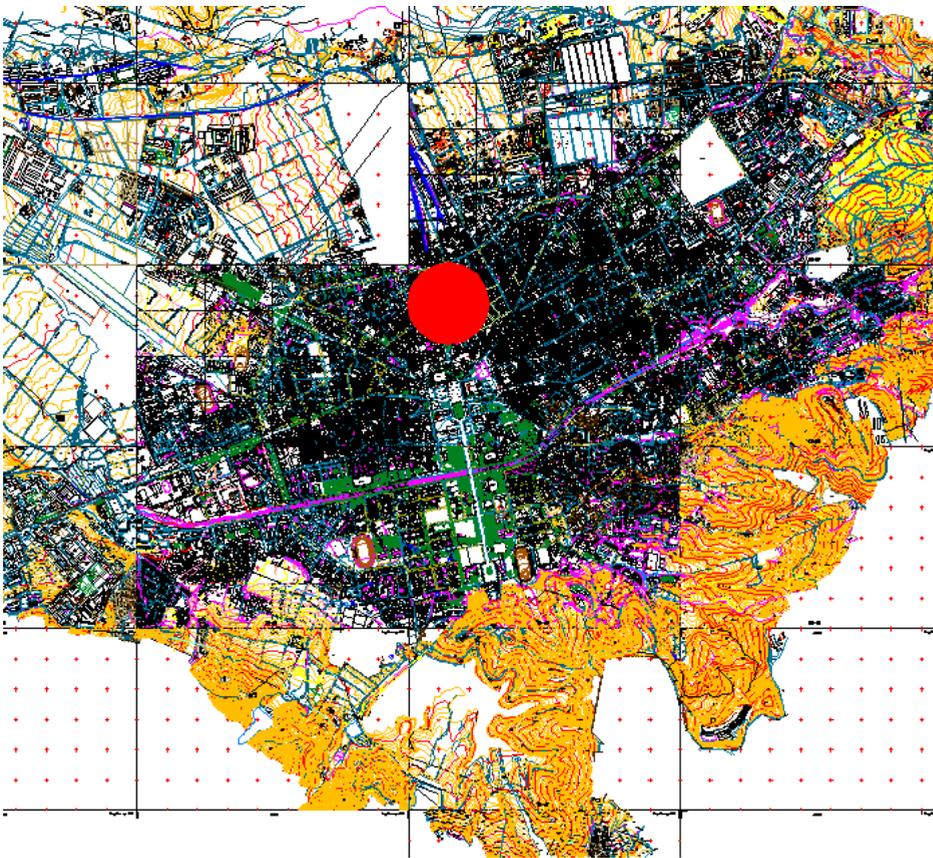


Figure 1- The area of study, Tirana, Albania

Source –By O.LUBONJA and K.BIQIKU



To build long-term and sustainable cities, it is necessary to identify problems in existing cities' systems, as well as problems in the future, known and unknown challenges.

As a result, we must collaborate with local governments, community-based organizations, educational and cultural institutions, the private sector, and professionals. As a result of COVID-19, leaving no one behind and arriving at very tangible elements and details will be critical to achieving a more equitable and resilient society.

This will aim to encourage and enable everyone to rebuild urban areas in the recently hit and ravaged social, economic, and socio-cultural context.

The location of the area we studied is depicted on a map of Tirana. The area has a very strategic position in relation to the city, as it is located very close to the center, about 5 minutes away, and nearby are the city's most important points, which are accessible to all residents. Following that, we will have a clear picture of the area we have chosen and the method in which our interventions will be held out.

iven the area's strategic nature, population density in attendance, and a lack of organization and problems, we must carry out post-COVID remedial interventions, avoiding clutter and maintaining physical distancing and anti-COVID protocol measures.



Figure 2 (a, b,c) -The existing condition of the area, Tirana, Albania

Source –Photo by O.LUBONJA and K.BIQIKU

We have the existing condition of the area, i.e. the current condition in which the area is located, in the photos presented. Zogu I Boulevard is located in the west of the area and connects it to the center. Inside the apartment building, we have a slightly caustic appearance that urgently needs to be improved.



Figure 3 - Number of floors of the building, Tirana, Albania

Source – Photo by O.LUBONJA and K.BIQIKU

This obviously depends on the interventions carried out at different times. The buildings are mostly from the 1950s and 1960s, with socialist architecture added in the 1990s and after. Their physical condition is slightly deteriorated because they require reconstruction and are buildings that have been abandoned.



Figure 4 - Proposed general layout, Tirana, Albania

Source – By O.LUBONJA and K.BIQIKU

In the given plan, we have the general plan that we proposed, and what stands out are: the emphasis on green spaces, which makes the area more vital, recreation areas such as water basins, angles of residence, and the intersection of the latter with greenery. Also, as part of this intervention, we proposed creating two levels of movement: ground level and first floor level. to avoid accumulations while maintaining physical distancing. Oxygen is one of the most vital

and important elements for the situation created by the pandemic, and the proposed intervention will be at its core, allowing for cleaner air and a lower stress level.

In the proposed intervention are conceived and proposed all the necessary spaces, such as spaces for parking spaces for vehicles, bicycles, sidewalks, and specific lanes for each of these categories.



Figure 5 - Ground floor plan, Tirana, Albania

Source – By O.LUBONJA and K.BIQIKU

In the ground floor plan, we have provided a more accurate reflection of the plan's organization. It is intended to have a fluid intervention, allowing areas and buildings to communicate with one another. Everything is in harmony with each other, with materials that are environmentally friendly and primarily local, such as wood, stone tiles, or other materials that blend well enough with each other, such as glass and concrete, to highlight them. These elements or materials interact quite well with one another, as do some vital elements such as greenery and water.

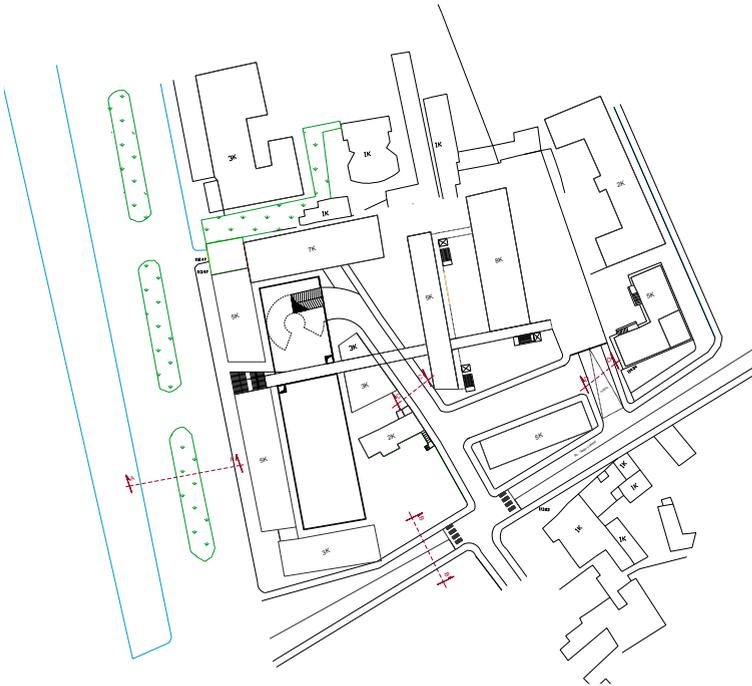


Figure 6 - Road profiles, Tirana, Albania

Source – By O.LUBONJA and K.BIQIKU

In the given plan we have the placement of cutting accesses of road profiles. So in the following sketches below we will have a better schematic explanation about the situation of the proposed situation.

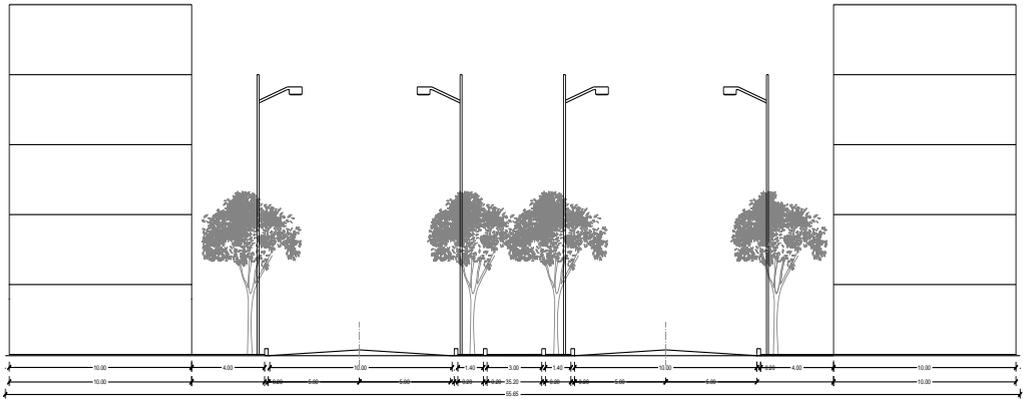


Figure 6a) -A-A road profile, Tirana, Albania

Source - By O.LUBONJA and K.BIQIKU

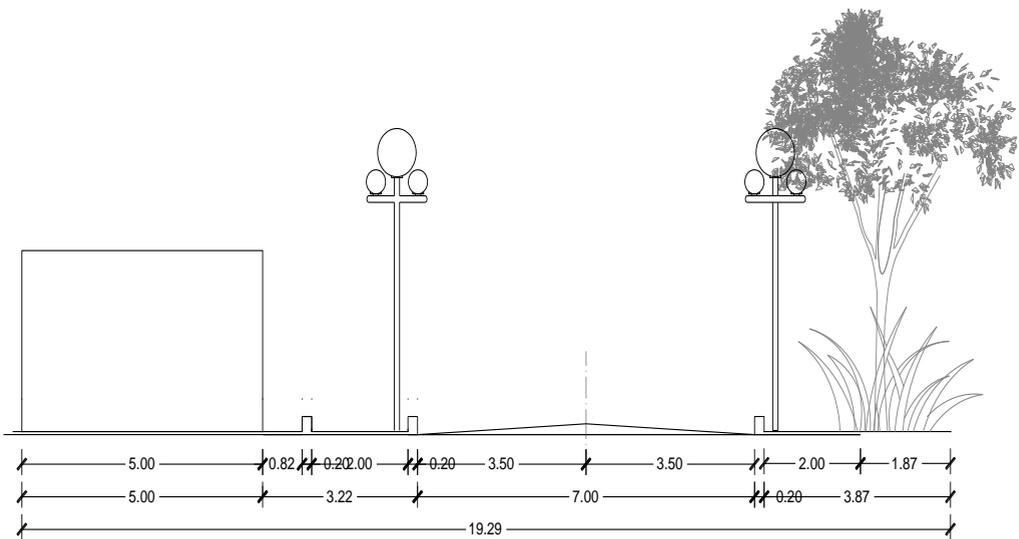


Figure 6b) -B-B road profile, Tirana, Albania

Source - By O.LUBONJA and K.BIQIKU

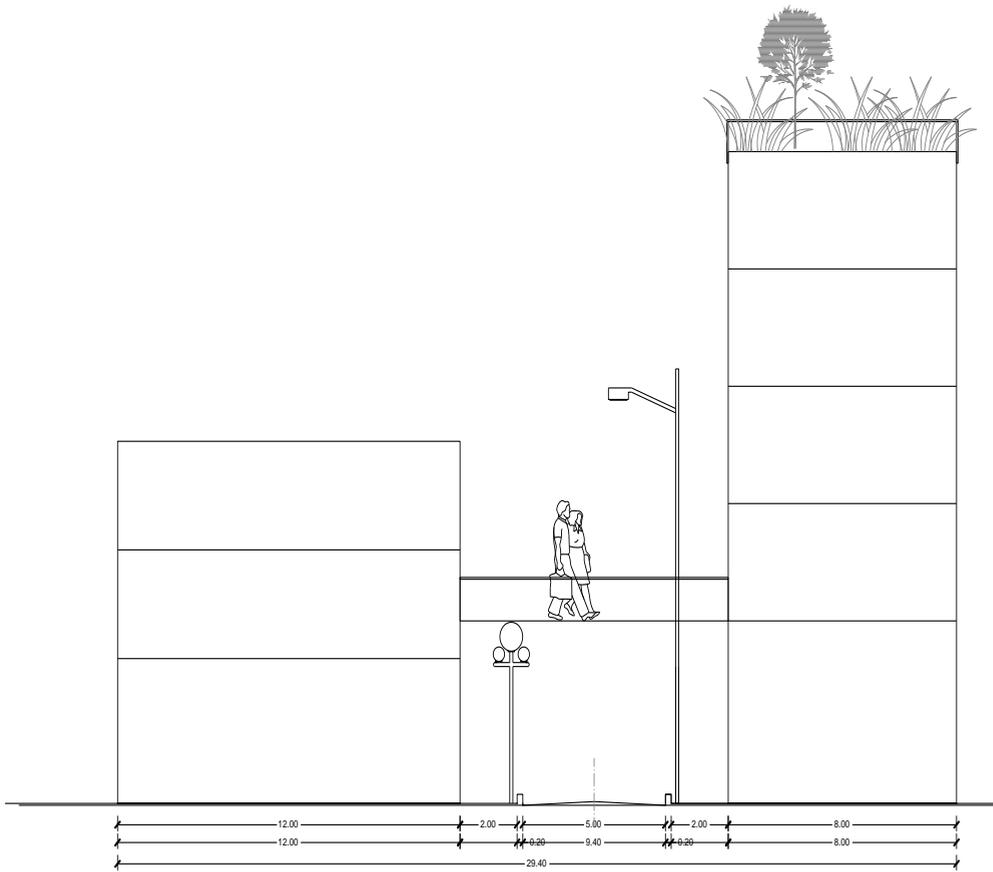


Figure 6c) -C-C road profile, Tirana, Albania

Source - By O.LUBONJA and K.BIQIKU

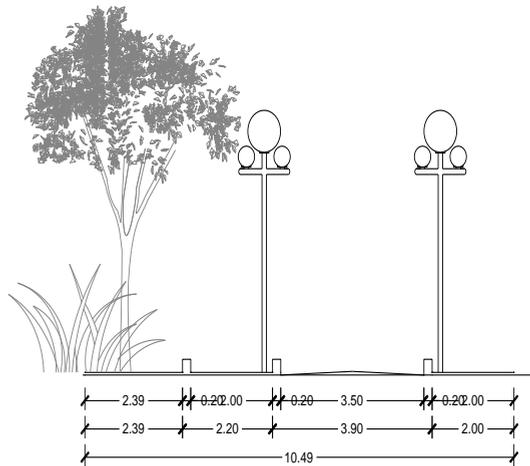


Figure 6d) -D-D road profile, Tirana, Albania

Source – By O.LUBONJA and K.BIQIKU

The use of green barriers from the main axis of the road, Boulevard Zogu First, access to the residential block, the creation of underground parking, stay space, sidewalks, recreation, and so on.

A common trend in other parts of the world is the use of terraces, and through our intervention, we envisioned that these facilities would be used by the city's residents, as well as the installation of photovoltaic panels. As a result, the intervention in the block tons will serve as a green city cell.

The following is a summary of everything we've discussed thus far, presented in 3D.

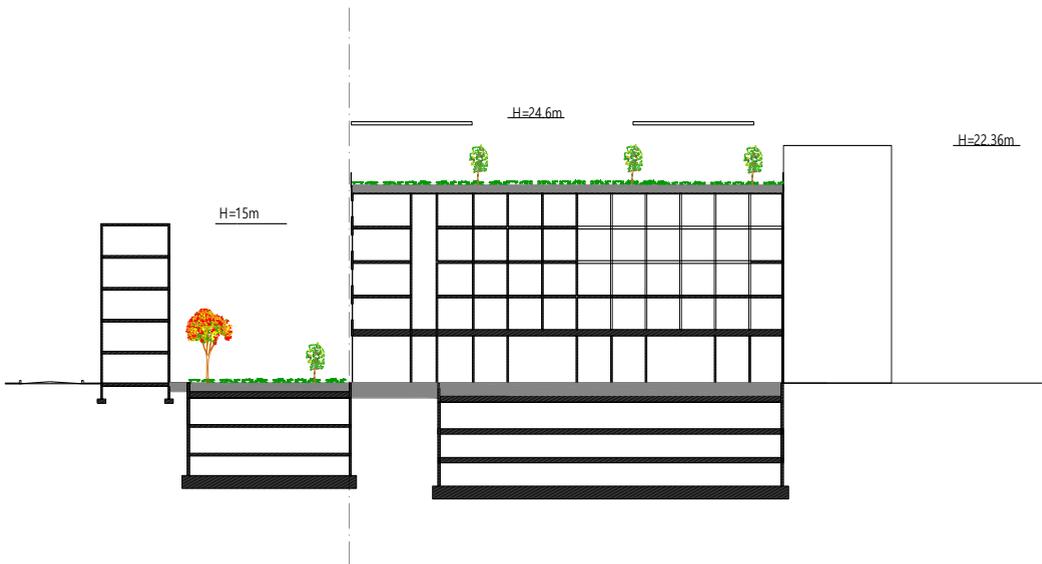


Figure 7a) - Schematic section of zone 1-1, Tirana, Albania

Source - By O.LUBONJA and K.BIQIKU

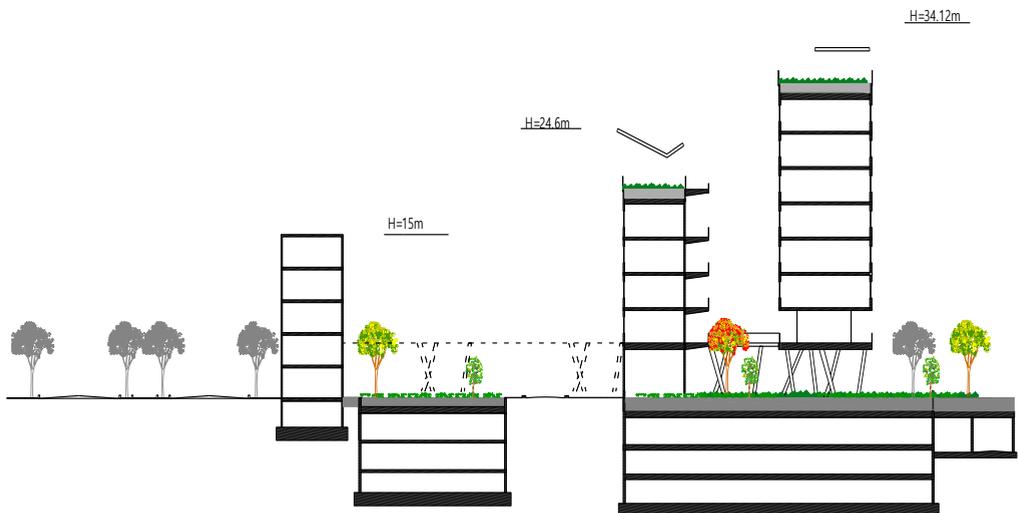


Figure 7b) - Schematic section of zone 2-2, Tirana, Albania

Source - By O.LUBONJA and K.BIQIKU

The schematic sections of the area, respectively in Figures 7a and 7b, present a clearer explanation regarding the new proposals and the manner of their implementation.

Use of green barriers from the main axis of the road, respectively Boulevard Zogi I Pare, access to the residential block, creation of underground parking, space for stay, sidewalks, recreation, etc.

A trend that is quite widespread in other countries of the world, is the use of terraces, where through our intervention we have conceived that these facilities are frequented by the inhabitants of the palace and the implementation of photovoltaic panels. In this way, the intervention in the block tons will function as a green city cell.

In the following, we have a conclusion of all that we described above through the presentation of a 3D.



Figure 8a) – 3D view

Source – By O.LUBONJA and K.BIQIKU



Figure 8b) – 3D view

Source – By O.LUBONJA and K.BIQIKU



Figure 8c) – 3D view

Source – By O.LUBONJA and K.BIQIKU



Figure 8d) – 3D view

Source – By O.LUBONJA and K.BIQIKU

The 3d presented shows the way it can be realized by respecting the green spaces, recreation and entertainment. In this way we will have cleaner air, reduction of stress levels and social distancing. This model can be I adaptable to other areas of the country.

**But what are some suggestions or models that have followed some of the other countries of the globe?**

Redesign cities for sustainability, inclusion, and well-being.

- The COVID-19 pandemic is the result of existing breakdown lines being exposed as a result of poor physical infrastructure, unequal access to urban utilities, and suboptimal density, which results in overcrowded cities.

Each city can use its specific context and right, parameters to assess whether there is a livable and healthy density in each of its localities (i.e., an appropriate number of housing units and people, as well as services suitable urban units per area in each locality of the city). Each city can use its specific context and right, parameters to assess whether there is a livable and healthy density in each of its localities (i.e., appropriate number of housing units and people, and services suitable urban units per area in each locality of the city) or dangerous state of overcrowding.

Each city needs to consider its context and elements of livability (e.g., green, competitive, inclusive, and resilient city) and focus areas (low carbon development, climate sustainability, energy efficiency) while determining the optimal density for each of its localities.

Cities are strong economic centers and innovations that improve livelihoods and bring prosperity. As cities work to mitigate the immediate crisis and think about the country's

recovery, they must prioritize investments that will build sustainability and inclusion in the short term and medium-term so that governments, households, and firms can cope with future shocks and stresses by aiming for healthy urban living.

To help cities become healthier, more environmentally friendly, and resilient, urban infrastructure and development projects should provide support for construction, sustainability, and climate change as well as pandemics. Similarly, to accelerate the recovery of the economy in a comprehensive manner, cities should aim to integrate labor markets into the transport and economy sectors. Finally, cities need to plan for spatial areas that have been particularly affected by COVID-19 (e.g., public markets, business districts, public transport systems, health equipment, and waste) and for people in need who have been most affected in the current crisis. Such projects should also reflect the lessons learned from the pandemic in terms of daily and emergency use of public spaces as well as infrastructure services and adequate design.

Essential required standards of urban service. Such standards will also provide access to adequate, safe, and affordable housing and basic services.

Revitalization for post-pandemic cities. Most cities are currently focusing their resources on immediate management and response to COVID-19. While this is critical, cities by paying attention to how immediate action fits short- and medium-term measures gain an advantage towards improving them.

### **Recommendations Taken into Account by Our Interventions**

1. Creation of sidewalks on several levels and spaces for bicycle lanes.

A good way to avoid congestion and to follow the rules of the Covid-19 protocol is to create the necessary space for sidewalks and bicycle lanes. Thus we will have the reduction of use by individuals of public transport, creating a style of healthy living and avoiding accumulations and stopping the spread of the virus.

2. Creation of green spaces and recreation.

By creating green public spaces and recreation, the movement of citizens on several levels, or the creation of different parks, it will be possible to have the enrichment of the air with oxygen, which is very necessary for these moments, the reduction of pollution, reducing stress and increasing physical activity.

3. Proper road signs.

Through this intervention, we will have the improvement of road traffic conditions where you will have and the avoidance of traffic jams.

4. Creation of green city

Avoiding the use of public transport will be realized by replacing it with other elements such as bicycles, scooters, skates, walking when it is possible and the use of individual cars or green taxis.

### **Conclusions**

At the end of this paper, we conclude that the interventions realized in this project will slightly improve the living in this residential block.

The importance of health in these moments and the adaptation to the new normalcy will bring back vitalization and emphasis on the most important points of urban development or interventions. Recreation areas, greenery, indoor parks, the creation of bicycle lanes, sidewalks for pedestrians on several levels will be able to slightly improve this situation. Through the recommendations concluded from our study and the analysis of the examples applied in the city of the most developed countries, we conclude that these interventions will improve life, reduce the level of stress and pressure created by the pandemic situation. , revitalization of urban areas left in oblivion, urban aesthetics, and harmony in the community and the city.

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## Learning Losses Caused by the Covid-19 Pandemic - a Significant Threat to Economic Development

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### Abstract

Numerous studies show that there is a positive correlation between education and the economic development of the country. Strong education systems have a positive impact not only on the success of individuals but also on the economy of the entire country. Graduates equipped with the skills required by the labor market can easily find a place in this market. Knowledge and skills relevant to market demand increase productivity have a positive impact on economic growth and development. Unfortunately, Covid Pandemic has severely damaged the education systems. Governments, scientists, and experts provide us with statistical information daily around the world about both the slowdown in economic growth as a whole and the problems of individual sectors of the economy. These are the problems and numbers that are already visible and it can be said that the losses are easily measurable. However, the damage caused to the economy by education systems affected by the pandemic will be felt by countries and humanity years later, nor will it be easy to calculate. The problem is even more difficult in poor and developing countries. This paper aims to study the impact of the Covid Pandemic on the education system and economy in Georgia. The research examines the reports and studies of various international organizations, analyzing the secondary data obtained from them. Local policy documents, government reports and regulations, and papers of different researchers have also been studied, conclusions have been made and relevant recommendations have been developed.

**Keywords:** Covid-19 pandemic, school closures, economic growth, learning losses, employment, development

### Introduction

We live in a high-tech era. Humanity has been able to achieve incredibly high results during its development. The development of techniques and technologies has provided a high rate of global production. Highly developed technologies have allowed humanity not only to use nature in its favor but to create alternative sources of nature, new forms, and means of communication. Modern civilization often referred to as technogenic civilization, is based on scientific-technical achievements. Today humanity can study brain cells at the level of neurons, do research on anti-cancer drugs, replace a bad gene with a good one, send an

exoplanet hunter in space which monitors about 200 000 near stars expecting to find thousands of new planets, create a solar-powered plane, which can stop in the air for 25 days, not to mention that today there are automobiles which can be driven without a man, and artificial intelligence, which participates in debates with people and wins, conducts interviews, assists disabled people and so on. Modern science achievements help humanity not only to solve current tasks but also have the potential to influence the development of humanity in the long-term perspective.

The creators of the above-mentioned scientific-technical achievements are highly developed countries, the so-called the most innovative countries - South Korea, Sweden, Singapore, Germany, Switzerland, Japan, Finland, Denmark, France, Israel, the United States, Austria, Ireland, Belgium, Norway, and others who put the largest financial and human resources in scientific researches and a practical realization of results (Kasradze, 2018). The vector of economic development of these countries is directed towards the creation of a knowledge economy in which a person, his/her knowledge, skills, and abilities have a central place. The model of the knowledge economy is one of the main reasons for their socio-economic development. The economy of knowledge as the highest stage of the post-industrial economy is the source of the growth of the country's economy and the level of public life (Kasradze & Zarnadze, 2019).

Developed countries are spending huge financial resources to strengthen human capital since it is the main factor in creating new technologies, developing manufacturing, and increasing their efficiency. Human capital plays a major role in the development of science, culture, health, safety, and the social sphere (Wawrosz & Mihola, 2013).

The developed countries put great resources in research and development. Different institutions of society are involved in this process: state, business, and research institutes. It should be noted that there is a great demand for researches and scientific findings all over the world. So, in developed countries, the number of people working in science, research, and development is increasing from year to year (Zarnadze & Kasradze, 2019).

While global spending on research and development has reached a record high of almost 1.7 trillion US\$ and about 10 countries account for 80% of spending, on the other hand, 40% of the world population lives in poverty (Action against hunger, 2020); Two-thirds of the world's school-age children – or 1.3 billion children aged 3 to 17 years old – do not have internet connection in their homes (Unicef for every child, 2020); There are 258 million children and adolescents not in school (the total includes 59 million children of primary school age, 62 million of lower secondary school age and 138 million of upper secondary age) (Out-of-School Children and Youth, 2018); 617 million children and adolescents worldwide are not achieving minimum proficiency levels in reading and mathematics, even after several years of schooling. This means that more than one-half – 56% – of all children won't achieve minimum proficiency levels by the time they should be completing primary education. The proportion is even higher for adolescents at 61% (Data for the Sustainable Development Goals, 2017). Studies show that despite the increased access to education and although the problems of illiteracy are solved in developing countries, the quality of education by the current institutions can not be reflected in the development of a country (Kasradze, Tea; Antia, Vakhtang; Gulua, Ekaterine, 2019).

Obviously, low-income countries are struggling with numerous problems on the path of education (Zarnadze & Kasradze, 2019). But Covid Pandemic has made the problems of education even more acute. Nearly a quarter of a billion students worldwide are still affected by COVID-19 school closures, forcing hundreds of millions of students to rely on virtual learning. For those with no internet access, education can be out of reach. Even before the pandemic, a growing cohort of young people needed to learn foundational, transferable, digital, job-specific, and entrepreneurial skills to compete in the 21<sup>st</sup>-century economy (Unicef for every child, 2020).

Some factors determine the level of education of the human (community): In this regard, a family needs to get educational materials, as well as the social status of parents, and the quality of their education, neighborhood, and the environment in general in which the person is placed (Gulua, 2017)

Covid Pandemic has exacerbated problems with access to education, funding, and quality around the world, especially in poor and developing countries. Which will harm the future economic development of the country and the welfare of the society. In our research, we try to prove the cause-effect links between learning losses caused by the pandemic and economic growth in Georgia. The research examines the reports and studies of various international organizations, analyzing the secondary data obtained from them. Local policy documents, government reports and regulations, legal acts, and papers of various researchers have been also studied, conclusions have been made and relevant recommendations have been developed.

### **Education and Economic Growth - Literature Review**

The pathway from education to economics goes through the labor market (Zarnadze & Kasradze, 2019). The education system has an important role in delivering quality labor resources that will positively affect economic growth and development. And the economy in turn is a prerequisite for improving the quality of education.

The closure of schools in early 2020 has led to learning losses around the world that will not be easily compensated for even if schools quickly return to their previous work environment. These losses will have a sustainable, long-term economic impact on both students and schoolchildren, as well as on society as a whole if timely and effective steps are not taken to address them.

When children lose out on education, they lose out on future opportunities including economic benefits, such as additional earnings, with far-reaching consequences (Psacharopoulos, Patrinos, Collis, & Vegas, 2020). Some modeling suggests that the loss of learning during the extraordinary systemic crisis of World War II still had a negative impact on former students' lives some 40 years later (Ichino & Winter-Ebmer, 2004).

COVID-19 aggravates the youth employment crisis. Even before the pandemic, more than 267 million of the world's 1.2 billion young people did not have employment, education, or training. Since the onset of the pandemic, one out of six young people has stopped working and working hours have been reduced by 23% for those still working. The pandemic is changing the global labor market in three ways, affecting youth: 1. Reduces employment opportunities due to loss of COVID-related jobs; 2. There are more obstacles to finding a job

and moving on to better jobs; 3. Violation of education and training, which affects future employment opportunities (ILO, 2020).

Many examples of long-term school closures are not known in history before the Covid Pandemic, and therefore not much researches have been done to examine the damage caused by school closures to school beneficiaries and the economy. However, there is an interesting study conducted by Michèle Belot and Dinand Webbink in 2010 "Do Teacher Strikes Harm Educational Attainment of Students?". Where the results of long-term (up to 6 weeks and repeatedly) closure of schools due to a teachers' strike in Wallonia in the French-speaking southern region of Belgium have been studied. The study found that in this part of Belgium, compared to other parts of the country where schools were not closed for a long time, there was an increase in grade repetition due to low academic achievement and generally, low educational attainment. The rate of continuing education in higher education institutions was also low (Belot & Webbink, 2010).

It is noteworthy that the closure of schools not only deals with the loss of knowledge but also reduces the existing knowledge and skills that should have been the basis of future knowledge and skills.

Several interesting scientific papers and studies and reports by international organizations have been published during the pandemic period, exploring the links between education, the workforce, and economic growth and development. Among them is the study "The Economic Impacts of Learning Losses" by Eric A. Hanushek and Ludger Woessmann" published in 2020, according to which while the precise learning losses are not yet known, existing research suggests that the students in grades 1-12 affected by the closures might expect some 3% lower income over their entire lifetimes. For nations, the lower long-term growth related to such losses might yield an average of 1.5% lower annual GDP for the remainder of the century. These economic losses would grow if schools are unable to re-start quickly (Hanushek & Woessmann, 2020).

In the same study, the authors discuss two categories of damage received by closing schools. On the one hand, reduced income in the long run of the pupils and students whose educational process has been suspended in educational institutions. On the other hand, the losses from the slowdown in the economic growth of countries, because they will have to move forward with less-skilled workers, which will also affect the welfare of society. Education equips people with the skills that make them more productive at carrying out their work tasks, particularly in modern knowledge-based economies. Education also provides knowledge and skills that enable people to generate and apply new ideas and innovations that enable technological progress and overall economic growth (Hanushek & Woessmann, 2020). Nations with more skilled populations grow faster.

Through the educational system, pupils/students develop cognitive skills of economic value. The education system provides them with skills that make them more productive, especially in a modern knowledge-based economy. Education also provides knowledge and skills that enable people to create and apply new ideas and innovations to achieve technological progress and economic growth.

Learning losses due to the pandemic have different impacts on revenue losses in different countries. Students' future opportunities in the labor market are influenced by cognitive skills measured by standardized tests. A study conducted by the OECD in 2011-2015 examined the

relationship between individual incomes and test scores in the 32 highest-income countries. Research has shown that countries vary considerably in the economic rewards to higher skills. While workers in Singapore are estimated to receive 50% higher income if they have one standard deviation higher test score, the typical worker in Greece gains just 14% more income with one standard deviation higher test score. For the United States, the comparable return to skill is 27%, and for the average across all sampled countries, it is 23%. Importantly, these relationships provide estimates of the impact of skill differences across the entire work life.

Based on these calculations, Eric A. Hanushek and Ludger Woessmann found that individual income losses due to learning losses are highest in Singapore and lowest in Greece.

Table 1 Lost individual income due to Corona-induced learning loss

Learning loss (school-year equivalents)	Pooled (0.232)	US (0.274)	Lowest [Greece] (0.137)	Highest [Singapore] (0.501)
0.25	1.9%	2.3%	1.1%	4.2%
0.33	2.6%	3.0%	1.5%	5.6%
0.50	3.9%	4.6%	2.3%	8.4%
0.67	5.2%	6.1%	3.0%	11.1%
1.00	7.7%	9.1%	4.6%	16.7%

Source: The Economic Impacts of Learning Losses, Eric A. Hanushek, Ludger Woessmann, OECD 2020

Higher educational attainment is reflected not only in the high individual but also in high national incomes as a whole. Basic cognitive skills, as measured by international comparative tests in mathematics and science, are perhaps the most important determinants of economic growth and, thus, the long-term well-being of society (Hanushek & Woessmann, 2020). These results on the relationship between educational activity and economic growth can be used to calculate the economic cost of learning losses.

Table 2 Long-run loss in GDP due to Corona-induced learning loss

Learning loss (school-year equivalents)	In % of discounted future GDP	In % of current GDP	GDP decrease in the year 2100
0.25	1.1%	52%	1.9%
0.33	1.5%	69%	2.6%
0.50	2.2%	103%	3.8%
0.67	2.9%	136%	5.1%
1.00	4.3%	202%	7.5%

Source: The Economic Impacts of Learning Losses, Eric A. Hanushek, Ludger Woessmann, OECD 2020

The relationship between academic achievement and school closure in the United States is explored by Megan Kuhfeld, James Soland, Beth Tarasawa, Angela Johnson, Erik Ruzek, and Jing Liu in the study “Projecting the Potential Impact of COVID-19 School Closures on Academic Achievement”. The paper examines the impact of school absenteeism due to various causes (heavy snow, hurricanes, and other natural disasters) and their closure due to the Covid Pandemic on academic achievement. After the closure of the schools, they switched to distance learning, but due to the lack of experience of distance learning of students as well as teachers, as well as less access to technology, the result of distance learning did not equate to the result of face-to-face learning. The MAP Growth assessment data of 5 million public school students from grades 3 to grade 8 (approximately 22% of the total number of students in this grade) is analyzed in the study for the 2017-2018 and 2018-2019 academic years (Kuhfeld, et al., 2020).

Based on a study of the impact of school absenteeism and closures on student outcomes in Mathematics and ELA (English language arts) for a variety of reasons, a projection of student achievement in the period from the first closure of schools in the spring of 2020 to the start of the 2020-2021 school year has been made. The study has shown that school closures resulting from weather or natural disasters provide an analog to school closures due to COVID-19. Under the COVID Pandemic projections, students were projected to end the abbreviated 2019–2020 school year with roughly 63% to 68% of the learning gains in reading but only 37% to 50% of the average gains in mathematics compared to those of a normal school year. Under the Full Absenteeism projections, the story is even direr, with students in sixth and seventh grade projected to have ended the disrupted 2019–2020 school year with less than 30% of their typical learning gains in both mathematics and reading (Kuhfeld, et al., 2020).

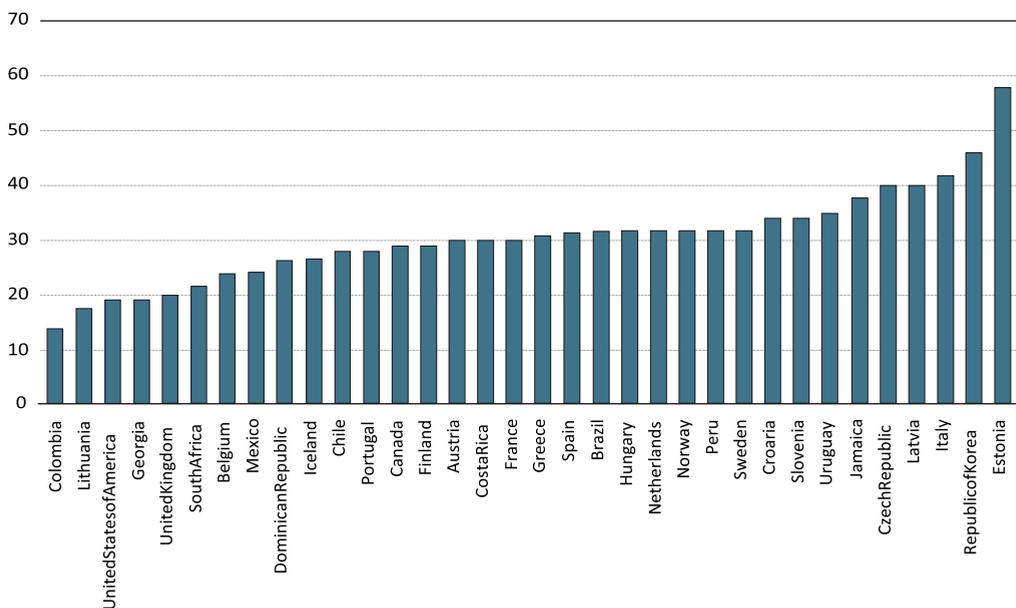
### **Covid-19 Pandemic, Learning losses and Economic Growth in Georgia**

For assessment of general education quality system the Program for International Student Assessment (PISA), the Progress in International Reading Literacy Study (PIRLS), the Trends in International Mathematics and Science Study (TIMSS) are used in Georgia. These studies show that the level of students' knowledge in Georgia was quite low even before the Covid Pandemic (Kasradze, 2018). In particular, according to PISA 2018, Georgian students lag behind students from almost all countries in the region in terms of academic results. According to these results, Georgia ranks 67th out of 78 countries in mathematics, 71st in reading comprehension, and 74th in natural sciences. The share of students in Georgia who failed to reach the baseline level of achievement-48.7% is also high, while in OECD countries the figure is on average 13.4% (Galt & Taggart, 2020).

The year 2020 completely changed the field of education not only in Georgia but all over the world, and unfortunately, it was not a change for the better. None of the countries, including the developed ones, were ready for the challenges. The main difficulty was related to the transition to distance learning due to the pandemic. Education specialists from around the world recognize that distance learning is an extreme and rather weak solution and that it is almost impossible to acquire and deepen knowledge through it. Especially for low school students.

The educational process was difficult in Georgia as well. The number and the duration of lessons both were reduced which resulted in backwardness and learning loss. We have this reality all over the world today and it is difficult to talk about how this loss will be compensated.

Every failure in secondary school is important because it is very difficult to fill it. Things are much better at higher education institutions because there are students who are highly adapted and mobilized (Zarnadze, Nino; Kasradze, Tea, 2020). However, studies show that serious shortcomings are there too that need attention. However, we believe that this is a separate research topic.



One of the main obstacles to the distance learning process was the lack of technical and digital competencies in teachers, students, and parents. Teachers found it difficult to adapt to the new platforms and manage them technically.

The Internet and digital technologies are vital to modern man. Under the pandemic, it has acquired even greater significance since for a large part of the population the educational and work processes under limited mobility are carried out remotely via the Internet. Naturally, the lack of Internet access in such conditions causes serious discomfort for people.

Very soon after the start of the pandemic, the Georgian government took effective steps to ensure the continuity of education. In particular, the Microsoft Teams learning platform was created for public schools. Virtual classrooms were created for all public school classes and subjects, and more than 580,000 Microsoft Office 365 user profiles (528,327 students and 52,124 teachers) were created for students and teachers. The steps were taken by the Government of Georgia to ensure the continuous process of education in the conditions of the

pandemic were named by OECD as one of the best examples in the world. This is evidenced by the learning losses calculated by countries by the OECD for May 2020.

#### Figure 1 Days of schooling lost by mid-May 2020

Source: The Economic Impacts of Learning Losses, Eric A. Hanushek, Ludger Woessmann, OECD 2020

Despite the government efforts, the problem of having access to the Internet and information technology has made access to education entirely a problem. The coronavirus brought to the surface the inequality that had already existed in education. Not only in Georgia but all over the world, it has put students with low economic opportunities in an unequal position and exacerbated the problem of access to education.

According to a joint report by the United Nations Children's Fund and the International Telecommunication Union published in December 2020, 15 percent of school-age children in Georgia did not have access to the Internet at home. This figure is two-thirds of school-age children in the world. The rate is similar among young people aged from 15 to 25 and equates to 759 million young people, or 63 percent (UNICEF, 2020).

According to the data of the International Telecommunication Union (ITU) in 2018, the citizens of Ukraine and Georgia had the lowest Internet access among the neighboring and Eastern Partnership countries - 63%, while this figure was 81% in Russia, 79% in Belarus, 76% in Moldova, 71% in Turkey and in neighboring Azerbaijan and Armenia it was 80% and 65%, respectively (IDFI, 2020).

It should also be noted that Internet access is not the only indicator of its use. Computer literacy and digital literacy statistics are also important here. Only 62% of households in Georgia own a computer, while 46% of the population think they do not have the basic knowledge to use it.

According to the data of the National Statistics Office of Georgia in 2019, 79% of households are provided with the Internet. In cities, this figure reaches 86%. However, the situation is more deplorable in villages where only 69.9% of households have access to the Internet (IDFI, 2020).

According to the survey conducted by the Ministry of Education of Georgia in March 2020, 528,426 students were registered in the general education system, 12% of them (63,272 students) did not have access to the Internet at home, and 14% (71,796 students) did not have computer equipment. One part of the other students had access to both fixed and mobile internet. Overall, out of these two overlapping groups, 88% of students had access to landline internet and 53% to mobile internet (Ministry of Education, Science, Culture and Sports of Georgia, 2020).

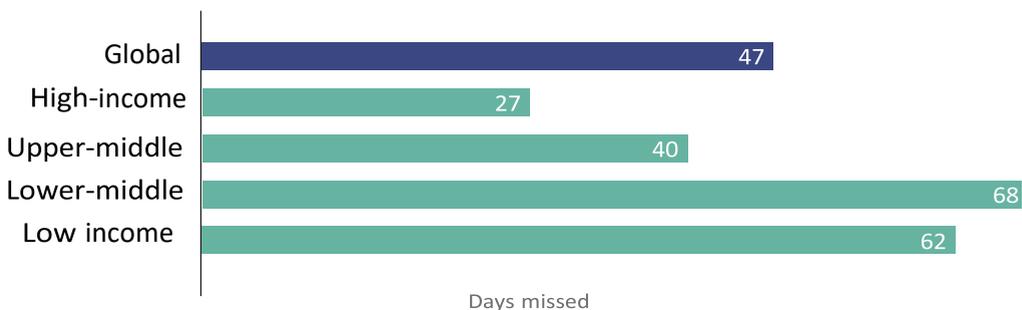
The OECD study is even more difficult. In particular, according to the survey, about 78% of students in Georgia own a computer suitable for school work. As for internet access, today up to 78,000 socially vulnerable students in Georgia do not have the internet. 95% of them live in the internet coverage area but are unable to pay internet fees due to material hardship (Reimers, Fernando M.; Schleicher, Andreas, 2020).

Although the above-mentioned restrictions on access to the Internet and digital technologies are present in Georgia today, the number of lessons and their duration in schools are reduced,

most students and teachers do not have distance learning skills, the heads of the education system do not talk about learning losses, its future negative consequences and ways to compensate for the losses, and there are no relevant calculations. Therefore, we will try to predict the future personal/individual and economic losses caused by the pandemic-induced learning losses in Georgia by analyzing and generalizing the results of studies by international organizations and various foreign researchers.

According to the studies by Unicef conducted between July and October in 2020, an average of 40 school days were lost in countries where the academic year was already over by the time of the study due to school closures and distance learning gaps caused by the pandemic. Students in low-income countries missed more school days than students in high-income countries

Figure 2. Average days of school missed, by income level



Source: UNESCO-UNICEF-World Bank joint survey round 2, 2020.

According to the New World Bank country classifications by income level 2020-2021, Georgia belongs to the upper-middle-income economies<sup>1</sup>, so we can assume that the number of days missed due to the pandemic in Georgia is about 40 school days (according to the national curriculum, there are 170 school days per year for II-XI graders) And 157 days (for I-XII graders)). Therefore, if we rely on Eric A. Hanushek, Ludger Woessmann's study 'The Economic Impacts of Learning Losses', which is carried out within the framework of the OECD and which in turn is based on past studies about school closures and learning losses during the summer, future individual income losses will equate to about 1.9% during a lifetime. The average monthly salary in Georgia was 1,204 GEL (\$ 377.2 / € 346) in 2019. Using this data, an individual loss will be on average \$ 86 per year.))

This is not a big number at first glance, but if we recalculate this on the number of students who were affected by learning losses (528,426 students were registered in the general education system by March 2020), the total one-year loss is quite large - \$ 45,444,636. If we also take into account that the average working period for a person is 45 years, then under the conditions of the 3% discount rate, the present value of the income lost by 1 student will be approximately \$ 2,109. This suggests that the next generation will have to pay quite a high price due to covid-19)).

<sup>1</sup> For the current 2021 fiscal year, upper middle-income economies are those with a GNI per capita between \$4,046 and \$12,535

According to the same study, Georgia will lose 1.1% of the country's future GDP due to a 40-day study loss in the spring of 2020, which is 69% of the country's current GDP. If the delays continue, suppose, during six months, Georgia will have a next 2.9% decline in GDP, equivalent to 136% of our current GDP. Over time, these losses will be from \$ 12,049 million to \$ 23,796 million. Georgia's GDP in 2019 was 17,477.26 million US dollars.

However, as mentioned above, the same learning loss has different effects in different countries, just as the impact of education on individuals' incomes varies according to the level of development of countries. In countries with highly developed economies, education is highly valued.

Generally, education on healthy labor markets increases the chances of employment, but this is not the case in Georgia. We have the opposite relationship between education level and employment rate. Higher education in Georgia slightly increases employment opportunities and increases pay by 26% compared to general education, which is significantly lower than the average of OECD countries (56%) (Galt & Taggart, 2020). One of the main reasons for this is the lack of knowledge and skills relevant to the market requirements which indicates the low quality of general, professional, and higher education and which we talked about above.

Given this, we think that the loss of education caused by the closure of schools caused by the pandemic will worsen the quality of education and reduce the incomes of the already poor population, although this reduction will not be as large as in the countries with developed economies and the decline in individual income and GDP may be much smaller than in our calculations made above (Tea Kasradze, 2015). Deterioration of the economic situation of both individuals and the country as a whole is inevitable in the short run but it should also be noted that the experience and technical skills acquired during the pandemic may have a positive impact on the incomes of future generations.

### **Summary and Recommendations**

Due to the situation created by the new coronavirus pandemic, educational institutions switched to distance learning mode from March 2019-2020. Learning losses are precisely associated with distance learning. The damage caused by learning losses can be devastating for the country. Unfortunately, distance learning in Georgia is not a perfect alternative to the learning process because many students, schoolchildren, and even teachers do not have access to the Internet, computer, and relevant skills to use it.

Learning losses are present in Georgia today. There is a need for the government, particularly the Ministry of Education, to transparently collect information about students' academic achievement, social and emotional well-being due to the pandemic, identify learning losses, investigate the causes and find ways to eliminate the losses.

Surveys of students, their parents, and teachers show that the level of students' knowledge in Georgia is quite low. The level of teacher training is also often critically assessed. The knowledge level obtained through distance learning in Georgia and the level of distance learning conducted by teachers are also assessed with 5 points in both cases under the 10-point grading system. It means that students have mastered this or that discipline, crossed the minimum threshold, but this is not a quality education that will help them win in competitions and help them establish a place in the labor market.

The Government of Georgia has managed to shift the schools, closed due to the Covid-19 pandemic, to the remote mode in the shortest possible time, thus ensuring the continuity of teaching, but distance learning quality requires more attention. The methods and tools used in the online learning process also require extra attention from educational leaders, especially when school students have different technological, economic and social opportunities. It is necessary to evaluate how this or that online teaching method is better than the other. Do these methods lead the students to results? Are students taught through innovative methods?

Currently, face-to-face teaching in schools has been partially restored, but if the community is not vaccinated on time, the schools may close again. Which will further complicate the situation in the future. Discontinuation of education at educational institutions will have serious negative long-term consequences for both the economy and well-being of society - inequality will deepen, human health will deteriorate, and social ties and relationships will weaken.

Learning losses are especially high in vulnerable groups, as distance learning has further increased the problem of access to education for this category of students. Therefore there is a high risk that we will get an even more polarized student community after the schools are fully open. Many students may even refuse to attend school. This problem requires special attention from the state. Additional funding is needed to set up a tutoring teacher institute that will work individually with such students and facilitate their re-socialization. The tutoring teacher institute will help these children not to be left out of the learning process forever. The state must take care of them and create equal conditions for learning. The state role needs to be enhanced across countries, although special importance should be given to education support at the regional level.

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## Study of Signs of Discrimination in Labor Relations of Georgia

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### Abstract

The paper is dedicated to the study of equality and discrimination in labor relations of Georgia. The aim of the research is to study the demand of job suppliers on the Georgian labor market including the assessment of compliance with the principles of labor equality. Both qualitative and quantitative methods were used during the research process. One of the forms of labor discrimination - discrimination before employment - was selected as the object of research during the vacancy announcement. 3719 vacancy announcements published from October to December 2020 were studied and they were analyzed on the basis of pre-established criteria. The research was conducted by "HR-Hub" and "Stream" research group. Group Leader: Shalva Baghaturia, participants: Nato Sikmashvili, Maia Shavliashvili, Ekaterine Gulua. The paper discusses theoretical issues related to the topic, international experiences, as well as the research results and relevant recommendations. The results of the research were broadcasted on Imedi TV in Georgia

**Keywords:** Discrimination before employment, age, gender, appearance

### Introduction

Maintaining equality in labor relations, the possibility of free expression of will is the cornerstone of organizational development. Fair systems of labor organization lead to attracting talents, encouraging them, introducing fair motivational mechanisms, which in turn mean making quality decisions, reducing costs and improving the results of the organization. Establishing the principles of justice, democracy in the organization, implementing employee voice, respectful attitude towards them, emphasizing and demonstrating their importance significantly change the involvement, lead to the restriction of absenteeism (Bailey, Caterine; Mankin, David; Kelliher, Clare; Garavan, Tomas;, 2018). There is a positive correlation between diversity, success of the management team and financial results in the organization

(Warth, Lisa; 2009), (Standing, Hilary; Baume, Elaine; 2001). This effect is only once or twice more evident when employees' ombudsmen, trade unions, and non-governmental organizations, along with the judiciary, actively lobby for employees' rights. According to the 2021 data of Equal Employment Opportunity Commission from January 1 to February 10 this year, companies were required to pay \$1.5 million in compensation for employee discrimination, also many companies are in litigation (U.S. Equal Employment Opportunity - Commission, 2021). In 2006, for example, a discriminatory approach cost \$64 billion for U.S. employer companies. Which was then the equivalent of the assets of Google, Goldman Sachs, Amazon.com and Starbucks (Level Playing Field Institute, 2007); And the effort and capital spent on disputes could have consumed the success of the organization. Steps made towards diversity are associated with changes in values, rejection of stigmas, organizational ethics, social responsibility, the establishment of justice, although it can have a significant effect in the short term. Although Coca-Cola had to pay \$192.5 million in fines in 2000 for discriminatory treatment towards African-American employees, it was named one of the top 10 companies for positive diversity in just two years (Robbinc, Stephen p.; Coulter, Mary; 2013), which certainly improved its image as an employer.

Still in the twentieth century, precise methodological foundations were laid, by which the financial costs and losses of companies caused by discriminatory treatment of employees are calculated. This applies to the losses due to a discriminatory approach to workforce marketing, recruitment, selection, adaptation/socialization, training, including promotion of less competent people, as well as costs related to dismissal and compensation related to it (Crosby Burns, March 2012). In the 1990s, the cost of employee rotation in the United States was estimated at \$5,000, the cost of hiring an hourly worker at \$10,000, and the cost of executive staff from \$75,000 to \$210,000 (Robinson, Gail; Dechant, Kathleen; 1997).

It is known that when a low-skilled employee leaves the organization, the organization has to pay 30 to 50% more than the average annual salary of a gone employee to replace him/her. The cost of replacing an average-skilled labourer is 150% more than his/her annual salary, and in case of replacing a highly-qualified specialist - 400% more than his/her annual salary (Gulua, Ekaterine; 2017).

Of particular note are the hidden costs that companies have to pay in the event of tarnishing the image of a good employer. When announcing a vacancy, the number of applicants does not make it possible to hire competitive staff. This is a significant challenge for human resource management along with the necessity of retaining talent (Gulua, Ekaterine; 2020). (Gulua, Ekaterine; 2020). Also, in modern human resource management actual trends are: digitalization of processes (Gigauri, Iza; Gulua, Ekaterine; Mushkudiani, Zurab; 2020) and using more humanized management methods (Mushkudiani, Zurab ; Gechbaia, Badri; Gigauri, Iza; Gulua, Ekaterine; 2020) .

## Literature Review

Discrimination against people in the workplace can take many forms. The grounds for discrimination can be: revenge, mental or physical disability, mental or physical condition, race (Negroid (Black) race; Australoid (Australian Aborigine and Papuan) race; Capoid (Bushmen/Hottentots) race; Mongoloid (Oriental/Amerindian) race; Caucasoid (White) race.), gender, gender and sexual orientation, age, ethnicity, skin color, religious belief, pregnancy, or parenthood, relationship with someone who can be discriminated, genetic

information, social belongingness, etc. The protection of human rights in the civilized world is carried out by the following international acts: the **Universal Declaration of Human Rights** adopted by the UN on 10 December 1948 (United Nations General Assembly, 10/12/1948), the **European Convention on Human Rights** adopted by the Council of Europe on 4 November 1950 (Council of Europe, 4/11/1950), **The European Social Charter** (Council of Europe, 26/02/1961) declared by the Council of Europe on 26 February 1966; **The UN Covenants on Civil and Political Rights** (United Nations, 16.12.1966), **and on Economic Social and Cultural Rights** adopted on 16 December 1966 (United Nations, 16/12/1966).

Perceptions of the topicality of discrimination at the national legal level began in the United States in the 1960s, mainly in the area of protection against minority oppression, it developed as the American anti-discrimination paradigm, while in Europe the protection against discrimination is the paradigm of protection of human dignity (Friedman-, Gabrielle S; Whitman, James Q;, 2002-2003).

The International Labor Organization Convention of 4 June 1958 is in force against discrimination in employment and occupation (International Labor Organisation, 1958). This Convention was ratified by the Government of Georgia on 22 June 1993 (International Labour Organisation, 1993).

After the liberation from the Soviet occupation, for the first time in the post-Soviet space, the Supreme Council of Georgia was formed as a result of the multi-party elections held on October 28, 1990. On March 31, 1991, a referendum on the restoration of Georgia's independence was held on the basis of the 1918 Independence Act. On April 9, 1991, the Act on the Restoration of the State Independence of Georgia was adopted, declaring the restoration of the independence of Georgia. By the resolution of September 15, 1991, the Supreme Council of Georgia recognized the UN Declaration of Human Rights, and it became a member of the UN in 1992.

At present, the right to equality of people in Georgia is protected by the Constitution - in particular, Article Eleven (Parliament of the Republic of Georgia, 24/08/1995). Any kind of discrimination against people is prohibited. The state is the defender of equal rights. Its obligation is to ensure equality, to eliminate inequality. Along with the Constitution, legislative and normative acts are in place to ensure equality. These include the Law of Georgia on the Elimination of All Forms of Discrimination (Parliament of Georgia, 02/05/2014) and Organic Law of Georgia - the Labor Code (Parliament of Georgia, 17/12/2010). There is also a legal entity under public law in Georgia - the Labor Inspectorate, which on the basis of the Labor Inspection Law (Parliament of Georgia, 29/09/2020) and other relevant legislation is authorized to respond to violations of labor norms on its own initiative or on appeal.

### **Historical perspective**

As for Georgia's historical experience of discrimination - there are facts in favor of Georgia. We think that the most important thing in this regard, which has to do with the mentality of the nation - is that the Georgian language is gender neutral. Personal and possessive pronouns as accepted in most language grammars, differentiate between sexes. For example, in English: "he/she", "her/his", in Russian: "Он/Она", "Её/Его", which emphasizes gender, in Georgian, the third person pronoun is expressed by a neutral pronoun - "ობ", a third person possessive pronoun, regardless of gender is - „ძობო“. It is a precedent, though it is notable, that in the

twelfth century Georgia was ruled by a woman - King - Tamar, as well as historically known - the temporary rule of women - queens, or their participation in diplomatic negotiations. It is also interesting that in 1918, as soon as Georgia was given the opportunity to break away from the Russian occupation of 1801 and declare an independent republic, it was one of the first European countries to elect a legislature through universal suffrage. Women participated in these elections as equal voters. According to the election law adopted on November 22, 1918, all adult citizens of Georgia, regardless of gender, participated in the elections. In addition, 5 out of 130 members elected for the legislature through general elections in Georgia were women. It is true that this is not a proper number, but at the beginning of the twentieth century this figure was not available in many European countries. It is also interesting to note that despite the medieval religious wars there is a great variety of artefacts of peaceful coexistence of members of different confessions in Tbilisi and in Georgia in general.

It is noteworthy that in Georgia, as early as 1921, the Constitution of Georgia, approved by the Constituent Assembly of Georgia, guaranteed fundamental human rights and freedoms. The document emphasizes the equality of every citizen of Georgia before the law. Equality of citizens is emphasized in the Constitution, regardless of gender, ethnicity, religion, rank. The Constitution also stipulated the age of employment, the obligation to promote employment, the protection of the disabled, the protection of people in case of losing the ability to work while performing official duties, employment of adolescents under 16 years of age was prohibited, working day of 16-18 year olds was defined as 6 hours per day, women and young people were prohibited from working night shifts. Women's rights, working conditions after childbirth were emphasized. The Constitution protected the equal rights of citizens of both sexes in political, civil, economic and family relations. Violation of both civil and labor rights was defined by the Constitution as a criminal offense (Constituent Assembly of Georgia, 21/02/1921). This does not mean that a standard of equality that was in Georgia, or it is even today, meets modern requirements.

As for the discrimination in labor relations, Labor Code of Georgia - Article 2 (paragraphs 3-6) prohibits discrimination in labor, as well as in pre-contractual relations (2012).

According to the amendment to the Labor Code of Georgia in September 29, 2020, on the basis of the Organic Law N 7177 (Parliament of Georgia, 29/09/2020), a separate (II) chapter was dedicated to the prohibition of labor discrimination. The scope of the law was specified. It included: labor relations before employment, in the process of employment, during professional activities. The law explicitly states that the law regulates labor relations at the stages of publication a vacancy application and selection by the organization, in pre-contractual relations, as well as selection criteria and employment conditions (Article 5). The same chapter (Article 7) states that in the event of a dispute, the burden of proof rests with the employer if the candidate or employee points to specific facts or circumstances of discrimination. Hopefully, this legislative change in 2020 will have a positive impact on the attitude towards employees and candidates.

### **The conducted study**

The purpose of a study conducted by **HR Hub** and **Stream** Research Group on Labor Equality and Labor Discrimination in the Georgian labor market was to study the demand of job suppliers, including assessment of compliance with the principles of equality of applicants.

The object of the study was the electronic announcements made publically by employers on employment sites. There are two dominant employment sites in the Georgian online space, including the largest site - <https://www.jobs.ge/>, which publishes vacancies, trainings, exchange programs, grants and tenders announced by the largest number of organizations. The site was made in 1998 and has developed as the most successful online business in Georgia.

A similar study was conducted by N(N)LE “Article 42 of the Constitution” and “Jumpstart Georgia”. The survey included 71,360 ads published on [www.Jobs.ge](http://www.Jobs.ge) and 14,376 ads published on [www.hr.gov.ge](http://www.hr.gov.ge) in 2010-2014. 85,736 ads were reviewed in total. The authors of the study noted that in this combination the word female was mentioned in 10.01%, and male - in 24.02%. More specifically, on [www.Jobs.ge](http://www.Jobs.ge) the word man was mentioned 1088 times, on [www.hr.gov.ge](http://www.hr.gov.ge) - 394 times. The word pleasant appearance - 1589 times (1.85%), it should also be noted that with the authors’ explanation this expert study was based on the keyword search method (Jalagania, Lika; Nadareishvili, Tinatin, 2014). We think this is an important shortcoming of the study as the context of each case has not been explored.

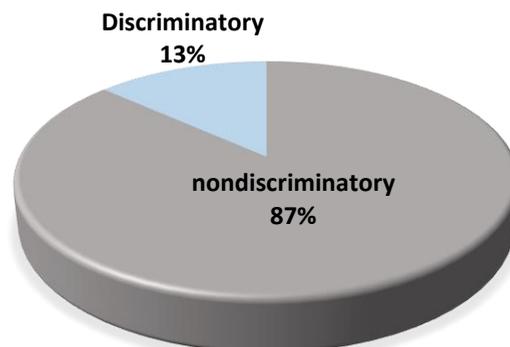
### Research deadlines

The most active time for announcing vacancies on the labor market was selected as the time of the research. Two dates were selected, namely October 31 and December 2, when all non-recurring vacancy announcements on the site were downloaded. On October 31, 2095 ads were recorded, covering the period from October 1 to October 30, except for short-term announcements, and on December 2 there were 1624 applications covering the period from November 2 to December 2. 3719 applications were reviewed in total.

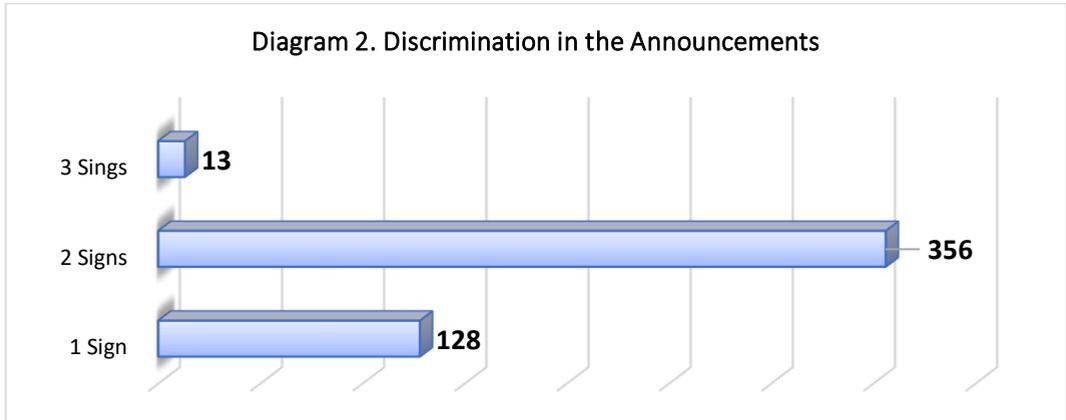
The applications were evaluated according to up to 50 pre-designed criteria. The data was processed using Excel. A total of 3719 - all non-recurring ads made from October to December were examined. We provide an analysis of the study of discrimination signs in the research object.

We studied discrimination on the basis of gender, age and appearance. A total of 655 discriminatory records were found in announcements. The number of announcements including discriminatory text was 13% (487 announcements) [Diagram 1].

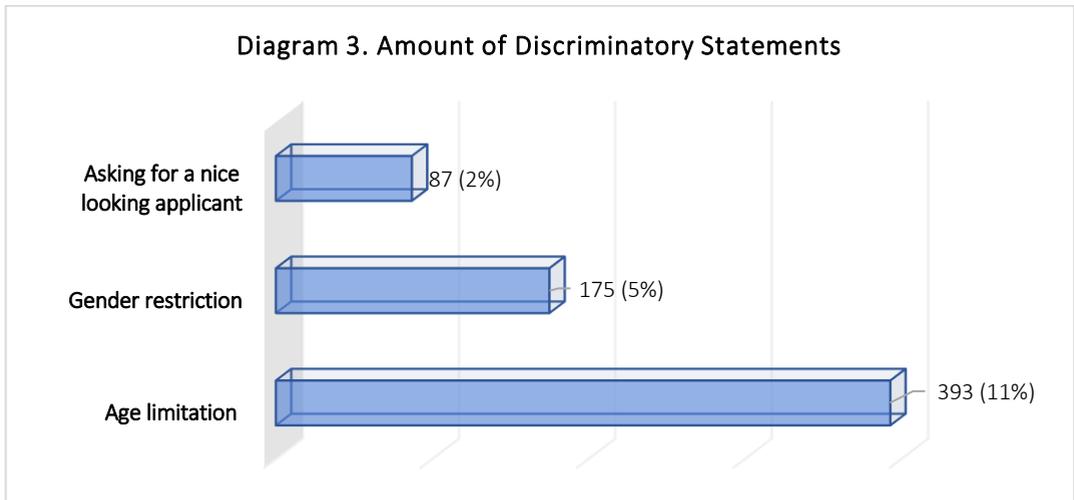
**DIAGRAM 1. DISCRIMINATORY AND NONDISCRIMINATORY RECORDS IN THE ANNOUNCEMENTS**



Discrimination was found on all three grounds (age, sex, physical characteristics) in 13 announcements, two signs were found in 356 announcements, and one sign - in 128 announcements [Diagram 2].

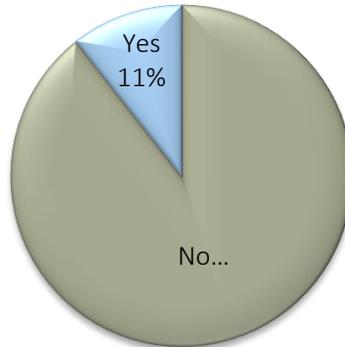


➤ **Restrictions due to Appearance:** Comments were made on appearance in 87 cases - they were asking for a nice looking applicant. Gender restriction was reported in 175 cases, accounting for 5% of the total. The age limit was expressed in 393 announcements [Diagram 3].



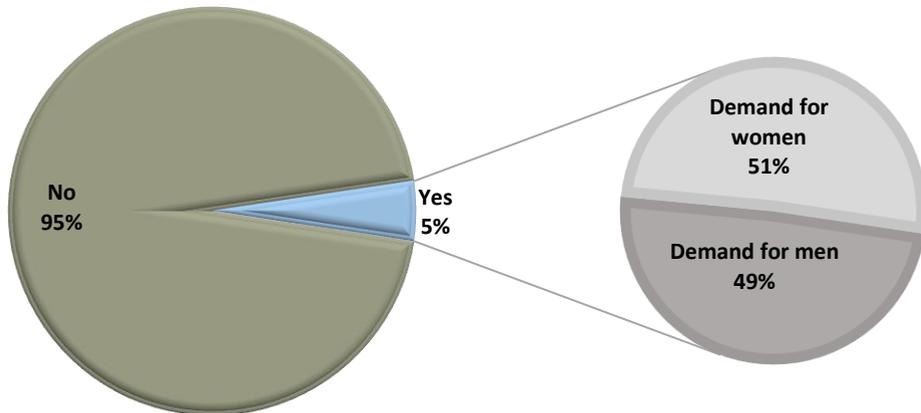
➤ **Age restriction:** Age restriction occurred in 393 announcements. In particular, a specific age was named, or it was stated that the applicant must have been young (35 units). The phrase "the age of the applicant does not matter" was observed in 22 cases [Diagram 4].

Diagram 4. Age Restriction

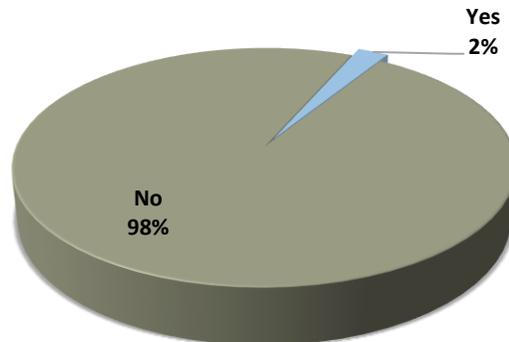


➤ **Gender Restriction:** In the published announcements, the demand for a specific gender was observed in 175 cases, the demand for women was in 89, and for males – in 86 cases. Although the difference is small, it is interesting to note that men were discriminated compared to women. In total, such cases represent 4.7% of the total amount [Diagram 5].

DIAGRAM 5. GENDER RESTRICTION



➤ **Discrimination on the basis of appearance:** The requirement on the basis of appearance is highlighted in 87 statements, which is 2.3% of the total amount [Diagram 6].

**Diagram 6. Discrimination on the basis of appearance**

It should be noted that other forms of discrimination were not revealed by us on the basis of this study.

### **Conclusions and recommendations**

- The research revealed specific facts of discrimination, in particular the discrimination of applicants on the basis of gender, age and appearance when announcing a vacancy.
- Since Article Eleven of the Labor Code directly obliges the employer to provide information to the candidate during the pre-contractual period: about the work to be done, working conditions, form and terms of the employment agreement, the employee's legal status, remuneration - it is desirable that the above-mentioned issues appear in the vacancy announcement, which promotes clarity and transparency and will save time for both applicants and employers.
- The promotion of the guidelines created by the International Labor Organization (for example, "Promoting diversity and inclusion through workplace adjustments: a practical guide" dedicated to equalization of persons with disabilities, AIDS, pregnant women and arrested family members, people with different religious beliefs) will help the organizations in Georgia to take concrete, practical advice into consideration and implement appropriate attitudes (International Labour Office, 2016). It should be noted that similar types of manuals are useful for any type of organization.
- In modern Georgia, there are still important steps to be taken to eliminate discrimination in the direction of law enforcement, to establish an equal partnership in labor relations, which is hindered, on the one hand, by the poor practice of functioning in a market economy, as well as by the imbalance of workforce and jobs on the labor market.
- I think the 2020 legislative change will play some role in formally limiting discrimination, though at an in-depth level restriction of discrimination requires an active civil society, a proper response of the judiciary to the facts of discrimination, the active efforts of trade unions and other workers' rights organizations and relevant government agencies, understanding the benefits of diversity in the workplace from the business side.

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## Examining the Deliquescence of Lithium Salts and Those of Other Alkali Metals Through a Range of Humidity

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### Abstract

It is well known that lithium chloride is able to extract moisture from the ambient air. Our research in this area has examined a variety of lithium salts for their ability to do so, as well as their counterparts containing sodium and potassium. Additionally, we have made and utilized chambers that allow us to examine deliquescence of these salts in conditions of various humidity. We will present the results, and how these experiments can be adapted to the teaching of laboratory courses.

**Keywords:** Deliquescence, Lithium Salts, Alkali Metals, Humidity

### Introduction

The use of lithium chloride as a means to control the humidity of air in some commercial buildings is a well-established practice;( Fumo and Goswami, 2002) and numerous lithium-chloride-based dessicant packages are commercially available. As well, in some semi-tropical and tropical climates, a few grains of rice are often added to salt shakers to keep the salt dry and easy to pour, as a common practice, because even sodium chloride can extract moisture from the ambient air in humid environments. And yet the examination of deliquescence, while it has a relatively long history, (Steinbach, 1943) does not appear to have been brought into the classroom or the teaching lab in any meaningful way. Most studies of the deliquescent nature of a material appear to be focused on a specific material, or on some application of the

property.( Tereschenko, 2015; Salameh and Taylor, 2006; Hiatt et al., 2011; Kallenberger and Froeba, 2018)

Our own recent work has been centered on a comparison between the deliquescent properties of several lithium salts, and their sodium counterparts, as well as their potassium counterparts, to determine which takes up more water from the surrounding air under the same conditions.( Mather et al., 2020) Table 1 shows a summary of the salts used.

Table 1: Salts used to extract moisture from air

Salt	Comment, or common use
LiCl	Used as a pharmaceutical to administer lithium to the body; used as an industrial desiccant.
LiNO <sub>3</sub>	Produces red colors in fireworks.
Li <sub>2</sub> SO <sub>4</sub>	Used as a pharmaceutical to administer lithium ion to the body.
NaCl	Produced on a massive scale; in these experiments, food grade can be used.
NaNO <sub>3</sub>	Finds use as a food additive, number E251.
Na <sub>2</sub> SO <sub>4</sub>	Used as a filler in laundry detergents; used in paper production
KCl	A major component in "no salt": dietary supplements
KNO <sub>3</sub>	Component of traditional gun-powders, used in fertilizers
K <sub>2</sub> SO <sub>4</sub>	Component in fertilizers

As can be seen from Table 1, several of these salts have some use that impacts the general public, although such uses may not be widely known. The use of lithium salts to treat bi-polar disorder, for example, has been studied for decades, at this point.( O'Connell et al., 1991) Similarly, common table salt as well as sodium sulfate, potassium sulfate, and potassium nitrate, are produced on massive scales each year.

## Discussion

An extremely simple experiment, one suitable for early college lab classes, as well as those in secondary schools, is simply to measure amounts of lithium chloride and other salts, place them in pre-weighed containers, and allow them to sit, open to the surrounding atmosphere for some amount of time. In many environments, within one hour some change in the mass of the salts occurs, routinely an increase in the mass. But the salts can also be allowed to sit for longer periods. Students can take measurements of changes in mass over the course of a day, week, or even a semester, if the instructor chooses to extend the observations for this long a period of time. Graphs can be made of the changes in mass of each material over the course of time, allowing students practice in both data gathering and analysis.

## Concentrations, Molarity and molality

An interesting outgrowth of this straightforward set of comparisons is that both molarity and molality can be determined for each of the salts. Molarity is certainly one of the most common measures of concentration taught in general chemistry classes. Although molality is less commonly taught, the mass of the starting salt, and the mass of the material after some time has elapsed provides the mass of the water that was extracted from the air, and thus what is required to determine molality as well.

## Weight percentage

Gathering the changes of mass for each salt over some period of time also allows an instructor to discuss, and to have students compute, weight percentage of water and salt in each of the samples. After looking through a number of general chemistry textbooks, it is fair to say that weight percentage is taught in less detail in general chemistry classes than molarity, although it has not vanished from the curriculum.

## Dry environments

While comparing the mass of water taken up from the air by various lithium, sodium, and potassium salts over time is a useful one, and works in many environments, how can this experiment be performed in extremely dry locales? There are numerous schools, colleges, and universities that exist in or near the deserts of all six of the inhabited continents. It seems logical that the uptake of water by salts in such dry environments will be tiny, and may not be noticeable at all, simply because there is very little water in the air in such places.

To illustrate this phenomenon in a dry environment, we have found that a simple, inexpensive environmental chamber can be made using a large beaker, two small containers, and some improvised lid. The experimental steps can be listed broadly as follows, below.

## Experimental

All salts were purchased from scientific supply houses such as Aldrich or Flinn Scientific, and used as purchased.

Experimental steps are:

1. Weigh some amount of a salt (lithium chloride, or one of the others listed in Table 1) and place it in a small beaker or Erlenmeyer flask.
2. Weigh some amount of water, and place it in a second small beaker or Erlenmeyer flask.
3. Place both small containers in a much larger beaker.
4. Cover the beaker with aluminum foil, plastic wrap, or other material. Tape this "lid" onto the large beaker. An example is shown in Figure 1.
5. After an hour – although the experiment can run for more or less time – remove the two small containers, and again weigh the salt in the first, and the water in the second.

Figure 1: Simple environmental chamber for deliquescence experiments



### Elevating the temperature of the chamber

The use of this simple set up can be further adjusted to optimize the uptake of water by any salts in the chamber. The entire apparatus can be immersed in warm to hot water bath, often simply a large crystallizing dish or a beaker larger than the others. This can be held in place with a variety of weights, and the amount of time for which this elevated temperature experiment can be varied, as has been mentioned above, for other iterations of the experiment and comparisons.

Once again, at the conclusion of some pre-set amount of time, the inner container of salt, and the inner container of water can be weighed, providing the needed data for the just-mentioned discussion and computing of concentrations. If the instructor does not have a single container large enough to run this experiment with the nine salts listed in Table 1, perhaps obviously, several environmental chambers and warm or hot water baths can be constructed.

### Conclusions, educational applications, recommendations

#### *Simplicity*

This remains a very simple experiment, but one with numerous connections to concepts taught in general chemistry classes, (NGSS; Next Generation Science Standards; Science Education for Responsible Citizenship) such as: gases, and the behavior of matter as it changes from liquid to gas, then back to liquid; concentrations of salts, as molarity, molality, or weight percent; and the phenomenon of deliquescence by a variety of ionic salts.

Importantly, the experiments, and especially the construction of isolated environmental chambers allows for the adjustment of the environment each of the salts is in. This permits the student to maximize the uptake of water, and to make the deliquescence of salts easy and straightforward to observe.

#### *Connections to gas phase chemistry*

This set of experiments allows discussion of how water moves as a vapor. This lab therefore allows students to see, understand, and discuss the movement of some material as a gas. Since gases that are visible all tend to be toxic (such as bromine or iodine vapor), it is difficult to present experiments to students in which they can see direct or indirect evidence of a gas

moving. By weighing an amount of water and an amount of salt prior to this experiment, then weighing the container of water and of salt after it has been in a controlled humidity chamber, students have direct evidence that a material – water – has moved by being transformed into a gas, then back to a liquid. It can be recommended that any discussion of gas behavior include this phenomenon.

### *Adaptability*

We opted for the use of beakers with nothing more than aluminum foil or plastic coverings as environmentally-controlled chambers because they are simple, very inexpensive, and the easiest to adapt to any teaching lab or classroom. There are certainly other sealed containers that can be used to create a small environment in which the humidity can be adjusted and increased. But many appear to be more expensive than a beaker and plastic cover, and thus might be too expensive for some schools and school districts. One of our aims was to develop a set of experiments that is easy to adapt to virtually any classroom; and we believe this has been accomplished. It can be recommended that for teaching faculty or instructors, those introducing this to their classes for the first time, that some comparison between different means of making such chambers be presented and become part of the learning experience.

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## Students' Perceptions of Distance Language Learning in Vocational Training

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### Abstract

The coronavirus pandemic has had a significant impact in almost all areas of human activity around the world with education being unquestionably affected as well. Universities and Vocational Training Institutes have been forced to close their doors in an effort to stop the spread of the COVID-19 virus. To ensure pedagogical continuity, distance learning courses have been recommended as immediate alternatives. The purpose of this contribution is to investigate how students of Vocational Training Institutes perceive distance education and effectiveness of online foreign language teaching. To this end, a quantitative research based on an online survey was conducted, which included 206, students of five (5) public Vocational Training Institutes and different specialties. The questions were intended to examine the participants' views on the use of platforms and the collaborative tools, the utility of the educational materials and activities proposed, the learning outcomes in the target language, and, the benefits and limitations of distance synchronous language learning.

**Keywords:** distance learning, language learning, students' perceptions, vocational training

### Introduction

From the beginning of the COVID-19 global crisis, educational institutions around the world closed, following hygiene protocols, and started delivering online courses. Therefore, educators were forced to create virtual classrooms so as to guarantee pedagogical continuity (Krystalli, 2020). The impact of this crisis on the quality and conditions of learning has been immense (Unesco, 2020). Although many are reluctant to admit it, we are fully entering the era of distance learning, which presents both advantages and challenges for learners, ie. motivation, engagement and perseverance, for teachers, ie. course design and mentoring of learners (Karsenti, Poellhuber, Roy and Parent, 2020). To assure the quality of foreign language in the vocational field, teachers of language for special purposes had to adapt to the new circumstances and revise their teachings methods in order to offer relevant learning content and activities to their students. It is clear that beyond goodwill and even mastery of technological tools, it can be difficult to change training strategies, while respecting the (techno) pedagogical design initially thought (Verchier, & Lison, 2020: 128). Switching

lectures from a face -to- face to a virtual one may be challenging as it demands a great deal of effort (Krystalli, 2020). This change becomes more difficult in institutions where students have previous experience. This is the case of public Vocational Training Institutes (VTI) in Greece where courses were traditionally delivered face-to-face. For this reason, we found it intriguing to investigate the students' views of online foreign language teaching as it was not their choice but a solution of necessity chosen in order to continue their studies during the pandemic. The conclusions that will emerge from this research will be useful in the future, when designing an online foreign language course.

In this article we aimed to answer the following key questions:

- What are the participants' views about the utility of the collaborative tools used, the learning materials and the activities proposed during the French online course?
- Which delivery method do the participants prefer for language learning?
- What are the participants' opinions about online assessment?
- What changes or added components do participants suggest for a future online French course?

### **Distance Education and Language Learning**

Distance education (DE) started as an alternative for many individuals whose lifestyles, location, or time constraints prevented them from attending face-to-face educational programs (Chamorro, 2018). The first two generations of DE aimed at producing and distributing educational materials with the means allowed by the technology of the day, but without paying attention to the lack of interactive communication between students and teachers (Katz, 2002). During the last two decades, third generation of online teaching and learning, have seen significant changes due to the advancement of the internet and digital technologies. The World Wide Web has made information access and distribution of educational content available to a large fraction of the world's population and helped to move DE to the digital era (Fidalgo, Thormann & Kulyk, et al., 2020). As a result of the development of enhanced third generation distance learning, systems which include interactive digital technologies, learning activity has been redefined to include teacher-student interaction (Katz, 2002). Thanks to this relationship with the digital technologies, DE or distance learning is also called e-learning or online learning (Krystalli, 2020). DE is defined as any type of educational activity in which the participants are at a distance from each other--in other words, are separated in space. Participants may also be separated in time but this is not always the case (asynchronous vs. synchronous learning?) (iNACOL, 2011). Hartnett defines online learning as "a form of distance education mediated by technological tools where learners are geographically separated from the instructor and the main institution" (2016, 7). The term "online learning" is used interchangeably with Virtual learning, Cyber learning and e-learning (iNACOL, 2011). Among the benefits of distance online education mentioned in the literature, the most important is the ability to overcome temporal and spatial restrictions of traditional face-to-face instruction (Bates, 2005). Another important benefit of this form of learning is greater equity of access. As Hartnett (2016) argues online learning gives the possibility to people previously excluded from education due to personal or financial issues, disabilities or lack of time and course availability, to participate in education. Online courses typically take place in a VLE (Virtual Learning Environment) or LMS (Learning Management System). "The term online language learning (OLL) can refer to a number of learning arrangements: A Web-facilitated class, a blended or hybrid course, or a fully virtual or online course" (Blake, 2011,

9). Several studies have focused on the effectiveness of the methods used and activities proposed in an online second language (L2) or foreign language (FL) course. Research has demonstrated that effective online language learning depends on the learning environment, pedagogical materials, Web-based task design, and individual learner differences (Blake, 2008). Based on findings from previous research, Vorobel and Kim (2012) suggested five key features that make online foreign language courses effective: clear instructions, student-teacher interaction, student-student interaction, use of audio text, and development of all communication language skills. In VTI the objective of FL learning is students is to acquire skills and competencies that can meet language needs specific to the area of a specialty. Therefore, in course language for specials purposes the methodology, the content, the objectives, the materials and the assessment practices must stem from specific, target language used based on an identified set of specialized needs (Trace, Hudson & Brown, 2015).

## **Methodology**

### **Research design and methods**

This research was conducted at five (5) public VIT in Thessaloniki, Greece, between January and February 2021. One of them is supervised by the Ministry of Tourism while the others by the Ministry of Education, Research and Religious Affairs. The primary purpose of this study was to investigate the perceptions of distance learning VTI students and the effectiveness of online foreign language teaching, specifically the French language, that is taught as a compulsory course. In order to collect in-depth information an online survey was conducted to collect the data. The survey was created with Google Forms. Participants were asked to answer an online questionnaire which contained 9 closed-ended questions and 3 open-ended questions. The research involved 206 students from 4 different specialties, ie. Culinary Technician-Chef, Bakery & Pastry Art Technician, Executive Officer in Management and Finance in the field of Tourism, Executive in Air Transport Services. Participants were taught French as a foreign language two (2) hours per week during the winter semester. Classes were carried out entirely online and synchronously, via two platforms: . Zoom and Teams. Additionally, learning materials and quizzes were provided asynchronously via E-courses Management Systems for the VIT, and were supervised by the Ministry of Education and Research. Microsoft Teams was used for the distribution of education materials in the VIT supervised by the Ministry of Tourism.

The questionnaire's closed-ended questions aimed to outline the profile of the participants, (gender, age and specialty), and get information on the utility of the collaborative tools and the learning materials used to the course. Students were asked to rate the activities proposed as tools of motivation and express their opinion on online assessment. Additionally, participants were asked to indicate the impact of online learning on the learning outcomes and the progress they have made in the development of specific communication linguistic skills in the target language during the semester. The three open-ended questions aimed to collect data on students' views about foreign language distance learning, online assessment as well as students' suggestions about the structure and content of an online language learning course.

### Data collection and analysis

The participant sample used in the study was evenly split across males and females, as shown by the first question (table 1). The majority of participants (152 people) are 18-25 years old, while 22 participants are over 40 years old, 18 are between 26-30 years old, 9 are between 31-35 years old and 6 are between 36-40. In terms of specialties the sample is distributed as follows (table 1): the majority of the participants (108) study Culinary Art, 56 study Bakery and Pastry Art, 33 of the participants study Management and Finance in the Field of Tourism and only 9 out of 206 study in the field of Air Transport Services.

*Table 1: Participants Profile*

Variable Label	Percentages		N
Gender	51% female 49% male		206
Age	73%	18-25 years	206
	8,7 %	26-30 years	
	9	31-35 years	
	3	36-40 years	
	11	> 40 years	
Specialty	53%	Culinary Art	206
	27%	Bakery and Pastry Art	
	15,5%	Management and Finance in the Field of Tourism	
	4,5 %	Air Transport Services	

In question 4 participants were asked to evaluate the utility of the collaboration tools in the foreign language online classes. In the virtual classroom, we used breakout rooms for speaking and written mediation activities. Students worked in small groups and collaborated to complete their activities during a breakout room session. They then shared their screens to present their work to the rest of the classroom. Research has demonstrated that interaction, facilitates language learning and motivates students to continue improving their language skills (Gonzalez-Lloret, 2020). Therefore, fostering positive group dynamics can be surely relevant to promoting motivational condition in classrooms (Jeong, 2019). The chatbox was used to provide short answers. Screen sharing allowed teacher to navigate the web when required. Participants indicated that sharing screen and files was useful enough (137 participants out of 206). 90 participants found the breakout rooms useful, while 67 preferred the whiteboard and 48 the chat (fig. 1).

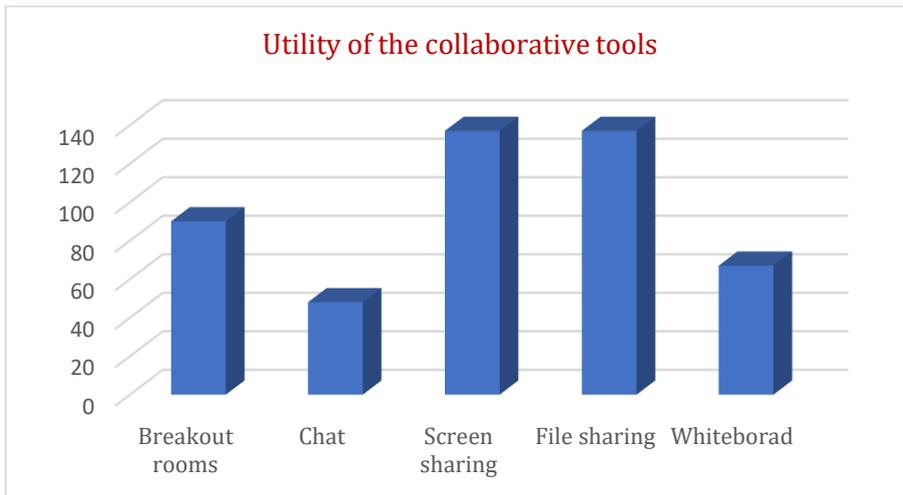


Figure 1: Utility of the collaborative tools

Question 5 aimed to explore which communicative language activity, do participants think they developed most during online learning. As we can see in Figure 2, participants argued that they most developed receptive activities, with 65 participants arguing that they have improved more reading skills and 46 listening skills. Students answer selection was justified by the fact that the majority of interactive online activities and quizzes suggested to students, were comprehension type of activities. Few participants believe that they have improved in productive activities, 37 believe that they have progressed in writing and 30 in speaking. This is mostly because they were reluctant to speak the target language during the lessons. This also explains the small number of students (only 10 out of 206) who believe that they have improved in oral medication. As for the written medication only 18 participants made progress during the online classes.

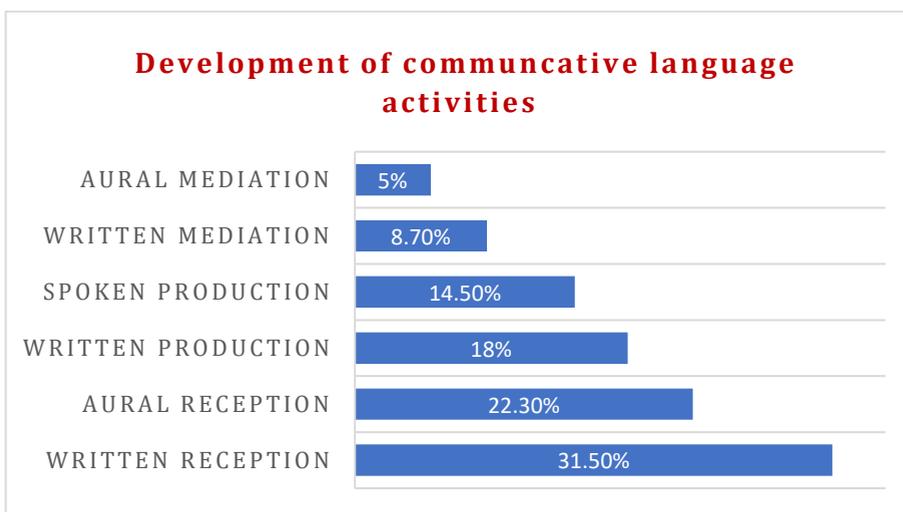


Figure 2. Development of communicative language activities

Question 6 asked students to indicate on a scale from 1 to 5 (where 1 is the minimum and 5 is the maximum) the usefulness of the educational materials provided by the teacher during the online course. The materials used during the classes were the following: YouTube videos, online dictionaries and grammars, audio and written documents in French, online terminology glossaries and online magazines and newspapers. By providing access to learning materials available on the internet, new technologies can satisfy the individual needs of students (Krystalli, Arvanitis, Panagiotidis, 2020). From the findings emerged (fig. 3), the majority of participants highly appreciated the materials provided, 57% indicated level 5, while 29% consider the materials to be useful at level 4 and for 14% of the participants materials are useful at level 3.

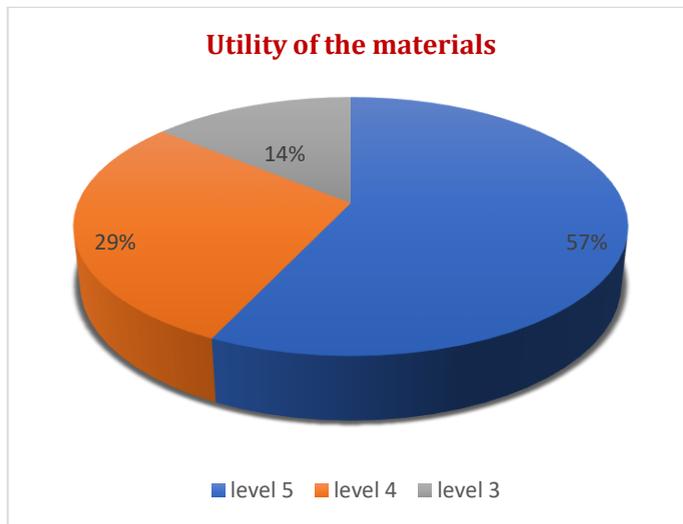


Figure 3: Utility of the materials suggested during the course

In question 7, participants were asked to choose which type of the most frequently suggested activities they found more motivational. More specifically, to increase engagement and motivation, throughout the semester we suggested different types of interactive activities and quizzes to students, created with Class marker and Worldwall. The interactive activities and quizzes aimed to promote a better understanding of various linguistic phenomena. Additionally, participants were asked to record their productions and upload their mp3 files to e-classes. Finally, in order to practice the terminology of each specialty, we suggested several written mediation activities. According to findings, the activities that were most appreciated in terms of motivation, were the interactive online activities (51%) and the online quizzes (32%). This preference is probably due to the possibility of immediate feedback and self-assessment offered by the applications used to create online activities and quizzes. Self-assessment and immediate feedback allowed students to judge the quality of their work and effort as well as the level of the knowledge acquired (Krystalli, Arvanitis, 2018). Participants found the aural production activities (11%) and the written mediation activities (6%) significantly less motivational.

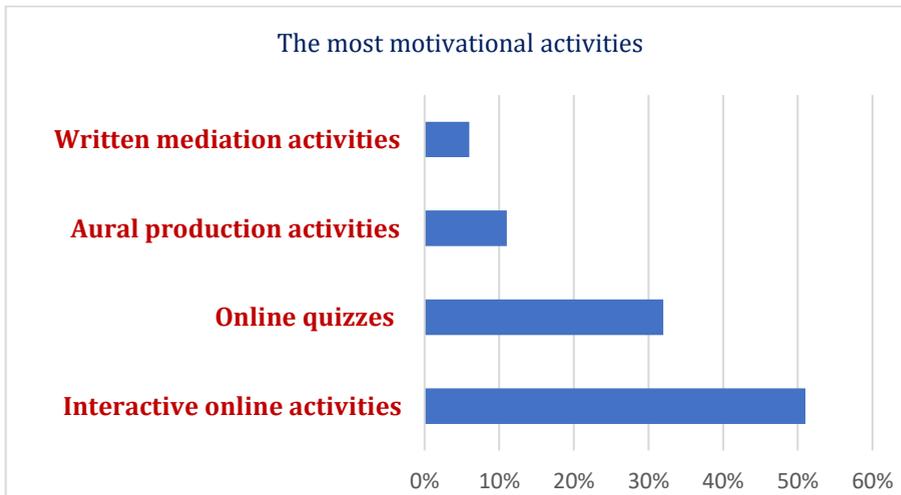


Figure 4. Activities that enhance students' motivation

The purpose of questions 8 and 9 was to explore students preferred delivery method of the French language learning. As part of their answer, participants had to state the reasoning behind choosing a specific delivery method. We found that 123 students preferred in-person classes, 64 preferred hybrid classes and only 19 students preferred online classes (fig. 5)

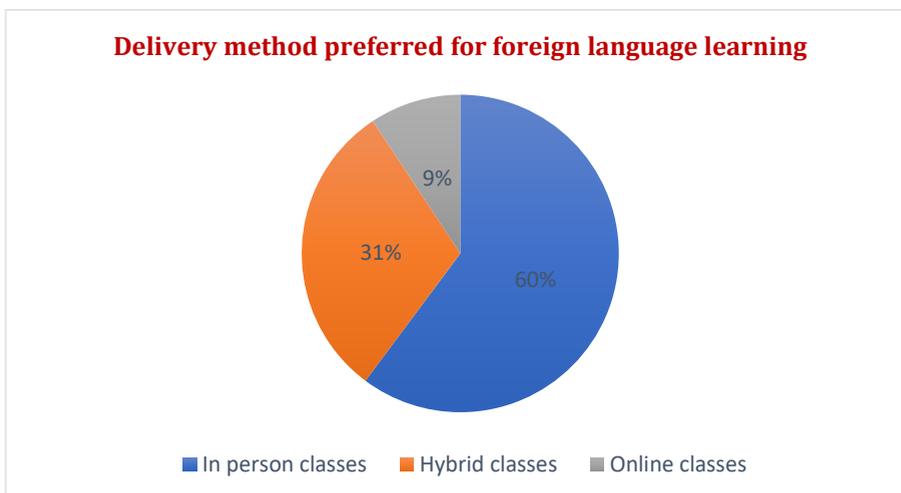


Figure 5. Delivery method preferred for foreign language learning

In question 9, an open-ended question, participants provided a justification for their choice made in the previous question. The reason for preferring in-person classes was the ability to socially interact with both classmates and teachers. Participants also argued that internet connection problems and poor sound and screen image quality, during online classes, had a negative impact in their concertation. For this reason, they think that face-to-face teaching is more effective. Participants who had a positive attitude towards virtual teaching, appreciated the use of the collaboration tools and referred to several benefits of online classes such as the

possibility to select the study location and save time and money, since online education decreases travel time. Many participants argued that they would prefer hybrid courses that combine online and face-to-face learning. They think that blended teaching has many advantages with the primary ones being flexibility as they could work in their own pace, organizing their time independently.

Moreover, they argued that during face-to-face classes students had the opportunity to ask questions while better grasping concepts and linguistic phenomena.

In question 10 the participants were asked to choose whether they prefer online assessment or the traditional written assessment for the foreign language course. According to the findings (fig. 6), the majority of the students (153 out of 206) prefer online exams while 53 students prefer paper-based exams. In the following question (11) students were asked to explain the reasons of their choices. Participants indicated that online tests and quizzes are more motivating because of instant feedback that helped them reflect on their learning. Additionally, many of them argued that they prefer to see their results and errors immediately after a test, while in the paper-based exam it usually took a long time for the feedback to be released by the examiner. Many participants preferred online quizzes since they are shorter and therefore less stressful. Participants preferring paper-based exams, argued that they are forced to be more prepared and focused in the classroom. Some participants argued that paper-based exams are more reliable because students cannot easily cheat. Many referred to the technology issues saying that they are not familiar enough with the software used in online examinations? Finally, participants referred to internet connection problems as an important drawback of online tests.

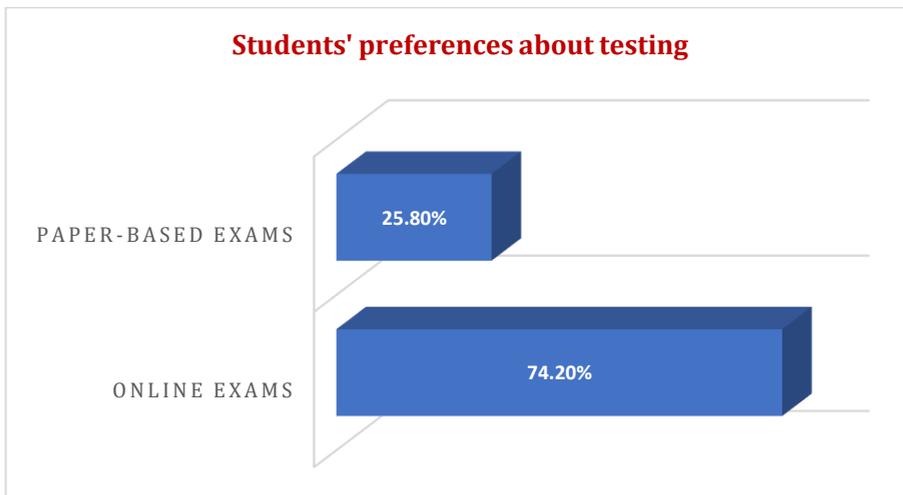


Figure 6: Students' preferences about testing

Regarding the last question (question 12), students' suggestions for a possible future online language course were the followings: more group work, more subtitled videos and oral interaction activities in the virtual classroom, less grammar activities and, an increase teaching hours. Participants have put forward pertinent suggestions and proposals that we should be taken into consideration when developing future online courses. First of all, group

work maximizes the benefits for students in the classroom. As Alfares (2017: 248) argues “it can be used to improve oral activities for language learners, to complete tasks that need discussion among learners, to share reading and listening activities, and to write cooperatively with other learners”. As for the second suggestion, research has demonstrated that the use of subtitled videos help learners to better understand foreign language as they combine image, sound and text (Yang, 2020). Regarding participants’ suggestion to increase teaching hours, we would like to underline that two teaching hours a week for learning a foreign language is not sufficient either in the traditional classroom or the virtual one. After all, the increase of teaching hours is the constant demand of foreign language teachers in Greece.

## **Conclusion**

The purpose of this study was to investigate students’ perceptions about online language teaching in VTI. Students of five different public Institutes and four different specialties, attending French classes as an FL course during the winter semester 2020-21, participated in the research. These courses traditionally take place in-person, so the virtual classroom was not a choice but a necessity imposed by the COVID-19 pandemic. French language in VTI is taught as a compulsory course. Our research tool was an online questionnaire of 12 questions given at the end of the winter semester. During online classes, students were provided with online interactive activities and quizzes based on multimodal texts and mainly captioned videos. The results of study showed that students preferred this type of activity more than others that were suggested to them. Actually, the combination of image, text and audio helps better understand linguistic phenomena in foreign language, especially when it comes to low level language proficiency as in this case that students were at A1 level. Visual learning is essential and effective and, should be used to complement and reinforce a more abstract approach to a subject (Pezzino, 2018). According to findings, the majority of students are not in favor of distance language learning and prefer face-to-face teaching of a foreign language, however a large percentage of students prefer online assessment (74%). With online assessments, students have the possibility to repeatedly practice similar questions and, at the same time, obtain immediate feedback. This is an important benefit in a constructivist teaching that helps people learn through exploring new things, making errors and reflecting on those experiences (Pezzino, 2018).

The students made interesting suggestions that language teachers should take into account when designing distance learning courses. The majority of participants, when asked what component should be added to an online FL course, chose group work. Previous research has found that mutual learning achieved within a group, where group members share their knowledge, contributes to a successful learning experience with better learning outcomes (Jeong, 2019). Therefore, since collaborative learning is considered to be effective in DE as well as in -person, we should propose more task-based group work and take advantage of the breakout rooms. Additionally, breakout rooms sessions facilitate interactions among students and enhance motivation (Hartnett, 2016).

We therefore conclude that instructional design, content, learning materials and type of activities positively or negatively affect students’ perceptions of distance language learning. Thus, further research might focus on frameworks, learning scenarios, and task-based motivational and engaging activities in virtual classrooms as well as on the effective use of the collaborative tools.

New forms of teaching and interactions with students were formed/developed during the COVID-19 pandemic. As part of the distancing measures many teachers develop distance or hybrid courses online. We strongly believe that the end of the pandemic will mark the beginning of a new era for distance education improved thanks to the lessons we learned during the three semesters of compulsory online teaching. Moreover, the rapid increase in research demonstrates the academic community's interest in effective distance learning in a Digital Society.

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## **Private Equity Funds/Venture Capital – A New Role and Opportunity in the Albanian Economy and Financial Market**

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### **Abstract**

The prolonged stagnation bank credit expansion, following the outbreak of recent economic and financial crises of 2008, and now the complex situation during the pandemic, has produced a significant impact on the availability of new and long-term sources of business financing, mainly related to mid and large-size companies, but also to start-ups. Currently, all such categories of businesses find difficulties in obtaining long-term financing from banks and this has major implications on financing their investments and projects in the pipeline. In a time when, paradoxically, bank credit is becoming increasingly complex and difficult and therefore, to score a significant influence on the economy and investment financing, and regardless of the existing liquidity abundance, establishing and developing Private Equity/Venture Capital Funds (PE/VC) can play an important contribution in this regard. Despite the fact that such type of institutional investor is currently lacking within the Albanian capital market, some basic legal, institutional and economic premises do exist within the Albanian financial landscape, and which could provide grounds for such an actor to play its role in providing an alternative source of long - term financing for Albanian businesses. Consequently, their existence could pave the way for revitalization of the idea and attempts to put into operation a functioning capital market in Albania, which is still rudimentary and non-active, and furthermore, helping in ensuring a sustainable long-term economic growth.

**Keywords:** Private equity capital, Venture Capital, securities, long-term financing

**JEL Classification:** G100, G21, G23, G24, G28.

### **Introduction**

#### **1. Objectives**

This paper aims to provide some key considerations about the role and importance of the existence and establishment of Private Equity/Venture Capital Funds (PEF) within a country's financial market, as a source of alternative financing for companies, along with their special role in supporting and promoting innovation within economy.

Also, the paper aims to shed light on the existing Albanian reality, with regard to PE/VC initiatives, as well as the legal and institutional framework, which may offer the hotbed for

establishing and developing such institutional presence in Albania. Furthermore, it displays the key preconditions which need to be in place, in order to welcome and anticipate the emergence of such distinct financial ventures.

Specifically, the paper suggests that banks need to consider such untapped opportunity, in order to expand their loan portfolio, especially under current conditions and times, when they are faced with difficulties of building quality loan portfolio and expand it beyond the actual meagre credit growth rate, which in turn would be translated into positive and value-added investments in the economy and furthermore, contributing in sowing the seeds of a functioning stock & securities market in Albania.

Additionally, it offers some hints for interests the government may explore and consider all opportunities to offer proper facilities for such particular industry, in order to ensure a viable environment for their own activity, within Albanian financial market.

## 2. Theoretical framework

According to Bottazzi (2009), venture capitalists are financial intermediaries who organize limited partnerships to finance their activity by raising funds from institutional investors, such as pension funds, insurance companies, or endowments that are passive limited partners.

Private Equity Funding/Venture Capital has been growing steadily during the last three decades, especially in US, but not only there. As a matter of history, Gompers and Lerner, (2001) affirm that the PE/VC development as an industry started in the United States in 1946 when MIT president Karl Compton, General Georges Doriot, and a set of business leaders established American Research and Development as a closed-end publicly listed fund. The idea of American Research and Development was to invest in firms that commercialized technology developed for World War II by the US military. In the years that followed, several similar firms emerged, and the first venture capital limited partnership formed in 1958 (Lerner and Tag 2013).

Also, they are becoming important players even in the local markets, because of their role and ability to create value. Kaplan and Stromberg (2008) identify three main areas where private equity firms and investors add value: financial engineering, governance engineering and operational engineering. Also, Kohli (2007) explains that:

1. **Financial engineering** refers to steps to add value by making capital structure more efficient - that is, decreasing the cost of capital. Typically, this goal is achieved in buyouts by taking on leverage and bringing in outside capital.
2. **Governance engineering** refers to processes that create value by improving incentives and monitoring in the companies that private equity investor finance. These steps can include the imposition of formal monitoring techniques and compensation that links pay to performance.
3. **Operational engineering** refers to initiatives by private equity funds to improve the firms they finance through the provision of formal and informal consulting services to boost production processes, working capital management, marketing and product mix, and related areas.

Furthermore, Gompers et al. (2015) point that PE investors place a heavy emphasis on adding value to their portfolio companies, both before and after they invest. The sources of that added

value, in order of importance, are increasing revenue, improving incentives and governance, facilitating a high value exit or sale, making additional acquisitions, replacing management and reducing costs. Consistent with adding operational value, the PE investors make meaningful investments in employees and advisors who provide advice and help in implementing operating improvements.

Gompers and Lerner (2001) conclude that venture funding does have a strong positive impact on innovation and that, on average, a dollar of venture capital appears to be three to four times more potent in stimulating patenting than a dollar of traditional corporate R&D.

Bottazzi (2009) affirms that VCs concentrate on start-up firms and use their knowledge of industries and markets to evaluate and mentor entrepreneurs. The role of venture capital in this context is potentially very important.

Also, Lerner et.al (2012) stress that venture capital involves long-term investments in risky, young companies, often with unproven management teams addressing new technologies in uncertain markets. Yet, the innovation that occurs in these small companies is an important force in moving a country into the knowledge economy, which can balance a prior dependence on resources or extraction. In addition, it can attract talented nationals who were educated elsewhere and are eager to return to either start or invest in exciting companies in their home country.

On the other hand, Lerner and Tag (2013) argue that an active venture capital market can boost economic growth. Economic growth is driven by innovation, spearheaded by young entrepreneurial firms, where financing of these firms can be difficult because of moral hazard and asymmetric information. Venture capitalists specialize at solving these problems, thereby connecting idea-rich entrepreneurs with cash-rich investors. Ensuring funding for innovative firms has positive externalities on the economy, so it makes sense for governments to promote an active venture capital market. But startups and other innovative companies, which bring innovation in the market are not usually big and established firms, but instead they are mainly a produce of young entrepreneurs and small companies, which find difficulties in raising proper and adequate funding, especially from banks and capital market, due to moral hazard and asymmetric information. Venture capital firms are experts at solving problems of moral hazard and asymmetric information and thereby earn their keep by bridging the gap between financiers and entrepreneurs (Lerner and Tag (2013)).

Everywhere in the world, both developed and developing one, PE/VC are emerging as an important source of capital and those initiatives are not coming as stand-alone companies; even banks are getting involved in such endeavors. Fang, Ivashina & Lerner (2012) point out that banks' involvement in private equity investments provides significant cross-selling opportunities. The bank's engagement as a private equity investor could carry a positive signal about the quality of the deal to outside (debt) investors. Also, banks are surprisingly large players in the private equity market.

On the other hand, for PE/VC to exist and develop in a certain financial system some preconditions must exist. Ribeiro et al. (2006) show that there are several factors which heavily impact the PE/VC industry, like: legal system, tax procedures, bureaucracy and corruption, infrastructure and stock market. The lack of proper stock market means high direct and indirect costs in raising capital from the market. Healthy stock markets are essential for PE/VC, allowing investment managers to exit successfully and entrepreneurs to regain

control (Gompers and Lerner, 2002). On the other hand, Jeng and Wells (2000) underscored that stock market development, in terms of number of IPOs, correlates strongly with active venture capital activities, following venture capital investments between 1986 and 1995 in 21 countries.

Also, Romain & Pottelsberghe de la Potterie, (2003) conclude that, in order to stimulate VC in a country, demand-side factors have to be taken into account. The most important factors affecting the demand of VC are the stock of knowledge, innovative outputs, and interest rates.

Additionally, Groh et al (2008) identify six key drivers determining the attractiveness of an individual country for VC/PE investors: economic activity, size and liquidity of capital markets, taxation, investor protection and corporate governance, human and social environment, and entrepreneurial opportunities. PEF/VC has some distinct advantages, compared to other classic investments. Similarly, Lerner and Tag (2013) add that the legal environment, financial market development, the tax system, labor market regulations, and public spending on research and development seem to matter.

Ballta (2015) affirms that an investment fund has a very close shareholder – employee – customer relationship. Employees feel more motivated to serve customers, as they are treated very differently, so there is greater trust and greater responsibility put with employees, by shareholders.

### **3. Private Equity Funds within Albanian reality**

Albania and its respective financial system has not experienced any typical functioning of private equity funds, at least in the form known and applied in US, or anywhere in the world, in terms of the full value chain pursued, up to IPO in the capital market. However, separate shackles of the whole chain have been established and functioning since 20 years ago. Truly, there are substantial institutional elements which have been and are currently missing, that could tie up together those separate shackles and which in turn could create a full operational line of PE/VC on the Albanian financial market.

When it comes to the Albanian business environment is not discriminatory and hostile against the existence of Private Equity Funds. As above-mentioned, the Albanian financial system has not witnessed the establishment of any typical PE/VC, or otherwise in a pure classical way as those in developed economies, capable of conducting any classical or core activity in this regard. The lack of an established and functioning stock exchange in Albania could have been perceived as an obstacle of creating and operating such initiatives, within the financial market. Normally, the presence of PE/VC require a functioning capital market of stock exchange, as they are supposed to be the final destination of companies funded and supported by PE/VC, and in the same time, the market is the best evaluator of PE/VC's performance. But the existence of the capital market alone is not the only pre-requisite for a successful activity of PE/VCs, as the existence of the market itself does not guarantee proper functioning of the PE/VC industry. Additionally, as Gompers and Lerner (2000) point out, risk capital flourishes in countries with deep and liquid stock markets. Practically, the presence of an organized stock market is a pre-requisite for PE/VC to enter the financial market, as well as to measure their respective success and contribution toward value-added within the national economy and financial market.

### 3.1. Legal & Regulatory framework

Regarding the national legal & regulatory framework matters a lot, when it comes to contract enforcement, especially in the area of capital market and stock exchange. Lerner and Schoar (2005) have found a clear correlation between the legal environment and the contractual use of convertible preferred stock with covenants. When the legal environment is weak and contracts are hard to enforce, private equity firms tended to rely more on direct ownership stakes in firms rather than using more complex contracts, such as using convertible preferred stock. Moreover, they found that investments in firms operating in weak legal environments tended to have lower returns and valuations.

The existing legal framework in Albania does not hinder investors and banks to establish any PE/VC, or otherwise impose any tight restrictions on their operation. Rather, the legal framework does not offer any precise coverage with proper and full-scale acts and regulations.

The actual legal framework, which regulated the financial/capital markets does not stipulate any specific regulations or clauses, which would serve as a basis for establishing, running and monitoring the PEF activity. In current situations, such lack of proper regulatory coverage of such institutional establishment within the financial system may be considered as a missing piece of the integral institutional framework mosaic, which could fill in the existing credit and funding powerhouse of the whole system for the national economy.

When it comes to Albania, this could be deemed as an obstacle for the private equity industry, as the contract enforcement is not one of the strongest points, in terms of attracting foreign investors. According to World Bank (2020), Albania does not score well in terms of protecting the minority investors (111<sup>th</sup> place according to WB - Doing Business 2020); also it is still positioned far from mid-table, when it comes to enforcing contracts (ranked 120<sup>th</sup>). This may call for substantial improvement, in order to lay strong foundations for the private equity industry to flourish and establish, accordingly.

With regard to the startups ecosystem in Albania, as well as in relation to respective markets for ensuring their relevant financing, it is a fact that Albania poses significant shortcomings. Practically, Albanian government has taken some steps, regarding the increase of grants to SME businesses but it still lacks a national strategy to address such issue. Grants for start-ups and their financing are made by various international projects, but none of them intends to link startups with private equity/venture capital financing. According to European Commission Report on Albania (2020), although Albanian Investment Development Agency (AIDA) continued to offer funding instruments to stimulate start-ups and entrepreneurship in tourism, handicrafts and innovation, as well as competitiveness, access to finance remains a serious challenge for businesses. Start-ups find quite difficult to obtain bank financing, because they require collateral and, consequently, given their specific nature of the enterprise, they remain underfunded. On the other hand, private equity/venture capital is quite underdeveloped, as there is no fiscal incentive for them to finance and they are not exempted from taxes, in order to be competitive. In these way, and since Albanian corporates have a practical little interest in innovation, it makes talented young entrepreneurs to find a non-existing market to develop in Albania; therefore they are focused mainly on finding an international market, by making competitiveness their and their ability to survive in the market an unsurmounted challenge.

On the other hand, the Albanian legal framework still lacks a dedicated law/legal basis, which regulates the innovative startups and their respective ecosystem. Also, there does not exist any government institution, which could take care of them, in the form of training or funding. In addition to these legal challenges, there is a significant lack of fiscal incentives even for "business angels", as in case of private equity/venture capital. Both forms of startup financing are considered, like all other businesses making Albania, less competitive.

However, the Albanian Government has recently proposed (November 2020) a new draft law on supporting and developing the innovative start-ups. The draft law aims to create a regulatory and institutional framework, which supports and favors the establishment and development of new businesses with high growth potential, in the field of technology and innovation (better known as Innovative Startups), which realize ideas, new business models, products and processes, and that could bring significant innovation and improvement in every area of the economy. As above mentioned, such draft law aims to fill the existing legal gap, as in Albania until today, there have been no provisions or legal basis which regulates the issues related to innovative startups.

Additionally, the draft law aims to accomplish the following objectives:

- establishing fiscal incentives, programs and measures that support Innovative Startups, in the initial phase of business (incubation period) and the creation of a favorable ecosystem for them in Albania;
- establishing relevant government bodies and their relevant tasks & competencies, particularly the creation of "Startup Albania" - the National Agency for Startups;
- defining criteria, rules and procedures that apply to the certification, support, evaluation and monitoring of Innovative Startups.

In its entirety, the draft law is considered as a milestone in the road towards creating a supportive environment for private equity/venture capital entrepreneurship in Albania.

### **3.2. Taxation**

Taxation affects entrepreneurship in general and the private equity industry, in terms of stimulating or discouraging it. Taxation policy in Albania does not contain any tax holiday or special treatment, in terms of investments in capital market. Practically, there is no tax holiday for companies which could consider any IPO, or capital market financing. Furthermore, tax treatment for capital gains and interests from investment in securities, like corporate bonds, is the same as those on interest and corporate tax. Such treatment does not encourage venture capitalists, as their income from divestiture will be taxed in the same way as incomes generated in a passive way, like investments in government papers or bank deposits. In this way, they are not rewarded for their success so such tax treatment hinders entrepreneurship in this regard.

### **3.3. The Albanian practical experience with Private Equity Funds**

Several institutional-level initiatives have been introduced in the Albanian financial market. The Albanian Reconstruction Equity Fund (AREF) was set up by the EBRD and the Italian Government, with a total capital of US\$ 14 million to support the restructuring and expansion of private enterprises (OECD 2003).

Also, Albanian American Enterprise Fund (AAEF), funded by the US government through a USAID grant, provides finance to medium and large-scale firms (US\$ 30 million). Although incorporated as a not-for-profit organization, the AAEF is managed as a private investment fund to maximize risk-adjusted returns. During its activity in Albania, the AAEF has invested in a wide array of private enterprises. In addition, AAEF provides its portfolio investments with training to establish best business practices that incorporate acceptable financial reporting standards, as well as guidance in enhancing management capabilities, recruiting skilled personnel and strategic planning<sup>1</sup>.

However, the most successful PE initiatives in Albania have been those of purchasing BKT, the establishment of the American Bank of Albania (now part of Intesa SanPaolo Bank - Albania) and the American Bank for investments.

In 2006 BKT became a portfolio company of Çalik-Seker Konsorsiyum Yatirim A.S, Turkey, which owns now 60% + 2 of BKT shares<sup>2</sup>, along with IBRD and IFC, which own 20%, respectively. By 2015 BKT is the biggest bank in the Albanian banking systems, in terms of assets.

The American Bank of Albania was established in 1998, and according to AAEF itself, it grew to be the second largest financial institution in Albania and was a pioneer in offering corporate and individual customers innovative products. In June 2007, Intesa Sanpaolo and AAEF signed the majority participation of Intesa Sanpaolo into the ABA for \$156.9 million, a multiple of 3.7 times the net equity. In August 2009, the AAEF completed the exit from ABA, which now is Intesa Sanpaolo Bank Albania<sup>3</sup>.

### ***3.3.1 The case of the American Bank for investments and NCH Capital***

The American Bank of Investments, ABI, emerged within the Albanian banking system as the rebranded ex - Credit Agricole – Albania, which was sold in 2015 by the French banking group itself to “TRANZIT Finance”, an Albanian non-bank financial institution, and a portfolio company of NCH Capital Inc, where the latter is one of the largest American investors in Eastern Europe with over USD 3 billion under management<sup>4</sup>. Since its founding in 1992, the firm has built a successful investment track record in Eastern Europe. NCH’s funds over the last 24 years have acquired, founded or co-founded numerous companies in Eastern Europe including Russia, Romania, Ukraine, the United Kingdom, Latvia, Bulgaria, Moldova, Brazil, Greece and Albania. The firm has invested in several banks and non-bank financial institutions in Albania, Romania, Moldova and Latvia that have quickly and consistently grown their balance sheets and improved their performance<sup>5</sup>. In 2007, NCH Capital started investing in the Western Balkans region and established a regional office in Tirana, Albania.

The purchase of of a bank by a non-bank financial institution like “TRANZIT Finance”, part of an international portfolio investor, marked a new phenomenon for the Albanian financial market, which was accustomed to “natural” bank purchases by banks, themselves. Such atypical purchase could establish for the first time a new custom or practice in Albania, in

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<sup>1</sup> Albanian American Enterprise Fund. See: <http://www.aef.com/>.

<sup>2</sup> Banka Kombëtare Tregtare. See: <http://www.bkt.com.al/>.

<sup>3</sup> Ibid.

<sup>4</sup> American Bank of Investments. See: <http://www.abi.al/>.

<sup>5</sup> NCH Capital. See: <http://www.nchcapital.com/>

terms of modeling the financial institutions' activity in a developing market like Albania, which could aim the inter sectorial & institutional synergy. The presence of a private equity capital fund like "NCH Capital" with two institutions, a commercial bank and a non-bank institution, specialized in debt and bad loan collection, creates the first precedent of a strategic alliance of two activities of mutual cooperation and benefit. Typically, "TRANZIT Finance" intends to help the bank toward easing its operational activity, with regard to problem loans and taking new risks in the market, by way of granting new loans. Meanwhile, the bank may assist "TRANZIT Finance" with a much larger clientele basis, through cross selling its products and services, thus increasing the operational efficiency, flexibility and profit margins.

#### **4. Why PE/VC in Albania?**

The active presence and functioning of PE/VC in the Albanian financial market could produce some positive outcome for the financial industry and the economy as a whole.

As above-mentioned, the intertwining of bank and non-bank activities, specialized in the debt collection issue, in the case of NCH Capital (ABI Bank and Tranzit Finance) may be the relevant key for a substantial contribution in terms of relieving banks from the burden of non-performing loans. This is a thorny issue for the Albanian banking industry and such solutions could create added value in this regard, thus contributing to a revival of loan-making process.

Banks may see creating PE/VC entrepreneurship, or teaming up with them, in order to expand their loan portfolio, especially under current conditions and times, when they are faced with difficulties of building quality loan portfolio and expand it beyond the actual meagre credit growth rate, which in turn would be translated into positive and value-added investments and employment in the economy.

Additionally, such private equity funds may fill in the empty spaces for funding start-ups and innovative ideas, which usually are not funded by established financial institutions. PE/VCS are more prone to accept such risks which are translated in large rewards, once the entrepreneurship results in a breakthrough. Nevertheless, reaping such rewards would unavoidably call for the establishment and functioning of a capital market (even a modest one), as the final destination for implementing the sale of the company through IPO.

The presence of such institutions in the Albanian financial market can also give rise to the introduction of new and pioneer services and practices, linked with asset management, business restructuring and turnaround, stock market divestitures, investment banking and securities brokerage, a functioning stock exchange, the establishment and functioning of the secondary market for troubled assets, the securitization process, etc.

The above arguments may be deemed and seen as a contribution towards the deepening of the Albanian financial system.

#### **5. Conclusions and Recommendations**

Legal framework in Albania needs still to be completed, in terms of providing better and proper regulation, as well as supporting and monitoring the activity of private equity/venture capital entrepreneurship. This would enable the system to energize and plug in a new source of funding.

Additionally, relevant changes must be considered in the Albanian tax legislation, which could allow tax breaks, or holidays for such specific industry, within the Albanian financial system,

which the new draft law on supporting and developing the innovative startups is expected to provide for them.

The Albanian government may consider allocating dedicated funds to several ministries and state agencies, in order to support and finance innovative startups, thus serving as key private equity/venture capitalist, thus creating the “good example” for the rest of stakeholders to follow suit. Practically, the government and other stakeholders, apart from banks, may consider setting up and providing initial capital for PE/VC initiatives, as a way to promote such undertaking and create the critical mass for their successful activity within Albanian financial system.

Alternatively, the Albanian government could consider that such financing powerhouse to be established as a wealth management fund, which may be entitled to support and finance such innovative ideas, through startups, in the capacity of the key private equity/venture capitalist in the country.

Investment funds and other stakeholders, either institutional or private individuals in Albania, may explore the opportunity to allocate limited funds to innovative startups, following the established international practice, with the clear focus of providing ease of funding to innovative and breakthrough ideas.

Academia and universities, which provide study programs in engineering & technology, business & finance and agriculture, must create basic infrastructure, in the form of business incubators and research labs, in order to facilitate the brainstorming and practicing new ideas and technologies. This approach would offer a supportive platform for startups, may attract interest from corporates, entrepreneurs and business organizations to finance, partly or totally, the research and development, along with the academia, itself.

Banks need to consider and explore the opportunity of opening and starting to provide PE/VC services to their existing, or new clients, as a new way to expand their loan portfolio and ensure successful cross-selling and better-quality loans. The existing Albanian experience dictates such entrepreneurship, as a viable synergy, at least to avoid bad loans, or otherwise help in reducing the bad loans portfolio.

Additionally, the newly created payment & clearing infrastructure for private securities, especially corporate bonds, could in turn, pave the way for a more substantial role for private equity/venture capital funds within the Albanian financial system, along with being a helpful hand of improving the existing level of corporate governance within Corporate Albania, ensure more presence of portfolio investors and proper valuation of them, through the capital market and the stock exchange.

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## **Impact Analysis of the Subscale of Aggression in Depression and Anxiety, Among Adolescents Aged 16-18 Years- Case Study: High Secondary School "Luciano Motroni" Prizren**

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### **Abstract**

Aggression is a phenomenon that encompasses some very significant subscales and can be manifested through aggressive behaviors, hostility to friends, anger, uncontrolled / inconsistent reactions, and verbal and indirect aggression. These factors need to be carefully considered and followed up with research in order to give young people room to improve behaviors and achieve high achievement, otherwise it can affect adolescent anxiety and depression. The purpose of this study is to analyze the effects of underlying aggression such as anger, hostility, verbal aggression, indirect aggression, inconsistent response to anxiety, and depression in adolescents aged 16-18. This study included three groups of students, 16 years old, 17 years old and 18 years old, with 50 adolescents in each group, so the total sample is 150 adolescents aged 16-18 years. The research belongs to the quantitative type and the case study was selected 'Luciano Motroni' High Secondary School in Prizren municipality during January 2020. Research results show that depression scales such as verbal aggression have an impact on anxiety and depression ( $\rho = .163 *$ ,  $p$  value = .047), anger ( $\rho = .385 **$ ,  $p$  value = .000), hostility ( $\rho = .174 *$ ,  $p$  value = .033), indirect aggression ( $\rho = .261 **$ ,  $p$  value = 001), and inconsistent response ( $\rho = .170 *$ ,  $p$  value = .037) which are statistically significant at 1 % and 5% confidence level. Compared to a research conducted in 2019, entitled " Association between anxiety and aggression in adolescents: a cross-sectional study " we see that aggression has a significant impact on youth anxiety. Thus, the subscales of aggression represent an important significant link in adolescent anxiety and depression. Finally, we conclude that sub scales of aggression have a statistically significant impact on adolescent anxiety and depression among young people aged 16-18, in the municipality of Prizren. What we recommend is the training and support of young people during their secondary education journey.

**Keywords:** Adolescents, Aggression, Aggression Scales, Depression and Anxiety

### **Introduction**

The term aggressiveness is often used to describe the behavioral activities of others as well as oneself. In psychology, the concept of aggression refers to a variety of behavior that results in emotional as well as physical harm to an individual. Social psychologists explain aggression as an action that is planned to harm those people who do not want to be harmed. (Baron, R. A., & Richardson, D. R., 1994).

Aggression is present at all times and it is very important to understand that it manifests and expands through people's thoughts, fantasies, their desires, thoughts and daily behaviors. (Semprini F, Giovanni AF, Sonino N., 2010). During adolescence, aggression is often presented as a conscious effort to achieve goals and unaware of their autonomy, and many authors around the world express this very well. (Semprini F, Giovanni AF, Sonino N., 2010)

Aggression in general in young people is manifested through their rebellion against society and the environment in general, starting with problems at home with disobedience to parents, various aggressions, ranging from verbal, indirect aggression and other dangerous aspects. (Csorba J, World E, Plener P., 2009). Aggressive behavior is often associated with lower verbal and cognitive abilities According to (LJ., 2008) aggression is presented as a skill developed with low verbal and cognitive abilities.

According (Carrion, 2012) describes anger as an emotional state that in intensity can move from mild irritation to enraged anger. Anger is followed by physical reactions including accelerated heart rate, increased blood pressure and increased levels of adrenaline and noradrenaline. Anger is a reaction (physiological and psychic) to a perceived threat to oneself or to other important people, present, past, or future. The threat may seem real, discussed, or imagined. Anger is often a response to the perception of threat due to physical conflict, injustice, neglect, humiliation or betrayal among other quarrels. Anger can be expressed through active or passive behaviors. In the case of "active" emotion, the angry person "expresses" verbally or physically to the target subject. When anger is a "passive emotion" this is characterized by silence, passive-aggressive behavior (hostility) and tension. "

According to a research report conducted by (Kosovo, 2016)), absences and violence in general, emphasizing verbal and psychological violence against students (indirect / instrumental violence), are more pronounced than physical violence (direct violence) and is characterized by insults, derision, the use of insulting names, as well as the spread of gossip and personal information. Also the presence of cold weapons is much greater. Of all the students surveyed as part of this survey, 16.26% stated that they were victims of violence, intimidation and bullying. Although there is a lot of research providing evidence that the use of violence of various forms among students continues to be present in educational settings in all schools in Kosovo, there has been no research that speaks to the role of rumination in general. and in particular ruminating on anger, the appearance and development of violence of various forms. Adolescence is a very critical period in which young people or adolescents undergo social, emotional, and physical changes, which in most cases can create negative perceptions and aggressive behaviors that are subsequently followed by problems. (Peter RE, Crocker CMS, Kowalski KC, McDonough MH, Nanette K., 2006).

Recently, researchers have begun exploring the possible role of rumination, or the tendency to think about the experiences and feelings associated with those experiences in aggressive behavior. It is only natural for people to reflect on situations that are followed by painful, negative, or distressing experiences. In doing so, individuals strive to see situations that we are rumored to have from a new perspective and thus reduce the distress we feel (Nolen-Hoeksema, S., Wisco, B.E., Lyubomirsky, S., 2008). But what usually happens is that rather than feeling liberated from this process, we think of the distressing situations by repeating them in our head and thus end up even more upset, angry or anxious. For example, we repeat the scene of a conflicting conversation with someone by analyzing it in detail, looking at different

versions of a confrontation with that person, although in reality that confrontation may never happen. (Csorba J, Dinya E, Plener P., 2009)

However, the construct of rumination as such is slightly broad, so it involves the tendency to focus on many negative moods rather than one particular emotion. For this reason some researchers have focused on rumination in anger, the tendency to focus on thoughts related to emotional state during an episode of anger. In general, if anger is viewed as an emotion, rumination in anger can be defined as "thinking about this emotion" (Sukhodolsky, Golub and Cromwell, 2000).

### **Purpose of the research**

The purpose of this study is to analyze the effects that underlie aggression, such as anger, hostility, verbal aggression, indirect aggression, non-consistent anxiety and depression on adolescents aged 16-18 years. To find out if variables or subscales of aggression contribute to the development of adolescent violence.

### **Research question**

1) Will students with high aggression, i.e. verbal aggression, anger, hostility, indirect and inconsistent aggression, exhibit high levels of anxiety and depression?

Research hypothesis:

H01. The subscales of aggression such as verbal aggression, hostility, anger, indirect and inconsistent aggression have a negative impact on the increase of anxiety / depression among young people aged 16-18 in the secondary high schools of Prizren municipality.

### **Research methodology**

The research methodology belongs to the quantitative type. This study was conducted with adolescents or students aged 16-18 years. The case study was taken from the Luciano Motroni High School in Prizren municipality. The number of participants is 150 students, 50 students for each class, 50 students from grade 10 or 16 years old, 50 students from grade 11 or 17 years old and 50 students from grade 11 or 18 years old.

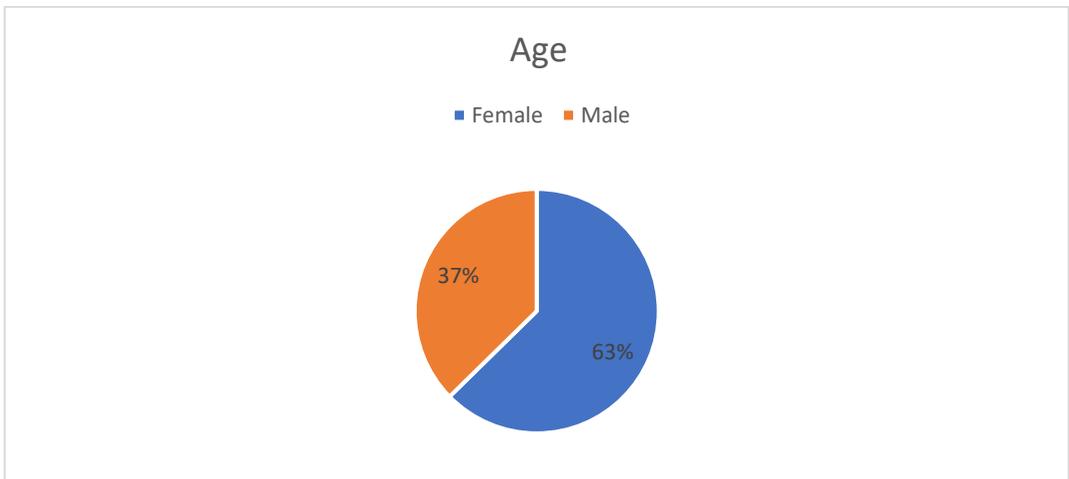
A standardized questionnaire (BPAQ, 1992) was used to conduct the research, consisting of demographic data including gender, class, school success, and parent qualification. The Likert (1 not at all like me .. 5 completely like me) and the third part included questions about anxiety and depression categorized according to the Likert scale (1 never .... 5 all the time). The analyzes were performed through IBM SPSS (version 25), whereas correlation analysis according to spearman was used to validate the research hypothesis.

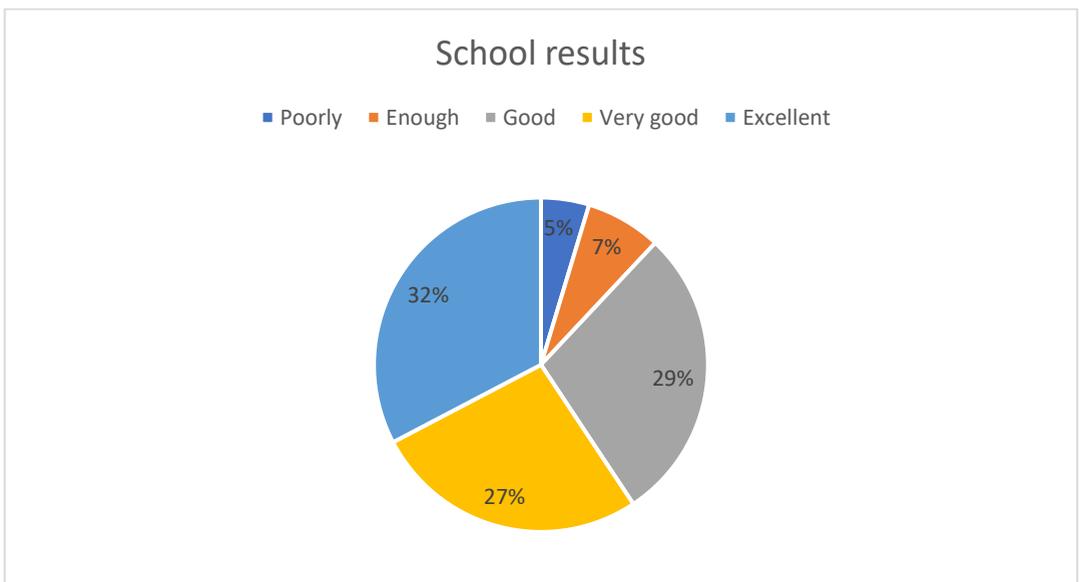
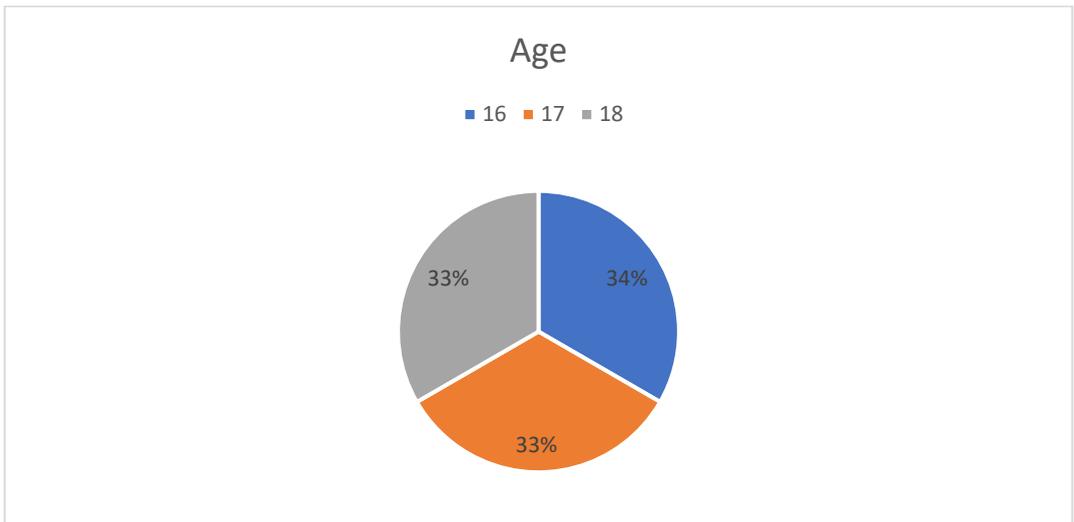
### **Empirical results of the analysis**

#### **Descriptive analysis**

The results show that a total of 150 students aged 16-18 participated in the research, while in all three categories there are 50 students. In terms of their school success we see that 4.7% have poor success, 7.3% have sufficient success, 28.7% have good success, 26.7% have very good success and 32.7% have excellent success.

Gender	N	%
Female	94	62.7%
Male	56	37.3%
Age	N	%
16 years old	50	33.3%
17 years old	50	33.3%
18 years old	50	33.3%
Success	N	%
Poorly	7	4.7%
Sufficient	11	7.3%
Good	43	28.7%
Very good	40	26.7%
Excellent	49	32.7%





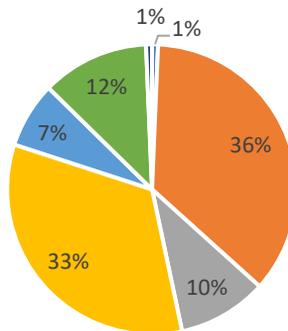
Regarding the education of parents we see that the education of the father is higher than that of the mother in terms of higher education, while the economic level of the family shows that the vast majority of the families have a very similar economic level.

The Education of Mother	N	%
Has not finished elementary school	1	0.7%
Has finished primary school	54	36.0%
Has not finished high school	15	10.0%

Graduated from high school	50	33.3%
Started studies but did not finish	11	7.3%
Graduated from university	18	12.0%
The parent is not alive	1	0.7%
The Education of Father	N	%
Has not finished elementary school	1	0.7
Has finished primary school	16	10.7
Has not finished high school	9	6.0
Graduated from high school	66	44.0
Started studies but did not finish	18	12.0
Graduated from university	40	26.7
Family Economic Status	N	%
Has an income like most other families	108	72.0%
There is a little more income than other families	35	23.3%
There is a lot more income than most other families	7	4.7%

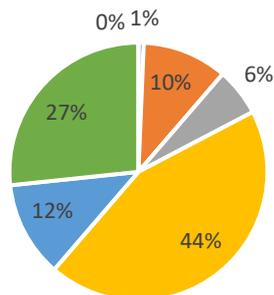
### Mother education

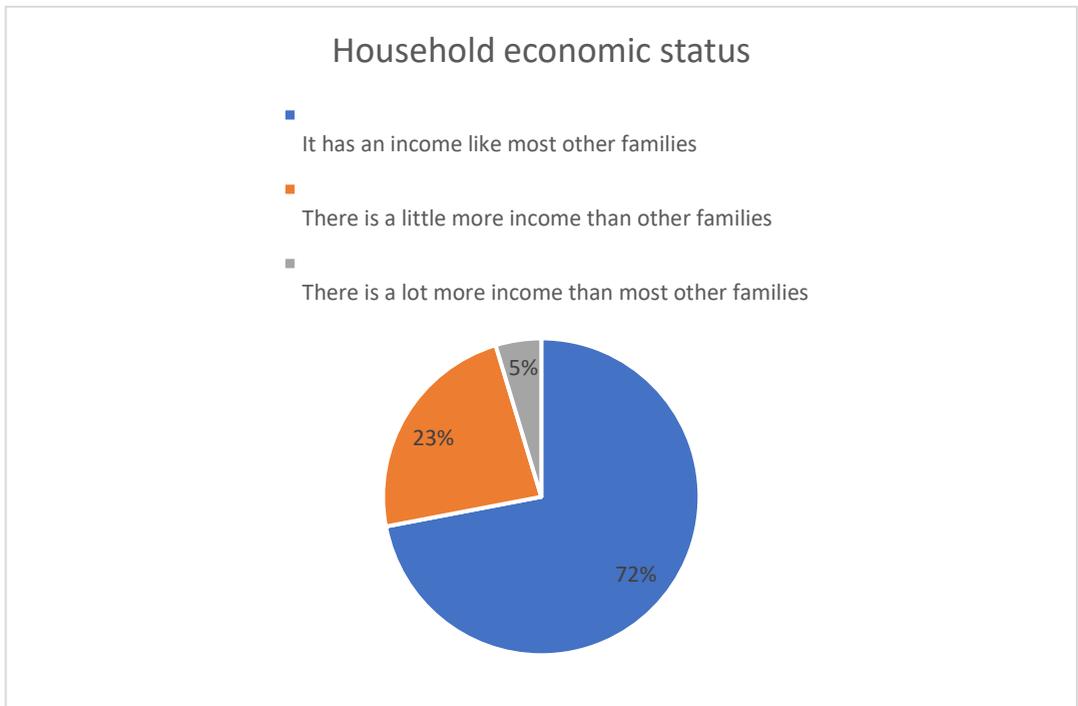
- Has not finished elementary school
- Has not finished high school
- She started his studies but did not finish
- The parent is not alive
- She has finished primary school
- Graduated from high school
- Graduated from university



### Father education

- Has not finished elementary school
- Has not finished high school
- He started his studies but did not finish
- The parent is not alive
- He has finished primary school
- Graduated from high school
- Graduated from university





Confirmation of the hypothesis

#### Hypothesis 1

*Aggression subscales such as verbal aggression, hostility, and anger have an impact on increasing anxiety / depression in young people aged 15-18.*

The results show that a statistically significant correlation was found between the degrees of aggression and anxiety and depression, which confirms that these aggression phenomena are very influential in the lives of adolescents.

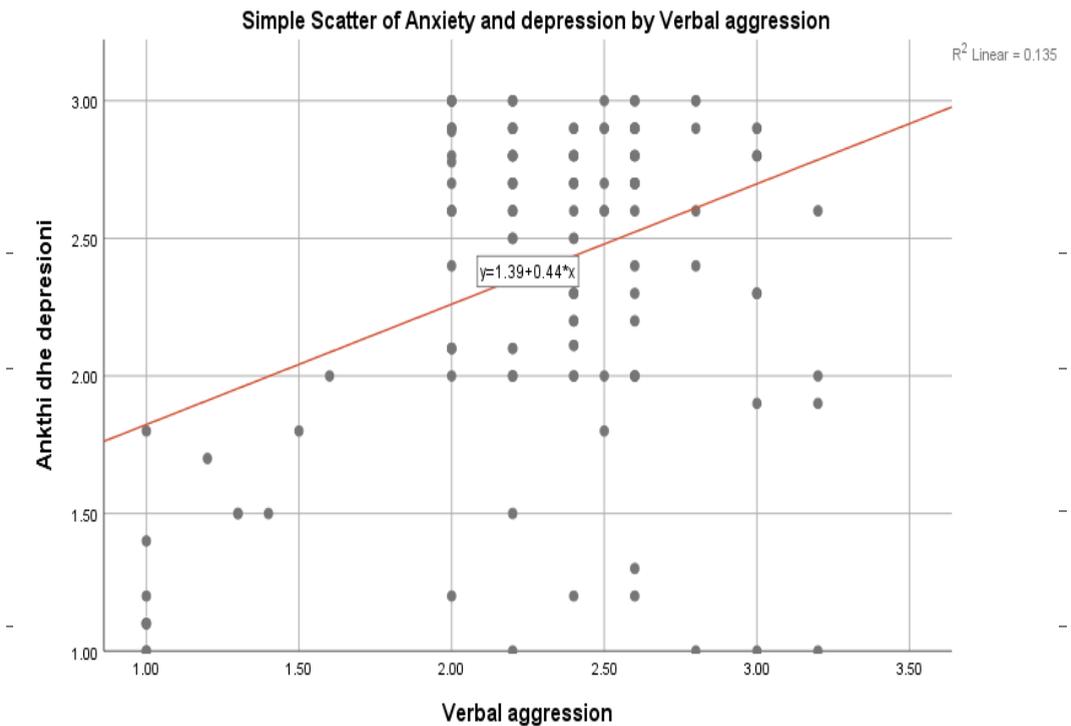
\*\* . Correlation is significant at the 0.01 level (2-tailed).

\* . Correlation is significant at the 0.05 level (2-tailed).

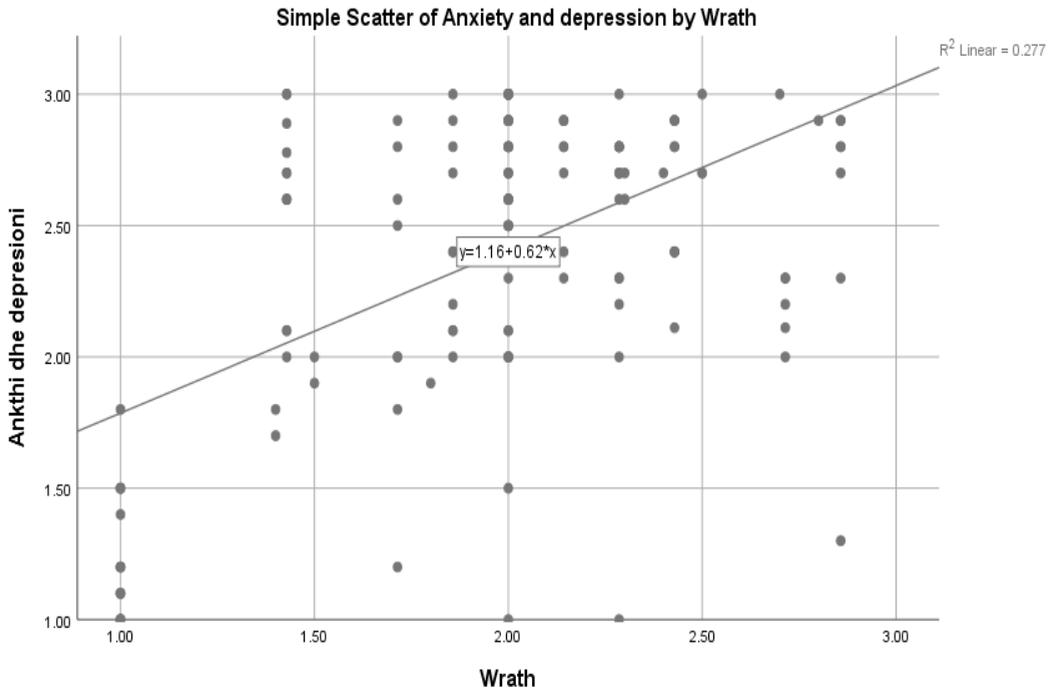
Exactly we find that verbal aggression has a high positive correlation ( $\rho = .165$  \*\*,  $p$  value = .044) which is significant at 5% confidence level, so verbal aggression as a subscale of aggression has a significant significant effect that it affects the increase in anxiety and depression in young people aged 16-18. Anger as a subscale of aggression has a high positive correlation ( $\rho = .386$  \*\*,  $p$  value = .000) which is significant at 1% confidence level, so we can say that anger negatively affects anxiety and depression. Hostility also has a positive correlation ( $\rho = .176$  \*,  $p$  value = .033) which is significant at 5% confidence level and we say that the higher the hostility among adolescents aged 16-18 years, high will be their anxiety and depression. The inconsistent response also has a positive correlation ( $\rho = .170$  \*,  $p$  value = .037) which is significant at 5% confidence level and we say that the more such an

inconsistent response the more will have anxiety and depression. Finally we have the indirect aggression that presents a positive correlation ( $\rho = .261^{**}$ ,  $p$  value = .001) which is significant at 1% confidence level.

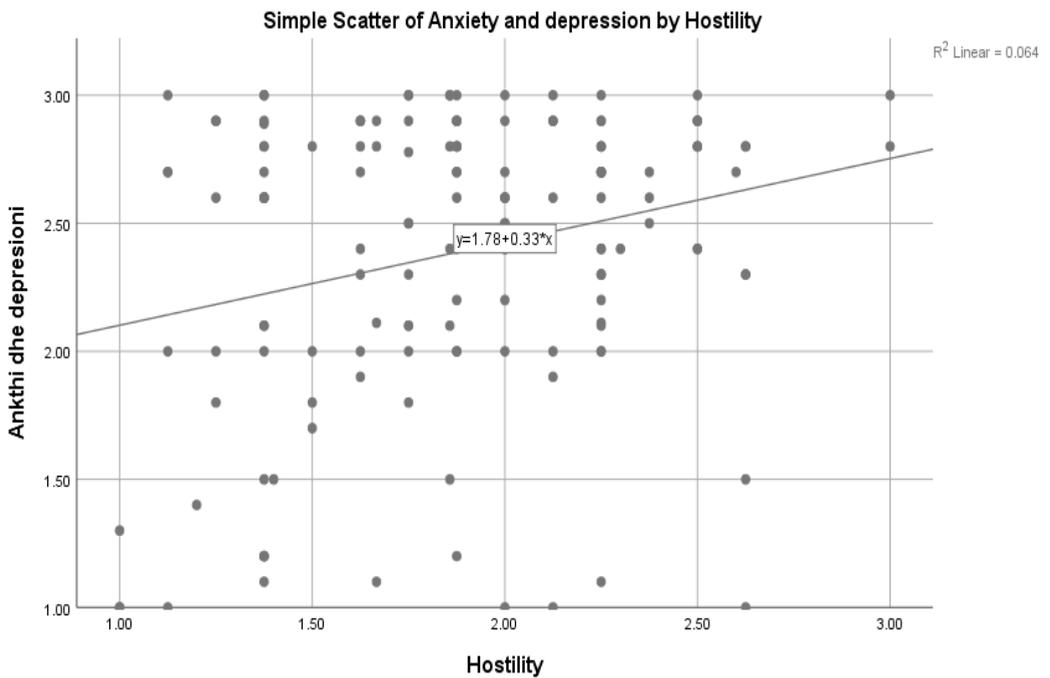
So, subscales of aggression such as verbal aggression, hostility, anger, non-consistent response, and indirect aggression, have an impact on increasing anxiety / depression in young people aged 16-18.



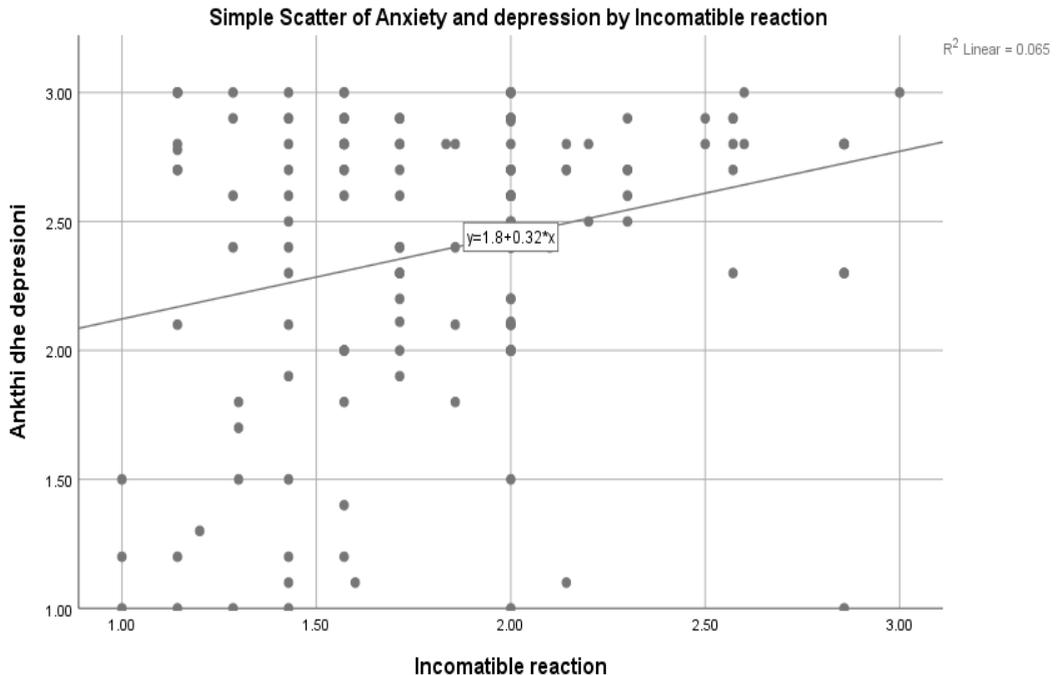
Correlation between verbal aggression, anxiety and depression



The correlation between anger, anxiety and depression



The correlation between hostility, anxiety and depression



Correlation between inconsistent response anxiety and depression

### Conclusions and recommendations

The results show that the study included a total of 150 students aged 16-18, with a low level of school success, a high father's appearance and low maternal education, and a relatively positive economic level. Correlation analysis has shown that aggression subscales such as verbal aggression, hostility, anger, non-consistent response, and indirect aggression have an impact on the increase of anxiety / depression in young people aged 16-18 years. Another research conducted by Sherrill et.al., (2016), individuals who were singled out as having high aggressive traits exhibited increased aggressive behaviors, in situations where there were provocations.

What it can recommend for the future is that research should be expanded to a wider territory in Kosovo, to include different ages of students / adolescents, and that every school should have a school psychologist who will help high school students to be consulted about their problems and to be able to anticipate problems. This would be very important as we see that undercurrents of aggression are very dangerous factors that affect students' anxiety and depression, and this is presented with a poor level, not a good level of school education.

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## The Principle of Democracy in Albania, from the Basic Acts of the State in Its Implementation

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### Abstract

The principle of democracy is seen as the basic pillar of the construction and function of a state. Of course, for the implementation of this principle, different ideologies have been developed, often in contradiction with each other. Ideologies which undoubtedly saw in the principle of democracy the birth and functioning of a state and as a consequence of a governing model which was to be based precisely on the sovereignty of the people and the full expression of its will. In Albania after the end of the Second World War we have the birth of a form of government which was based on the organization of the state according to communist theory. The communist ideology, which developed after the division of the world into two camps, which were the result of the Second World War meant to bring to Albania the realization of the principle of democracy. With the consolidation of the power of the communist party which resulted in the creation of the party-state, the principle of democracy consisted in its expression more as a slogan than as an objective for the development and functioning of society and the functioning of power as the genuine will of the people. Consequently, after the fall of the Berlin Wall, as in all former communist countries and in Albania, what the people demanded was the establishment of a state where the principle of democracy was the foundation of its government. Not in vain after the acceptance of political pluralism by the now completed monopoly of the party-state, the establishment of a system based on the principle of democracy was required. However, the creation of political pluralism after the change of the system does not seem to have brought a realization of the principle of democracy as a basis for the functioning of a democratic state as required by Albanian society. It can even be said that the principle of democracy remains an endless challenge for the entire political spectrum in Albania, although this principle always needs to be consolidated. Through this paper it is sought to analyze how the principle of democracy is required to be adopted by all leaders of any kind of government even though in itself it will have to belong to the people. This paper aims to highlight how in the case of political pluralism and even more so in the existence of a single party the principle of democracy remains a challenge, although it forms the basis of all fundamental acts of the Albanian State since the end of the Second World War.

**Keywords:** Principle of democracy, state, communism, political pluralism, technology

## Introduction

Addressing and the principle of democracy in Albania and consolidating it in this country is a challenge itself. The principle has been spread and supported both by liberal and non-liberal representatives, however, it has not been a natural process. The paradox even seems to lie in the fact that sometimes the principle of democracy has been spoken of by leaders who have exercised their power in a dictatorial manner.

To analyze the consolidation of the principle of democracy, both representatively and directly, it must be acknowledged that this is a principle which did not have a culmination in its realization, rather it requires a constant consolidation. In studying this principle, one should also keep in mind the fact that the principle itself carries some nuances where regimes that define different forms of government advertise and legitimize their power on its basis.

In this context it can be underlined that even authoritarian regimes, let alone so liberal regimes state and advertise the principle of democracy as the foundation of their government. For this reason, identifying and defining it becomes even more difficult by referring to the meaning of the word itself. In Albania, the principle of democracy has been mentioned since the moment of the declaration of independence by the Ottoman Empire. But sanctioned in the basic charter, this principle is found for the first time in the 1946 statute.

The Albanian Statute of 1946 paved the way for the creation of a government that today is considered dictatorial. In fact the system itself accepted the dictates in its governance, at least formally. The implementation of the basic ideology of this system was based on the dictatorship of the proletariat as in all communist countries which were inspired by what they called the victory of the people. In this respect there seems to be precisely the dilemma of how dictatorial and liberal forms of government are based on the principle of democracy but their end result is markedly different. This fact, as a result makes the analysis of this principle very difficult, not to say impossible.

In 1946, Albania, which had declared independence from the Ottoman Empire, had gone through several stages which had called into question the territorial sovereignty of the state. There was never any talk of popular sovereignty over the political system of government that should represent the people. Thus, shortly after the determination of the status covered by Albania in the Balkan region by the great powers, we have the beginning of the First World War which questioned the territorial sovereignty of the recently independent state. For this reason the enemy of the people or of democracy was identified in the foreigner or invader. So any other form of relationship that could be created between *demos* and *kratos* seemed to be in the spirit of the principle of democracy.

So any governing system seeks to establish the principle of democracy at its foundations but ultimately it is understood that the concept and perception of this principle is not the same. In this sense an expression can be mentioned which calls to the *demos* reminding him how many things are done by *kratos* in their name but it cannot be said at the same time that they are done to them as well.

## **1. The principle of Democracy in Albania and the regime it chose after the end of second World War.**

After the end of the second World War, the governing regime changed in all European countries and in Albania. The alternatives presented to European countries were a choice between capitalism ideology and communist ideology.

In Albania, even because of the dominance of the partisans over the war, the ideology they propagated was communism. What was long propagated politically in Albania was the war won by the partisans, which under the shadow of the communist ideology gathered under itself the popular mass. This was considered an achievement of Albania and was later sanctioned in the Statute of the Republic, where in its article 2 it was determined that the power gained from the war was represented by the popular councils. The latter were the result of the victory of the war against the Nazis and the Fascists.

Since the independence of the Albanian state, various politicians have often said that respect for fundamental rights and freedoms were the basis for the birth of a democratic regime. In Albania, the principle of democracy, at least from a formal point of view, would be seen expressed in a basic charter only in 1946. This would happen only after the end of second World War, thus after a historical context which can be considered as a worldwide revolution.

In the first fundamental act that communist leaders realized after coming to power, the expectations were for the adoption of a democratic card. Thus, Article 1 stated "Albania is People's Republic, where all power comes from the people and belongs to the people." This statute, continuing below the line chosen by many European monarchical regimes, determined that Albania was a Republic, and even specified it with the popular name. For this reason, it is natural to think that the democratic principle of governing this Republic was sanctioned in its founding act.

The choice of this form of government seemed like a guarantee for the principle of democracy on which the Albanian state would function, so its activity would be like a will of the people. To take an example, it can be said that this happened in the Constitution of Italy which entered into force in 1948 which in its article 1 sanctioned that "Italy is a democratic Republic based on work".

In this context, it is worth noting that the French Revolution marked the transition of state forms from the regime of absolute monarchies to the form of the democratic state in Europe (Rotelli, 2005). While the French Revolution can be considered the beginning of the democratic state, the forms of republican government chosen by many countries after second World War seem to have marked another step in this process.

To return to the Statute of the People's Republic of Albania, Article 2<sup>1</sup> must be evidenced, which defines the form of respect for the principle of democracy sanctioned in Article 1, it seems that this is a purely formal principle. This is because the power that was created, precisely by the liberation war that the people themselves had organized against the Nazi and

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<sup>1</sup> Statute of the People's Republic of Albania, 1946, article 2 "In the People's Republic of Albania, the people exercise their power through representative bodies of state power, which are the people's councils, which were born in the national liberation war against fascism and reaction and represent the greatest victory of the main masses of the Albanian people. These bodies are freely elected by the people from the local councils to the People's Assembly.

fascist regime limited the right to choose. Hence, power was by default and the alternative to the sovereign to be represented in government was limited by default.

At this point what is worth mentioning is that the representatives of the people although they could be freely elected through free elections they could not be from that part of the representatives who were considered reactionary within the meaning of Article 2 of the Statute of the People's Republic. These elements were the representatives of the "National Front" and the "Legality". In this context, it can be said that the principle of democracy sanctioned in the Article 1 of the Statute was violated precisely by the conditioning of the will of the people to be represented. This seemed to seriously undermine the ability of the people to choose, which meant that Article 1 of the Statute was in complete contradiction with Article 2 thereof.

The statute of 1946, which was drafted in the spirit of Marxist ideology, can clearly be said to have laid the foundations for the consolidation of communist power, that is mono-party power, which saw in Marxist theory the only alternative to the realization of popular sovereignty, the principle of democracy.

Although it is difficult to reach a clear conclusion on the principle of democratic regime in the above article, we see the embodiment of the classical meaning of democracy as a way of governing where power is defined in the phrase "From people, to people, for people".

This, for Albania would last for a period of almost half a century and after the Constitution of 1950 or even the Constitution of 1976 nothing would change in terms of defining and perceiving the democratic principle of governance. This perception can be defined within a broader concept of democracy in which the party instrument occupies an important place, being a certain notion of the mass party as an integral part of it (Gambilonghi 2017, p. 129).

To analyze the communist concept of democracy it is worth quoting important doctrines, where it can be mentioned that «Kelsen sees in Marxist theory a strong will and determination to eliminate "the principle of majority as the foundation of democracy"; a will that, in his view is the expression of a theoretical-political project based on the use of "revolutionary violence" as means of overcoming " class struggle " rather than a "peaceful solution"» (Lagi 2017, p. 373).

The principle of democracy, which meant that power came from the people and belonged to the people was based on the illusion created by the Statute of the People's Republic of Albania. This must have happened because in the "constitutional experience of communist countries lie two elements of the Stalinist state approach. The first of these is the unification of decision-making policy, according to which all decisions taken in the public sphere must refer to the popular will, the expression of which is the party as its protector and guarantor as well as the real engine of the system it uses the state to build socialist society by preparing the disappearance of the state, used to achieve the goal" (Sbailo 2008, p. 13).

## **2. The principle of democracy after the fall of the communist system in Albania**

For many scholars but also individuals, the principle of democracy finds a genuine embodiment when the people themselves are represented by multiple alternatives. This definition seems correct for the fact that the people, although expressed in the singular, consist of different groups and currents which find reflection in the alternatives to choose from.

In the law “On the main constitutional provisions” that would become the basic legal norm for allowing political pluralism in Albania, the principle of democracy seemed to take on a different definition. In fact, Article 2 of this law stipulated that the Republic of Albania was a legal and democratic state. The same article stated that “Human dignity, rights and freedoms, free development and constitutional order, equality before the law, social justice and social support and pluralism are the basis of this state, which foresees the obligation to respect and protect them”.

Based on the content of Article 2 of the law “On the main constitutional provisions”, it appears that the Albanian Parliament that had adopted this law recognized that the principle of democracy was closely linked to the fundamental human rights and freedoms and political pluralism.

In fact, among the main slogans of the first parties that enabled the creation of political pluralism in Albania after the fall of the communist regime were precisely “freedom and democracy”. So in this logic it can be said that the principle of democracy cannot be implemented without respect for fundamental human rights and freedoms. But at the same time a value for the consolidation of the principle of democracy is precisely the existence of political pluralism, which will translate the different wills of the people.

In this context, however, it is worth noting the important doctrine that has widely spoken of the principle of democracy. If we refer to Norberto Bobbio, he states that “When it is required to know whether there has been a development of democracy in a certain country, it should not be seen whether the number of those who have the right to participate in decisions related to them, but the spaces in which they can exercise this right” (Bobbio 1984, p.16).

Thus, the application of the principle of democracy is not related to the possibility that can be given to the number of individuals but to the weight that they can occupy in the decision-making process. In this logic it can be said that the majority as an alternative more correctly represents the essence of the principle of democracy, but with the spaces that political pluralism can create. On the other hand, what should be emphasized is that «the modern state is born as a representative state, but not democratic, at least in the sense that the tradition of ancient thought attributes the term “democracy”» (Morelli 2015, p. 199).

### **2.1. The 1998 Constitution as a democratic act to consolidate the principle of pluralist democracy**

In 1998 in Albania after a not very short transitional period with the law on the main constitutional provisions was approved by the majority of the Parliament, the Constitution of the Republic of Albania.

In this Constitution, the principle of democracy is mentioned in its preamble and can be said to be the basis of the functioning of the Albanian state. This would be reinforced by the fact that the Albanian Parliament decided to approve it through a popular referendum.

In this way, the Albanian people approved their Constitution which, unlike the law on the main constitutional provisions was much more complete and detailed. These details refer to both the form of government through the separation and balance of powers and the content of the principles and rights it encompassed. In terms of human rights, it must be said that the Constitution made possible their modernization by bringing to a high degree their system similar to the European dimensions (Omari 2004, p. 295).

At this point it should be noted that democracy can gain added value if it includes “political rights, which are attributed to all as capable citizens to act, as a method for forming decision-making bodies, representative of popular sovereignty but also of civil autonomy in the direct forms of exercising civil rights, which are attributed to everyone as citizens capable of acting, as a method to produce negotiating acts such as contracts” (Ferrajoli 2014, p. 142).

The above definition seems to be a substantial difference between the principle of democracy expressed by the communist system in the Republic of Albania from what seems to have started to be implemented the system based on political pluralism. Even after many years of the existence of political pluralism in Albania, the debate seems to be ongoing over the impossibility of realizing the principle of democracy.

One of the problems of political pluralism reflected as a principle of the Constitution today is the electoral process and more specifically the voting process. The latter in any case does not seem to solve the problem of democracy because the form of «vote”, which in today’s representative democracies “is the vote not to decide, but to choose who will decide”, or - in Kelsen’s definition - choice as the “method of selecting leaders”, while in ancient times it was “the power of the *demos*, not, as today, the power of the representatives of the *demos*» (Grosso 2015, p.6).

It should be noted that there is no electoral system that perfectly reflects through elections the sovereignty of the people, and thus the realization of democracy through the choice of alternatives (Tafari-Sina 2020). The problem seems to lie in the fact that alternatives seem more like an option not to choose than an option to choose. This is also related to the dissatisfaction that different political alternatives have created over the years in the Albanian reality. In this way they have created a gap between *demos* and *kratos*, this seems to have made the principle of democracy in Albania remain an impossible challenge.

In Albanian political pluralism, which seems to identify the principle of democracy, where it recognizes the people as sovereign, representative democracy takes on value. In this way the contacts between *demos* and *kratos* are periodically as provided in the Constitution, once in 4 years. These contacts are realized through the electoral process which in Albanian political pluralism has never been considered free. Although it has been constantly asked to evaluate this process as a basis for the realization of the principle of democracy, this has come as a result of the constant demands of the European Union. However, it should be emphasized that democracy is not an organizational formula because if we looked at it in this form we could not recognize any democratic deficit in the European Union itself (Bin 2014, p.4).

The implementation of democracy in Albania is based on the fate of the electoral process which consists in determining the representatives of the people in Parliament. After that, the people do not seem to be involved in the decision-making process in what defines direct democracy. In this way all the decision-making weight is left in the hands of the Parliament, which in a system of political pluralism consists of the majority and the minority. At this point it is worth noting that “The Parliament that Kelsen imagines should give ample space to the minority, generally a majority of voices, because only in this way, in his opinion it will be extremely difficult for the majority to impose on unilaterally its will.” (Lagi 2017, p. 373).

What may hinder the realization of the principle of direct democracy seems to be the consolidated tradition of representative democracy. The latter seems to have made possible the strengthening of the representatives more than the strengthening of the principle of

democracy. It is therefore worth noting that the procedures for expressing political decisions although necessary may not be sufficient as a reference of today's constitutional democracies having the same notion of political democracy to define democracy (Ferrajoli 2012, p. 79).

### **3. Development of technology as an opportunity to implement the democratic principle according to its original meaning**

To preserve and save democracy it is necessary that those who make decisions must do so in defense of democracy itself (Zakaria 2003, p. 17). This becomes even more necessary in the context of technology developments where the possibility of expression of individuals or groups has increased significantly.

With the development of technology it seems that the democratic principle is returning to the meaning it had in its origins. In this way, direct democracy can prevail over representative democracy. The development of technology would make the contact between *demos* and *kratos* much closer and the implementation of the principle of democracy in the sense of the word. In this way, obstacles in the decision-making process would be avoided in cases when the Parliament is not able to reach a certain majority and consequently to implement the principle of democracy.

The principle of democracy enshrined in the Constitution, both indirectly and directly can be implemented with the help of technology. This, especially when some questions arise about the real role of Parliament as a representative of the sovereign.

There is an obvious tendency of today's governments to bypass the involvement of Parliament in the decision-making process. Even when this is not possible from a constitutional point of view, the role of the Parliament seems to be minimized in the formalization of government decision-making. The decision-making process of the Parliament should be legal but above all constitutional, should be based in the Parliamentary debate if we are not facing a crisis for the Parliaments (Pasquino-Pelizzo 2006, p. 15).

In the case of Albania's outright democracy, the role of the government seems to significantly dominate the supremacy provided in the parliament's constitution as the direct representative of the people. The application of technology in the Republic of Albania where the principle of democracy has been propagated in various forms and ways would at least make it possible for this principle to finally materialize.

If it can be said that there are two steps to implementing the principle of democracy, and the first is formalization, there is no question that the second should be its materialization. In this way, after the formalization of the principle of Democracy in all the fundamental acts of the Albanian state, perhaps it is the historical context where it materializes. At least in this way the propaganda of this principle would be undone, which seems to have been more opposed to its realization than it has filled the gap that it has created in the relationship with the people.

Apparently this happened due to the fact of lack of political will to maintain a constant relationship with the representatives. In this way what should have been a choice between alternatives is presented as a single alternative not to choose. This has made a limitation of the principle of democracy which if not directly exercised does not seem to exist.

In any case, it is worth noting that direct democracy cannot replace representative democracy according to the contemporary concept of democratic state, but serve as an integral or complementary element of it (Bilancia 2017, p. 2).

#### 4. Conclusion

In this paper it is pointed out that the principle of democracy can take different definitions. These definitions can be determined mostly by the form chosen for the implementation of this principle in a society. Although the principle of democracy is ancient, it seems that it remains a concept that must be adapted to social change. Being a principle which is based on values, it will have to consolidate them in the process of modernization and adaptation to the requirements of the evolved society.

The paper, paying attention to the concept of democracy, realized a historical treatment of this principle in the Albanian society. The principle of democracy is based on the principle of popular sovereignty and as a result, after the independence of the Albania, its representatives have placed it at the center of their propaganda.

This paper highlights how diametrically opposed ideologies seek to implement the principle of democracy in exercising the power of their representatives over the people. But apparently here also arises the contradiction because this principle would be considered realized when the people exercised governing power even through the representatives elected by them.

Different systems of government in Albania, starting from the communist regime which was based on Marxist theory claimed to give value to the principle of democracy. However, the realization of this principle remains a challenge for the political pluralism that arose after the fall of the communist regime in Albania. To increase the perception of this principle, the dimension of the individual or his rights is indisputably needed, first as an individual and then as a part of society.

From this point of view, although the fundamental acts of the Albanian state that after the end of the second World War in Albania have propagated the implementation of the principle of democracy, it is clear that its true value rests on the Constitution based on political pluralism.

Also, this paper highlights that the principle of democracy in general, but more specifically in Albania can use an opportunity to consolidate thanks to the development of technology. In this way, decision-making would be based more on direct democracy and would make possible the implementation of one of the forms of the principles of democracy. It would certainly be good not to replace representative democracy but to supplement it with the sole purpose of consolidating the principle of democracy.

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## **Internationalization at Home and the Development of the Linguistic Skills of Written Expression and Reading Comprehension in Foreign Language Teaching**

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### **Abstract**

The emergence of COVID19 on the world scene has become a major challenge for the entire society and, in this particular case for the methods used in teaching and learning foreign languages in Higher Education Institutions. Not only teachers but also students have had to suddenly face the need to achieve their linguistic and intercultural academic goals in a totally new environment, characterized by the massive presence of digital and online teaching tools and by a very big lack of motivation in both teachers and students. In this study, we will analyze the relevance of virtual exchange and collaborative learning with foreign students who remain in their home universities and their contribution to improve the skills included in the CEFR. Starting with a case study of foreign language tuition in German and based on qualitative data, we will show the usefulness of internationalization at home as an effective tool for the development not only of linguistic skills, such as the written expression and reading comprehension, but also of the necessary intercultural competence. Furthermore, we will also examine how internationalization at home can be an equally useful tool or teaching practice to foster motivation in foreign language learning and teaching. We will highlight the relevance of teaching practices and resources at a time when teachers and students have had to get used to new teaching practices overnight. Based on the provided data, and due to its pedagogical relevance, we will be ready to conclude that internationalization at home is a practice that has offered an answer to a problem arising after the imposition of the lockdown and consequently should continue to be used at HEIs in the future.

**Keywords:** Applied Linguistics, online teaching and learning, internationalization at home, foreign languages, writing skill

### **Introduction**

#### **Literature Review**

The sudden and unexpected outbreak of the COVID-19 pandemic in the first months of 2020 confronted the whole society with a unique challenge. Thus, all the different lifestyles reflected in the various professional, social and family scenarios, were affected by the spread of the virus and its consequences overnight, and the educational environment was not an

exception. The teaching activity in practically all educational centers and at all levels of education changed from its traditional face-to-face methodology to an entirely distance or online system, for which neither the teachers nor the students had previously been prepared. That new scenario therefore required urgent and necessary implementation of new measures and regulations, especially because we – teachers – continued striving to achieve the same learning objectives that had been initially set at the beginning of the course. None of us wanted to lose a whole academic year.

In that new scenario, which mainly involved adapting to a distance teaching/learning system, many teachers chose methodologies, such as streaming lessons, explaining content to their students by showing them slides to their students through different virtual teaching platforms like Microsoft Teams, teaching a reduced version of the syllabus or simply tutoring and accompanying students' autonomous learning. The teachers' lack of knowledge about the proper use of digital tools, their insecurity when making use of them and the uncertainty associated with the first months of the global health crisis often led to a growing lack of motivation among their students and, in many cases, also among teachers themselves: they became gradually discouraged, demotivated and disinterested with respect to their teaching/learning practices. In this regard, numerous studies on the impact of the confinement linked to COVID-19 on the educational environment (Acosta Jiménez, A. J. (2020), Hartshorn, K. James, McMurry, Benjamin L. (2020) and others) have been carried out in recent months. Most of them have highlighted a growing dropout rate by students, along with an important – and in many cases involuntary or unconscious - lack of involvement and commitment of both groups regarding their tasks, obligations and responsibilities within the university environment.

It is at this point that we must make it clear that, when we talk about the rapid transition to virtual teaching, we are referring neither to the digital transformation of teaching through a deep reflection on the part of the teaching staff nor to a greater technological endowment planned by Higher Education authorities or policies. The sudden outbreak of the pandemic did not give teachers the opportunity to prepare themselves or to activate some teacher training. It forced and urged many teachers to provide an imminent response to all those sudden changes and to try to continue with their teaching activities and practices in a safe manner as quickly as possible. We therefore agree with Hodges et al. (2020) when they affirm that the methodological change derived from the emergence of COVID-19 is not exactly an organic digital transformation of teaching and learning, but rather the implementation of an emergency remote teaching methodology that has attempted to make our lives easier in the historical situation in which we all have been – or are still - immersed. García-Peñalvo and Corell (2020) also state that this urgent and fully unexpected situation has revealed many of the main methodological and competency deficiencies in education, and it has also highlighted the profound current difficulties that we teachers have to face when it comes to the necessary digital transformation of Higher Education institutions.

As regards to teaching and learning foreign languages at the university level, we cannot forget about the eminently practical and communicative character of language learning skills. In this sense, the changes and adjustments required for our teaching activity cannot and should not be exactly the same as those that were being applied in many other disciplines at universities. The active participation of students in their own learning process was considered essential and it was therefore urgent to (re)think new and attractive teaching methodologies

capable of fostering their motivation and involvement in tuition. Thus, neither teachers nor students should conceive technologies as insurmountable barriers or obstacles to learning and to acquiring or developing the different key competencies. The massive incorporation of digital tools in language teaching and learning should rather be understood as an opportunity to break more than ever with the physical barriers of the classroom and to be able to enter new intercultural and multilingual spaces. That adapted teaching reality based on technology offered teachers a new scenario from which we could all benefit. During the COVID-pandemic, the implementation of digital resources and platforms gave us all the opportunity to finally break away from other more traditional teaching methods, to present alternative models of foreign language teaching/learning, and to approach other foreign cultures and get to know them better.

When we talk about (re)thinking foreign language teaching, we teachers must also reflect on how we can maintain the quality levels which were initially set as well as on how we can offer equal opportunities to our students so that they may access those new teaching practices and methodologies and all the various and different materials around it. It is true that nowadays we often take for granted the almost universal access of younger students to technologies and we tend to believe that they all have an adequate mastery of them. Many studies go so far as to speak of “digital natives” when referring to young people and teenagers. However, if we take a closer look at the reality experienced over the last few months and the period of confinement, we can conclude that this is not entirely true. For instance, several studies have shown that not all students have their own electronic devices and they cannot always access synchronous virtual classes; others do not live in houses fitted with internet access or with an adequate signal strength as to be able to follow quality teaching. In other scenarios where the online teaching practices often coexist with the telework of many of the students' relatives, we can see how the personal computer available at home needs to be shared in the family and, consequently, it is not freely available and cannot be used by the student at any time. In the study by Acosta Jiménez (2020), it was observed that 7% of Bachelor students studying degrees related to foreign languages at the Universidad Autónoma Madrid did not have the required devices to follow classes properly. This lack of accessibility to electronic resources by a significant number of students is very worrying indeed, and it may lead to the creation of gaps and

inequalities in the teaching and learning practices and in the adequate and required acquisition of competencies when learning a foreign language.

When we look at the literature published in relation to teaching in Higher Education in times of the COVID-pandemic, we tend to find a clear emphasis on the response that each institution implemented during the period of confinement; even after the lockdown was over, we appreciate that many institutions implemented a model of blended learning. Most of these studies focus on the typology of the technologies that were used in that online teaching model or on how many facilities were modified during the period of confinement. However, we hardly find any significant analysis of the perception that both teachers and students had of the teaching/learning process itself. As discussed above, Canaza-Choque (2020) states that this transformation of traditional teaching methodologies into others more based on digitalization contains other important and significantly positive aspects. For instance, they have forced us as teachers to use new methods in university teaching as opposed to other more traditional methods and to replace - at least partially - models which have become

obsolete. We also agree with him in the conviction that this pandemic and its implications in the transformation of teaching and learning can generate a deep demotivation and inequality of opportunities among students, and this is of course an essential aspect that must be addressed by the various academic and political authorities in all countries.

In this context, and being still immersed in a post-pandemic era, it becomes necessary to carry out an analysis of the so-called internationalization at home as a useful tool for the development of key competences in foreign language students, since this internationalization may offer them real learning contexts where they can use the foreign language that they are learning. It will also help us teachers to maintain the quality standards of our teaching practices and may ensure that students achieve all those key competences set by the CEFR. The review and (re)design of our teaching activity should also consider equal opportunities among students and should try to avoid the segregation or creation of disadvantageous spaces for students. Thus, we believe that the novel use of semi-directed language exchanges in an internationalized environment at home and outside the classroom has meant for many teachers and students the creation of a new learning context that plays an undoubtedly important role in the development of key language skills such as written expression, reading comprehension and intercultural competence.

### **Objectives**

The main objective of this article is to analyse and evaluate the methodological relevance of a semi-directed language exchange used in a language teaching context between native speakers of Spanish and native speakers of German. All students had to practice the different communicative skills in the foreign language while they were immersed in a home-based internationalization environment. Such a practice primarily aimed at improving the linguistic and intercultural competences of learners while they are living with all the constraints and restrictions derived from the COVID-19 crisis and were immersed in blended learning environments.

By semi-directed language exchange, we mean the creation of several tandem conversation groups in which students of different nationalities are integrated together and in which the mother tongue of some students was the target language of others, and vice versa. On this occasion, and due to the mobility restrictions derived from the confinement, we teachers considered appropriate to create an atmosphere of internationalization at home for our students and to join our Spanish students learning German as a foreign language with German students learning Spanish as a foreign language at the UAM and with other German students attending lessons at different German universities. We were therefore able to promote a direct contact and linguistic exchange between native speakers of both languages without making them leave their home university.

With the implementation of the tandem methodology within our teaching practices we aimed to achieve the following specific objectives:

To know how internationalization at home may have an impact or an influence on the achievement of the different linguistic objectives set in each of the language courses taught at university and by the CEFR.

To find out the relevance of the tandem methodology for the acquisition and development of the linguistic skills such as the written expression and the reading comprehension in foreign languages.

To find out whether the tandem methodology used in an internationalization environment at home may be useful and lead to develop and encourage the intercultural competence of learners of German as a second foreign language.

To facilitate the students' self-regulated participation in the exchange forums concerning different topics, and to enhance and promote the use of their own technological resources, in order to ensure their real possibilities of access to the network without having to incur in inequalities or undesirable technological gaps.

### **Methodology and research questions**

With the aim of verifying the relevance and all the achievements reached through this tandem methodology, we designed a qualitative research based on the methodology of a case study from which we were able to obtain relevant qualitative information from the different questionnaires that were carried out by the informants, who were the same foreign language students that have been mentioned above.

The key questions that guided our research were always closely related to the different general and specific objectives that have been described above. That is:

Is internationalization at home beneficial for the development of the different key language skills and for the development of the intercultural competence of language students?

To what extent do native Spanish speakers and native German speakers value the tandem methodology and the regular exchange of written messages positively?

Can the relationship between students from different backgrounds in the same learning forum be useful to all of them? May it help them - in a collaborative way - to progress in their proficiency in the written expression and/or in the reading comprehension? Can we observe that both groups of students, Spanish and German, make progress in terms of language proficiency?

May the tandem methodology help the students to get to know better the foreign culture(s) of their tandem partners? Will they be able to become more interculturally competent?

### **Method - Instrument and context**

The method used for data collection in the research based on the case study method described above was the questionnaire. This instrument was made up of a total of 31 questions that explored aspects such as the demographic characteristics of the informants, their assessment and opinion about the tandem project in general and about the work they did in each of the topics addressed in particular, their motivation to learn and some other aspects linked to acquisition/development of each linguistic competence and of the intercultural competence.

The specific context to which we are referring in this article is linked to our teaching activity as teachers of as a second or third foreign language at a Spanish university. Within that context we managed to implement the tandem methodology between Spanish students of German as a foreign language and German-speaking learners of Spanish as a foreign language.

The whole tandem project took place during the period of blended learning triggered by the COVID-19 crisis, that is between March and May 2020.

The project was shown and explained in detail to our students during the first session of tuition in the Spring semester. At that time, a long and interesting discussion was held between students and teachers. We all tried to select the different topics that the students were going to work on in the tandem project and the various language exchanges to be established with their classmates and tandem partners. According to their language level and their personal likes and preferences, most students agreed that the most important and motivating topics for them were those related to hobbies and leisure, music and series, the experience of studying abroad, the use and development of language in the Internet age and, finally, all the information about festivals and popular traditions in the foreign culture. All the different groups of students had the opportunity to address and work on each of these topics in the forums and to create a whole and relevant chain of linguistic exchanges. The regular and collaborative work of Spanish and German-speaking students with an equal or very similar level of linguistic competence in the foreign language did not only allow the students to get

to know each other and to develop their language skills, but it also led to an interesting and deep analysis and self-awareness of their own and other people's culture and language.

### **Participants**

We must consider two main groups of participants and informants within the tandem project that we present in this article.

On the one hand, we have the group of students who had Spanish as their mothertongue. These were students from different bachelor degrees at the Universidad Autónoma Madrid (Bachelor Degrees such as Translation and Interpreting, English Studies, Modern Languages, Culture and Communication, and Hispanic Studies). All these students were studying German as a second – or even as a third -foreign language. The participants - mostly aged between 19 and 22 - had a foreign language proficiency level of around A2/B1 in the CEFR, and all of them were studying in Madrid on a blended learning basis.

On the other hand, we have the group of students who had German as their mother tongue. Most of these students were in Madrid as incoming students within the Erasmus+ international mobility program, but some of them remained in their home cities in Germany and were only planning to come over to Madrid in a near future. These students were studying different bachelor degrees, such as Law, Psychology or Modern Languages. All of them had in their curriculum the study of Spanish as a foreign language and showed a proficiency level of Spanish of at least B1 in the CEFR.

Finally, and although they were not the object of this study, all the teaching staff from the German department of the Faculty in Madrid participated actively in this project too. They were very active in the supervision of the different exchange forums and they also carried out the preparation on each of the topics on which the tandem project was based on.

### **Data Collection Tool**

The teachers involved in the project worked on a questionnaire elaborated as a data collection tool, and once it was ready, it was made available to all the participants in the project in the

last weeks of regular tuition at university. Then, each informant was required to complete all the questions in the data collection tool anonymously and they were given as much time as they needed to do so.

In addition, and since the questionnaire was conducted through the Google Forms application, all the answers collected were also automatically sent to the teachers' register, which was helpful and saved a lot of time.

### **Data Analysis - Qualitative data**

Considering the answers given by the students in the questionnaire, we can observe that about 60% of the informants say that they really liked and enjoyed their active participation in the tandem language exchange project as a tool linked to an internationalization framework at home (5 points out of 5). 31% of the students rated it 4 out of 5. In other words, the vast majority of the group (91%) was very happy or happy with the project and with the positive effect it had had on their language learning process. With this satisfaction, they do not only refer to the cognitive aspect, but they also explicitly refer to other aspects, such as the affective and the motivational factors.

Regarding the different topics that were addressed by the students during their participation in the tandem project, most students stated that those topics had been useful, in order to be able to work collaboratively with foreign students whom they had never met before. These topics also helped them to increase their knowledge of the target learning culture and to develop their linguistic skills. 70% of the informants rated them as very adequate, whereas 25% of them rated the topics as adequate. Only 5% considered that the selected topics had had neither a positive nor a negative influence on their linguistic or intercultural development during their participation in the tandem project.

When assessing the different topics addressed by the students in their language exchanges, we could also find different degrees of interest in each of them:

Music and culture: 81%.

Getting to know each other: 58%

Festivals and popular traditions: 55%.

Studying abroad: 50%

Learning languages in the Internet age: 39%.

Students' motivation or lack of motivation was also a particularly important issue for us teachers, since most of the students said in the aforementioned questionnaire that they had often felt somehow unprepared and unmotivated when they had to face a new and totally unexpected reality which was affecting their families, social life and academic situation because of the COVID-pandemic.

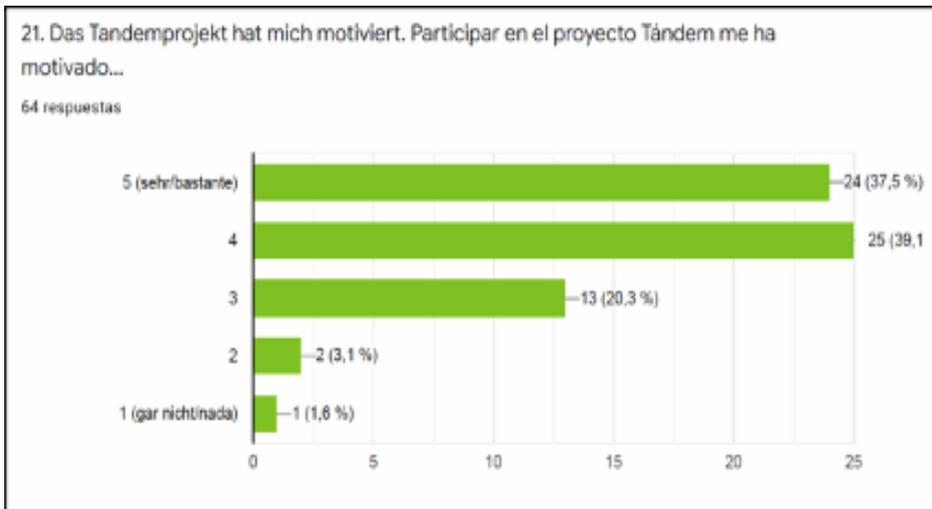


Figure 1

In Figure 1 we see that 77% of the informants felt very encouraged or encouraged to continue with their German courses after their participation in the tandem project. They considered that it had promoted the real communication in the foreign language and that the contact with native speakers through digital tools had helped them to improve their language and cultural skills.

Many of the questions in the questionnaire used for collecting data also revealed a clear trend towards the positive development of language skills. It is true that some skills were not worked on, such as the oral expression and/or the oral comprehension in the foreign language. We failed to assess the development and evolution of the students in those skills. However, in the questions referring to the development of the reading comprehension skills, 64% of the informants stated that their active participation in the tandem project had been helpful or very helpful, as shown in Figure 2.

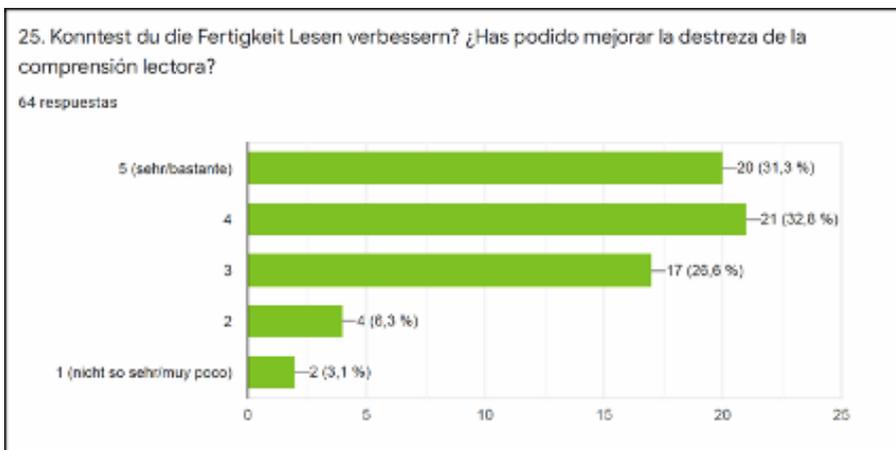


Figure 2

Whereas communication between the native Spanish and German-speaking students was based almost exclusively on the production and comprehension of written texts, these competencies are also very much reinforced in the informants' evaluation (see Figure 3). Thus, 25% of the informants rated their progress in this skill as very positive, and 45% also answered that the tandem experience had helped them a lot. We can therefore observe that 70% of the participants had a positive or a very positive assessment of the tandem as a useful method to improve their language proficiency in the foreign language.



Figure 3

Finally, we would also like to briefly comment the data that refer to the subjective awareness of the participants in the project in relation to their progress in the so-called intercultural competence. 33% of the informants stated that this experience based on the internationalization at home had been totally adequate to deepen their intercultural competence, not only from a cognitive level, but also from an affective and attitudinal perspective. Likewise, 45% of the informants gave 4 points out of 5 to the adequacy of this project in terms of having been able to achieve that objective. The data collected in Figure 4 show that 78% of the students had found the project very useful and convenient to develop their intercultural competence and get to know the foreign culture better.

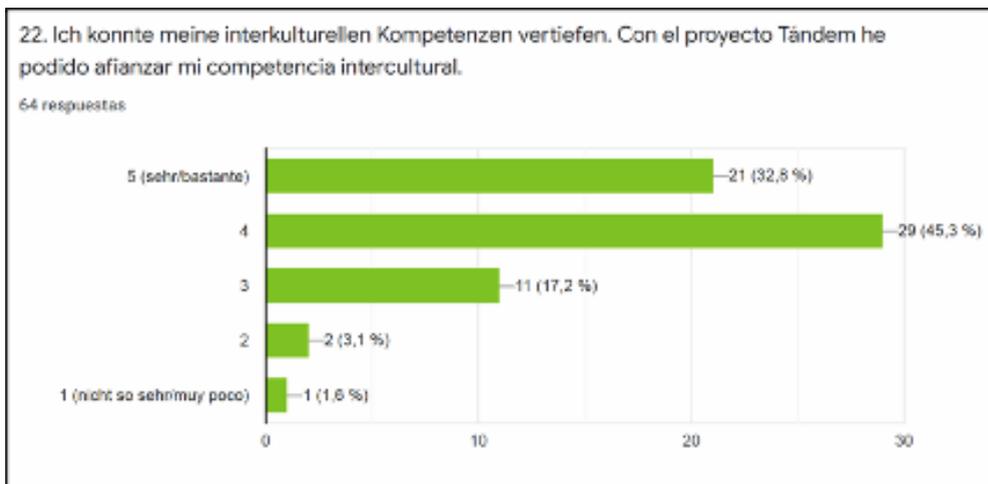


Figure 4

### Evaluation and results

Having analyzed the qualitative data discussed above and referring back to the proposed objectives at the beginning of this article, we can conclude that the project based on the semi-directed language exchange in a home-based internationalization environment has more than fulfilled all the goals that we had originally expected to achieve in this study.

With regard to the first objective, that is the evaluation of internationalization at home as a support for the development of key competencies, we must affirm that the data collected through this study support a very close relationship between the development of linguistic skills and the language and

cultural exchanges between Spanish native speakers learning German and German students learning Spanish, even though some of the latter students remained in their corresponding home universities. There is no doubt that the exchange in an environment involving a total linguistic immersion will always be extremely beneficial. However, in the pandemic scenario in which we are now living, the tandem methodology is proposed as a useful resource of great value for all foreign language learners.

Regarding the development of written comprehension, which was our second specific objective, it has become clear that there is also a close relationship between the use of forums and platforms for real language exchanges and for the development of students' comprehension skills. Their motivation when learning a foreign language significantly grows when they have to deal with authentic texts dealing with topics of interest and when they have to work collaboratively with other students and that is how this key competence may also be reinforced.

The tandem methodology has also been endorsed as a context of exchange in which it is possible to develop the multicultural competence, as we proposed in the third specific objective. It is important to assume here that it is not only a matter of an exchange of knowledge related to the target culture. It is also about developing other competencies that allow for an effective intercultural communication, based on attitudes and on other solid

affective factors that allow the existence of a natural, adequate, real and fluent communication in the foreign language.

Finally, and as we mentioned in the fourth specific objective, active and collaborative digital methodologies have been often implemented in the last few months, since they do not require synchronous meetings in the networks, and that makes it possible for each student to interact in the forums when they have the real possibility to do so. Thus, all students have had the same requirements without experiencing disadvantages or limitations for not having the necessary technological resources. These teaching practices have therefore provided the students with an adequate learning autonomy and equal opportunities.

### **Discussion and limitations of future research**

Leaving aside the necessary mobility restrictions set by the scientific and political authorities in times of COVID-19 pandemic, the implementation of the new teaching models and practices referred to in this article clearly shows that collaborative learning through digital tools among students of different nationalities has a very positive impact on their motivation. It allows them to make a more effective and real use of all the linguistic and intercultural skills that they have acquired and to put their language training into practice in a regular and very active way in real multilingual communicative environments. Thanks to these teaching practices in which they can reinforce, consolidate and apply the grammatical structures and vocabulary that they have acquired not only in the language classroom but also in the web and in the tandem practice with foreign students, language learners appear to feel much more attracted to other languages and cultures and that increases and encourages their desire to participate in internationalization experiences both inside and outside their own country.

Nowadays, when international mobility - so necessary for language learners as a complement to their academic training - seems unthinkable or at least it remains subject to very strict limitations, the implementation of teaching methodologies such as tandem experiences allow for an adequate development not only of the key linguistic competencies such as written expression and reading comprehension, oral expression and comprehension, but also of the essential intercultural competence (Bennet, 1986; Deardorff, 2006). In this sense, the limited physical mobility of students in times of the COVID-29 crisis is thus complemented by innovative teaching practices that favor internationalization at home (Beelen and Jones, 2015; Brandenburg, 2014; Fritz, W. and Möllenberg, A., 2002; Robson S., 2017). Moreover, for many students, for whom participation in a physical mobility program to other countries is limited by different factors such as economic, family, personal, work-related factors, etc., immersion in their foreign language classes in certain intercultural and multilingual spaces and their active participation in collaborative learning activities with students from other cultures, offers them a kind of *alternative* mobility, that is, as a kind of virtual mobility and a certain internationalization within their corresponding home universities.

In summary, the exceptional scenario brought about by the irruption of COVID-19 to the educational environment has highlighted the need to (re)think and implement alternative teaching methodologies in the classroom to the traditional face-to-face teaching. The enormous challenge that

teachers and students have had to face by suddenly having to adapt most of their teaching/learning activities to an online format should therefore be understood not as a handicap, but rather as the opposite; that is, as an opportunity to foster the true internationalization of teaching practices - physical or virtual - favoring the development of all the linguistic and intercultural skills reflected in the CEFR.

The challenge of creating collaborative learning spaces and networks at the various HEIs is now more relevant than ever, and it requires the collaboration of all teachers in the design of new teaching practices, resources and learning and assessment tools, as well as the necessary training of teachers and students in the handling of new technologies.

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## **The Effects of Non-Communication on Individual and Social Life in the Communication Age, which is Caused by Social Distance Problem Based on Technological Social Isolation**

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### **Abstract**

Today, we all live 24/7 online with our computers, tablets and smart phones. We are at the center of communication tools in all environments at home, workplace, hospital, school, etc. and we are always open to communication. While a high level of interaction is expected between people in such an environment, according to most studies, people of our age are far away from establishing a sustainable communication environment with each other. With the development of technology, many problems in interpersonal communication and corporate communication come to the fore, despite the communication tools that have become a life phenomenon that is increasingly common in all areas of life. Here are some of the problems caused by non-communication in the age of communication we are in. 1. Stressful Office Environment and a 2. A Stressful Life. In our daily life equipped with a wide variety of communication tools, it is so easy to reach and communicate with each other, a common non-communication problem arises. Analyzes should be made in order to establish a healthy and sustainable communication environment in terms of both corporate communication and interpersonal communication, the existing communication environments should be evaluated, the deficiencies should be eliminated, if necessary, personal and corporate development should be provided by receiving trainings in this field. Therefore, this presentation will examine the problem of non-communication in the age of communication.

**Keywords:** Non-communication, communication, technological social isolation, age of communication.

### **Introduction**

Today, we all live 24/7 online with our computers, tablets and smart phones. We are at the center of communication tools in all environments at home, workplace, hospital, school, etc. and we are always open to communication. While a high level of interaction is expected between people in such an environment, according to most studies, people of our age are far

away from establishing a sustainable communication environment with each other. With the development of technology, many problems in interpersonal communication and corporate communication come to the fore, despite the communication tools that have become a life phenomenon that is increasingly common in all areas of life. Here are some of the problems caused by non-communication in the age of communication we are in.

### *1. Stressful Office Environment*

The biggest sign of non-communication in the office environment is stress. Poor communication can lead to delays on the to-do list, employees feeling nervous, reduced productivity, and misunderstandings. Good communication between senior management and employees leads to a sense of stability and predictability so that stress levels reach their lowest point. Also, a healthy communication environment to be established between employees increases the commitment and motivation of the employees.

### *2. A Stressful Life*

Communication problems experienced by the individual in his / her business life, social environment or at home can cause mental and physical disorders. The distress and stress that occur in the individual as a result of the communication that cannot be established adversely affect the human metabolism. The miscommunication experienced by the individual can cause unhappiness, depression or a sad mood. This generally affects all areas of a person's life and reduces the quality of life.

In our daily life equipped with a wide variety of communication tools, it is so easy to reach and communicate with each other, a common non-communication problem arises. Analyzes should be made in order to establish a healthy and sustainable communication environment in terms of both corporate communication and interpersonal communication, the existing communication environments should be evaluated, the deficiencies should be eliminated, if necessary, personal and corporate development should be provided by receiving trainings in this field.

Therefore, this presentation will examine the problem of non-communication in the age of communication.

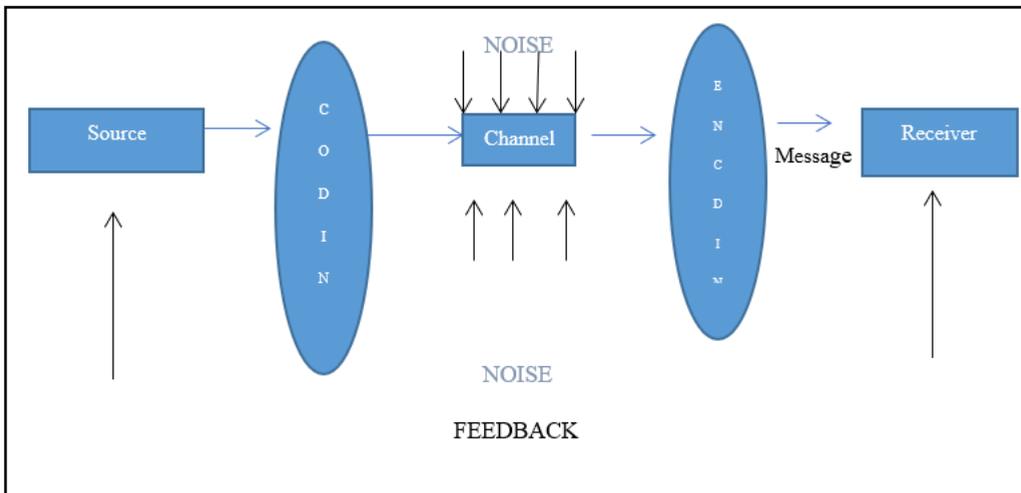
For the concept of communication, we find more than one general and inclusive definitions in multiple areas. The concept of communication is a concept that everyone is aware of, that is known by everyone, but that hard to define clearly. (Yüksel, 2005:2) If we define the concept of communication generally and inclusively; Communication is talking to someone else, telling ourselves, watching TV and reading the news, we can say that it is our mode of dressing and our hairstyle."(Yüksel, 2005:2)

"Although there are hundreds of definition regarding the concept of communication, there is no agreement on the meaning and scope of the concept in question."(Zillioğlu, 2007:10) The origin of the different definition of the concept of communication is in close contact with many disciplines. The main reason for these definitions put forward by different disciplines is that they use the concept of communication in their own fields and this concept is defined in different ways."(Yüksel, 2005:2)

If we consider it as a scientific term, communication in the Dictionary of Social Sciences Terms is defined as "the transfer of emotions, thoughts, information, data and opinions between

individuals". (Turkish Science Terms Dictionary, <http://www.tubaterim.gov.tr/>, Access Date: 01/12/2016) It would be better to examine the origin of the "communication" word before making a detailed definition of communication. Communication is the equivalent of "Communicatio", a Latin word. Communication is to transfer of attitudes, judgments, thoughts and feelings in a community life formed by people who inform each other about changes in objects, events and facts in their environment, to transmit information about them to each other, arising from similar life experiences in the face of the same facts, objects and problems and express them to each other." (Oskay, 2011:9) If we consider the concept of communication in a general framework and define it in a short way, we can define communication as the process of generating, transmitting and explanation of (Dökmen, 2006:19) information.

We can say that all living things, including humans, perform a communication performance using different ways and methods. "Communication may take place directly by using language or words, or without using words; such as using flowers, symbols, body movements, colors, slamming the door and sounding the horn." (Cangöz:3) In order for communication to take place, communication can be maintained without the need for individuals to speak to each other. With the developing technology, we see that individuals from miles away communicate very quickly today using communication tools such as telephone and Internet. Communication continues in a process and as a result of action and reaction. We mentioned that there must be two systems for communication to take place. In this process, if we consider the elements that produce communications, we can briefly sort them as source (Kılıç, 2003:3), receiver and message.



**Figure 1.1.** Communication Process (Gürgen, 2003:29)

There are three basic elements of the communication process. The first one is "source", which is the starter of the communication, second one is "message", which is the verbal, visual and audiovisual concrete productions produced for sharing emotions and thoughts, and the third one is "receiver", which is the person or group that is expected to receive the message or information coming from the source. (Poyraz:24) The sender in the diagram describes the person and or persons who transfers emotion and thought. Here, the sender is the initiator of

communication. The receiver is the person or community that is the subject of the message and receives the sender's message. In a similar way, the message is called emotion, thought or request that is being transferred between the sender and the receiver. The system in which this basic communication takes place and the way the message is sent between the sender and the receiver is called a channel. If there is some kind of encryption in the system, and every natural language consisting of sounds in which two people understand each other and has certain rules, is also called code. (<https://tr.wikipedia.org/wiki/İletişim>, Date of Access: 02/12/2016)

Over time, we can say that many of the subjects that science teaches people directly affect communication. The development of people's ability to live as a society, the changes experienced with this development and sociological innovations also transfer change mainly to the subject of communication. "Communication is a phenomenon that constantly develops and changes, and in turn changes the individual in parallel with the biological development of the individual and the relationships and interactions around the cultural and social environment. Communication is a process that varies and develops according to the relationship between the cultural environment of the individual (both natural and social environment) and in turn changes the person." (Zillioğlu, 2007:94)

Communication issue, which becomes increasingly complex and expands, becomes more understandable with the rise of knowledge and capabilities. It is now easier to say that technology sharing, scientific studies and the changes experienced by the world have a direct impact on communication.

We mentioned that humankind is in communication by his nature, and it is also a communication that religion and God show human as the addressee. We stated that two systems are needed for communication, and even the other system can be an inanimate creation. This communication in which a person is involved has been subjected to different classifications in terms of its nature. In one of the widely used classifications, communication is divided into four main groups." (Dökmen, 2006:21)

### **Intrapersonal Communication**

It is the form of communication that takes place as a result of the individual interpreting and answering the messages he/she has created in himself. (Thinking, feeling, introspection, etc.)

### **Interpersonal Communication**

It is the form of communication created by the source and the target person who communicates mutually. Dökmen has classified this communication when addressing interpersonal communication. (Dökmen, 2006: 21)

### **Organizational Communication**

It is the communication that takes place in accordance with the roles within an organization.

### **Mass Media Communication**

"Mass communication" is the process of producing information and symbols by certain goals, transmitting them to large groups of people and their interpretation by these people." (Dökmen, 2006: 38) (Television, newspaper, radio, website, etc.)

The subject that will be addressed in this research is how Internet and social media, which are one of the mass media tools in the post-pandemic period, have gained importance in our lives, and how they became the source of miscommunication while they should actually have been the source of communication. The main subject of the research is the miscommunication due to social distance, which is the result of the social isolation applied due to the pandemic. The purpose of choosing this topic in this research is to draw attention to this subject, especially on the academic and international platform, and to offer simple solutions.

When the pandemic process began, it became clear that face-to-face education could not be continued due to the pandemic. Due to this development, all educational processes started to be carried out through the Internet, which is one of the mass media. However, as well as it has advantages, this development has disadvantages. The most important of these is the problem of miscommunication in interpersonal relations. This problem and the solutions to this problem are the main subject of this research.

Today we are living in an age of communication with the great developments about transportation and communication tools, it is true. We can reach very long distances faster and in a shorter time than we used to. We can communicate with our distant/close friends in overseas and different continents with one touch, and we can chat with them. However, despite this, the increase in function and speed of the items we use has evenly made stationary the people who use them, because we use them inappropriately and incorrectly, and has isolated us from social life and led us to unhappiness. Therefore, although transportation and communication tools should be a means of reunion, but unfortunately today they have become a means of vanity and show. It has driven individuals away from society instead of better socializing them.

Yes, the possibilities of the age provide great convenience, but unfortunately, the people who use these possibilities today are condemned to individuality and caught in the grip of narcissism, which we call falling in love with oneself or trying to organize and turn the world around oneself. Therefore, despite all the possibilities today, people have been condemned to loneliness in crowds. Buried in the screens of computers, tablets and mobile phones, our generation could not live their childhood properly and touch the soil, animals and plants. As a result, our children have melted down physically and mentally and have not completed their development.

On top of that, many of us are unaware of this negative situation. Virtual friendships are thought to be real and digital chats are considered as a cause for happiness. We think that we can socialize with the "digital sharing" made without suffering trouble, without paying a price, and that we do our duty to our relatives and social environment. We claim to build a happy family and a socialized society, with individuals, each living in a separate corner of the house with their mobile phone in their hands, their tablet on their knee and using their computer. In fact, we think that we will create a caring and sensitive civilization, such as the organs of the body, which is as united and solid as a building with individuals who are in need of attention and love, but who are trying to prove themselves through virtual and artificial activities. But we should know that virtual interactions established by means of communication tools can never provide the real socialization that a person and society need. The society in question, can never reach the recovery it needs, like individuals who are fed with GMO products can never reach the secure food they need.

We are in the age of communication, we can reach each other in the fastest way with new inventions brought by technology every day. In a very short period of time in human history, we both admire the extraordinary developments achieved and we become happy as individuals who benefit from them. Of course, these are the visible positive aspects of the subject!

While one part of us makes our lives easier with all these technological developments, another part of us feels the negative effects that come with them. First of all, we see that our loneliness is increasing every day. In other words, it is only in virtual environments that we reach each other. We can reach the other part of the world at the same time with our sound and image. Unfortunately, we cannot touch the people who are close to us! We cannot even talk to each other... We try to explain ourselves with short phone messages and emotionless words that are suitable for our purpose.

*We think the biggest miscommunication is not being able to talk!*

When the houses turned into apartments, first the distances between the people increased. Then electronic devices came into our lives. We tried to get close by using them; without seeing, without touching, without feeling each other's warmth... We are not talking, we're just sending our messages to each other. So, every passing day we are losing the shoulders we're going to put our heads on and the people we're going to hug when we feel bad. Because of not speaking to each other and not benefiting from the mystery and power of words, people are having troubles in their marriages and friendships, relationships are losing their sincerity and warmth.

*We are moving from the age of communication to the age of miscommunication at full speed!*

Lack of communication; the fact that people cannot be convinced by the dialogues they participate in is due to their failure to receive the message, attitudes and prejudices. While mass communication tools are used extensively today; we clearly see the difference between written language and spoken language. While the gestures and gestures of the person and body language are also included in the communication process in verbal communication; In written communication, only words help us what we want to tell.

In our daily business relationships; In our private lives, we express our reactions to the people around us more behaviorally. Because; People react behaviorally to the people they have relationships with over a certain period of time, and they show that they are broken mostly with expressions of emotion. As adulthood progresses, the person wants to gain more respect, love, attention, appreciation and appreciation. According to this view, which is also included in the hierarchy of needs in psychology; Nowadays, we call people interrupting verbal communication as "trip-tripping". In line with this word, which is not unfamiliar to our ears, the person in front of us leads us to think a little bit about what he wants

In this age where communication technologies are used most intensively; face-to-face interviews are decreasing. "Face to face" situation, which is the primary element of communication, makes it difficult to solve the problems.

As the 21st century society, we have serious problems in personal relationships. In general, we are not very good at solving our social and personal problems. I think that is because we are becoming reactive people. In other words, we think that external conditions or the people around us are the cause of all the problems we face. However, the problems do not arise

without our more or less influence. Here, it is extremely important to adopt a proactive behavioral pattern, not reactive. We have to ask ourselves if we are good enough for self-confidence. I see that young generations have serious problems expressing themselves. Young people are having trouble even while they are greeting each other. Then when I talk to them, they say they are excited. Therefore, some behavioral patterns did not fit. In the age of communication, we are having miscommunication. We have more communication devices than before, but I doubt if we can communicate enough. Communication by using social media and smart phones is virtual communication. Acting without forgetting this is very important to solve the problem of miscommunication.

## Conclusion

Moreover, the problems caused by all miscommunication can be emphasized as follows. Miscommunication brings about two concepts.

- 1- A stressful social environment
- 2- A stressful social life

If we try to solve this problem by looking at Koran, we can safely say that the solution is to implement the following articles.

### 1. Accurate Information.

One of the basic concepts related to communication is the message, which means the content conveyed to the interlocutor. Establishing a healthy communication is closely related to the accuracy of the message conveyed to the interlocutor. It is stated in the Quran that the message transmitted during communication is correct and the accuracy of the message received should be investigated as follows: "O you who believe! If a Fāsiq (liar —evil person) comes to you with any news, verify it, lest you should harm people in ignorance, and afterwards you become regretful for what you have done."(al-Hujurat:49/6)

### 2. Enjoining What is Right and Forbidding What is Wrong.

One of the important elements of communication is the result of communication in terms of the parties and its effect on them when the communication ends. As a result of the communication, if both parties agree that this communication adds a positive value to them, this can be considered as one of the indicators that the communication is taking place in a healthy way. In order for the communication to have positive results for both parties, as stated in the previous article, in addition to the fact that the shared information, feelings and thoughts should be conveyed correctly to the interlocutor, it is also necessary for people to direct each other towards the good and the right and avoid bad and ugly deeds during communication. "You [true believers in Islāmic Monotheism, and real followers of Prophet Muḥammad and his *Sunnah*] are the best of peoples ever raised up for mankind; you enjoin *Al-Ma'rūf* (i.e. Islāmic Monotheism and all that Islām has ordained) and forbid *Al-Munkar* (polytheism, disbelief and all that Islām has forbidden), and you believe in Allāh(1). And had the people of the Scripture (Jews and Christians) believed, it would have been better for them; among them are some who have faith, but most of

them are *Al-Fāsiqūn* (disobedient to Allāh and rebellious against Allāh's Command).( Āli-'Imrān: 3/110)

### **3. Urging Each Other to the Truth and Perseverance.**

Another principle of communication in the Quran is that people advise each other about the right and patience during communication. This issue is, "I swear by the time / time that people are in a great loss / disappointment. However, those who believe and do good deeds / righteous deeds and advise each other the right and patience are excluded / will not be harmed, wasted and disappointed." It is stated in the surah 'Asr, which means (al-Asr:103/1-3) and it is stated that those who do not fulfill the requirements of the four articles in this surah are in frustration.

### **4. Being Soft on Each Other**

One of the basic elements for people to establish a healthy and qualified communication with each other is that the parties are respectful and kind to each other. This issue is also mentioned in the Quran. Addressing the Prophet, "Then you treated them softly with a mercy from Allah! If you were mean, hard-hearted, they would have scattered around without a doubt." In the verse (Âl-i Imran 3/159), The success of the Prophet in his duty of conveying Allah's verses and orders is attributed to his gentleness on the people around him as a mercy of Allah while fulfilling this duty.

### **5. Speaking Effectively**

"They are those whom God knows what is in their hearts; ignore them, give advice to themselves and tell them powerful words about themselves." In the verse (an-Nisa: 4/63), the Quran emphasizes the importance of saying effective words to the interlocutors during communication. This verse, which states the method that the Prophet should use while declaring his duty of notification, is remarkable in terms of showing the critical role of courtesy, respect for the interlocutor, gentle behavior and effective / eloquent words in effective communication. Rude and lack of courtesy attitudes that humiliate, humiliate and offend the mu-bugb are the biggest obstacles to establishing a healthy communication.

### **6. Using Verbal and Face-to-Face Communication as Much as Possible**

### **7. Listening**

One of the most important elements of communication is listening. It is not possible to talk about communication in an environment where the parties try to deliver messages to each other at the same time. In order to ensure communication, one party (source) must transmit the message while the other party (receiver) listen to it. Listening is different from hearing and requires special concentration and refusal. The main determinant of the quality of communication between people is the mutual listening skills of the parties.

### **8. Speaking in a Low Voice/Using Tone of Voice in a Balanced Way**

The means of speaking is sound. When a person wants to convey his feelings and thoughts verbally to the interlocutor, he has to use the sound. The importance of sound in terms of communication is that it should be used at a level that does not disturb the interlocutor and the intensity of the voice should not preclude the content of the message. "Be natural in your walk," one of the verses stating the advice that Lokman gave to his son. Lower your voice. Because the ugliest of the voices is undoubtedly the voice of the donkeys!" The verse (Lokman:31/19) indicates that the tone of voice should be measured and balanced while speaking.

## 9. Using Polite and Gentle Language

"Your Lord has firmly commanded you to worship only Him and to treat your parents well. If one or both of them grow old next to you, don't even say 'oh!' To them; don't scold them; Say nice words to both of them. " The verse (Isra:17/23) indicates the necessity of not saying words that hurt and hurt the parents in communication. This rule should not be reserved only for communication with parents. Because if you want to have a correct and effective communication with anyone, regardless of who they are, using polite and gentle language is the first step. Especially in expressions that initiate communication, using this style is also important for the next course of communication. Of course, the response to a promise that begins with impolite and rude expressions will not be the same as a response to a gentle address.

## 10. Speaking Nice and Soft

"If you turn away from them to ask for the mercy of your Lord, then speak to them a gentle word." (Isra: 17/28), "Tell my servants to speak and discuss in the best way possible. Because the devil spoils them. Because the devil is the obvious enemy of man. " (Isrâ: 17/53) and "... Say soft words to him. Maybe he would take advice or be afraid. " The verses (Ta-Hâ:20/44) state that speaking should be done in a nice way and with soft words. In these verses, beauty and softness are related to the way it is said rather than the word itself.

## 11. Speaking Meaningful and Not Speaking Unnecessarily

## 12. Not Talking About Issues That You Do Not Have Knowledge About

## 13. Speaking Fairly. (Denizer, 2019: 287-300)

According to us; if we mention in a short way; things to do for a healthy communication are these. We need to be face the face with the other person. The words to be used in the written language should be quite plain and daily, so that the message should reach the target source correctly. In order to strengthen our communication with the other person, we have to give our attitudes and messages with moderate difficulty. Rather than purely positive / negative messages; We must use judgments that can prompt the target person to think critically. Instead of saying "I can't look at this issue like you" Expressions as will be more accurate. Love, interest, tolerance, in short, all the positive emotions our soul desires come to us through communication. If we do not miss a few basic points in order to facilitate communication and to reveal our wishes; Our communications will be extremely strong and positive. We would like to finish this study with the hope of a world where we can communicate better and more effectively.

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## International Cooperation Combating Financial Proceeds of Crime

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### Abstract

The flow of illicit capital, into the financial circles of various states, is a serious threat to global security. To this end, an important part of the strategy to combat criminal proceeds is the coordination of work between states. Expanding investigative capacity across national borders is seen as an important factor in the success of the fight against crime. The exchange of information, between law enforcement agencies in different states, is one of the most effective policies for financial investigations aimed at tracking the proceeds of crime. This case, should be appreciated in two aspects. On the one hand, it is necessary to adopt direct and at the same time joint interventions, to detect and monitor the movement of money or capital outside their borders. On the other hand, the conditions must be provided for an appropriate use of information and without hindering the movement of legal capital. The necessity of a common criminal policy, to deprive criminals of the proceeds of crime and the instruments for their commission, is clearly emphasized by international acts in this field. They encourage the widest possible cooperation between states for the purpose of investigating and prosecuting criminal assets.

**Keywords:** Illicit income, Proceed of crime, Cooperation, Convention, Legal instruments, International organizations

### Introduction

The biggest challenge in the fight against income from illegal activity is presented in international level. The fact that proceeds of crime are transferred between different states, in order to conceal their origin, is already known. In this regard, the differences between the domestic legislation of the states, in relation to the systems they use against illegal income, is used in their favour. In general, the latter move to countries where financial transparency is weaker. They are distributed in such a way, in order to make it difficult to track their flow, identification, location, ownership, etc. "Thus, prosecutions and seizures of proceeds of crime become more difficult, especially in cases involving foreign persons, banks and countries" (Poda ,2007). Consequently, the search for criminal property implies the jurisdiction of some states.

Factors, such as the globalization of the economy and the market, the fall of barriers to the movement of persons, capital, goods between states, etc., have favored the development of criminal phenomena, such as organized crime. The new technological system, regarding the means of payment, has been used by them in money laundering. In this way, large sums of money are transferred to other countries electronically. Illegal capital moves to several financial institutions of different states, before being legally invested. Also, from a structural

point of view, money laundering, in its second phase, may involve several states. Specifically, it is about transporting funds from one country to another, so that they are returned to the country of origin under the guise of legal income (Poda,2007).

It is a well-known fact that various money laundering practices affect the economic and financial market, thus reinforcing the presence of organized crime. Moreover, the concern that arises, due to the link between various traffickers and terrorist organizations, is current. This connection leads to joint activities, to the transfer of funds between them for the respective purposes. The means by which terrorists transfer funds around the world, including why not non-profit organizations, are the ones that should be in the spotlight of the authorities. "The more the investigation goes into these activities, the more international connections come to light, of any level, the interests of certain groups, compromises of different environments" (Poda,2007).

The flow of illicit capital, into the financial circles of various states, is a serious threat to global security. To this end, an important part of the strategy to combat criminal proceeds is the coordination of work between states. Expanding investigative capacity across national borders is seen as an important factor in the success of the fight against crime. The exchange of information, between law enforcement agencies in different states, is identified as one of the most effective policies for financial investigations aimed at tracking the proceeds of crime. In this case, care must be taken in two aspects. On the one hand, it is necessary to adopt direct and at the same time joint interventions, to detect and monitor the movement of money or capital outside their borders. On the other hand, the conditions must be provided for an appropriate use of information and without hindering the movement of legal capital.

International co-operation should enable investigative assistance in identifying and tracking property, securing documents for the implementation of provisional measures and confiscation, based on the factual requests of a foreign state, with the same priority as in internal procedures" (Explanatory Report, Convention on Laundering, Search, Seizure and Confiscation of the Proceeds of Crime, Council of Europe, <http://convention.coe.int>.)

The necessity of a common criminal policy, to deprive criminals of the proceeds of crime and the instruments for their commission, is clearly emphasized by international acts in this field. They encourage the widest possible cooperation between states for the purpose of investigating and prosecuting the confiscation of criminal assets (Article 15/1 of the Convention "On the Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism).

## **1. International Cooperation instruments**

Due to the dangers that such phenomena imply, when it is extended beyond the borders of a state, there have been significant initiatives at the international level. They emphasize the necessity of cooperation in three main directions:

- in providing information,
- in freezing accounts, seizing and confiscating assets,
- in handing over criminals to the respective states.

Before addressing specific aspects of cooperation, it is necessary to define the normative framework, which regulates jurisdictional relations with foreign authorities in this field.

"These relations are regulated by international agreements, accepted by the Albanian state, by the general accepted principles and norms of international law, as well as the provisions of Title X of the Code of Criminal Procedure." In the absence of agreements regulating these relations, they will be regulated by criminal procedural provisions.

Turning to the initiatives of the international community in the search for criminal property, it is worth mentioning the fact that they have had an important role for significant changes in domestic legislation. In addition to conventions such as "On extradition", "On mutual legal assistance in the criminal field", "On the transfer of proceedings in criminal matters", the framework of recent international agreements has been focused on the field of prosecution of illegal assets.

The first convention to provide for the confiscation of the proceeds of crime and the incrimination of money laundering was the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances. It was adopted in Vienna in 1988 and is otherwise known as the Vienna Convention.

The United Nations Convention against Corruption and the Convention against Transnational Organized Crime and its two additional protocols, also go in the same direction. The last two protocols of the Convention refer to the fight against migrant trafficking by land, air and sea and the prevention and punishment of trafficking persons, especially women and children.

As it can be seen, a characteristic of the first international acts is that they extend cooperation in the confiscation of the proceeds of certain criminal offenses. However, the situation changed quickly. In 1990 the international money laundering struggle was supplemented by the Strasbourg Agreement "On Laundering, Screening, Capturing and Confiscating the Proceeds of Crime". Within the main purpose of its adoption, which is the fight against money laundering, it also emphasizes cooperation in the search, seizure and confiscation of proceeds of crime. "This convention marks a fundamental development in the fight against money laundering, fixing a series of rules that highlight the need to prosecute the proceeds of crime and facilitate judicial and administrative cooperation between states" (Pollari, Cioppo, 2006)

It allows to be attacked with temporary measures, the benefits deriving from any kind of crime, regardless of whether or not the state has criminal jurisdiction over the underlying crime. The fight against money laundering, at the international level, finds significant support and evolution, above all in the Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism. Internationally, it is known as the Warsaw Convention. This marks one of the latest developments in the fight against money laundering. The Convention comes as a completion of the above mentioned agreement. It has added some predictions in light of the new demands nowadays, induced by international criminal developments in relation to terrorism.

These two Conventions are important because they have a wider range in the fight against proceeds of crime. In any case, they are seen as related and cannot be interpreted in contradiction with other international instruments, dealing with the same issues. For example, none of their provisions can be interpreted as restricting the rights provided in the European Convention on Human Rights and its protocols. The following are some of the key aspects of the obligations they impose.

## 1.2 Characteristics of international instruments

International acts, in the pursuit of illicit wealth, are focused on two main directions.

First, they require the criminalization of actions aimed at concealing the origin of money from illegal activity, e.g. narcotics trafficking, corruption, organized crime, etc.

Second, they appreciate the importance of mutual legal assistance in investigating and confiscating the proceeds of crime.

In the context of money laundering, the agreements also require the criminalization of providing assistance, to any person involved in such crimes, in order to escape criminal liability for his or her conduct. At the same time, they consider the importance of the liability of the legal person. This liability does not necessarily have to be criminal. It is enough for the measures to be effective and proportionate. The pursuit of criminal proceeds does not take into account the fact whether or not the main criminal offense is within the jurisdiction of the party. They also stipulate the obligation that, such crimes should be included in the domestic law of States, in those crimes for which extradition is permitted.

The conventions emphasize the obligation of mutual legal assistance in investigation, in order to gather evidence. The request can be addressed to a party to obtain evidence, legal acts, without invoking the principle of banking secrecy or claiming the fiscal character of the criminal offense. It is especially important to obtain banking, financial or commercial files or to use special investigative techniques, e.g. seizure of telecommunications, access to information systems, surveillance of bank accounts, etc. These investigative steps are taken in order to identify assets subject to confiscation, as well as to take provisional measures on them, such as freezing / blocking and sequestration.

Almost every one of them, encourages states to apply reversal of the burden of proof. This means that states, in accordance with their domestic law, should consider the possibility of requiring the subjects to demonstrate the origin of the presumed illicit products or of the property, subject to confiscation. This provision can not be interpreted as an obligation to return the burden of proof, in a criminal process in finding the guilty person.

It is understood that cooperation in the field of search and confiscation of the proceeds of crime, requires the adaption of the legal framework of states between them. This does not mean the unification of the legislations of different states, but the fact that the necessary legislative and operational measures must be taken in order to respond to the requests of other parties.

## 2. International organizations operating in this field

The complexity of the phenomenon of money laundering and the consequent necessity of adopting a strategy at the national level, has imposed the creation of various organizations, in addition to the ratification of conventions in this field. Also, projects have been designed to assist in various areas to fight crime proceeds. Such have been PACO funded by the Council of Europe, CARPO, etc. In this part, will be mentioned those organizations, whose recommendations Albania follows.

FATF was established in 1989. It is an organization that assists states in carrying out legislative reforms, in the area of money laundering ([http://www.oecd.org/document/9/0,3343,en\\_32250379](http://www.oecd.org/document/9/0,3343,en_32250379)). Its purpose is to study the

relationship between crime and finance and propose solutions. It works on the basis of recommendations and sets standards internationally. Its task is to observe the phenomenon and verify whether the measures taken or proposed, are current Its recommendations can be divided into four groups (Methodology for Assessing Compliance with the FATF 40 Recommendations and with the FATF 9 Special Recommendations. <http://www.fatf-gafi/document/9/0,399078>):

- 1) general inclusion of the matter, inclusion of the criminal offense of money laundering in the domestic legal system,
- 2) legislative initiatives to combat this criminal phenomenon,
- 3) institutional measures to stop the pollution of the financial system from money laundering and terrorist financing,
- 4) strengthening international cooperation in this field.

Along with anti-money laundering measures, the global fight against terrorism and its financing, is a priority policy, for many countries. FATF focused on new threats from terrorist financing in the international system, issued specific recommendations, as the international standard on the fight against terrorist financing. It should be remembered that the FATF has compiled a "black list" of countries that do not cooperate in these areas. This list has regressed over time.

From the control of the effectiveness of the recommendations it has been verified that, almost every state has included the figure of money laundering crime. FATF has also highlighted the importance of each state building a financial intelligence center, to adopt a system for analyzing suspicious operations and recording them, over a certain amount. It has developed the methodology for the joint evaluation process, which is also used by MONEYVAL. It is especially worth noting, for the purpose of this topic, recommendation no. 3. It provides measures to confiscate the proceeds of crime and encourages countries to consider them, without requiring a criminal conviction or requiring subjects/persons to demonstrate the legal origin of the property subject to confiscation.

MONEYVAL is the Select Committee of Experts of the Council of Europe ([http://www.oecd.org/document/46/0,3343,en\\_32250379](http://www.oecd.org/document/46/0,3343,en_32250379)). It was set up in 1997 and operates in the field of money laundering. It assesses the compliance of the measures taken by its members, with the relevant international standards against money laundering and terrorist financing, taking into account the recommendations of the FATF. In cooperation World Bank, it has developed a common method of combating money laundering and terrorist financing. MONEYVAL drafts relevant reports regarding the measures taken by the states and at the same time, makes recommendations regarding the problems it identifies.

Among the priorities of the Council of Europe is the fight against corruption. The need to promote co-operation between states against it, including links to organized crime and money laundering, has prompted Council of Europe member states to set up a separate organization in this area. GRECO was established in 1999 and is a committee of this Council, which aims to help states fight corruption, by monitoring the measures they have taken to meet the commitments made in this area (<http://www.greco.coe.in>). GRECO has also adopted twenty principles, guiding the fight against corruption. In this way, it helps to identify the flaws and shortcomings of national mechanisms against it, as well as to promote the necessary

legislative, institutional and practical reforms. Its conclusions and recommendations are a good source of information on the shortcomings of confiscation measures in relation to this criminal offense.

### **3. Cooperation between Financial Information Units**

The processing of financial data and their outcome are an important part of the process of searching for illegal assets. This fact has attracted the attention of states, to create specialized services in data collection and analysis, in relation to financial transactions, especially suspicious ones, for a more effective activity in the prevention and repression of money laundering. International conventions in this field impose the obligation of the ratifying states to establish this special institution, known as the Financial Information Unit.

This institution has competencies in two main directions, money laundering investigation and terrorist financing. Although, the provision is written in binding terms, the methodology of accessing data is left to the discretion of the states. There has been a debate at the international level, regarding the attribution of different competencies to the units. The debate at the international level was important (Pollari, Cioppo, 2006):

-to determine the characteristics of these bodies, as bodies with outstanding financial competencies,

-to promote their central role in terms of collecting and analysing relevant bank data and in the exchange of information with foreign correspondent bodies,

-to avoid the concentration of competencies and above all, the interference with other bodies of the fight against this phenomenon.

The international character that money laundering and terrorist financing is taking over time, requires effective cooperation and coordination between states. Thus, the necessity of exchanging information is evident, not only between law enforcement agencies at the national level, but also with other counterparts abroad. Cooperation between units of different countries, at the same institutional level, contributes to the success of the global fight against money laundering and terrorist financing. It also increases their individual effectiveness.

The Council of Europe member states, which have ratified the Warsaw Convention, have established EGMONT GROUP (Statement of Purpose of the Egmond Group of Financial Intelligence Units, Guernsey, 23 June 2004. <http://www.egmondgroup.coe.int>.)

It is an intergovernmental body, that monitors the function and cooperation of the financial intelligence units, of the States. Its purpose is to improve the respective national programs, which use such units to combat money laundering and terrorist financing. The rules of cooperation between these institutions are provided in Article 46 of the Convention "On the laundering, search, seizure and confiscation of the proceeds of crime and on the financing of terrorism".

Financial Information Units exchange, spontaneously or on request, any information that may be relevant in the fight against money laundering, to the investigation of financial transactions. If the request is made in accordance with the provisions of the Convention, the F.I.U. provides all possible financial information and data required for legal execution, according to its content. It does this even without the need for a formal letter.

This way, at the request of a foreign counterpart, the F.I.U. suspends or refuses to give consent to a transaction, subject to the same conditions as its domestic law, relates to the postponed transactions. Such an action will be taken when it is given that the transaction involves money laundering and it would have been suspended or consent would not have been given, if the transaction were the subject of an internal report, as a suspicious transaction. If required by domestic law, the postponement or suspension will be by court order.

It is important to highlight here that this cooperation is different, compared to other relations of international cooperation. First, this cooperation is not realized through a central authority, which for the effect of albanian law is the Ministry of Justice. This is seen this way, in order the institutional cooperation between the states in this regard to be as fast and efficient as possible. Second, the rejection of a request for co-operation between these institutions is not based on the cases provided in Article 28 of the Convention. They belong exclusively to other forms of co-operation between states.

The law "On the prevention of money laundering" defines the main directions of cooperation of this institutions, in international level. The responsible authority coordinates with counterpart bodies and international institutions, in terms of reporting to the prosecutor's office, for facts and evidence related to the criminal offense of "money laundering", finding and identifying the source of income and proceeds of crime. In the framework of international cooperation, the responsible authority informs the specialized financial units and other designated authorities abroad, regarding the data and documents that it possesses. It cooperates with counterpart units and institutions, in order to exchange data on identification, discovery of sources, blocking and temporary freezing of various transactions, sequestration of proceeds of crime. It also has the right to request information and documents from the latter, in order to detect and investigate illegal money laundering activities. The responsible authority and international organizations or institutions provide each other with maximum mutual assistance, in the exchange of legal documents, for persons who have been subject to legal measures and confiscation.

### **Conclusions and Recommendations**

Cooperation between states is very important in the search for criminal property. A significant part of the proceeds of crime are transferred to other countries, in order to conceal their origin. The most important form of cooperation in criminal property search, is mutual legal assistance. It is seen especially in terms of providing evidence, but also taking provisional measures such as freezing or sequestration. The conventions also provide for the obligation to cooperate in the confiscation of proceeds of crime. In this regard, importance is given to the return of criminal assets to the requesting state. In order to guarantee the rule of law, as well as the public safety, greater importance must be given to cooperation between states in the pursuit of illegal income. Although conventions in this area have evolved and tried to capture many aspects of it, other bilateral/multilateral agreements between states can be processed, agreements that provide for direct ways of cooperation between law enforcement agencies. This is because the procedure followed through the letterrogatory, which is initially given way by the relevant ministry, brings its delays. The latter would bring faster results and eliminate the possibility of transferring or concealing illicit proceeds.

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## Performance of Female Volleyball Players in VO<sub>2</sub>max

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### Abstract

**Aims:** In volleyball the main achievement is winning the match so the tools and methods used during the training sessions are very important to achieve this goal. Purpose of the study is the identification of volleyball players in the development performance of  $\dot{V}O_2\text{max}$ . **Method:** Test Astrand was used to evaluate  $\dot{V}O_2\text{max}$  in 75 female volleyball players in the average age of 17.1 years of the Albanian championship in two different periods \_Pre and \_Post mini phase of their training in the respective teams. Anthropometric measurements BH, BW, BMI and Astrand test were developed. **Results;** showed a positive value of progress from Pre-test to Post-test of volleyball players. There was a correlation between the maximum heart rate per minute and the maximum intake  $0.21 \text{ l} / \text{min}$ , Maximum heart rate per minute and  $\text{Max}\dot{V}O_2$  intake  $\text{ml} / \text{kg} / \text{min}$  in the post test, which showed a negative correlation, but the results are not significant at  $p \leq 0.05$ . The comparison of the test before and after did not mark a significant. **Conclusion:** It was noted that the training of volleyball players was aimed at strength. Strength training has made the only positive contribution to this type of improvement. Our study shows that the correlation between strength training and performance improvement of maximum  $\dot{V}O_2\text{max}$  results of laboratory values compared to the good part of them were significant. The impact of strength training can not be said to be a primary indicator but a secondary indicator in  $\dot{V}O_2\text{max}$  performance.

**Keywords:**  $\dot{V}O_2$  max, volleyball, performance, training, strength.

### 1. Introduction

In volleyball, the main goal is the best performance on the day of the match and for this is achieved through the methods used during the training sessions by the coaches. We will present a record of the performance of female volleyball players in the youth championship in Albania. In addition to other elements that include the training of volleyball players, the training of strength on the performance of  $\dot{V}O_2\text{max}$  is also important. Cardiovascular capacity is often thought to be the main limiting factor in endurance performance. Classical measures such as maximal oxygen uptake ( $\dot{V}O_2$  max) and lactate threshold (LT) have traditionally been used in the laboratory to predict performance potential [1]. Consequently, physical preparation for these sports generally focused on developing physiological quality. However, elite endurance athletes with similar  $\dot{V}O_2$  max levels may have different abilities during a match and therefore may receive maximum oxygen do not fully explain the true ability in the match. Efficiency, and estimates that include a specific component of muscle endurance

energy, such as velocity / strength during maximal oxygen uptake (VO<sub>2</sub>max), are now thought to be superior performance indicators in a sports elite [2]. Specific endurance muscle strength is the ability of the neuromuscular system to rapidly produce strength following a sustained period of high-intensity exercise (high glycolytic and / or oxidative energy demand) [3]. This ability can be a differentiating factor for elite endurance performance as successful world-class athletes can produce high elocations and energy outflows to win a race after a steady period of high-intensity exercise. Specific endurance muscle strength is the ability of the neuromuscular system to rapidly produce strength after a steady period of high-intensity exercise (high glycolytic and / or oxidative energy demand) [10]. Current research shows that there have been significant improvements in the economy from maximal strength training and reactive interventions [4, 5]. Noakes's philosophy [6] for poorly performing performance may lack musculotendinous rigidity and therefore strength training can improve the ability of the leg muscles to absorb and rapidly utilize the elastic energy produced during any contact with the ground. Recent research suggests that strength training is one of the most powerful interventions to improve athletic performance as an indicator of improved physical quality [7, 8].

## 2. Methodology

75 volleyball players from different teams in Albania were tested. The Astrand Test is used which allows coaches and athletes to monitor the progress of a VO<sub>2</sub>max maximum. 6-minute test using an ergo cycle gauge (a fixed exercise bike). The linear relationship between heart rate and VO<sub>2</sub>max has been observed. The test enjoys a standard deviation of ± 15% from a directly measured max VO<sub>2</sub>max [9]. The female volleyball players were tested before and after a mini-training phase by their coaches. The results were statistically processed with the Wilcoxon Signed - Rank test calculator and the Pearson correlation calculator.

Table1 Anthropometric Measurements (Volleyball players)

Nr;75 Volleyball players	FEMALE (F)
Mean Age	17.1
Body Height (BH) cm	172.3 cm
Body Wight (BW) kg	60.4 kg
Body Mass (BMI)%kg/m <sup>2</sup>	20.47%

## 3. Results

Table 2 shows the average data of female volleyball players taken under observation. The values obtained clearly show the level of the players in Albania.

Table2. Data obtained from Test Arstrand (volleyball players female)

VO <sub>2</sub> max TEST	Accept. heart rate	Max heartrate bpm	Vo <sub>2</sub> correlation	MaxO <sub>2</sub> Uptake	MaxO <sub>2</sub> Uptake
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	bpm		factor	l/min	ml/kg/min
_Pre	148.6	202	1.03	2.55	41.09
_Post	149.5	202	1.03	2.61	42.56

Results for the volleyball player's \_Pre and \_Post were taken and expressed in the average: Pre-Test Accept. Heart rate bpm 148.6/Post-Test 149.5. \_Pre-Test Max heart rate bpm 202/Post-Test 202. \_Pre- Test Vo2 correlation factor 1.03, /Post-Test 1.03. \_Pre-Test Max O2 Uptake 1/min 2.55 / Post- Test Max O2 Uptake 1/min 2.61. \_ Pre-Test Max O2 Uptake ml/kg/min 41.09 /Post-Test Max O2 Uptake ml/kg/min 42.56. Results showed positive values when pre and post tests results were compared, which are: the result is significant at  $p \leq 0.05$  to Max O2 uptake 1/min and Max O2 Uptake ml/kg/min. Results showed correlations between Max heart rate bpm and Max O2 Uptake 1/min, Max heart rate bpm and Max O2 Uptake ml/kg/min on post test, that showed negative correlation, but the results are not significant at  $p \leq 0.05$ .

#### 4. Discussion – Analysis

Strength training affects every sports program, no matter what the sport. Strength training has made for the most part the only positive contribution to this kind of improvement. According to the comparison of results show laboratory values for pre- and post-tests for most of them, there is a noticeable improvement over performance as well as a strong correlation between strength training and VO2 max. These results showed that the value of improvement was minor compared to various studies reported before. The results were not significant at  $p < 0.05$ . Important for our identification in female volleyball players was the transfer of strength performance to VO2max indicators, which is the essential component that influences sports results. Comparison of the results in the before and after test of Max O2 Uptake 1 / min was significant at  $p \leq 0.05$ . The value of Max O2 Intake ml / kg / min will be better estimated if body weight can be included. Various studies have shown correlations between body weight and VO2 max. The results showed a correlation between maximum heart rate and maximum O2 intake 1 / min, max O2 Intake ml / kg / min. Based on these results we can say that the introduction of strength training programs in volleyball season matches will not reduce the performance of VO2max. Strength impact training may not mean that it is a primary indicator but rather a secondary one on VO2max performance. Referring to the results, the performance of VO2max is more influenced by the heartbeat which leads us to the fact that the strength exercises should be adequately adjusted to the heart rate interval which on the other hand will increase the performance of the VO2max by a high-intensity workload and a certain duration which increase the heart rate and affect the transfer capacity of VO2max.

#### 5. Conclusion

This study influenced the identification of the performance status of young volleyball players in Albania. Their training turned out to be at a low level under the influence of VO2max. We will try to cooperate with their coaches to emphasize the development of VO2max to increase the sports performance of volleyball players of different age groups in Albania.

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## Human Capital and Production Structure: Evidence from Greece

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### Abstract

The present paper offers a theoretical review of the concept of human capital and its component elements, namely Knowledge, Skills, Abilities and Working Activities, and attempts to sketch the requirements of the production structure in the Greek economy. In addition, the role is stressed of the educational model in Greece in positively affecting the changes underway under the simultaneous impact of the 4<sup>th</sup> industrial revolution and COVID-19.

**Keywords:** Human Capital, 4th Industrial Revolution, Production Transformation, Greece

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### 1. Introduction

Human capital as an essential component of economic growth has been extensively studied. As an element which founds human societies and (economic) continuity, knowledge expands the range of (economic) activities by reducing the time required through its intergenerational transmission, thus transforming economies and structures of production. In contemporary economies, the constant changes brought about by technological developments, create shifts in the needs of the productive model and, hence, in the labor demands of businesses.

This paper attempts to establish the rudiments of the relation between human capital and productive model in the context of the Greek economy. Part 2 concerns an overview of the

theoretical underpinnings of human capital. The theory of human capital bases economic development on both exogenous and endogenous models of development. Thus, in part 3, we focus on furthering the theory of human capital.

Out of a range of approaches, we focus on the most contemporary one which interrelates the requirements in human capital with the current tasks and activities of labor. The characteristics of human capital are analyzed through its internal categorization, whereby it consists of Knowledge, Skills, Abilities and Working Activities. This approach is not new (Autor, 2013; Acemoglu and Autor, 2011) but in the present paper, the effects are analyzed of the two great economic crises of 2008 and 2020 in the categorization of the quality of human capital and technological change (part 4). In part 5, concluding remarks are presented and possible recommendations for economic policy are discussed .

## **2.The Theoretical Background of Human Capital Theory**

The emphasis on the concept of human capital as a growth factor makes its appearance in the 1950s. In general, the reference to human capital involves people's abilities and skills and the productive wealth that inheres in labor, knowledge and skills, thus contributing to the economic prosperity of individuals (OECD, 2001).

The importance of human capital and of education had already been noted in the era of the classical economists. Smith (Smith, 2007) acknowledged the acquisition of knowledge as a process that was expensive but beneficial for the wealth of nations. Owen (Bernard et al., 1988) recognized the fundamental importance of socialization as he believed that individuals' behavior and thinking could be modified by changes in the physical environment. Education was the essential means for improving quality of life, as was technology.

Even though the abstract concept of human capital and the view that education could affect scale economies both existed, the 1940s and 1950s with the neoclassic approach of the models of economic growth were the ones that consolidated the concept of human capital by using models to include and define the sense of human capital. In the 1940s, Solow and Swan (Dimand and Spencer, 2008) developed an exogenous model of growth. The Solow-Swan model states that long-term development is achieved through the accumulation of capital, specialized labor (human capital), population growth and technological progress (Solow, 1956).

Through Solow's exogenous model of growth, attention was increasingly paid to human capital (Miner, 1958; Shultz, 1961) leading in the 60s, to Becker's approach to human capital. In Becker's work (1994) human capital is conceived as an investment choice for individuals in the context of a cost benefit analysis. Following that, in the 1980s and 1990s, the endogenous models of growth appear (Lucas, 1988; Romer, 1991) in which education is incorporated and becomes the main factor of change within economies with particularly positive effects on human capital and economic growth.

Later, in the endogenous model of technological change of Galor and Weil (Galor and Weil, 2000) a solution is provided to the problem of the Malthusian Trap. Specifically, the accumulation of human capital leads to an increase in per capita income which, in turn, implies an increase of earnings in relation to human capital. This mechanism provides incentives for an even greater investment in human capital and knowledge, as well as a change of behavior on the part of parents who are now having fewer but better educated children. Thus, the

change of demographic characteristics follows a shift from the extensive utilization of labor forces to an intensive one, through the operation of human capital (Galor and Weil, 200). This fact is attested to by the increase of children enrolled in primary education (Winthrop et al., 2018).

These processes led to an endogenous perspective of inclusion of human capital to economic theory coinciding with the movement of microfoundations of economic theory, mainly with the aim of improving its predictive capacity (Petrakis, 2020b). They also led to the theoretical research of growth in knowledge and innovation within the rational choice frame of action, but also to the need for an interdisciplinary approach that would encompass all the relevant determining factors (Petrakis, 2020a, 2020b).

In recent years, with environmental developments at center stage, the same is the case with the concept of sustainable development for the utilization of (non-recyclable productive) factors (Arrow et al., 2004). In this process, human capital can play an important role (González-Salamanca et al., 2020; Marmeliotakis and Manioudis, forthcoming; Osiobe, 2019). The development of human capital in this process is critical (Goldin, 2016; World Bank, 2019) and it hinges, by and large, on the efficiency and culture of the prevalent institutions and on the extent to which nations exhibit resilience (Petrakis, 2020b).

The institutional framework pursues through structural changes the improvement of conditions within economies regarding growth as well as social cohesion. These measures concern the improvement of conditions through promoting education, improving productivity and work conditions and reducing discrimination in the workplace (Borjas, 2015; Ngai and Petrongolo, 2017). In general, the quality of a country's education and literacy levels are reflected in the qualitative characteristics of the human capital (Bloom et al., 1914) which creates economies of scale and efficient resource management (Romer, 1990). The effect of knowledge (qualitatively) on human capital (Nelson and Phelps, 1966) is seen in the ability to emulate successful techniques of the productive process which are employed in other developed economies.

### **3. Describing Human Capital**

The measurement of human capital may be done either through the budget allocations for education or through the (marginal) productivity of labor (Borjas, 2015). The evaluation of human capital and its (productive) potential will need to take into consideration the needs of the existing production structures as well as the historical development of the cultural background.

At the turn of last century, the production structure required mainly knowledge at the level of functional literacy (that is to say, writing, reading, arithmetic and comprehension) insofar as the level of the technology was congruent with these requirements. One way of evaluating human capital is to break it down into its component elements. The approach that emerged after Becker's work, recognized two types of labor competencies, a "general" one which applied to the great number of businesses and a "specific" form that concerned specific businesses.

In other words, it entailed a distinction between competencies at the level of general knowledge and specialization in the context of the needs of specific enterprises. In terms of such specialization, individuals derived (upon completing their education) the benefits of

knowledge accumulation with higher returns. Practically, this means that the initial categorization had to do with a distinction between levels of education and concomitant (choices of) specialization which is broken down into the cost of the provision of education, although without specifying the kind of educational provisions. This is a cumulative approach to the value of human capital which can scarcely be reduced to partial qualitative components.

In an attempt to arrive at a more specialized analysis of the components of human capital and how it is accumulated, Shaw (Shaw, 1984) introduced the concept of “occupational investment” to explain the accumulation of human capital on the basis of which, investment in the know-how of professions with common (or closely allied) characteristics, leads to “transferrable skills” through the contiguous branches of those professions. Next, Neal (Neal, 1995) confirmed the existence of “transferrable skills” since the earnings of the unemployed who were incorporated in the labor market related to levels of their earnings in their old affiliations, prior to unemployment. With Neal’s contribution (Neal, 1995), the theory of Becker was subjected to a critique which emphasized the concepts of “industry specific” and “occupation specific” human capital –which, however, is not lost as it was in Becker’s firm-specific theory, but accumulates and is utilized in comparable jobs with similar needs.

Another concept, that of “task specific” human capital (Gibbons and Waldman, 2004) links the accumulation of human capital with the requirements of specific jobs. In essence, this approach establishes the idea that different kinds of work entail different requirements from (the qualitative kind of) human capital.

As different industries have different requirements of human capital, it makes sense to distinguish between their production structures so as to analyze their work-related features. In terms of distinguishing between kinds of production structures, three basic industries are found: a) the primary sector of agricultural production and mining, b) the secondary sector of processing and industry and c) the tertiary sector of services. This distinction, however does not provide details –beyond broad logical inductions– about the skills and knowledge that are required.

For the purpose of evaluating the skills and knowledge required in each industry data bases of occupational posts are used, comprised by statistical services and international organizations. In these data bases, the different occupations are classified and grouped into clusters of related professions. The three such largest data bases are O\*NET of the US statistical services and ministry of labor, ESCO which is put together by the European Commission and CEDEFOP.

O\*NET has 1016 occupations classified under 23 large clusters, 98 small groups and 459 broader occupations. ESCO is a data base of 2942 occupations classified on the basis of ISCO-08, into 10 large clusters before being further subdivided into various subcategories. The catalogues note the requirements of Task-Specific Human Capital needed for every occupation. For every occupation, a description is given and a list of competencies ascribed, necessary for efficiently carrying out the obligations attendant to the job. Also, a list is given of optional skills and competencies. The data bases vary somewhat in their descriptions of these processes.

These categorizations help to identify “task-specific” human capital. In ESCO, there are 13485 skills/competencies which are divided in: A (attitudes and Values), K (knowledge), L (language skills and knowledge) and S (skills). In O\*NET, we encounter more categories, out

of which we retain the following: Tasks, Knowledge, Skills, Abilities, Working Activities and Detailed Working Activities. There is, then, a common distinction in these two bases concerning occupational features between Knowledge and Skills while in O\*NET there are also Abilities.

This distinction between occupations based on features is particularly important for understanding the requirements of human capital and can be helpful in better managing existing policies. Indeed, the distinction of human capital into knowledge, skills and competencies is not an innovation on the part of O\*NET but widely referenced in the bibliography (Buta, 2015).

Initially, we need to distinguish between competencies on the one hand, and on the other, knowledge and skills. The latter are features which are acquired or intentionally cultivated by the workers, whereas competencies are categorizations to do with the employee and to the qualities of his characteristics. As far as knowledge and skills are concerned, they differ in what they describe and which their basic sources are they derive from. Knowledge refers to data and principles acquired in some field of information.

To better understand the analysis of human capital into knowledge, skills, abilities and working activities, we include in the appendix an example of the human capital accrued in an occupation that wouldn't be thought to possess such characteristics, that of Logging Equipment Operator. It can thus be seen that the analysis of the characteristics of human capital is quite useful and illuminating regarding the way in which the labor market is organized.

It is seen that the basic source of knowledge accumulation is education, whereby one can accrue different types of information and understand a range of objects and their uses. Skills represent the processes of utilization and application of knowledge about the work process and they are acquired by the employee on the basis of experience. The requirements in skills, abilities and knowledge are formed on the basis of the tasks of every employee and the industry in which they work. Tasks comprise the Working Activities which the employee is called to perform, out of which stem all these requirements of human capital. On the basis of these four categories of employment characteristics (Knowledge, Skills, Abilities and Working Activities) the human capital which is required by every occupation can be described.

#### **4. Consequences of 4<sup>th</sup> Industrial Revolution in the Structure of Human Capital: The Greek Case**

In the course of the 21<sup>st</sup> century, labor markets are developing faster than ever, and especially with the onset of the 4<sup>th</sup> industrial revolution, labor requirements are expected to change radically. To this, the COVID-19 crisis is added as an exogenous productive shock. Long-term forces (such as the 4<sup>th</sup> industrial revolution) and short-term ones (mainly COVID) interact and operate jointly.

For Greece, the effects of technological change do not result from COVID-19 but were already visible in the previous decade, during the fiscal crisis of 2010. If we isolate the effects of technological change on labor market tendencies (mainly through automation) during the previous crisis, we are able to see which industries were most impacted by it. In terms of intensity of impact, there are industries impacted worldwide according to the production structure of each country. For instance, according to the World Economic Forum (2020) the

occupations in the USA with the greater pressure towards a technological shift were Computer Operators, Executive Secretaries and Executive Administrative Assistants, OI Word Processors and Typists and Telecommunications (Switchboard Operators including Answering Services and Telemarketing.)

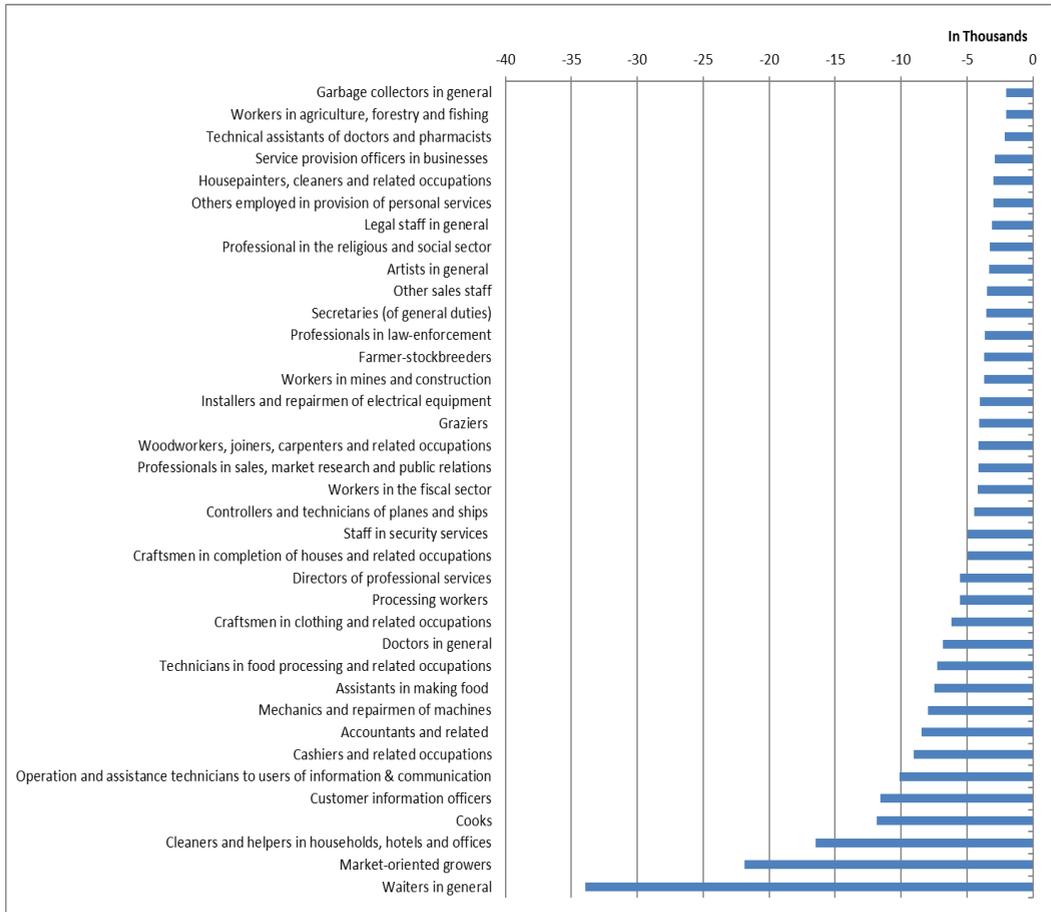
Technological change has been occurring steadily in the past decade and the COVID-19 crisis greatly reinforces it, with the result that the changes observable today in the labor market in terms of roles and occupations have a decidedly technological character. COVID-19 is an exogenous shock that affected the channels of distribution and demand through a sudden stop, and led to an acceleration in the shift of certain aspects of the production model.

Occupations in which a decline in demand is observed internationally (World Economic Forum, 2020) relate to services of secretarial support and information provision, accountants, unspecialized labor (work in the production line of factories) but also specialized work (mechanics and machinery repairers).

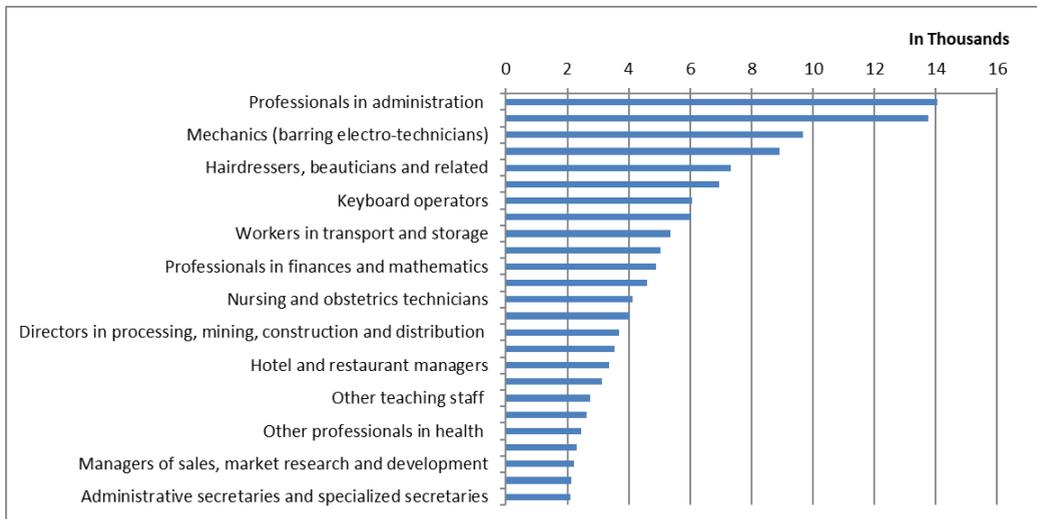
On the other hand, under the impact of COVID-19, a range of technologies were accelerated. These technologies by order of importance in the process of acceleration are the following: Encryption and Cybersecurity, Cloud computing, Robots and Non-Humanoid (e.g. industrial automation, drones), Augmented and Virtual Reality (1%), Distributed ledger technology (e.g. blockchain), 3D Printing and Modeling, Artificial Intelligence etc. (BMI Research, 2018).

The coming decade will be defined by changes in labor distribution between human capital and material capital (machines). This shift (World Economic Forum 2020) will be more intense in branches where technology is already intensely present. Thus, new requirements are created for the structural elements and skills of human capital.

Regarding the Greek economy, the corresponding changes are presented in Diagram 1. Here, we see that the specializations with the greatest negative changes are waiters and related professions, cleaners and household helpers, customer information officers, cashiers, tellers and related professions, technical processing of food and clothing items. It is observed that these are products and services of low added value in relation to the GDP, although they do, nevertheless, have a pronounced presence in the productive structure.

**Diagram 1.** Occupations with a decline in employment in Greece 2019-2020

In diagram 2, we present the increases in occupations, mainly observed in administrative professionals, technical personnel in physics and engineering, mechanics (barring electricians), sales assistants in shops, hairdressers etc.

**Diagram 2:** Occupations with an increase in employment in Greece 2019-2020

Changes in the distribution of labor are not expected to be the only ones in the production structure due to the 4<sup>th</sup> industrial revolution. Alongside the above changes, actual occupational activities in the course of work are expected to change, not just the ratio of workers. This makes sense as technological developments are modifying production and, hence, the work environment.

Moreover, in Greece (OECD, 2018) there is a lack in skills to do with verbal, reasoning and perceptual abilities. Another aspect of the profile of Greek work skills has to do with digital literacy. In Greece (OECD, 2018; DESI 2018) digital skills are at low levels. The prevalent skills in Greek society (OECD, 2018) are concentrated in the positive sciences such as biology, but also in sectors such as architecture and engineering (mechanical and building/construction knowledge, and repairing and installation skills). In terms of levels of knowledge (OECD, 2018) Greek society rates quite a bit higher than the average country, although this is not reflected in the income levels of the workers.

The direction of upskilling and reskilling is towards the development of digital skills and the utilization of Communications and Information Technologies (CIT) as these expand in terms of microeconomics in the changing behaviors of the employed and, also, in terms of macroeconomics in digital enterprises, in the boosting of new entrepreneurship and investment opportunities and the simplification of certain procedures (Bank of Greece, 2018).

## 5. Concluding Remarks

In the next decade, a considerable portion of new employment positions will come into play in new occupational activities or in existing ones that will be substantially modified in terms of content, skills and abilities (Acemoglu & Restrepo, 2018; Bessen, 2019). The way human capital and employment posts will be affected is related to two issues: a) which sectors of the economy will register skill shortages and b) the extent to which qualifications are aligned with job requirements. The labor market is influenced by simultaneous forces in the one hand, and in the other by the financial crisis, the COVID-19 crisis and the 4<sup>th</sup> Industrial Revolution.

COVID-19 reinforced the need for shifting the productive model in line with technological change. The observable changes in the labor market are a result of shifts in labor demands and, inductively, changes in the needs of enterprises. Understanding this process can explain the intensity of the demand for input of human capital in the service of producing the corresponding goods (material or immaterial) required by the economy. In these conditions, it is the quality of human capital that will define the comparative advantage of different countries, *ceteris paribus*, as well as the institutional framework, both at the level of productive infrastructure and in terms of the receptivity of different societies to (technological) change and entrepreneurship.

In Greece, professional, scientific and technical occupations are in shortage while the construction sector, by contrast, experiences a large occupational surplus (OECD 2018). Also, the forestry and fishing sector are facing occupational shortages. Essentially, the middle level of the production structure creates the preconditions for a demand side weakness while there is a surplus work force (a supply side weakness) who do not appear to be in a position to adapt to the requirements of the middle productive model, nor to create the supply conditions of a workforce that would mobilize a restructuring of production along contemporary requirements. Besides, brain drain absorbs critical quantities and qualities of human capital (Petrakis, 2020a) and, hence, operates as an additional factor stalling the development of an endogenous growth model centered on human capital.

With reference to the educational and lifelong learning systems the present and the future of the production model worldwide and especially in Greece, will be better served by the development of more flexible (low constant costs) educational structures for lifelong learning because, due to their nature they can adapt faster and efficiently to the rapid and major changes in the labor market. This approach is reasonable for two reasons. Firstly, conventional education is a solid institution that needs time to adjust to changes of the cultural background while lifelong learning educational structures adjust accordingly to changes in the labor market almost immediately. Secondly, in Greece, public spending for education is low (Heinrich & Hildebrand, 2005) and unable to afford the upskilling and reskilling of the labor force.

Based on the features of technological change as well as the complexity of the occupational structure, we may conclude that the top upcoming skills for 2025 will have to do with analytic thinking and innovation, the solving of composite problems, creativity and the use of technology (Cedefop, 2018), lifelong learning, as well as psychological features such as resilience and stress management. To be sure, these changes concern entire vocational clusters and extend in every direction of the production structure.

The outcome will be new occupations shaped by: new technologies and demand, new products and services which create professional clusters and relate to green economy, to care economy, AI economy, new roles for engineering, cloud computing, marketing, sales and content productions. More specifically, the systematic use of technologies is included, such as two-sided digital platforms, mobile economy, the Internet and social media, intelligent machines and AI, the economy of apps and of new technological trends such as interfacing, internet of things, big data 5G, encrypted coins and intangible assets and so on (Bank of Greece, 2018).

The specialization of the workforce leads to increased efficiency and production but has a social cost. Initially, the unspecialized labor force is displaced (specialization is required), the

specialized unemployed may be discouraged because of the drastic changes and the costs involved in lifelong learning and turned into long-term unemployed, burdening the special security system. Also, specialization is a burdensome process which constrains creativity and, hence, the growth of entrepreneurship.

Concluding, technological change appears to point in the direction of technological specialization, which leads to an increase in the demand of specialized labor (Acemoglu & Restrepo, 2018). This demand is associated with specific skills but not without cost. In fact, COVID-19 crisis led to intensification of technology and to the crowding out of jobs with a background in smaller routines (Chernoff & Vartman, 2020; Acemoglu et al., 2021). A special issue to note regarding this direction, is that without adopting an interdisciplinary view, the persuasion of specialization will undermine creativity. That been, this must be resolved from the policy makers when they design the educational and lifelong learning systems as developing composite cognitive skills and abilities is a positive contribution to creative thinking.

### Appendix 1.

Appendix 1 uses as a vocational example the Logging Equipment Operator from the O\*NET data base, in terms of knowledge, skills, abilities and working activities. Below are presented the competencies involved in this particular occupation. The abilities relate to characteristics that serve in carrying out the requirements of the job, such as control of body posture, steadiness of hand movements etc. These abilities relate to inherent traits.

Control Precision:	<i>The ability to quickly and repeatedly adjust the controls of a machine or a vehicle to exact positions.</i>
Reaction Time:	<i>The ability to quickly respond (with the hand, finger, or foot) to a signal (sound, light, picture) when it appears.</i>
Arm-Hand Steadiness:	<i>The ability to keep your hand and arm steady while moving your arm or while holding your arm and hand in one position.</i>
Multilimb Coordination:	<i>The ability to coordinate two or more limbs (for example, two arms, two legs, or one leg and one arm) while sitting, standing, or lying down. It does not involve performing the activities while the whole body is in motion.</i>
Depth Perception:	<i>The ability to judge which of several objects is closer or farther away from you, or to judge the distance between you and an object.</i>
Source: <a href="https://www.onetonline.org/link/summary/45-4022.00">https://www.onetonline.org/link/summary/45-4022.00</a>	

Table 2 presents the knowledge required in the occupation of Logging Equipment Operator which derive as a result of education system. This type of knowledge may correspond to other

occupations with same requirements, though, the intensity in the use of such knowledge is the differentiating factor among occupations requirements (Handel, 2016).

Mechanical:	Knowledge of machines and tools, including their designs, uses, repair, and maintenance.
Public Safety and Security:	Knowledge of relevant equipment, policies, procedures, and strategies to promote effective local, state, or national security operations for the protection of people, data, property, and institutions.
Production and Processing:	Knowledge of raw materials, production processes, quality control, costs, and other techniques for maximizing the effective manufacture and distribution of goods.
Source: <a href="https://www.onetonline.org/link/summary/45-4022.00">https://www.onetonline.org/link/summary/45-4022.00</a>	

Table 3 presents the skills requirements for the Logging Equipment Operator which are a result of learning by doing.

Operation and Control:	Controlling operations of equipment or systems.
Operation Monitoring:	Watching gauges, dials, or other indicators to make sure a machine is working properly.
Equipment Maintenance:	Performing routine maintenance on equipment and determining when and what kind of maintenance is needed.
Active Listening:	Giving full attention to what other people are saying, taking time to understand the points being made, asking questions as appropriate, and not interrupting at inappropriate times.
Monitoring:	Monitoring/Assessing performance of yourself, other individuals, or organizations to make improvements or take corrective action.
Quality Control Analysis	Conducting tests and inspections of products, services, or processes to evaluate quality or performance.
Troubleshooting	Determining causes of operating errors and deciding what to do about it.
Source: <a href="https://www.onetonline.org/link/summary/45-4022.00">https://www.onetonline.org/link/summary/45-4022.00</a>	

All of the above were ascribed to the occupation of the Logging Equipment Operator on the basis of the tasks that need to be carried out and which in essence, comprise the working activities (table 4)

Operating Vehicles, Mechanized Devices, or Equipment	Running, maneuvering, navigating, or driving vehicles or mechanized equipment, such as forklifts, passenger vehicles, aircraft, or water craft.
Controlling Machines and Processes	Using either control mechanisms or direct physical activity to operate machines or processes (not including computers or vehicles).
Repairing and Maintaining Mechanical Equipment	Servicing, repairing, adjusting, and testing machines, devices, moving parts, and equipment that operate primarily on the basis of mechanical (not electronic) principles.
Getting Information	Observing, receiving, and otherwise obtaining information from all relevant sources.
Monitoring:	Monitoring/Assessing performance of yourself, other individuals, or organizations to make improvements or take corrective action.
Inspecting Equipment, Structures, or Material	Inspecting equipment, structures, or materials to identify the cause of errors or other problems or defects.
Source: <a href="https://www.onetonline.org/link/summary/45-4022.00">https://www.onetonline.org/link/summary/45-4022.00</a>	

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## Challenges and Opportunities for Teaching Practical Skills at Higher Education Institutions under the conditions of COVID-19 Pandemic

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### Abstract

The lack of practical skills of graduates of higher education institutions is one of the main challenges of the modern education system of Georgia, which has become even more urgent in the face of the COVID -19 pandemic. Within the framework of the research, we studied the latest scientific literature, researches and reports of various state and international organizations on the experience and current state of practical skills' teaching in Georgia; on the new requirements for the workforce under the pandemic and post-pandemic; and on the future directions of providing students with practical knowledge. The paper also presents an analysis of the results of our research on the attitude of students towards the internship and the approaches of higher education institutions in the evaluation of practical knowledge and skills acquired by the students within the framework of the educational program. Based on the best practice and challenges identified as a result of the research, we have developed appropriate recommendations that we think will facilitate the production of professional graduates equipped with practical skills.

**Keywords:** Quality of education, development of practical skills, internship, employment, knowledge triangle.

### Introduction

A well-functioning education system able to provide a competitive workforce for the labor market equipped with practical skills is an important precondition for solving economic problems, social inequality, and reducing misbalances between countries. It is gaining momentum in the face of the COVID19 pandemic - an unprecedented global challenge (European Union, 2015). On the one hand, it ensures the successful operation of economic entities (Chatzkel, J L; 2004), and on the other hand, it has a social function - the development of human capital helps to solve social problems (Baron, Angela; Armstrong, Michael; 2013). The education system plays an important role in shaping the supply of quality human resources, which has a positive impact on the country's economic growth and development (Gulua, Ekaterine, 2013). Education affects not only the success of a particular person but also the economy of the country as a whole. Education contributes to the growth of labor productivity. An educated individual is more likely to master advanced technologies, so they are more productive (Boxall, P; Purcell, J; Wright, P, 2007), (Nelson, R R; Phelps, E S, 1966).

Education can increase the potential of innovation, create new knowledge, new technologies that contribute to economic growth.

In many types of research of international organizations, we read that education in Georgia is formal, the real qualification level of the workforce does not meet the existing requirements. The low rating of Georgia (93rd place) indicates an incompatibility between qualifications and job requirements, in the section of the Higher Education and Retraining Section of Global Competitiveness Index of World Economic Forum (Kasradze, Tea; Antia, Vakhtang; Gulua, Ekaterine, 2019). According to the skillset of graduates, Georgia is in the 123rd place, according to digital skills among the population it is in 101st place, according to the ease of finding skilled employees it is on the 111th position, according to the critical thinking teaching, it is in the 92nd place, according to the diversity of workforce it is in the 116th place (Schwab, Klaus; Martín, Xavier Sala-i; Samans, Richard; 2017-2018).

According to the Global Talent Competitiveness Index, Georgia is in the 76th place out of 119 countries in 2019, 4 places down compared to 2018, it was in the 72nd place, according to the Talent Involvement it is in the 52nd place, on the 92nd position in terms of attracting talents, according to the growth of talents it is in the 107th place, in terms of maintaining talents it is in the 61st place, according to talents with Vocational and Technical Skills (or VT skills) it is in the 80th place and according to Global Knowledge Skills (or GK skills), it is in the 56th place. According to the detailed data from the same index, Georgia is in 60th place based on higher education; According to the expenses incurred on higher education – in 93rd place (Lanvin, Bruno; Monteiro, Felipe; 2019). The same is shown by the low rating of Georgia (87th position among 137 countries, 4.0 points from maximum 7 points) in the section of Higher Education and Training of Global Competitiveness Index of 2017-2018 World Economic Forum (Lezava, Diana; Amashukeli, Mariam, 2015).

This situation is reflected in the employment level (Kasradze, Tea, 2013). One of the main reasons for a high level of unemployment is that human resource qualification often fails to meet market demands. 61% of the unemployed in Georgia have higher than secondary school education (vocational or higher) and fall into the category of middle or high-skilled workers. 31% of the unemployed are educated with the modern Bologna system, which indicates shortcomings in the existing higher education system and incompatibility of received qualification in this system with job requirements (Lezava, Diana; Amashukeli, Mariam, 2015).

It is exactly this latter challenge that is explored in the present paper. The research aimed to find out to what extent graduates of higher education institutions are equipped with practical skills appropriate to the demands of the labor market and the challenge of the 21st century.

In particular, we studied the challenges of equipping business administration education program graduates at higher education institutions of Georgia with practical skills relevant to the requirements of the labor market and based on the findings developed recommendations.

Here we want to emphasize that in this paper we do not try to ignore the importance of theoretical knowledge. Moreover, we believe that practice cannot exist without theory, or to put a more normative spin on it, it should not exist without theory. To attempt to undertake practice without theory in effect means that we will not be able to learn from past experiences, we will not gain insights from our previous failures and successes, nor will we be able to project into the future to anticipate possible outcomes. In stressing the integrative relationship between theory and practice, rather than the gap between them, our hope is that

theory, or the ability to theorize, i.e. 'to do theory', will come to be seen as the practical skill that it truly is (Leaf, 2013).

### **Review of Literature, Researches, and Reports of State and International Organizations**

A literature review has shown that the lack of practical skills of graduates of higher education programs and/or non-compliance with the requirements of the labor market is a problematic issue of the education systems of both developing and developed countries. In developing countries, higher education institutions mostly use traditional teaching methods, which do not allow students to develop the competencies required by the labor market. The main reason is that the developed curricula are not adequately based on the combination of knowledge and skills. Also, another big challenge is that curriculum developers are sometimes incompetent. Most are at the academic level and have little or no idea of the actual requirements of the Labor Market. Besides, other challenges are facing higher education institutions, such as inadequate teaching and learning opportunities and resources, insufficient funding of the academic program, weak links between industry and education, lack of competent teachers, etc. which also affects learning outcomes (Chen, 2017).

In developed countries, we find numerous reports where the focus is on raising employment opportunities in academic courses. While the majority of the higher education institutions of developed countries are making adequate efforts to develop their students' employability skills researchers report that graduates do not have the adequate skills needed for the labor market (Ugochukwu Chinonso Okolie, 2019). The research conducted by the Confederation of British Industry (CBI) revealed that in the UK the employers were experiencing problems filling jobs with appropriately skilled graduates. Well over half of all firms participating in the research fear that there will not be enough people available with the skills needed to fill their high-skilled jobs (CBI, 2017).

In 2020, at the World Economic Forum in Davos (Bruce-Lockhart, 2020) it was announced that the role of technology at the workplace will be increased in the future. If in 2018 the share of technology was 29%, by 2025 it will increase up to 52%. From human skills along with mathematics, computing, and data analysis - creativity, critical thinking, persuasion, and negotiation will become relevant; Attitudes between employer and employee are changing; At the same time, the challenges of COVID 19 require not only the reorganization of the learning process but also the adaptation of the programs themselves, so that in these new conditions of teaching students can develop the necessary skills for the future.

Improving business training programs is important to adapt to the challenges facing the business to provide the business sector with a qualified workforce. It is difficult to predict exactly what trends will emerge in the future, but it will become more and more digital (Beardwell, J; Thomson, A, 2017). The technique will completely replace people's technical skills and make the following human skills actual: complex problem solving, critical thinking, creativity, people management, coordinating with others, emotional intelligence, judgment and decision making, service orientation, negotiation, cognitive flexibility (Gray, 2016).

As noted in the Lisbon Declaration, today as never before, rethinking the education system is important, collaborating between businesses and higher education institutions should rise to new heights, and solid mechanisms for mutual accountability should be established (The Lisbon Declaration, 2007).

Creating a quality education system is possible based on concerted efforts of three entities - Higher education institutions, Business sector and Government (Zarnadze & Kasradze, 2019).

Higher educational institutions have the main responsibility for providing useful, modern knowledge to students (Gulua, Ekaterine, 2018). The main reason for the problems in terms of transferring practical knowledge is that today the establishment of business management specialists at universities is taking place in university buildings and has no close connection with corporate practice. Often the structure of the curriculum is unsubstantiated, theoretical courses are more than practical ones, and textbooks that are used for teaching courses are mostly theoretical and offer virtually nothing to the student in practical teaching (Kasradze, Tea; Zarnadze, Nino, 2018).

Unfortunately, often the lecturers themselves have a lack of practical experience, which affects the results of practical teaching. Although lecturers often have higher education with the appropriate qualifications, they do not have practical experience of working and managing enterprises and companies. The fact that the theoretical material to be studied is largely unrelated to practice is an obvious problem for business administration education programs.

Unfortunately, there are no set standards for assessing students' practical skills, and the development of their assessment criteria depends entirely on the lecturer. Assessment criteria for course syllabi often include evaluation of attendance, midterm and final exams (which are mostly theoretical), reports/presentations, case reviews/assignments, and other activities and fails to determine whether students have achieved the expected goals even with the few practical components used in the teaching process, they have improved their practical skills or not (Qualifications Frameworks (Comparative Analysis of International and National Frameworks)).

The qualitative analysis showed that business administration education programs in Georgia, in most cases, provide a training/professional practice course (usually at the graduation stage of the program), although often it is formal. The teaching/professional practice should aim to support a student to transfer the theoretical knowledge acquired within the program of the university in the real activity and to develop and deepen the practical skills. The internship should be focused on revealing the student's creativity, innovative thinking, talent. Unfortunately, the duration of the internship and improperly selected units of the internship will not ensure the achievement of its objectives. At the units of internship, a mentor is assigned to students who have to assess the student's practical skills, although this assessment is often formal and is mainly based on the time physically spent by the student on the place of internship. The internship does not fully reveal the potential of the student. Unfortunately, here too we do not have well-defined assessment criteria that measure how well the desired effect of practical training has been achieved.

It should also be noted that the appointment of an internship supervisor for a student by a university is also formal and supervisors often do not have experience in corporate activities, practical teaching, and leadership skills. The lack of practical experience of university teachers, and often non-existence of it, make it difficult to improve the quality of internship and achieve goals.

It is difficult to develop practical skills effectively without adequate financial support from a higher education institution (Gulua, Ekaterine, 2019). Since universities do not have the appropriate software and they lack computer equipment, unfortunately, in most cases,

practical courses such as Financial Management, Financial Analysis, Financial and Management Accounting, etc. are often only theoretically taught. Also in most cases for universities, suitable software is not available for such courses as Project Management, Human Resource Management, Accounting, etc.

Having such software would be especially helpful for HEI during the COVID-19 pandemic when a student fails to come to the unit of internship and carry out practical activities. The pandemic further complicates the development of the student's practical skills and makes the achievement of the goals of business administration educational programs doubtful.

Many universities are trying to strengthen practical components, they have created special Experimental Centers/Business Incubators on the spot and are refining the training courses by incorporating practical components into them. However, all this is not systemic and, unfortunately, represents an exceptional case.

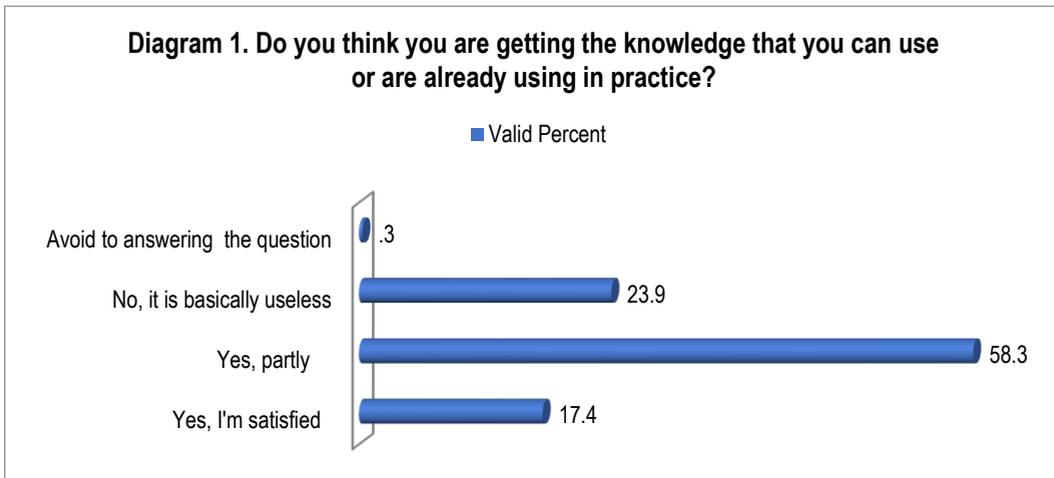
### **Research Design and Findings**

We became interested in the attitudes of students towards an internship at higher education institutions. The survey (with closed questions) was conducted in the spring of 2019 under the auspices of TSU Human Potential Management Laboratory. 614 students of the Faculty of Economics and Business were surveyed. A similar study was conducted in 2017, at first only at TSU (Gulua, Ekaterine, 2017), and then the subject of research became a private university. (Gulua, E.; Kasradze, T.; Zarnadze, N., 2020).

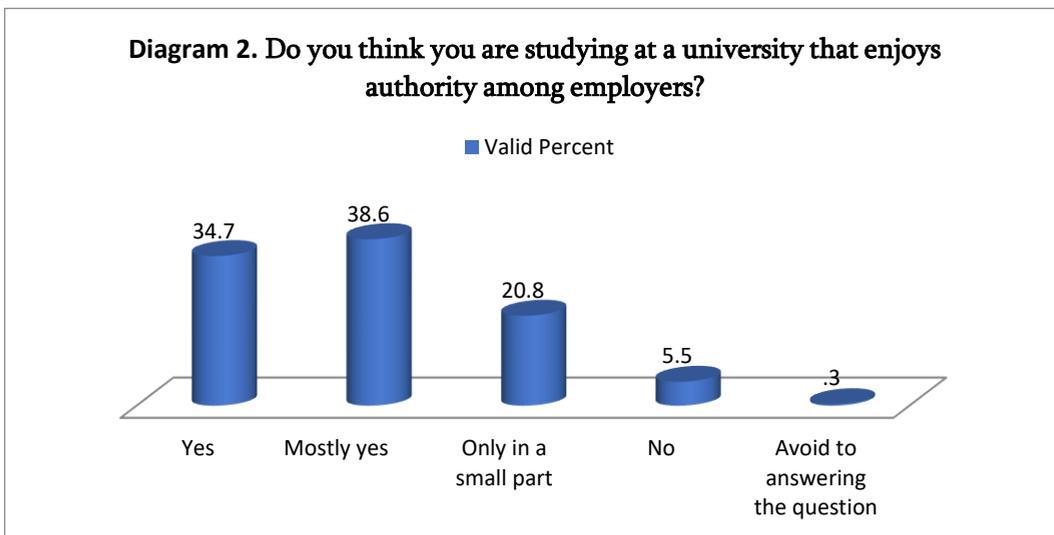
Focus-group Methodology was used to interview the students. Closed-ended (multiple choice questions) and open-ended questions were included in the questionnaire. We studied students' attitude to the learning process, programs, professors' skills, and level of students' trust in the university, whether they believe that they will get modern knowledge and practical skills and will be able to engage in the global competition after graduating from the university without additional practice and training.

Students' attitudes, confidence in the learning process, curricula, and professors' qualifications significantly determine their level of motivation, self-confidence, and learning effectiveness.

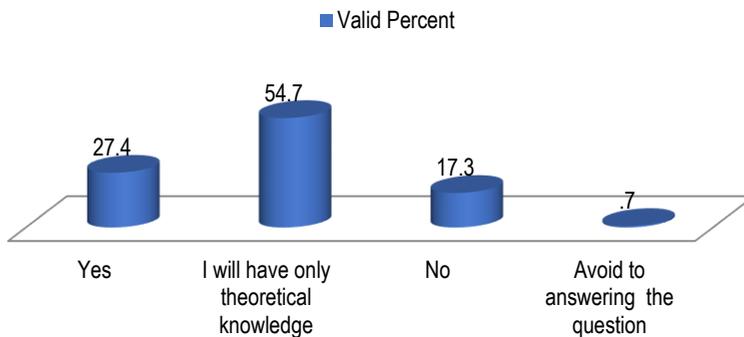
The survey showed that 17% of the respondents are satisfied, believing that they are gaining knowledge at the university that he/she will use in practice, or is already using. The majority - 58% - are partially satisfied, 24% are dissatisfied and think they are gaining knowledge that is useless (Diagram 1).



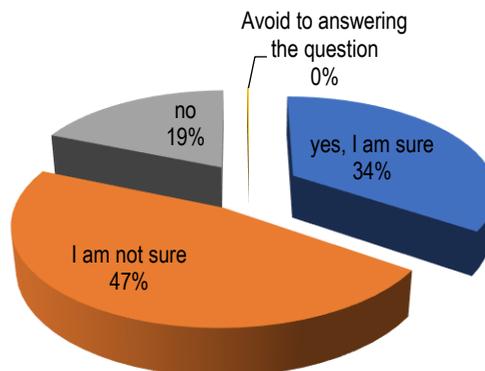
To the question – Do you think that the university where you study has authority among employers? - 73% of the respondents answered “yes” and “mostly yes”. 21% answered that their university is authoritative for only a small part of the employers, 6% gave a negative answer to this question (Diagram 2).



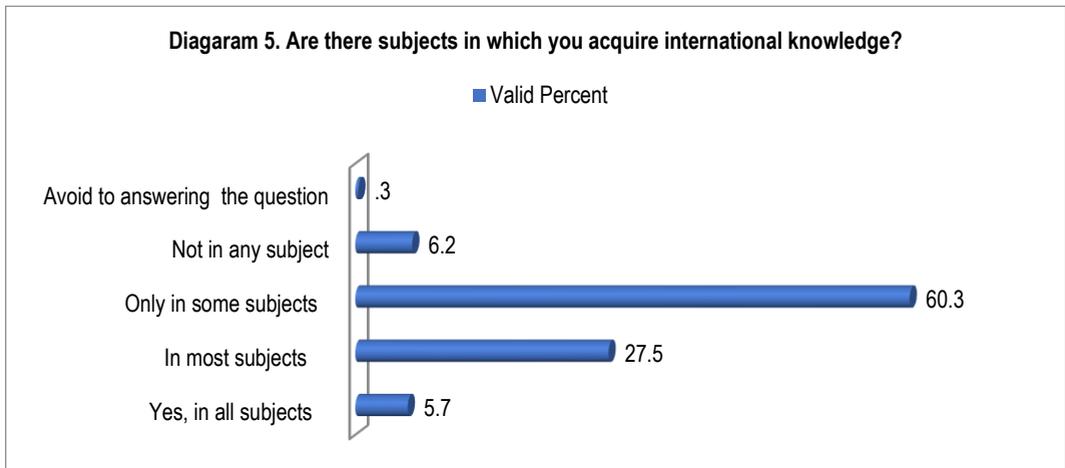
The majority - 55% - believe that after graduation they will have only theoretical knowledge. 27% believe that they will be able to get modern knowledge at the university, 17% are negative (See Diagram 3).

**Diagram 3. Do you think you will have the proper knowledge when you finish your studies?**

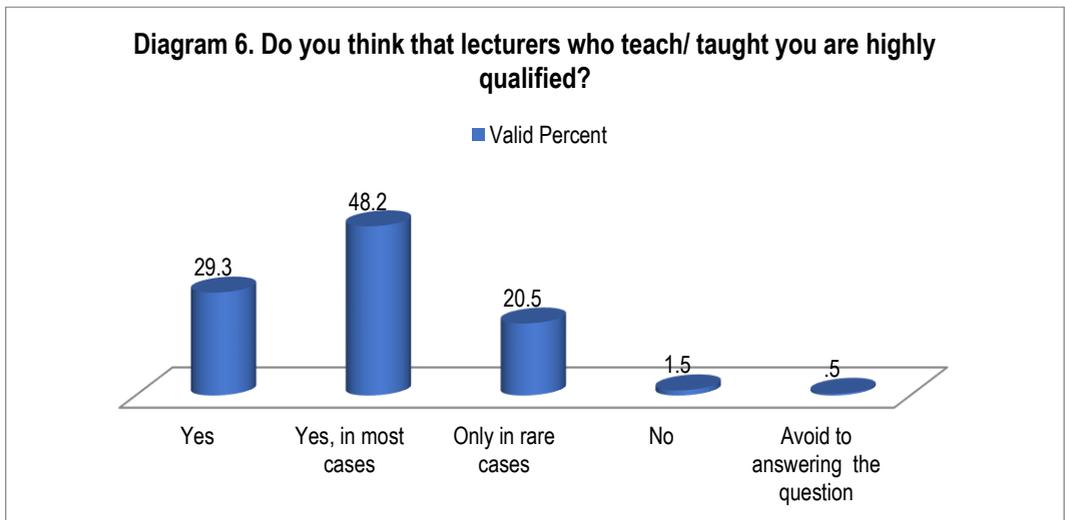
We examined whether students believe they are acquiring globally competitive knowledge or not. 34% are convinced of this, 47% are not sure, and 19% are skeptical (See Diagram 4).

**Diagram4. Do you think the university gives you international knowledge?**

While clarifying the question, the majority of students - 60% - stated that they only receive international knowledge only in certain subjects; 28% believe that most subjects provide international knowledge; 6% are satisfied with all subjects; Also 6% are dissatisfied with all subjects (Diagram 5).

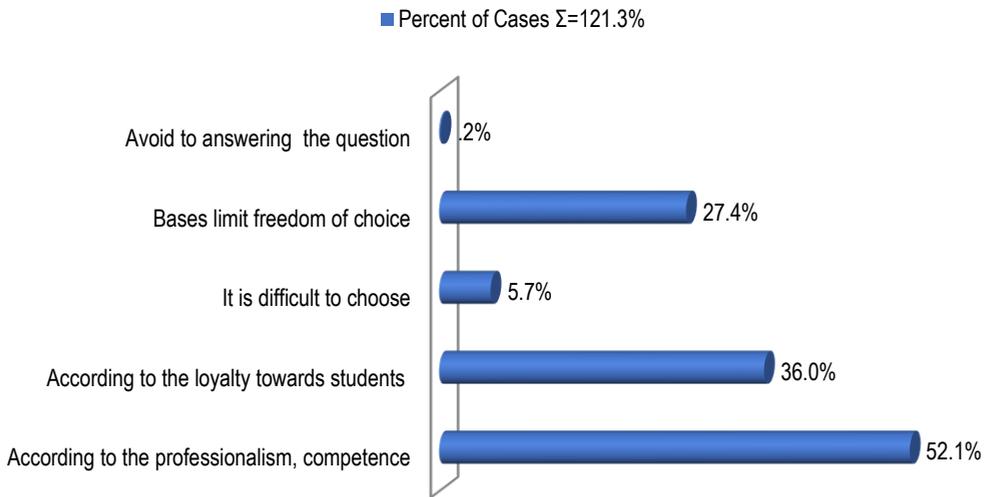


We were also interested in the degree of trust towards lecturers. 68% of the respondents are satisfied with the lecturers; 21% like only some lecturers, 2% expressed a negative attitude (Diagram 6).



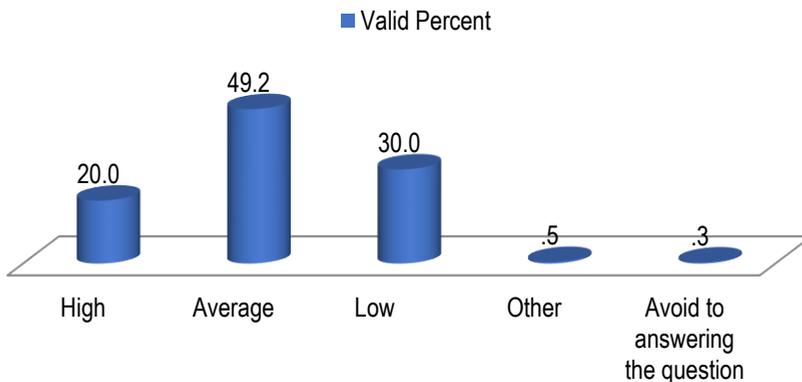
Since students in Georgia have the right to choose their lecturers, we were interested depending on what criteria they make their choice. In this case, a student had the opportunity to select several answers. The number of cases was 725. The majority - 52% - choose based on professionalism and competence. 36% prefer lecturers who are loyal to students, 6% find it difficult to make a choice, 27% have not an opportunity to choose because of the bases (Diagram 7).

**Diagram 7. What criteria do you use when choosing a lecturer?**

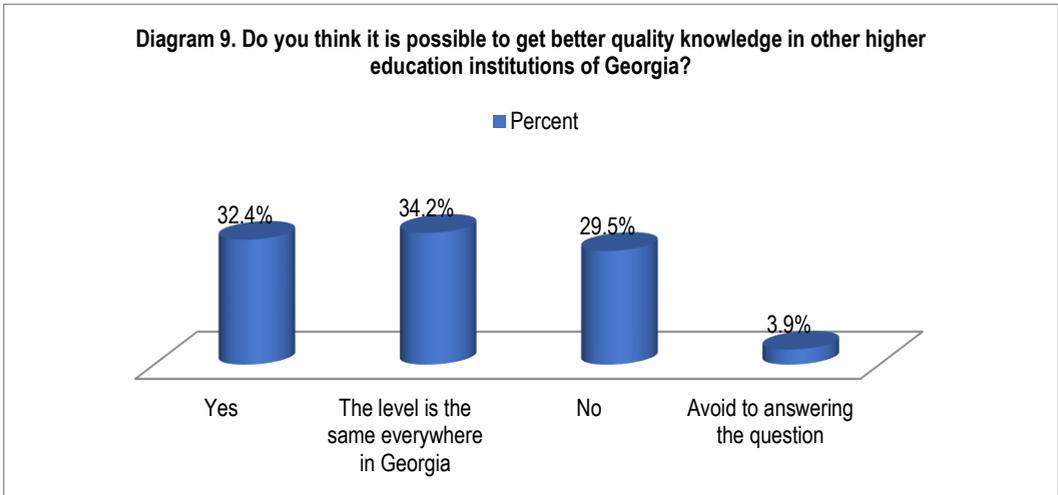


International events, exchange programs allow students to acquire useful skills. We were interested in how students evaluate the care of the university to inform them about these projects. 20% gave this effort unequivocally positive - high rating, 49% rated it average, 30% are negative – th rated it low (Diagram 8).

**Diagram 8. Degree of student awareness (about exchange programs, events, etc.)**



We were interested in how much the students think that it is possible to get better knowledge at other universities of Georgia. 34% believe that the level of education in Georgia is the same everywhere. 32% believe that it is possible to acquire better knowledge at other universities, 30% are satisfied with their university (Diagram 9).



Based on determining the meaning of the Chi-square, the connection between all these variables (1,2,7,8,9,11,30) is less than 0,05, so the connection is reliable (see Table1).

**Table1. Chi-Square Tests**

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	152.410 <sup>a</sup>	9	.000
Likelihood Ratio	156.918	9	.000
Linear-by-Linear Association	.003	1	.957
N of Valid Cases	614		

a. 7 cells (43.8%) have an expected count less than 5. The minimum expected count is .00.

The business Sector is an important stakeholder of higher education institutions. Employers of business administration program graduates often say that they find it difficult to hire suitable professionals for business management (Gulua, Ekaterine, 2020). They indicate a lack of practical skills for graduates. They note that program graduates have theoretical knowledge, but without additional training, they find it difficult to apply this knowledge in practice. They also have a lack of communication skills and know a foreign language poorly (Kasradze, Tea; Zarnadze, Nino, 2018). With only theoretical training, it is impossible to train business administration specialists adapted to market demands. Students should not only have a deep knowledge of economics and management theory, but should also have practical skills such as adapting to a corporate environment, independent thinking and analytical skills, and more. A modern business needs specialists with management, marketing, decision analysis, and business research skills (Liu, Xiu; Chang, Shangxin, 2020).

In all countries, the business sector wants their potential employees (university graduates) to have such skills as goal setting, delegation skills, communication and negotiation skills, strategic planning, leadership skills, team working and team-building skills, networking, analytical skills, customer service, sales and marketing skills, general management skills, cash flow management skills, financial management skills, time management skills, project management and planning, problem-solving, digital skills.

The Government of Georgia realizes the role of education in the development of the country, its attitude was reflected in the law in 2019, in particular, according to the Budget Code of Georgia "It is imperative that the draft of the state budget to be prepared and approved in such a way that, according to the functional classification of the Georgian consolidated budget, the amount of funding in the field of education is not less than 6% of the nominal gross domestic product projected for the year." Before the enactment of this law, funding for education was increasing from year to year, which included not only funding for teaching but also funding for students' and pupils' support services and research (Kasradze, 2018), although it is clear that increasing funding alone is not enough. To improve the employment rate and improve the welfare of society, the quality of knowledge of the graduates of higher education institutions must comply with modern requirements (Kasradze, Tea; Zarnadze, Nino, 2019). It is necessary to monitor the spending and efficiency of the investments made and to introduce mechanisms to ensure fundamental qualitative changes and reforms in this field (ESPAS, 2015).

Based on the qualitative analysis, it became clear that it is necessary for universities to take responsibility for the transfer of quality, useful knowledge to both the state and the business sector, as well as to students, and to establish a mechanism for developing this responsibility. In this case, we can confidently rely on the experience of European universities, including: "Responsible Partnering Guidelines" - recommended by the Lisbon Declaration of Collaboration between Universities and Entrepreneurial Organizations (The Lisbon Declaration, 2007), (European University Association).

### **Summary and recommendations**

Based on the analysis of the article, it has been revealed that there is a problem of a lack of practical skills of business administration education program graduates at higher education institutions in Georgia, which harms their employment rate on the market.

The new digital age needs a graduate armed with practical skills who will be able to keep up with market demands. Therefore, HEIs should pay close attention to practical teaching, giving students the knowledge and practical skills that will be useful in real life.

Higher education institutions need to develop high-quality innovative educational programs with balanced teaching of theory and practical skills. It is important to foster student's learning and integration of theoretical knowledge in practice during tertiary education. The researches show that the students should be able to develop their practical skills during the theoretical studies as well because the practice period university offers to them is short for adequate development of practical skills. This problem became even more acute during the Covid-19 pandemic. Cessation of face-to-face teaching has jeopardized the development of students' practical skills, as it is not possible to teach subjects in an adequate format which include the development of professional competencies through practice (clinics, pedagogical residencies, design careers, engineering, science, and generally all those heavily dependent on practical workshops,

laboratory work or institutional practices) (UNESCO, 2020). It is difficult to replace these types of courses with online teaching, but universities should create/use online learning platforms that allow them to integrate special e-learning programs (eg e-banking, accounting software, etc.) and conduct practical training. However, this is associated with additional costs, which is generally a problematic issue for private higher education institutions, especially painful in terms of Covid-19.

Not only in Covid-19 pandemic conditions but also in the post-pandemic period HEIs need to pay close attention to the proper selection of teaching methods. Properly selected teaching methods to ensure the development of skills that are very important for the competitiveness of the graduates of a particular program on the market, as well as for the field as a whole.

Universities should engage professionals with practical experience in the field, along with academically qualified theorist teachers; to invite relevant experts, professors, entrepreneurs, experienced management staff and create practical, professional textbooks for business management; to select units of internship more seriously and monitor the progress of internship regularly.

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## Population Stress Reactions in North-East Hungary during the Pandemic

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### Abstract

Emergency caused by the SARS-CoV-2 has provoked several difficulties in daily life. On the other hand, it provided an opportunity to produce new attitudes toward our life and community, but also forced us to face our vulnerabilities. Outbreak of the SARS-CoV-2 highlighted that despite our vulnerability, we can manage this crisis, by being able to influence our stress reaction as well as our fears and emotions about the pandemic. Faculty of Healthcare of the University of Miskolc is training such professionals, whose priority task is to preserve the mental health of individuals and communities, reduce stress reactions, increase the available information on the subject, and help the community to adapt adequately to unexpected difficulties, like a pandemic situation. In the present study, we examined the mental state of the population of Northeastern Hungary in the second wave to adapt the above-described education to the ongoing changes caused by the pandemic. During the research, we applied an online questionnaire, that included the Hungarian version of the 10-item Perceived Stress Scale-, the Adult Hope Scale-, the WHO Well-Being, and the Buss Perry aggression questionnaire. Most participants (n=528) live in small towns or villages and their average age is 39.4±13.1. The aggression level of responders did not reach the threshold, but the level of verbal aggression exceeded it. The participants were more stressed, but they thought they could handle their problems. Consequently, the pandemic harms the mental state and health of the population, therefore the presence of health professionals is needed.

**Keywords:** pandemic, stress, aggression, subjective Well-Being, online questionnaire

### I. Introduction

The new coronavirus (SARS-CoV-2) occurred in the Chinese Wuhan in the end of 2019 has reached Europe and Hungary in the spring of 2020. The pandemic has upset our whole previous lifestyle and it has become a strong stress resource. Over the fear from the viral infection, our daily life management has completely changed, just as our methods for contacting, learning or work. The population has suddenly had to create several new habits and coping methods. Besides the unpleasantness of the loss of the common behavioural routines, numerous people have to face with serious existential difficulties as well. Life could be partly rearranged after the first wave, but the second wave of the pandemic started in the autumn of 2020.

By our research, we would like to contribute to the more precise understanding of the correlations of psychological phenomena experienced in the second wave of the pandemic, such as perceived stress, aggression, psychological well-being and hope. Our research aimed the assessment of the mental health of the population living in one of the seven Hungarian statistical regions, the North-East Hungarian region to, based on the results, help professionals working on health and social fields to react appropriately to the needs developed in this current situation.

## II. Literature Review

The World Health Organization (WHO) announced that the coronavirus epidemic has reached the pandemic size on 11 March 2020.

In Hungary, after the first wave of the coronavirus epidemic, the second one became noticeable in the autumn of 2020. On 09 November, the new coronavirus infection (COVID-19) was detected in 5 162 Hungarian citizens, thus the number of detected infected people rose to 114 778 in Hungary, and the number of deaths also increased to 2 493. At this time, the number of active infected people was 86 134; 6 061 of them were hospitalized, and 415 of them were on respirators. By the constant increase of the newly registered case numbers, the government recorded the law about the protection against the second wave of the coronavirus pandemic in a decree on 10 November. By the announcement of the emergency, serious limitations have been introduced such as curfew between 8 p.m. and 5 a.m., changing to on-line education in high schools and universities, compulsory face mask wearing in closed areas and in public areas in settlements counting more than 10 000 persons as well. A general ban on organizing events has been introduced, assemblies have become forbidden. The number of participants on personal and family events became limited; hotels could not receive tourists, accommodation was available only for business, economic or educational purposes. Besides the police, the army also got authorization for monitoring the compliance with the epidemiological rules, and great fines were placed in perspective in case of violation. The second wave of the epidemic reached its peak in the beginning of December when the daily number of new infections reached 6 697, and the number of deaths was 193. However, the government announced the tightening in November 2020 for 30 days, these have been prolonged more times since then, and they are still in force at the time of writing this study (in February 2021), and there are no prospects for their mitigation.

In the last year, several studies and statements have dealt with the effects of COVID-19 on the physical (Cao & Li, 2020, Lvov et al., 2020) and mental well-being (Brooks et al., 2020, Pfefferbaum & North, 2020, Serafini et al., 2020). The research results have proved it in several cases that the epidemic can be linked to the worsening of the symptoms of depression, anxiety and perceived stress (Cao et al., 2020, Xiong et al., 2020, Li et al., 2021). Social distance, isolation, the fear from the infection and the stigma associated with it, existential uncertainty, the lack of information or its contradictions are associated with such negative psychiatric symptoms as frustration and boredom, post-traumatic stress reactions, panic symptoms, anger and irritability, low self-esteem, and the feeling of loneliness and helplessness (Brooks et al.2020, Hossain et al., 2020). The listed negative internal conditions significantly decrease the level of our mental well-being (Serafini et al., 2020).

According to Lazarus's and Folkman's definition (1984), the psychological condition of stress develops when a person meets a situation which, based on his own judgement, exceeds his available resources. So, the way a person views a certain situation is of central importance.

Because the processes start on more planes due to the stressors (events causing stress): on an emotional, cognitive, somatic and behavioural level. The creators of cognitive stress theories think that cognitive evaluation has a determining role in the development of the stress reaction, so the stress level can be influenced by its change. Several individual differences can be observed in this mechanism, such as the sensibility for stimuli, but earlier experience and genetic factors also influence the evaluation (Ursin & Eriksen, 2004). The reaction for stress is also influenced by predictability and controllability which are the aspects of cognitive evaluation. If the person thinks that he has only a little or no control above a certain event, and he is unable to judge when it happens, his body will react with a more intensive stress reaction (Kopp, 2011). At the same time, the reality of the evaluation has an important role in the process; if the qualification loses from its reality value due to a factor (for example earlier experience), different cognitive distortions began to work because of which we feel the stress situation to be more negative (Stauder et al, 2010).

The pathogenic effect of stress can be interpreted in a complex, circular causal system in which biological, psychological and social factors play role as well. The fact whether stress will cause a somatic or mental illness greatly depends on the type, duration and severity of stress (Agid et al, 2000). Mild but long-lasting stress has an essential role in the development of somatic and mental disorders, and these affect the subjective health status (Stauder & Konkoly, 2006). But a sequence of events alone is not pathogenic, it becomes so because of the person's reaction for stress. So, it is important to consider the individual differences in the perception of stress; the way how the affected person interprets the stress situation (Felisa et al, 2020).

According to Berkowitz (1989), any negative feelings may cause aggression. In the model, pain, fear and irritation can also be found besides frustration and anger among the negative feelings causing aggression. Life situations caused by the COVID-19 pandemic strengthen the intensity of negative feelings and thus, they cause aggression. On the one hand, the uncertainty coming from the situation (the course of the disease, the unpredictability of the end of the virus situation, existential threat) increases the level of stress in its own, and long-lasting stress depletes the personal resources which inhibit aggressive behaviour. On the other hand, the long-lasting limitation of free movement, earlier activities and social relationships develops frustration, and frustration is proved to be the focal point of interpersonal aggression (Krahé, 2013). Mazza et al draw the attention to the worsening of domestic abuse due to the isolation and the increase of time spent at home caused by the pandemic, especially to the danger of relationship aggression. However, relationship stress is not separated within the family, it seriously affects children as well. By now, several studies have proved that during the pandemic, parental stress may be accompanied by hostility or neglect towards children, and this further aggravates the adolescents' mental problems associated with the pandemic situation (Brown et al., 2020, Cluver et al., 2020, Spinelli et al., 2020). At the same time, examination results obtained from a Hungarian sample suggest that resilience has been proved to be a protecting factor regarding perceived stress during the pandemic in terms of both parents and children (Csíkos et al, 2020). So, mapping the factors that could moderate aggression associated with stress may be important in this long-lasting, burdening period.

### III. Methods

## 1. Participants

Data recording of this current cross-sectional research was performed in the end of November and in the beginning of December in 2020, the questionnaire was filled by 528 persons. Only age was marked as a criterion to participate in the on-line survey research: only those respondents could be involved who have passed the age of 18. Educational level, relationship status or the settlement type were not criteria in the research. Before filling the questionnaire, the participants received written information about the aim of the research. Although the results are not representative, the sample gives an informative picture about the mental characteristics of people living in North-East Hungary during the second wave of the pandemic.

## 2. Measures

During data recording, we queried labour market status, relationship status and the size of the residential settlement besides the socio-demographic data (gender, age, education). There was one question about the respondent's evaluation regarding his/her own health status and another about religiousness. There were further questions about COVID-19 infection or its suspicion in terms of the person's own and immediate environment, the severity of the perceived symptoms and the form of the necessary health care.

The Ten-item Perceived Stress Scale (PSS-10) was used to measure the subjects' perception of stress (Cohen et al., 1983). The questionnaire consists of 10 items which should be scored on a 5-point Likert-scale (0-4). At the certain items, the higher scores indicate the higher frequency of stress situations and more successful coping. The internal consistency of the Hungarian version of the questionnaire is quite good (Cronbach's alpha=0.85) (Stauder et al, 2006).

General well-being was assessed by the five-item version of the WHO Well-Being Index (Bech et al 1996), a widely used questionnaire that measures general psychological well-being (positive mood, relaxation, activity, sleep quality) on a 4-point Likert scale. The Hungarian version had good internal consistency (Cronbach's alpha = 0.85) (Susánszky et al., 2006).

The Aggression questionnaire (Buss & Perry, 1992) uses 29 variables to map the trait aggression of the personality's four different fields: physical and verbal aggression, anger as the affective component of aggression and hostility as the cognitive component of aggression. The variables could be evaluated on a '1 to 5' Likert scale. High score refers to a higher level of aggressiveness (Gerevics & Bácskai, 2012).

To measure the construction of hope, we used the Hungarian version of Hope Scale (Synder et al, 1991) (AHS-H) which had 12 items to measure general (global) hope on an eight-point Likert scale (1-8). The internal consistency of the Hungarian version of the questionnaire is excellent (Cronbach's alpha=0.88) (Martos et al, 2014).

We used SPSS 20.0 program for data analysis, and over descriptive statistical methods, we used correlation analysis, T-probe and chi-squared test.

## 3. Results

### *Demographics*

The average age of the 528 persons involved in the research is  $39.4 \pm 13.1$  years. Women's responding activity was much higher (89.4%) than men's (10.6%).

44.7% of the respondents live in cities, 28.8% in towns and 26.1% live in villages. Most of them has higher education level (59.3%), 28.2% has high school final graduation, 7.3% has technical qualification, 20.7% are workmen and 2.5% has basic education. Most of the respondents has a regular job (62.1%), the rate of students (15.3%) and women raising infants (11.5%) is high. Pensioners (7.5%) and unemployed people (2.5%) also took part in the research. 45% of the unemployed people have lost their jobs more than a year ago, 27.3% in the last year, and also 27.3% has become unemployed in the last 3 months. The majority has intellectual jobs (31.9%), 23.5% has other kind of intellectual job, and 23.7% works in health care. Most of them work in a subordinate position (69%), but 12.3% is self-employed, 10.9% is a middle manager, 3.9% is the rate of group leaders, and also 3.9% works as a senior manager.

16.7% of the asked people had underwent the COVID-19 infection, 37.9% of them were unsure about undergoing it. Most of the people having been infected (50.4%) had mild symptoms, while 47.8% suffered from medium strength symptoms. When we asked about the wider environment, they reported essentially more infections: the infection could have been detected in all the respondents' households. 22.7% of those living in one household had at least one infected family member and 77.3% had more than one infected family members. The severity of the course of the infection was different: 32% judged it very mild, 60.9% said it was medium, 3.1% of them needed hospitalization, and the course of the infection was fatal in the environment of 3.5% of the respondents. When examining a much wider environment, we met greater dispersion: 17.5% said that there were not infected people among his/her wider family members or friends, one infected person could be detected in case of 22.4%, and more relatives or friends were COVID-19 infected in the case of 60.1% of the respondents. In this group, mild symptoms were reported only in 21.3%, medium strength symptoms could be detected in 53.5%, 9.8% received hospital treatment, 2.1% received intensive care and 13.1% of the cases were fatal.

### ***Perceived stress and demographics***

The global indicator of perceived stress in the examined sample is  $17.61 \pm 4.6$ . Its minimal value is 3, the maximum is 40. There is no significant difference in the case of genders ( $p=0.76$ ), but men suffer from a bit more stress than women (Table 1).

stress total score

gender	mean
male	17.8571
female	17.6547
Total	17.6761

Table 1: Perceived stress score in terms of genders

A significant difference can be experienced examining in terms of age ( $p=0.004$ ); the older a person is, the more the stress index increases. Although, there is no significant difference in terms of the residence, the size of the settlement shows a trend level correlation with the

<sup>1</sup>Maximum score of perceived stress: 40 points.

stress level of people living there in such a way that the stress index of people living in smaller settlements is lower than people's living in bigger settlements (Table 2).

*stress total score*

<i>Residence</i>	<i>Mean</i>
<i>city</i>	17.825
<i>town</i>	17.776
<i>village</i>	17.579

Table 2: Perceived stress score in terms of residence

Stress index was found to be higher, however not significantly ( $p=0.053$ ), in case of respondents who had undergone the infection or there had been a COVID-infected person in the family and in the wider environment.

### ***Aggression and demographics***

The participants' aggregated aggression index is  $64.3 \pm 16.2^1$ , which does not reach the threshold index.

A significant difference can be detected in terms of genders ( $p=0.008$ ) and age ( $p=0.0002$ ), the aggression index of younger men is higher than women's index (Table 3).

*aggregated aggression*

<i>gender</i>	<i>Mean</i>
<i>male</i>	69.7500
<i>female</i>	63.6610

Table 3: Aggregated aggression score in terms of genders

Examining the residence, it can be observed that there is a significant difference between the aggression index and residence ( $p=0.05$ ); the aggression value is the lowest in the case of people living in cities (Table 4).

*total aggression*

<i>Residence</i>	<i>Mean</i>
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<sup>1</sup>The maximum score of aggression is 145.

city	61.6403
town	65.5724
village	64.5362

Table 4: Aggregated aggression score in terms of residence

The aggression index of people infected by COVID-19 is also significantly higher ( $p=0.045$ ).

Examining the different trait aggressions, it can be stated that only verbal aggression exceeds the threshold value (Table 5), but hostility had the greatest dispersion (SD: 5,94680).

The highest level of physical aggression could be found in towns, the index mean of people living in cities and villages was almost the same (15.5).

The highest verbal aggression index could be found in villages (13.4), the smallest in cities (12.7).

	<i>physical aggression</i> <sup>1</sup>	<i>verbal aggression</i> <sup>2</sup>	<i>anger</i> <sup>3</sup>	<i>hostility</i> <sup>4</sup>
<i>Mean</i>	15.9924	13.2311	16.9394	18.1439
<i>Std. Deviation</i>	5.28181	3.71054	4.86791	5.94680

Table 5: Scores and dispersions of different trait aggressions

Fury is a violent standby state which could be experienced in the case of the feeling of growing anger. In the case of fury, the person explodes negative feelings even for minimal provocation, reacts with roughness, and behaves angrily, rudely. In fury, the high level of adrenaline results in that the person becomes able to commit things which seem to be physically impossible in a normal, trivial case. Although, the value of fury does not reach the threshold value in this examination, but it is strongly close to it. The index of fury is the lowest in people living in cities (16.1), people living in villages come next (16.7) and it is the highest in towns (17.41) which is almost on the threshold value.

Hostility is the set of negative attitudes about people, so it is malicious, hostile and angry dissatisfaction. One of the projections of hostility is distrust during which the person supposes that he/she is contempted and hurt by others, and the environment plans something to his/her detriment. According to Kopp's research (1992), hostility is the typical attitude of the Hungarian population. According to Kopp and Prékopa (2011), the attitude of hostility has a significant health risk, because its increased occurrence increases the possibility of losing control, since in human "games" the individual basically supposes its environment to be

<sup>1</sup>The threshold value of physical aggression is 22.5

<sup>2</sup>The threshold value of verbal aggression: 12.5

<sup>3</sup>Threshold value of anger: 17.5

<sup>4</sup>Threshold value of hostility: 20

hostile. The hostility index of the examination participants is close to the threshold value. It was the lowest in people living in cities (17.2), the population of towns is the next (18.46), and it was the highest in the case of village people (18.78).

### **Well-being**

The WHO's General Well-being Scale provides information about people's general well-being on a basis of a two-week period in relation to the questionnaire filling. The highest the mean score is, the more typical the certain feature is (Table 6).

	<i>I have been happy and cheerful in the last 2 weeks.</i>	<i>I have felt myself calm and relaxed in the last 2 weeks.</i>	<i>I have felt myself active and lively in the last 2 weeks.</i>	<i>When waking up, I have felt myself fresh and lively in the last 2 weeks.</i>	<i>His/her days have been full of interesting things in the last 2 weeks.</i>
<i>Mean</i>	2.3182	1.9280	1.9735	1.4640	1.7273
<i>Std. Deviation</i>	.82713	.97528	.88807	.99077	.93298

Table 6: WHO General Well-being Scale

It can be observed on the scale that happiness and cheerfulness is typical for the respondents, they are active, calm and relaxed, but interesting activities have mostly missed from their lives. A significant difference in terms of age can be detected only in the activity sub-scale of the scale ( $p=0.00003$ ). The score of women belonging to the older age group is higher than the younger persons' score. In the case of well-being, there is no correlation in terms of the settlements ( $p=0.035$ ), but people living in towns feel themselves the best, then the population of the cities comes next, and people living in villages feel themselves the worst. The condition of well-being has significantly deteriorated in case of people who had a family member infected by COVID-19 ( $p=0.02$ ).

### **Hope, religion and stress**

At Hope Scale, we also examine the sub-factors of Agency and Pathways separately (Table 7). The Agency sub-factor of the questionnaire explains the person's motivation strength directed to the goals, while the Pathways part indicates the person's ability that helps him to find the ways leading to the target (Martos et al, 2014).

	<i>agency</i>	<i>pathways</i>	<i>hope</i>
<i>Mean</i>	5.4020	5.5355	5.4688
<i>Std. Deviation</i>	1.85241	1.89828	1.81566

Table 7: The mean scores and dispersions of the components of Hope Scale

Goals are the leaders of the human personality and behaviour which help the person to understand his/her subjective experiences. Finding the ways leading to the personal strength occurs more definitely in the sub-scale. However, the occurrence of the residence is not significant in the Hope Scale ( $p=0.078$ ), but it occurs markedly in the Pathways sub-scale ( $p=0.057$ ). Hope was highest in people living in cities (5.6) and the lowest in people living in

villages (5.2). In the case of genders, no significant differences can be experienced ( $p=0.4$ ), but women (5.48) are a little bit more optimistic than men (5.35).

There is not any correlation ( $r=0.031$ ), but religion has a great role in people's optimism. Those reached the highest mean score who practised their religion regularly in a church (5.8), and those who are religious in their own way (5.6). The non-religious respondents reached a significantly lower score ( $\sim 5.2$ ) in this research.

Hope is a quite essential personality trait because it usually provides motivation in seemingly hopeless situations.

#### **IV. Discussion**

The second wave of COVID-19 pandemic hit the Hungarian population much more intensively than the first one. The number of infections increased exponentially, and mortality ratios did so. It is becoming harder and harder for the population to bear the limitations aiming curbing the pandemic, which obviously increase the symptoms of depression, anxiety and perceived stress of the population above the age of 18 in the disadvantaged region, and this is also supported by international research (Cao et al., 2020, Xiong et al., 2020, Li et al., 2021).

In our research, the scores of the perceived stress questionnaire did not exceed the critical 50%, but they were strongly close to it, and their dispersion was also high. Men's stress reaction was obviously higher than women's, but mostly men were affected by unemployment in this period, most of them lost their jobs during this pandemic period mostly because of their lower educational level than women. Age and residence did not influence stress index essentially, but it could be obviously seen that the older age group was more stressful what was understandable since they have suffered more due to the epidemic. In terms of the residence, it can be observed that more stress reactions could be detected in bigger settlements. Social distancing, isolation, the fear from the infection and existential uncertainty caused more frustration in bigger settlements than in villages what is understandable, since people living in villages have bigger space for life than in cities.

In the case of the examination of the population's aggression level, we also experienced that the values did not reach the threshold value. Men are significantly more aggressive than women, but aggressive behaviour manifest less in case of people living in cities. There is a negative medium strength correlation ( $r=-0.36$ ) between stress and aggression, so lower stress index goes with higher aggression level. Verbal aggression is more marked in the region, but the fury and the hostility indexes are also more strongly present that often occurs as a socio-cultural behavioural form in disadvantaged settlements and it did not manifest during the pandemic.

The "well-being" of people related to the infection somehow was significantly worse than the others' that was independent from the fact that the respondent had been infected or one of his/her relatives. Examining all scales, people having an intellectual job and living in towns feel themselves the best. The existing stress and the existing negative internal condition significantly decrease mental well-being (Serafini et al, 2020).

Hope is such a dynamic personality trait and internal power that motivates the individual for coping in seemingly hopeless life situations. People living in cities are the most optimistic, and hopelessness is more marked in people living in villages that is one of the possible causes of

the socio-economic condition related to disadvantaged situation. Faith and religion have a great role in people's optimism and hope.

## V. Conclusion

The results of the examination aiming the mental health assessment of the population performed in the north-east region of Hungary during the second wave of the pandemic coincide with those international and national studies which have proved COVID-19's negative effect on mental health. The correlation between the increase of the level of stress caused by the pandemic, the deterioration of well-being and the increase of the level of interpersonal aggression can be determined with high certainty among people living in the examined, socio-economically disadvantaged region. However, the level of perceived stress showed a reverse correlation with the feeling of hope and the fact of religious faith and belonging to a religious community, so with emotional coping. In the examined sample, the correlations between the mental phenomena have been proved mainly in the case of men, older people and people living in bigger settlements. Our results are essential in the case of a possible next pandemic wave for the success of prevention and intervention work, and they have practical importance for professionals working on health and social fields.

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## Teaching Experience: Pharmaceutical Market to Fight Against COVID-19

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### Abstract

As the Sars-CoV2 pandemic continues to grow, researchers around the world are urgently seeking new treatments to prevent infection, cure those infected, or lessen the severity of the disease. Although there are several recently approved vaccines, clinical trials are underway to "re-use" drugs normally indicated for other diseases. This teaching experience studies the market for 8 pharmaceutical products used to fight the pandemic (remdesivir, favipiravir, lopinavir/ritonavir, chloroquine, hydroxychloroquine, sofosbuvir, pyrfenidone and tocilizumab) in 13 countries (Bangladesh, Brazil, China, Egypt, France, India, Malaysia, Pakistan, South Africa, Sweden, Turkey, United Kingdom and United States). Through the analysis of prices and costs, we reflect on the difficulty of access to treatment according to the country. The objective is to deepen knowledge of the pharmaceutical market: (i) to demonstrate in a tangible way the differences between production costs and final prices of medicines, (ii) to perceive the difficulty of access to certain treatments depending on the country, (iii) to reflect on what initiatives should be implemented in an international emergency context such as the one we are experiencing.

**Keywords:** patents, Covid-19, pharmaceutical products, mark-up, costs.

### 1. Introduction

As the Sars-CoV2 pandemic continues to grow, researchers around the world are urgently seeking new treatments to prevent infection, cure those infected, or lessen the severity of the disease. As of 9 January 2021, 87.5 million cases have been confirmed and 1.9 million people have died. Although there are several recently approved vaccines, clinical trials are underway to "re-use" drugs normally indicated for other diseases (Li and LeClercq, 2020). The shorter development time and reduced costs of using existing compounds are particularly advantageous compared to the discovery of new drugs in a pandemic situation, where time is of the essence.

Antiviral drugs include the nucleotide analogue remdesivir, which was previously used experimentally but without success against Ebola (Siegal et al, 2017), favipiravir, used to treat influenza (Hayden and Shindo, 2019), the HIV protease inhibitor lopinavir/ritonavir (Cao et al., 2020), the antimalarials chloroquine and hydroxychloroquine (Yao et al., 2020), and the direct-acting antivirals sofosbuvir and daclatasvir (IRCT, 2020). In addition, treatments to improve lung function and reduce inflammation, such as pyrfenidone (WIPO, 2017) and tocilizumab (ClinicalTrials.gov, 2020), are being evaluated in clinical trials.

Most of the clinical trials reported so far are small pilot studies, often non-randomised, making interpretation of the current evidence difficult. If the results of these new trials are favourable,

there is a possibility of rapidly increasing the production of the most promising drugs. The safety profiles of these drugs have already been established from clinical trials for other diseases, so they could be rapidly deployed to treat HIV-19 before vaccines become available.

Low- and middle-income countries will need access to these treatments at minimum prices to ensure that all who need them can be treated. Even in high-income countries, the disease burden could be so great that access to medicines at minimal cost may also be necessary. The HIV epidemic has been controlled by mass treatment with antiretroviral drugs around the world at very low unit cost. Large donor organizations, such as the Global Fund to Fight Immunodeficiency, Tuberculosis and Malaria and the United States President's Emergency Plan for Immunodeficiency Relief, are ordering drugs to treat more than 20 million people with HIV, at prices close to the cost of production (PEPFAR, 2019; The Global Fund, 2020). This system enables low- and middle-income countries to access high-quality drugs at affordable prices.

This educational project is designed for students in Economics, Business Administration, Political Science and Sociology. The objective is to deepen knowledge of the pharmaceutical market: (i) to demonstrate in a tangible way the differences between production costs and final prices of medicines, (ii) to perceive the difficulty of access to certain treatments depending on the country, (iii) to reflect on what initiatives should be implemented in an international emergency context such as the one we are experiencing. This will be done by consulting statistical bases and reading support documents on the structure of the pharmaceutical market. It is best to carry out this practice in small groups and then share it in order to favour "withing groups" and "between groups" interactions.

## **2. Methodology**

The execution of this project involves different phases. Firstly, the estimation of the cost of pharmaceutical products. Secondly, the search for information on the retail price of pharmaceutical products. Thirdly, an activity of reading and reflection on the pharmaceutical market and its specificities. Fourthly, carrying out a series of mathematical exercises and analysing the results obtained. Finally, the development of proposals to improve access to medicines in the context of a health emergency.

### **2. 1. Preparation of price and cost information**

The minimum production costs of medicines can be estimated by calculating the cost of active pharmaceutical ingredients, which is combined with the costs of excipients, formulation, packaging and a profit margin to estimate the price of the 'finished product', i.e. the ready-to-use medicine (Hill et al., 2018). Table 1 shows, for each drug, the duration of treatment and the number of doses to be administered each day, the daily cost of treatment and the total cost.

Table 1. Characteristics of each drug. Daily cost and total cost

	<i>Length of the treatment</i>	<i>Daily doses</i>	<i>Total treatment cost (\$)</i>	<i>Daily cost (\$)</i>
<i>Remdesivir</i>	10 days	2 the 1st day; 1 other days	9	0,93
<i>Favipiravir</i>	14 days	2 per day	20	1,45
<i>Lopinavir</i>	14 days	2 per day	4	0,28
<i>Hidroxicloroquina</i>	14 days	1 per day	1	0,08
<i>Cloroquina</i>	14 days	1 per day	0,3	0,02
<i>Azitromicina</i>	14 days	1 per day	1,4	0,2
<i>Sofosvubir</i>	14 days	1 per day	5	0,39
<i>Pirfenidone</i>	28 days	3 per day	31	1,09
<i>Tocilizumab</i>	-	2	177,5	355

Source: Own work using data from Hill et al. (2020). For Tocilizumab the table has been completed using information from Table 1, Cost-Comparison Table for Biologic Disease-Modifying Drugs for Rheumatoid Arthritis - Tocilizumab (Actemra) - NCBI Bookshelf (nih.gov)

Price information was obtained through published lists for each medicine in a number of countries (Bangladesh, Brazil, China, Egypt, France, India, Malaysia, Pakistan, South Africa, Sweden, Turkey, United Kingdom and United States) to provide a representative sample of prices in countries with different levels of economic development, although all the medicines analysed in this study are available in the selected countries. Where more than one price was available for the same medicine, the lowest price was chosen. Table 2 shows the price of full treatment for each drug and country.

Table 2. Price for complete COVID-19 treatment (\$)

	<i>Remdesivir</i>	<i>Favipiravir</i>	<i>Lopinavir</i>	<i>Hidroxicloroquina</i>	<i>Cloroquina</i>	<i>Azitromicina</i>	<i>Sofosvubir</i>	<i>Pirfenidone</i>	<i>Tocilizumab</i>
<i>Bangladesh</i>	600	-	-	3	0,2	5	168	124	690
<i>Brazil</i>	600	-	-	-	-	19	4289	-	-
<i>China</i>	600	231	17	19	5	7	-	1379	1.950
<i>Egypt</i>	600	-	-	-	-	-	-	-	606
<i>United States</i>	3.120	-	503	18	93	63	0	9.606	3.383
<i>France</i>	2.340	-	97	5	-	44	-	2.344	-
<i>India</i>	600	112,8	40	2	1	5	7	100	806
<i>Malasya</i>	600	-	-	7	2	11	-	-	-
<i>Pakistan</i>	600	-	-	-	-	-	6	-	510
<i>United Kingdom</i>	2.340	-	144	4	8	11	7832	2.561	914
<i>South Africa</i>	600	-	15	-	5	35	-	2.490	566
<i>Sweden</i>	2.340	-	172	3	4	16	-	2.196	-
<i>Turkey</i>	600	-	149	3	-	-	-	1.499	650

Source: Hill et al. (2020). For remdesivir and favipiravir, information has been completed using Remdesivir developed country price announced | Medicines Law & Policy (medicineslawandpolicy.org) y India's Glenmark cuts price of COVID-19 drug favipiravir version to \$1 per tablet | Reuters. Price for treatment with remdesivir was 600\$ in developing countries, 2.340\$ in developed countries and 3.120 in United States.

## 2.2 . Content of the practice

The practice begins with the reading of two documents: "Patents, price regulation and innovation in the pharmaceutical industry" and "Drug price differentials across different retail market settings", both available on the internet (see references). After this reading, the following introductory questions are posed:

What special characteristics differentiate medicines from other goods?

What type of market do you consider to be the pharmaceutical market?

Does it share characteristics with a market of perfect competition? Given your answer to this question, do you consider that there may be a market failure in the pharmaceutical market?

What are the advantages and disadvantages of pharmaceutical patents?

Do you consider that the knowledge on which new pharmaceutical products are based is a public good?

With the information in tables 1 and 2, a series of exercises are proposed.

**Exercise 1:** Calculate the average price and standard deviation for each drug. What do you notice?

Table 2. Mean and standard deviation for each complete treatment for COVID-19

	Remdesivir	Favipiravir	Lopinavir	Hidroxicloroquina	Cloroquina	Azitromicina	Sofosvubir	Pirfenidone	Tocilizumab
Mean	1.195,38	171,90	142,13	7,11	14,78	21,60	5.152,00	2.477,67	1.119,44
Standard deviation	949,78	68,92	140,72	6,40	25,35	19,36	5.420,58	2.602,49	947,38

Source: Own work

There are medicines with a very low average price (hydroxychloroquine, chloroquine and azithromycin), but there are also very expensive ones (remdesivir, pirfenidone, sofosvubir).

Within a single drug, there is also wide variability between countries (pirfenidone, tocilizumab).

**Exercise 2:** Calculate the mark-up ratio for each drug and each country, taking into account the price and cost data for the entire treatment. Also calculate the mean and standard deviation of the mark-up ratio for each drug:

$$\text{Mark-up ratio} = \frac{\text{Price} - \text{Marginal cost}}{\text{Marginal cost}}$$

Table 4. Mark-up rate for complete COVID-19 treatment

	Remdesivir	Favipiravir	Lopinavir	Hidroxicloroquina	Cloroquina	Azitromicina	Sofosvubir	Pirfenidone	Tocilizumab
Bangladesh	65,67	-	-	2,00	-0,33	2,57	32,60	3,00	0,94
Brazil	65,67	-	-	-	-	12,57	856,80	-	-
China	65,67	10,55	3,25	18,00	15,67	4,00	-	43,48	4,49

Egypt	65,67	-	-	-	-	-	-	-	0,71
United States	345,67	-	124,75	17,00	309,00	44,00	3.721,00	308,87	8,53
France	259,00	-	23,25	4,00	-	30,43	-	74,61	-
India	65,67	4,64	9,00	1,00	2,33	2,57	0,40	2,23	1,27
Malasya	65,67	-	-	6,00	5,67	6,86	-	-	-
Pakistan	65,67	-	-	-	-	-	0,20	-	0,44
United Kingdom	259,00	-	35,00	3,00	25,67	6,86	1.565,40	81,61	1,57
South Africa	65,67	-	2,75	-	15,67	24,00	-	79,32	0,59
Sweden	259,00	-	42,00	2,00	12,33	10,43	-	69,84	-
Turkey	65,67	-	36,25	2,00	-	-	-	47,35	0,83
Mean	131,82	7,60	34,53	6,11	48,25	14,43	1.029,40	78,92	2,15
Standard deviation	105,53	3,10	34,92	6,15	84,34	13,62	1.083,86	83,73	2,43

Source: Own work

The lowest profit margin corresponds to tocilizumab, favipiravir, hydroxychloroquine and azithromycin.

The highest profit margin corresponds to sofosvubir.

**Exercise 3:** Find the GDP per capita for each country (e.g. World Bank statistics) and compare the cost of the full treatment for VOC-19 with the GDP per capita of each country. Comment on the results.

Table 5. Percentage of complete treatment price with respect to per capita GDP.

	GDP (per capita \$)	Remdesivir	Favipiravir	Lopinavir	Hidroxicloroquina	Cloroquina	Azitromicina	Sofosvubir	Pirfenidone	Tocilizumab
Bangladesh	1.855,7	32,33	-	-	0,16	0,01	0,27	9,05	6,68	37,18
Brazil	8.717,2	6,88	-	-	-	-	0,22	49,20	-	-
China	10.261,7	5,85	2,25	0,17	0,19	0,05	0,07	-	13,44	19,00
Egypt	3.019,2	19,87	-	-	-	-	-	-	-	20,07
United States	65.297,5	4,78	-	0,77	0,03	0,14	0,10	28,50	14,71	5,18
France	40.493,9	5,78	-	0,24	0,01	-	0,11	-	5,79	-
India	2.099,6	28,58	5,37	1,91	0,10	0,05	0,24	0,33	4,76	38,39
Malasya	11.414,2	5,26	-	-	0,06	0,02	0,10	-	-	-
Pakistan	1.284,7	46,70	-	-	-	-	-	0,47	-	39,70
United Kingdom	42.330,1	5,53	-	0,34	0,01	0,02	0,03	18,50	6,05	2,16
South Africa	6.001,4	10,00	-	0,25	-	0,08	0,58	-	41,49	9,43
Sweden	51.615,0	4,53	-	0,33	0,01	0,01	0,03	-	4,25	-
Turkey	9.126,6	6,57	-	1,63	0,03	-	-	-	16,42	7,12

Source: Own work using data from GDP per capita (current US\$) | Data (worldbank.org)

Treatment with some drugs is relatively expensive compared to the country's GDPpc: remdesivir accounts for 28% in India, 32% of GDPpc in Bangladesh, 46% in Pakistan; pifrenidone accounts for 16% in Turkey and 41% in South Africa.

**Exercise 4:** Look at public health expenditure per capita (e.g. World Bank statistics) and compare it to the cost of full treatment for VOCs-19. Comment on the results.

Table 6. Percentage of complete treatment price with respect to per capita health expenditure.

	Public health expenditure (per capita, \$)	Remdesivir	Favipiravir	Lopinavir	Hydroxychloroquine	Chloroquine	Azithromycin	Sofosbuvir	Pifrenidone	Tocilizumab
Bangladesh	7,12	8.426,97	-	-	42,13	2,81	70,22	2.359,55	1.741,57	9.691,01
Brazil	353,54	169,71	-	-	-	-	5,37	1.213,16	-	-
China	282,68	212,25	81,72	6,01	6,72	1,77	2,48	-	487,83	689,83
Egypt	36,07	1.663,43	-	-	-	-	-	-	-	1.680,07
United States	5.355,79	58,25	-	9,39	0,34	1,74	1,18	347,47	179,36	63,17
France	3.441,17	68,00	-	2,82	0,15	-	1,28	-	68,12	-
India	19,63	3.056,55	574,63	203,77	10,19	5,09	25,47	35,66	509,42	4.105,96
Malaysia	218,65	274,41	-	-	3,20	0,91	5,03	-	-	-
Pakistan	15,24	3.937,01	-	-	-	-	-	39,37	-	3.346,46
United Kingdom	3.392,09	68,98	-	4,25	0,12	0,24	0,32	230,89	75,50	26,95
South Africa	284,28	211,06	-	5,28	-	1,76	12,31	-	875,90	199,10
Sweden	5.089,96	45,97	-	3,38	0,06	0,08	0,31	-	43,14	-
Turkey	301,69	198,88	-	49,39	0,99	-	-	0,00	496,87	215,45

Source: own work using data from Domestic general government health expenditure per capita (current US\$) | Data (worldbank.org)

The unaffordability of some of the treatments becomes even more apparent when comparing their price with public health expenditure. In India, the cheapest treatment is 5 times the public health expenditure in per capita terms. In Sweden, some treatments account for a tiny percentage of public health expenditure (hydroxychloroquine, chloroquine, azithromycin), but others account for more than 40% of public expenditure per capita (remdesivir, pifrenidone).

Few drugs are marketed in some countries, which means that there are very few options to choose from. In Pakistan, the cost of treatment ranges from 39 to 3,000%, in Brazil it ranges from 5 to 1,200%.

The differences between tables 5 and 6 highlight that GDP per capita is not an "ideal" indicator of economic well-being. In countries with low GDP per capita, public expenditure on health is even lower and this may make it impossible for the public health system to purchase medicines to combat the coronavirus.

**Exercise 5:** Reflect on the above results and suggest some measures that could improve affordability and access to treatment

This analysis shows that medicines to treat cOViD-19 could be manufactured at very low prices. If promising results from key clinical trials emerge, there is a possibility to increase production of generics and provide treatment to millions of people at very low unit prices.

Large orders are needed to encourage generic companies to manufacture medicines at low prices, as is the case for AIDS, malaria and TB medicines.

Other mechanisms are in place to optimise drug manufacturing. With joint procurement, a number of countries can order medicines together, to take advantage of economies of scale. There can be volume-price guarantees to purchase large quantities of medicines at fixed prices for a certain number of years.

Prequalification of major companies by the WHO can be recognized by any country as an indicator of the quality of the medicine, including adherence to good manufacturing practices and the stability or viability of the medicine over its stated shelf life, along with the bioequivalence of generic to branded versions.

There should be no intellectual property barriers preventing the mass production of these treatments worldwide. We need open 'technology transfer' so that the methods used to manufacture key medicines can be shared with any country that decides to produce them locally.

### **3. Discussion**

Students should reflect on the particularities of the pharmaceutical market. The price of a medicine can be high for two reasons. Firstly, because the cost of the active ingredients used is high. Secondly, because, due to a situation of lack of competition, the market power situation is exploited to set a high price.

Moreover, unlike in other markets where, as the number of competitors increases, the price tends to decrease (computers, mobile phones, etc.), this is not necessarily the case in the pharmaceutical market, because companies tend to include the costs of all "wasted drugs" in the price of "successful drugs".

The comparison of prices and costs in the tables above shows that there are treatments that, if effective in combating Covid-19, could be moderately expensive (less than \$30 for a standard course of treatment). However, in many cases, the differences between prices and costs are stratospheric, which may jeopardise the accessibility of these treatments for many countries.

### **4. Conclusion and recommendations**

This teaching experience has been very satisfactory, both from the point of view of the students' involvement and work, as well as their own assessment of the subject studied. In the first place, they have valued very positively the topicality of the subject. Secondly, it has helped them to use international statistical portals that they had never used before. Thirdly, it has helped them to reflect on the difference between prices and costs, and how this difference translates into the profit margin.

Fourthly, they have carried out an in-depth reflection on the existing disparities in access to medicines. In this situation, they considered, by an overwhelming majority, that although patents aim to promote knowledge by creating a monopoly around the product or innovation developed, in the particular case of the Covid-19 pandemic, health should be prioritised, and

therefore, there should be a free transfer of technology, not only at the level of medicines developed, but of all the trials carried out. It is essential that generic medicines are accessible to all people, because the health of some is good for the health of all (positive externality).

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## Post-Pandemic Trends in Global Cultural Attitudes - A Case of a Large vs. Small Culture

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### Abstract

The following paper offers an insight into processing cultural content in an EFL classroom, with special emphasis on students' attitudes in higher education settings. It is based on the results of pre-pandemic (2017-2019) and mid-pandemic (2020) research on the topic of attitudes towards American culture. The results of the investigation of the past 3 years provide insight into the specifics of cultural attitudes towards the USA, as a typical representative of a large, widely spread and generally familiar culture, from the point of view of a small-scale culture, that is Slovenian. The investigation strongly supports the variable notion of the concept of culture in general, as well as the mutable nature of cultural attitude(s) in the context of different generations. It highlights the importance of monitoring these variables and applying the findings in curriculum design, particularly within the context of post-pandemic global cultural space.

**Keywords:** cultural attitudes, expectations, large-scale culture, small-scale culture, post-pandemic

### Introduction

In the previous century, in the final decades predominantly marked by representatives of the Generation X (the 1970s and the 1980s), an observation of attitudes towards American culture would probably have yielded mostly favorable results in this part of the world (i.e. Central European region of former Yugoslavia, and the independent state of Slovenia after 1991). It generally enjoyed high praise and triggered a sense of great expectations among the Slovene Generation X in reference to the US as a country, as well as the related American culture<sup>1</sup>. There was a sense of overall appreciation of American consumer goods: jeans, music, Coca Cola, movies, sports and other products, subject to export of American culture. The US was seen as the land of opportunities then, and many were hoping to one day perhaps enjoy the privilege of traveling across the Atlantic and possibly find a job, get rich, live the American dream.

Over the past decades, and among the more recent Generations Y and Z, there seems to be a notable difference in the general attitudes towards the US and American culture. Having had the opportunity to talk to the students who opted for the American Culture and Society course<sup>2</sup> (in an informal class discussion, October 2016), only to discover a surprisingly negative

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<sup>1</sup> This assumption is based on the author's observation.

<sup>2</sup> an elective subject at the Department of English, Faculty of Arts, University of Ljubljana

attitude towards American culture, the decision was reached to back the impressions of the seemingly predominantly unfavorable cultural attitudes of the Slovene students towards 'anything American' by carrying out a research and converting these impressions into numbers.

### **Theoretical Background: The Definition of Culture**

Before embarking on the project of investigating cultural attitudes, a working definition of what culture is had to be proposed, as there seems to be a number of diverse approaches addressing the topic of culture, resulting in a plethora of definitions. According to Ruth Benedict, an American anthropologist and folklorist, »*Culture is what binds (people) together, the ideas and the standards they have in common.*« (1934, p. 14). Benedict defines culture as a binding element among human beings, to contrast it with the then (reference to the 1930s) prominent element of race, which was believed to be the predominant binding (and at the same time dividing) force among its members. On the issue of race, or ideas of biological determinism, Benedict summarizes that:

»*Not one item of his tribal social organization, of his language, of his local religion, is carried in his germ-cell. [...] Man is not committed in detail by his biological constitution to any particular variety of behavior. [...] Culture is not a biologically transmitted complex*« (ibid., pp. 12, 14).

Benedict's findings were extremely relevant in the context of racial issues and her texts »*assured teachers and students that culture, not race, was the key to understanding human diversity.*« (Burkholder, 2006, p. 25) Benedict's *Patterns of Culture* endorses and popularizes what Michel-Rolph Trouillot terms the "*Boasian conceptual kernel*" of U.S. anthropology (Trouillot, 2003, p. 99). In his account, Trouillot clearly points to the fact that behavior (which on most aspects characterizes culture) is a result of human interaction and therefore experience, rather than it being biologically preconditioned at birth. While Benedict's definition is focused on racial aspects, Trouillot's is anthropologically motivated, and neither is comprehensive.

There has been a number of attempts by various experts and researchers to formulate a single comprehensive definition of culture, which all but failed to narrow it down from simply encompassing all human behavior, such as, for instance, Peck's sociologically oriented account of culture, stating that:

»*Culture is all the accepted and patterned ways of behavior of a given people. It is that facet of human life learned by people as a result of belonging to some particular group; it is that part of learned behavior shared with others.*« (1984)

In over 300 definitions collected by Kroeber and Kluckhohn (cited in Neuliep, 2009, p. 17), there were some similarities, however, no two definitions were the same. Hofstede (2006, p. 5) goes as far as defining culture as a 'software of the mind', where mind is the hardware operating in accordance with the relevant culture.

These varied ideas of what the concept of culture entails coincide with the 2017 research results (cf. Burazer 2020, p. 19), where the respondents' answers to the question of defining culture rendered a variety of suggestions, ranging from extremely broad (such as *culture is: the opposite of nature, all human achievements;*) to somewhat narrower (such as *sports or typical behavior*, for instance). We could thus accept that culture is perceived as an elusive

category, difficult to define in a uniform manner, with most recent definitions leaning towards a broad scope including human behavior at large.

### **Delineating Expectations and Attitudes within the Context of (Attitudes towards American) Culture**

Despite the obvious familiarity with the two expressions – *expectations* and *attitudes* – it is important to delineate them within the scope of the present discussion and relate them to the concept of culture. In the dictionaries<sup>1</sup>, *expectations* are defined in terms of a *strong belief that something* (often positive in nature) *will happen*, while *attitudes* are explained in terms of *perspective, approach, outlook, relationship* (*ibid.*<sup>2</sup>). In the context of *cultural* expectations and attitudes, these two notions are tightly intertwined, but function with an important distinction. Expectations, which operate within the field of beliefs, according to the dictionary definitions (cf. footnotes 3 and 4), function on personal level and are therefore often subject to personal values. As such, they represent *the basis for* attitudes. The latter, on the other hand, operate mostly in response to certain social phenomena and are based in values, and therefore expectations (as expectations seem to arise from values – the backbone of our social persona or identity).

The challenge of delineating these two concepts is enhanced when the scope of investigation relates to a widespread culture, such as American - a culture that to many seems omnipresent, overly familiar and for that reason met with a degree of contempt. This is in accordance with Aesop's postulate from the *Fox and the Lion* that 'familiarity breeds contempt'. Fear of the unknown in time transitions into familiarity and emboldens one to be comfortable around it, which in turn might lead to passing judgement.<sup>3</sup> On the other hand, contrary to the 'big culture' trends, cultures which are considered 'small' or 'exotic' even, with a considerably lower number of people practicing them (such as Slovene, for instance), are usually not subject to such severe criticism (the latter often resulting in unfavorable attitudes). It is usually quite the opposite: small cultures, more often than not, leave the audiences with the impression of '*craving to learn more*'. Lack of presence in this case results in absence of opportunity to develop familiarity and therefore a possibly negative attitude.

Our past experiences, primary or secondary in nature, are the basis for our attitudes and therefore the basis for the formation of expectations (cf. the reference to Trouillot's account of culture above; 2003, p. 99). The latter have also proven to be an elusive category as the audience is usually excited and eager to learn what the broadly defined culturally related content has in store for them. In reference to those (overly-)familiar cultures, the audience's expectations often seem to lean towards evaluation of their prior knowledge and formerly developed opinions and attitudes against the frequent exposure to (or experience with) the particular cultural content.

### **Treatment of Expectations within Linguistics**

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<sup>1</sup> Cambridge online dictionary (<https://dictionary.cambridge.org/dictionary/english/expectation>); Collins dictionary (<https://www.collinsdictionary.com/dictionary/english/expectation>)

<sup>2</sup> with a special and somewhat intriguing note in reference to North American variety, where it also relates to uncooperative behavior (<https://www.lexico.com/en/definition/attitude>)

<sup>3</sup> Cf. Burazer 2020 (Part 2, pp. 35-52)

In linguistics, one of the fields within which expectations have been extensively explored is the field of 'human linguistics'. Victor H. Yngve (1996) defined them in terms of *expectation procedures*, where the latter are characterized as '*procedure[s] for responding selectively to the occurrence of an event that is expected*' (pp. 263-64). Expectation procedures are therefore a dynamic category which changes its value in accordance with the relevant variables - such as time, place, the context of situation, the participant's personal context - immediately preceding the relevant events. This definition points to the obvious challenges related to the concept of expectations, as these depend on a number of factors, which are largely variable and at best difficult to discern or monitor. Within Human Linguistics, an individual is represented as a *system* and the relevant characteristics as interdependent *properties* of the system. But individuals are also part of a larger system, which is society, with its own properties and variables, within which an individual needs to navigate in order to function successfully. These are the cultural properties and values that are subject to the present investigation.

While Victor H. Yngve's treatment of expectations within linguistics might be unique, it is by far not a novel approach to including expectations in discussions within humanities, specifically referencing communicative behavior. The concept of expectations as featured in Van Dijk's definition of ideology (1996, p. 7), for instance, is characterized as the »*organized evaluative beliefs - traditionally called 'attitudes' - shared by social groups*«. In view of cognitivist theories, such as, for instance, Minsky's theory of *frames* (1975; quoted in Shanon 1981:36), expectations are featured as »*a data-structure for representing a stereotyped situation, like being in a certain kind of living room, or going to a child's birthday party*«, and serve as the backbone of successful communicating activities<sup>1</sup>.

These theories all introduce the idea of developing experience-based expectations, which function on the subconscious level and are triggered in the relevant context of situation to accommodate the participant with the necessary data for comprehension of the communicative event. These specifics of expectations as a category linked to (inter-)cultural attitudes were the relevant background and motivation for the present investigation.

### Goals and Research Question

The principal goal of this investigation was to monitor attitudes in Slovene students of English towards American culture, with specific focus on those who have chosen *American Culture and Society* course as their elective subject. Given the fact that this course is not an obligatory core subject, the assumption was that the group of students attending it would largely favor American culture. The preliminary research in 2017, however, revealed quite the opposite. This was the main trigger for continuing the investigation of Slovene students of English and American Studies' attitudes towards American culture over the period of the following 3 years. The comparative study of the 2017 cultural poll results with the subsequent ones of 2018, 2019 and 2020 showed a certain level of oscillation with regard to cultural attitudes among Slovene students attending American culture and society course. Based on the initial results from 2017, pointing towards predominantly unfavorable attitudes towards American culture, despite the students' levels of familiarity with it and the freedom to choose between several

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<sup>1</sup> »Attached to each frame are several kinds of information. Some of this information is about how to use the frame. Some is about what one can expect to happen next. Some is about what to do if these expectations are not confirmed.« (Shanon 1981:36)

cultural course options, the research question was designed around the above stated assumption: *Do the students opting for the elective American Culture and Society course display predominantly favorable attitudes towards American culture?* The relevance of accumulating the data on this question lies in the aspect of harboring attitudes (emotional perceptions of sorts) towards a whole country or culture, especially one as influential and omnipresent as American. As such, these cultural attitudes are not unimportant. In the words of Gordon W. Allport, a prominent American psychologist:

*Attitudes determine for each individual what he [or she] will see and hear, what he [or she] will think and what he [or she] will do .... They draw lines about, and segregate, an otherwise chaotic environment; they are our methods for finding our way about in an ambiguous universe. (1935: 806)*

### Research Method

The investigation into cultural attitudes was conducted at the Department of English (University of Ljubljana, Faculty of Arts). The scope includes the second- and third-year students of English who opted for the elective American module, part of which is the course on American culture and society<sup>1</sup>. The study has so far spanned over four academic years (2017-2020<sup>2</sup>), with four different groups of students. The research results are based on responses collected in a survey-type questionnaire, given to students in the first semester of the academic year, at the beginning of the course, consisting of the following 9 questions:

*Table 1: Questions in the 2018-2020 poll*

<i>What words come to mind when you hear the word AMERICA?</i>
<i>What do you associate with American culture the most?</i>
<i>What is typically Slovene?</i>
<b><i>Do you like American culture?</i></b>
<b><i>Which variety of English do you prefer?</i></b>
<b><i>Which prominent features of American culture do you consider the most different from Slovene?</i></b>
<b><i>Which prominent features of American culture do you consider the most similar to Slovene?</i></b>
<b><i>How/Where do you experience American culture?</i></b>
<b><i>What are your expectations for this course in reference to the topics covered in class?</i></b>

Questions 1-3 are open ended, while questions 4-9 are multiple-choice, with the possibility to choose more than one among the several options provided, including the open-ended 'other'. In the years 2018-2020, question 4 thus had 3 options, question 5 had 5, questions 6 and 7

<sup>1</sup> In addition to two other courses on American literature, which all together form the American cultural module.

<sup>2</sup> In the 2017 survey, the number of questions was the same, but they were slightly differently formulated (see Appendix 1). The survey was conducted for diagnostic purposes. The results of the 2017 survey are partially included here (specifically responses to question 2: *Do you like American culture?*) as their relevance proves to be of high importance in showing a marked shift in cultural attitudes. The responses to the other questions are not included as they were formulated differently and therefore do not bear relevance to the present discussion.

had 7 options, question 8 had 7, and question 9 had 9 options (for more specific information on the questions and the options provided cf. Appendix 2 below).

The number of respondents so far is 90, as the investigation is ongoing and still collecting data in the form of yearly pulse survey. The first batch of 18 responses was collected in printed form, while the other three, amounting to 72 responses, were collected in digital manner, via an anonymous online SurveyMonkey questionnaire. The respondent's data for all 4 years of investigation is represented in Table 2 below.

Table 2: Data on respondents' in the 2017-2020 polls

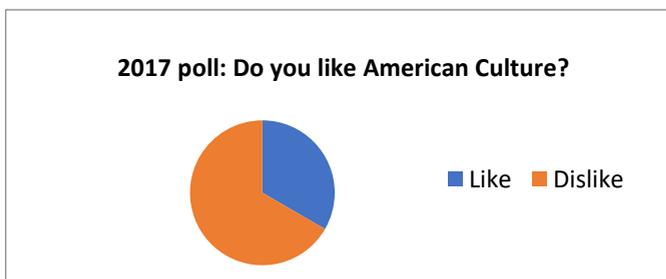
respondents year	number
2017	18
2018	28
2019	24
2020	20
Total	90

The age of the respondents varies from year to year as it depends on which year of study they opt for the elective American module<sup>1</sup>. The students' age in different years of study also varies according to when they started college and whether they passed all the requirements on time to progress to the following year. The number of students from each year (second or third) is therefore unpredictable, as well as the number of students in the group overall (typically varying from 20-25, between the ages of 20-23).

#### Presentation and Discussion of Results

The results of the investigation have so far shown an oscillation in the respondents' attitudes towards American culture. In the initial 2017 poll, where the question '*Do you like American culture?*' only offered two possible responses - *yes* or *no* - the results were as follows:

Graph 1: 2017 survey - response to '*Do you like American culture?*'



The numbers show that in the 2017 poll two thirds of the respondents (amounting to 12 students) opted for '*not liking*' American culture, which was somewhat surprising as they were participating in the elective (non-obligatory) course on American culture and society. Only one third of the responses (amounting to 6 students) were in favor of the American culture,

<sup>1</sup> The students have the option to select the American cultural module either in the second or third year of the undergraduate study programs.

however, in the subsequent discussion with the group, it turned out that most of the students who opted for 'yes' were doubtful of their choice. They justified their decision by relating it to the association of American culture with the various media content that they enjoyed, rather than the general cultural scope.

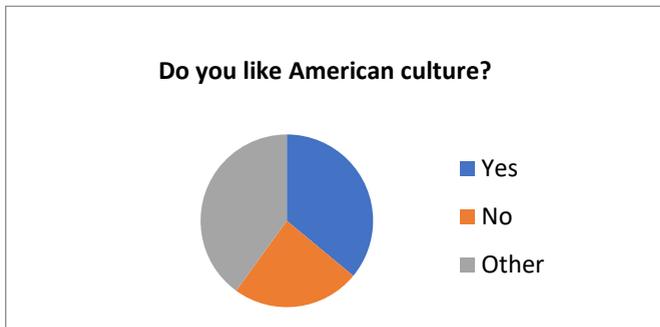
In light of the 2017 survey respondents' comments relating to the pressure of limiting their options to the two polar responses, an additional option was provided in the 2018 and the subsequent surveys: that of 'other', with request to provide a more exact description. This way having to provide a straightforward answer could be avoided, which afforded the respondents a higher level of comfort in relaying their cultural attitudes. The numbers of the 2018 survey are listed in Table 3 (and the average values presented in Graph 2) below, with 48% of the answers in favor of American culture (which is a considerable rise in comparison to the 33% in the 2017 survey results), 8% displaying unfavorable attitude (a considerable drop from 66% in the 2017 survey results), and 44% opting for 'other' and providing additional explanations.

Table 3: Distribution of responses to question 4:

response \ year	yes	no	other	total
2017	6	12	-	18
2018	14	2	12	28
2019	9	6	9	24
2020	9	3	8	20
average	9,5	5,75	9,6	22,5

The more recent figures for this question from the 2019 poll show quite a difference in attitudes in comparison to the 2018 results. The percentage of respondents who opted for 'yes' was 38%, of those opting for 'no' was 26%, while 'other' was chosen by 36%. The downward trend on favorable attitudes might be attributed to the events in American politics and policies relating to the environmental and racial issues (often subject to international press coverage), such as the US opting out of the global environmental initiative, president Trump's attempt to buy Greenland, abortion ban in Alabama, cases of police brutality surging across the country (these topics often surfaced in class discussions). Similar values are observed in the 2020 poll results. The distribution of responses to Question 4 across the past three years is presented in Table 3 above; the graphic representation of average value is available in Graph 2 below.

Graph 2: 2018-2020 survey – accumulative value of response to question 4



According to the responses provided under 'other', it is evident that the latter option was chosen primarily by those students who were not sure about their attitude and were therefore unwilling to state it clearly. They provided a variety of responses; we list the most frequent in Table 4 below.

*Table 4: 2018-2020 survey - respondents' specific responses to question 4's 'other'*

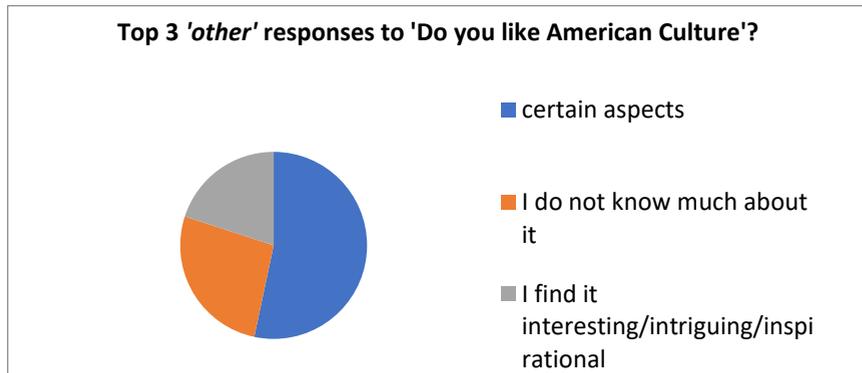
<i>I like certain aspects of American culture. For example, the diversity and freedom of big cities such as New York and LA. But I certainly don't like everything that falls into the category of American culture</i>
<i>parts of it are inspirational, parts of it are forgettable</i>
<i>I find it quite interesting because it's very different from ours, but I don't necessarily like it</i>
<i>Some aspects of it.</i>
<i>Both yes and no</i>
<i>Still deciding</i>
<i>I find it intriguing</i>
<i>I haven't made up my mind yet</i>
<i>I do not know much about it</i>
<i>I'm very much fond of the arts but less of their sense of entitlement</i>

What the above replies suggest is the respondents' reluctance to subsidy all of the traits American culture spans across or is associated with. Some answers (such as those specifying the traits they enjoy or admitting they are not familiar enough with the culture to pass judgement) might point towards a certain level of maturity and a sense of responsibility on the part of the respondents. Another important aspect these specific answers expose is the fact that the concept of culture is so broad that it is near impossible not to differentiate between and display different sentiments towards its various aspects. As much as a simple and straightforward yes/no question is expected to yield simple and clear results, it is evident that within this context, a mere yes/no answer puts the respondent in a position where they might feel pressured into choosing clearly separated sides on an issue that's characterized by blurry lines and overflowing concepts (which is evident in the elusiveness of the very definition of culture, cf. the chapter *Theoretical background* above).

In reference to the frequency of occurrence of the specific answers on the option of 'other', the results show the highest number of occurrences for 'certain aspects' (mentioned 8 times), followed by the mature and responsible admission of 'I don't know much about it' (mentioned 4 times) and 'I find it interesting/intriguing/inspirational' (mentioned 3 times; these answers were grouped together based on their similarity in meaning). These mentions are represented

in Graph 3 below (only the numbers of the above-listed mentions are proportionally represented, as most students used several different expressions to describe their attitudes, which ultimately amounted to only one mention).

Graph 3: 2018-2020 survey – accumulative value of top 3 responses to question 4's 'other'



Regardless of the oscillating trend in expressed attitudes towards American culture, it is important to note that the process of developing an attitude towards a whole country, nation or culture is rarely linear or smooth and pertaining to all cultural aspects in equal measure. The expectation of some fluctuation and oscillation in reference to various cultural aspects is therefore entirely justifiable.

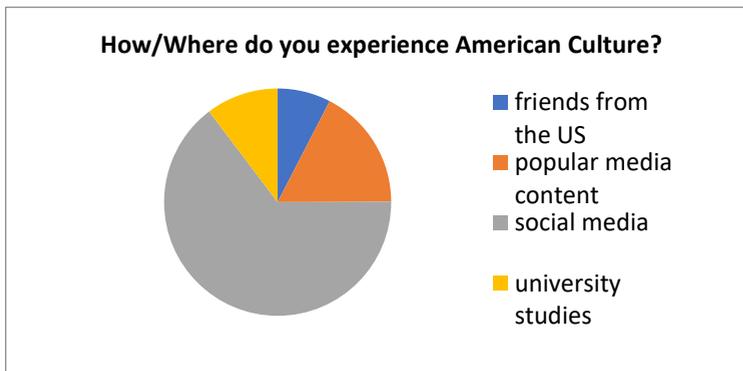
An important point that arose from this investigation was that American culture enjoys the status of a celebrity among cultures, which seems to be a unique phenomenon, especially in comparison to smaller cultures, such as Slovene. What is implied by '*celebrity status*' is that most respondents would not experience frustration over answering the questions about American culture, even if they are not American, haven't visited the country or lived there. The same could not be expected if the questions referred to a less widespread or familiar world culture (to a European resident, an example of such culture might be, for instance, Chilean or Tanzanian culture). There seems to be a sense of familiarity attached to American culture, resulting in a certain level of comfort related to at least the more familiar aspects of it (e.g., media posts, politics, Hollywood production). This is particularly interesting given that many of the respondents had not yet experienced American culture up close, such as by living in the US or visiting it. This was evident from the answers to question 8 in the survey: *Where do you experience American culture?* Not surprisingly, the answers mostly focused on the following (for more specific figures cf. Table 5 below; in Graph 4 below, only the numbers for the 4 most frequent mentions are proportionally represented, as some of the students, again, used several different expressions to describe their experience):

Table 5: Distribution of responses to question 8:

category year	Friends from the US	Popular media	Social media	University studies
2017	-	-	-	-
2018	8	16	60	12
2019	6	16	62	10
2020	7.5	17.5	62.5	7.5
average	7.2	16.5	61.5	9.8

Most of the sources for American cultural content experience listed in Table 5 above and presented in Graph 4 below are related to media content (social and popular media) and largely a matter of choice. Previous generations (such as GenX, for instance) might have argued that they were pushed into being exposed to American cultural content and context, mostly due to the technological limitations of the time. The more recent generations, however, enjoy a much larger variety of options due to the technological advancements. Nonetheless, they still seem to choose to spend their leisure activities enjoying the content of the culture they – according to part of the results of the survey – mostly dislike or are encountering issues in deciding the level of favorability towards it.

Graph 4: 2018-2020 survey – accumulative value of responses to question 8



The smaller share of responses featured in Graph 4 falls on ‘*friends from the US*’ being the source of content American culture is experienced through, even with the assumption that it might also be related to social media, as many friendships are nowadays formed online, via various apps. In a class discussion ensuing the completion of the survey, some of the respondents admitted that there was ‘*a certain appeal to American entertainment production*’ and that ‘*they [Americans] do make good movies and music*’, thus highlighting that American production is massive and paired with highly efficient advertising and distribution, a much higher level of familiarity with the products of their culture is ensured. Therefore, part of the motivation behind familiarity with and attitude towards American culture falls on the content that we have grown so accustomed to over the years that we find it familiar and it therefore meets at least certain expectations we harbor towards it. Another large part of the motivation falls on the aspect of familiarity with *the language*, as the vehicle via which American culture is distributed – namely, the English language – is also subject to a high level of familiarity on a global scale. Through the fact that the primary vehicle of American culture is English, the most direct and easy access to authentic (American) cultural content is facilitated.

In the 2019 poll results, *the internet and social media* still top the list at 62%, followed by *popular media content* at 16%, *university studies & literature* at 10%, and *friends & acquaintances from the US* having dropped to fourth place at 6%. In the 2020 survey results, the numbers display similar preferences in the respondents, with a slight rise in the categories of *the internet and social media*, *popular media content* and *friends & acquaintances from the US*, while having marked a slight drop in the category of *university studies & literature*. These findings are further supported by the respondents' answers to question 1: *What comes to mind when you hear the word AMERICA?* (cf. Table 6 below).

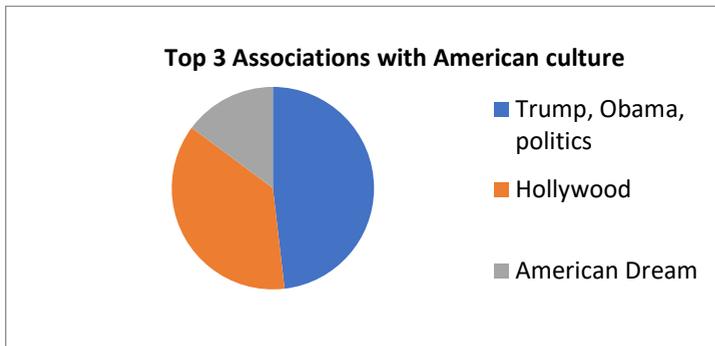
Table 6: Number of the most frequent responses to question 1:

category year	Trump, Obama, politics	Hollywood, movies	American dream
2017	-	-	-
2018	14	11	6
2019	12	9	3
2020	0	9	2
average	13	9.7	3.7

As this is an open-ended question, with a variety of responses occurring only once, the data included in Table 6 above and presented in Graph 5 below only includes the most frequent answers. What the data reveals is that most of the associations fall on politics, which coincides with David Crystal's account about a culture's power and presence (2003: p.7). He assigns cultural dominance to political, economic and military power, all of which American culture is closely associated with. The other two top responses are related to media, as current generations' access to Hollywood production is largely related to technological advancements, while the American dream seems to be a generally familiar concept, closely related to American culture as an essential trait of what it means to be an American.

The results for the 2019 poll largely resemble the 2018 figures, with most of the responses falling on references to American politics and entertainment industry. The results for the 2020 poll recorded somewhat different responses, the difference mainly lying in the dispersed nature of the answers. There were, in fact, no mentions of specific political figures (such as Trump or Obama), references to Hollywood and movies remain steady, while the American dream references marked a drop. There were a number of other responses, though, spanning across various different traits of American culture, such as: *guns, racism, melting pot, protests, big cities, burgers, fast food, crime, white privilege, capitalism, individualism, tuition fees, student loans, freedom of expression*, to list but a few. Most of these were mentioned only once; *guns* and *racism* were mentioned 3 times and twice, respectively, which puts them in the top 3 for the 2020 results.

Graph 5: 2018-2020 survey – accumulative value of top 3 responses to question 1



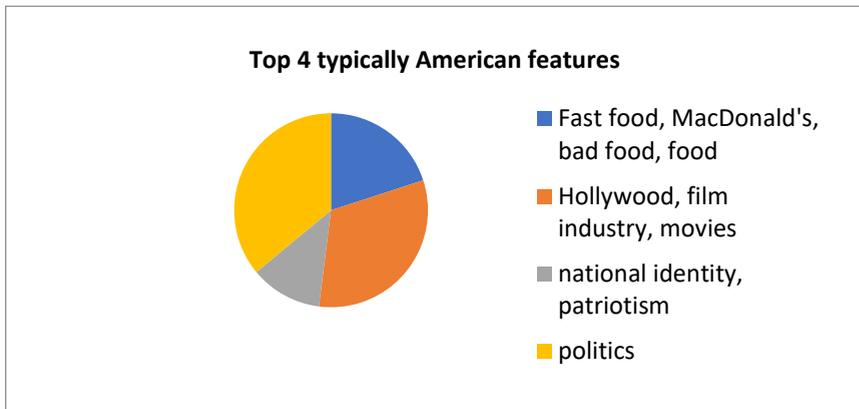
In the 2018 through 2020 surveys, the questions on what the respondents perceived as typically culturally American and what typically Slovene (in reference to questions 2 and 3, respectively) yielded somewhat different results than question 1 (cf. Table 7), with the most frequently used answers - the top 4 - for American culture being the following:

Table 7: Number of the most frequent responses to question 2:

category \ year	politics	Hollywood, movies	MacDonald's, (fast) food	national id., patriotism
2017	-	-	-	-
2018	7	12	5	3
2019	8	10	5	4
2020	11	1	6	3
total	26	23	16	10
average	8,6	7.7	5.3	3.3

The category of Hollywood and movies included mentions of *Hollywood, movies, movie industry, movie production, films, movie stars*. The category of MacDonald's and (fast) food included: *MacDonald's, food, bad food, fast food, apple pie, burgers, cheeseburgers, hamburgers, fast food chains, fast food restaurants, restaurant chains*. The mentions counted in the category of national identity and patriotism were those of *national identity/patriotism, bald eagle, the (American) flag/the Star-Spangled Banner*. Many respondents listed names of political figures or institutions (for instance, *Trump, Obama, the President, the White House, democracy, election*), which might also fall under the heading of national identity and patriotism, but for the purposes of the present investigation, these were considered as being associated with politics, in a separate category, whose average value tops the list for the past 3 years.

Graph 6: 2018-2020 survey – accumulative value of top 4 responses to question 2

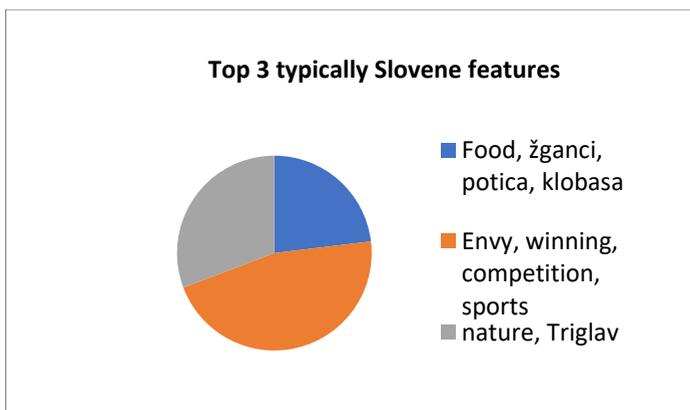


As typical Slovene cultural traits, the respondents provided the following top 3 responses, listed in Table 8 and presented in Graph 7 below.

*Table 8: Number of the most frequent responses to question 3:*

category year	food, žganci, potica, klobasa	envy, winning, competition	nature, Triglav
2017	-	-	-
2018	12	9	6
2019	5	6	4
2020	4	3	3
average	3.6	6	4.3

*Graph 7: 2018-2020 survey – accumulative value of top 3 responses to question 3*



These two questions on typical cultural traits were designed as open ended on purpose, so as to avoid interference with the respondents' associative process and thus ensure a required level of result accuracy as well as reliability. The results featured in Tables 7 and 8, and presented in Graphs 6 and 7, for the most part meet our expectations as all of the cultural aspects included fall into the category of *the most widely spread and well known*. Some are not

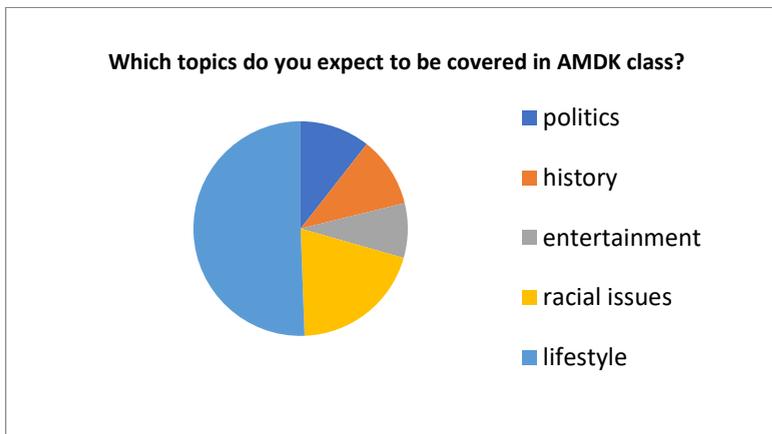
only typical but bordering on stereotypical even (such as *bad food* for Americans and *envy* for Slovenes, for instance).

Asking the students about their expectations in reference to the topics to be covered in our American culture and society class, again witnessed a certain level of maturity on the part of the respondents, as most frequently selected topics were lifestyle (48%), followed by racial issues and politics (19% and 12%, respectively), and only then entertainment and history (at 8% for both; cf. Graph 8 below). Their choices were somewhat surprising as the most frequently chosen topic was *lifestyle* - the topic they are probably largely exposed to on a daily basis via social media. At the same time, this is also the topic that could be characterized as the most elusive and difficult to pinpoint, subject to constant change and individual preferences, as well as tightly linked to culture, which might serve as a valid justification for their choice.

Table 9: Distribution of responses to question 9 in %:

category \ year	politics	history	entertainment	racial issues	lifestyle
2017	-	-	-	-	-
2018	12	8	8	19	48
2019	6	10	6	16	40
2020	8	8	8	15	42
average	8.6	8.6	7.3	16.6	43.3

Graph 8: 2018-2020 survey – accumulative value of top 5 responses to question 9



In comparison with the 2018 poll results, there are several changes in the 2019 figures. Lifestyle and racial issues remain at the top, resting at 40% and 16%, respectively. Politics has marked a drop from 12% to 6%, as well as entertainment business, also dropping to 6%. History, on the other hand, with its 10%, rose to third place. On the other hand, the potentially highly interesting topics of geography or environmental issues, for instance, got zero votes in the 2018 poll, and rose to mere 2% in the 2019 poll (this data is not included in the tables and graphs). The assumption is that the information related to these two topics is more easily accessible, subject to recording and measuring factual information, rather than depending on personal evaluations, allowing for fluctuations relating to individuals.

In reference to our discussion of expectations and attitudes, we could therefore argue that some of the (negative) attitudes of consumers of American culture are mostly politically motivated, as politics and the closely related category of racial issues remain a topic of high interest in the past three generations of respondents. They are topped by lifestyle, which seems to be perceived as tightly bound to the ubiquitous American cultural practices, serving as the basis for cultural expectations. It is not an insignificant point that, even though politics and racial issues have marked a drop from 2018 to the subsequent polls in 2019 and 2020, they remain highly associated with American culture, as is evident in responses to question 1<sup>1</sup>.

The results presented so far, however modest in the number of respondents, are nonetheless relevant in unveiling the cultural attitudes towards a large, global culture versus a small one. For additional data on attitudes to American culture, we compared the research results presented here with those conducted in 2017 by BBC World Service on the US influence on the world<sup>2</sup>, the 2018 Pew Research Center poll on the level of favorableness (*ibid.*), and the Eurobarometer poll on views of the US (*ibid.*). Even though the questions used in these polls were formulated differently than in our SurveyMonkey poll, the results still bear relevance in the context of this discussion as they focus on the respondents' views towards the US, which are interpreted as positive or negative – which relates to their attitudes.

A brief review of the 2017 BBC World Service poll points in the direction of a somewhat negative attitude of world countries towards the US, with global average for the 20 countries included in the survey resting at 34% positive and 49% negative views (the US excluded). The 2018 Pew Research results for the 10 European countries included in the data show median values at 46% favorable and 48% unfavorable view of the US, while the European average for the 28 countries included in the 2018 Eurobarometer poll on positive/negative views of the US (*ibid.*) shows median values at 45% positive and 49% negative. The numbers for Slovenia, available only in the Eurobarometer poll, are closer to our 2017 SurveyMonkey data (cf. Table 3 above), with 39% positive and 57% negative views expressed, while the subsequent SurveyMonkey poll results reveal a more favorable trend towards American culture compared to the 2018 Eurobarometer poll, thus bringing it closer to the EU values.

### **The Impact of Shared Cultural Experience**

In the introduction, we briefly referred to some of the circumstances of the GenX-ers who, due to the limited availability of technological advances of the final decades of the 20<sup>th</sup> century (1970-1990), were the ones whose experience of the world was geographically and culturally confined to their immediate environment. What this means is that the Slovenian or Yugoslavian youth of the 1970s and 80s basically *shared their cultural experience* in terms of seeing (more or less) the same movies, listening to the same music, attending the same concerts. This way they tapped into the same pool of cultural patterns, behaviors, opinions. Establishing discernible cultural pathways was thus more straightforward, and following them the more natural and standard option, resulting in more unified cultures at local, and more diversified at global levels. Due to the information exchange rate of the time, the shared cultural experience was largely unified and bound by geographical confines. If we compare

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<sup>1</sup> Cf. analysis of responses to question 1 and commentary about the various mentions of political figures and institutions above.

<sup>2</sup>Source: <https://en.m.wikipedia.org/wiki/Anti-Americanism>

these concepts of the previous century to the situation of today's youth, we can paint a completely different picture. Today's youth does not have to wait for a movie to hit the cinemas or for a music record to physically find its way into the nearest record store. All they need to do is go online and immediately gain access to these releases – sometimes even before they have been officially released. What this translates to is that every individual experiences content according to their own personal preferences; they make individual choices on the selection of films they want to watch and the selection of music they wish to listen to. Through this process, they can tap into the cultural experience almost anytime, anywhere around the globe.<sup>1</sup>

Regardless of our attitude towards the internet and the related technological advancements of today, these are powerful tools which can affect and change cultures, or even establish new ones. This global network of connectivity allows for its users to experience different reality (even if it is virtual) from those sharing their physical space. The concept of *shared cultural experience* has thus changed drastically, for intercultural encounters are no longer confined to a shared physical space and multi- and inter-cultural communities are no longer subject to the limitations of real-world physical boundaries. This phenomenon of every individual being able to choose exposure to their content of choice, thus confining their experience to these individual choices, could be deemed a *personalized global cultural experience* of sorts. Due to the effortlessness of across borders and languages communication, it thus paves the way for the formation of online communities, which then build cultures based on common interests, experiences, reaching far beyond shared language, history, geographical area, and the like. This way the aspects of intercultural communication are not only relevant in discussions of American culture, of course, but in any cultural context.

### **Implications for the Post-Pandemic Trends in Educational Settings**

One aspect that deserves attention in the context of the internet and the associated global connectivity trends is the overall accessibility of the internet connection. It is mostly assumed that internet is nowadays commonplace and taken for granted. However, according to recent research for Slovenia<sup>2</sup>, which has been hit by the current pandemic as much as most other countries around the globe, there are approximately 17.000 addresses in various areas around the country without access to the internet connection. In reference to the educational objectives, the research results figures translate into roughly 7000 students who are directly affected by these figures (over 5000 without cable connection and roughly 1,800 without Wi-Fi; *ibid.*). In addition to that, there seems to be a considerable gap between teachers and students on the aspect of tech-savviness. According to the 2018 Talis research<sup>3</sup>, over 40% of active teachers were over the age of 50, with the average age being 46, and with less than 3% of teachers below the age of 30. Proportionally to these figures, the level of tech-savviness among the teaching professionals drops with the progression of age groups, for the group of 45-54 resting at around 28% having well-developed ICT skills, while in the following group of 55-64 only 15% claiming honed ICT skills.

With the pandemic pushing the classroom instruction into the virtual environment, the use of ICT has become inevitable, affecting all generations and age groups with similar intensity.

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<sup>1</sup> This section is based on and adapted from Burazer 2020, Chapter 1.5, pp. 37-40

<sup>2</sup> MJU (Ministry of Public Administration, Slovenia), 2020 figures

<sup>3</sup> TALIS 2018 research results

Waking up to a new reality, the students and the teachers were faced with the concepts such as: *silent classrooms, loss of eye-contact, changed (often switched and reversed) roles of teachers, students and parents alike*, in addition to the issues with handling numerous technological tools effectively and often simultaneously. All these aspects constitute the stage for the mid-pandemic, and quite possibly also post-pandemic classrooms, with global connectivity representing both extremes of the educational environment: deciding access to education or lack of it to those with or without the internet connection, respectively, as well as affecting the overall quality of classroom instruction depending on the teacher's ability to adopt the ICT skills and adapt to the new professional reality. When it comes to cultural content, those cultures with greater internet presence and better accessibility (also through language), might cash in on their high level of familiarity at global level. On one hand, this may represent an advantage for large-scale cultures, such as American, on the other, however, a disadvantage if the trend for '*cultural celebrities*' is on the downward spiral. It might as well represent an opportunity for those small-scale cultures, such as Slovene, to consolidate their presence on the global virtual stage.

### **Conclusion**

Results of any investigation into cultural attitudes, with specific focus on American culture as the representative of large-scale cultures, as opposed to Slovene as the representative of small-scale cultures, will require constant scrutiny and updating with pulse research. At this point, however, we draw a few interim conclusions.

The research question focused on the assumption that the Slovene students of English who have chosen the American culture and society course will show a generally favorable attitude towards the concept of American culture. The results of the 2017 poll surprisingly did not meet the expectations and the research question was rejected. However, the subsequent surveys showed a marked shift in the respondents' attitudes, as the latter took a more favorable turn. The research question was therefore - to an extent - confirmed in the 2018, 2019 and 2020 polls. Nevertheless, it is not a negligible observation that culture is such a multifaceted concept, mostly subject to individual perception and impressions, that it's really a matter of expectations and attitudes rather than common and generalized cultural characteristics, which play a decisive role in shaping one's attitudes. In the end, it in a way all comes down to placing the accrued data into context and relating it to individuals or individual issues, rather than generalizing it.

The size of a culture is a decisive factor in determining its drive for preservation, which also affects its members' attitudes. Slovenia, as a representative of a small culture, differs considerably in its attitude towards cultural preservation from a large, almost global culture, like American. Therefore, the differences in expectations and attitudes are obvious. Coming from a large culture, people are not as concerned about others using their culture and language and possibly changing it, while members of small cultures might feel more distrustful towards those who try to change their culture or language by modifying it to serve their needs, or those whom they feel are trying to override their culture with their own cultural practices. This is what might serve as justification for such widespread trends in (somewhat negative) attitudes towards large-scale cultures, which are often viewed as juggernauts sweeping aside the smaller counterparts.

The concept of cultural preservation is nowadays challenged by the concepts of diversity and global unification trends. Is it even possible for these two to co-exist? On one hand, humanity is supposed to breathe as one, on the other we feel threatened by diversity and the concept of otherness when it clashes with our perceptions, which is then reflected in our expectations and attitudes. In this sense, American culture, regardless of anyone's personal sentiments towards it, might play out its role in the process similar to that of the English language - in the sense of representing the familiar ground for intercultural communication at global level. It might transition along the same path as the English language, from being a '*cultura franca*' to a '*cultura globala*', not by taking over the cultures of the world, but rather representing a bridge between and among them. Strongly agreeing with David Crystal (2003: p. 39), it is important to acknowledge that intelligibility and identity can coexist, therefore allowing the space for the concept of a 'global' language not to be equated with that of a 'single' language. We might allow a similar attitude towards the concept of a '*global culture*', if we embrace the advancement of the global connectivity trends, while at the same time ensuring preservation of our individuality.

### Final Remarks

Within the current pandemic context, it seems that teachers (in general, but especially teachers of the English language and culture, with their '*global*' status) will partner in on these (cultural) trends. If it has not been evident before, the current pandemic grip has made it clear that teachers represent a prominent figure and play a major visible role within any society. Not only do we keep the education process moving, regardless of restrictions and limitations, but our professional, educational, cultural and other attitudes proliferate in the form of an inter-generational impact. Teachers have been entrusted with the role of visionaries, as of lately also envisioning the path for the post-pandemic epoch, in which virtual educational space will assume an even more visible position, permeated with prospects for generating a multitude of attitudes at social, national, political or any other level, including the indispensable cultural and linguistic aspects as significant binding forces. Multiculturality is said to increase semantic noise (Godina Vuk, 2021)<sup>1</sup>, interculturality is what clears it. It is thus of utmost importance to designate a spot for (inter-)culturality as the inclusive, rather than dividing factor in endorsing global synergy, without fear and judgment.

In the decades past, my generation (GenX-ers) would often be told by the teachers that the sea represents the window into the world, especially for a small nation like Slovene, stretching our physical reality out into the open and towards the world of cultures. Today, we could say that the passage into the world has been digitalized. Provided one has access to it, the virtual window now opens into a vast ocean of limitless possibilities, infinitely stretching our virtual reality, while at the same time shrinking our physical reality to the confines of our home environment, resulting in second-hand cultural experience (particularly in the pandemic times). How this new reality plays out against the pandemic backdrop remains to be seen, and teachers might be endowed with the opportunity to turn trial into chance, hopeful expectation into solid attitude.

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<sup>1</sup> This was a statement from a talk given by dr. Godina Vuk, a renowned Slovenian anthropologist; see bibliography for detailed reference.

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## **Intercultural Education. An Important Learning Process in a Global and Democratic Society**

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### **Abstract**

The multiculturalism aspect within the classroom does not only affect students, but also instructors. Due to this factor, it becomes necessary for instructors to be able to handle the diversity issue in order to be able to approach the topic properly and effectively when teaching their students (Niculescu & Bazgan, 2017). In this paper, we propose analyzing theoretical aspects of intercultural education in Albanian schools. The intercultural education project in Albanian schools needs the proper training for teachers to be aware of their own role in this process. In 2016, the first steps were taken in Albania to train teachers in integrating cross-cultural and interreligious understanding education issues into the 6<sup>th</sup> and 10<sup>th</sup> grade citizenship curricula education on intercultural and interfaith understanding. This project emphasized key concepts related to intercultural and interreligious education as well as those related to the work of teacher and school to provide a safe environment for civic education in general, and intercultural and interreligious education in particular. We suggest that the Albanian school system needs to change its educational paradigms. The integration of Albania in a multicultural European and global society can be academically supported by infusing the intercultural education in primary and secondary education curricula.

**Keywords:** intercultural education; albanian school; teachers; curriculum; multiculturalism;

### **1. Introduction**

Interculturalism (...) constitutes a commitment to work for an ever-greater awareness of our own representations of the reality, of our own educational and scholastic models, of our own non-neutrality, as well as the non-neutrality of the educational, pedagogical and didactic models we adopt. The “norm” according to which one considers a certain behaviour, value or principle to be right or unfair, appropriate or inappropriate, always depends on the symbolic system of reference by which we interpret the reality, whether it is related to phenomena of immigration or to contexts or situations of “indigenous” pupils or behaviours. (Nigris, 2003)

Intercultural education is a response to the challenge to provide quality education for all. It is framed within a human rights perspective as expressed in the Universal Declaration of Human Rights (1948): “Education shall be directed to the full development of human personality and to the strengthening of respect for human rights and fundamental freedoms. It shall promote understanding, tolerance and friendship among all nations, racial and religious groups, and

shall further the activities of the United Nations for the maintenance of peace”, as part of Art. 26.2, of Universal Declaration of Human Rights.

This paper aims to analyse theoretical aspects of intercultural education at Albanian schools. It is divided into three parts. Part one outlines the key issues surrounding Intercultural Education in a global and democratic society. The practical outcome of the global vision about intercultural education is a more caring society showing more solidarity, capable of abating negative effects of individualism, marginalization and social exclusion. It is a society characterized by a high level of the social capital, solidarity and cooperation. In this society, democracy is not just a political organizing or a form of governance. It is viewed as a way of life, or as Dewey (1992), put it, “an associative living”, based on community, communication and interdependence. (Huber, 2012)

Part two contains a short presentation of dynamics of international education at schools based on an analysis of international standards related to education and intercultural issues. The school must find those ways that can promote the growth of an open mentality, able to welcome diversity and to create a real intercultural dimension. Since in a cross-cultural context the relational dimension acquires a particular importance, it is essential to consider the social dimension of the child and the role of educational figures revolving around him.

Part three outlines the central issues of Intercultural Education as a part of an Albanian School Curriculum. With the arrival of the new millennium and as a result of unforeseen changes brought by globalization, educators and policy makers around the world recognized the importance of initiatives to influence a global dimension of intercultural education in school curricula. (Killick, 2015)

## **2. Intercultural Education in a Global and Democratic Society**

Intercultural education leads to the question, what model of citizenship do we need to shape today? A local, national, european or a global one?

To address the topic of intercultural education under educational optics means to see it from several perspectives:

First, theoretically, related to the Education Sciences.

Second, practically, related to both the unexpected and the efficacy of contemporary life in general and school life in particular, as well as the dialectical relationship between the theoretical and practical dimensions of knowledge and training.

Nowadays it cannot be denied that this process is specifically to be dealt with and analyzed by education and not only by its science for social, cultural, anthropological, psychological reasons etc.

The question of coexistence and reconciliation of different cultures has been in fact urgently presented in the context of pedagogy and didactics only a few years ago, after Albanians emigrated to different countries of Europe after '90 and had over the years to integrate and coexist with the culture of their host countries.

Today, liquidity constitutes one of the most important values today. It is related to the ability to move quickly and unannounced, not to be associated with a place, family, partner and much less with a job. (Bauman, 1999)

Even with regard to personal identity there is a growing destabilization. While in the past, individual life was defined by clear stages ruled by the state, as well as by tradition and religion, the identity today is the result of repeated personal choices. The problem nowadays lies not in gaining a stable identity, but above all in the integral formation of the individual.

1. First, the individual builds through a formative experience his personal identity in relation to the world surrounding him, in a perpetual interaction of two elements: identity and alterity, two regulating ideas for the development of intercultural education.

2. Second, education as a long process can only be presented as a historical dimension, a journey between space and time in a continuous dialectic between past, present and future. This confrontation is necessary to build an ongoing dialogue between different cultural dimensions and orientation experiences. (Bellatalla & Genovesi, 2010)

The educational commitment leading towards interculturalism should be concerned with developing social, cultural and political competences and skills. In her book *Intercultural Pedagogy*, states Terranova, (2005), that it must be taken care for the individual to mature his ability of:

- Empathy, the ability to place oneself in the other's place, in order to understand experiences and feelings from within, and exotopia, the cultural distance that allows one to embrace the diversity of the other;
- Cultural transfer, the ability to reflect on one's own cultural conditions (prejudices, stereotypes, unintentional racism, sources and limits of one's own culture);
- Conflict management, to deal with and control the stress associated with forms of "shock", i.e. the cultural shocks in which intersectionality/conflicts among diversity occur;
- Plurilinguism, connoisseurs of many languages enrich the communicative dimension;
- Multiperspectives, so that they can look at events, situations, problems even from different perspectives, other than traditional ones;
- Intercultural communication, to allow creation of spaces facilitating interaction between subjects belonging to different cultures.

Education is intercultural if it educates for tolerance and solidarity, if it helps the subject to accept the challenge with the past in order to transcend the boundaries of his own individualism and of his own group, and to be identified as a member of a larger community connecting everyone in solidarity beyond race, culture, religion, gender, political beliefs etc.

### 3. International Education at Schools

Intercultural education in schools has been a significant issue in policy discussions and projects within European organisations and institutions for about three decades or even longer if we consider the debates preceding the introduction of the term “intercultural education”. The reasons for this commitment are: first, the international migration movements, which intensified especially after World War second, the historical multilingual and multicultural assets of many European countries and of Europe itself; and third, the necessity to make formal, non-formal and informal education more culturally open, so that children, youth and adults may become citizens aware and appreciative of diversity and capable of intercultural dialogue not only within Europe, but worldwide and regardless of one’s origin. (Allemann-Ghionda, 2008)

The ongoing processes of globalization and the multicultural configuration of today’s societies deeply question the educational systems and processes that must now be aimed at educating the world citizens. From this point of view, intercultural teacher training takes a very important place: only by starting from a precise definition of education work at school, we can hope to divulgate the always necessary “culture of coexistence”.

Now that schools around the world have become multicultural and multifaceted (Portera, 2018), it is essential for the education system to transform the society and lead it toward respecting cultural values, eliminating injustice and minimizing racial, ethnic, and religious discrimination.

Intercultural education is a perspective that must be organized in all educational settings, regardless of the physical presence of pupils of different nationalities in each school or community: today’s society always leads us toward dealing with cultural patterns, attitudes, and different behaviours that need to be tackled from an intercultural perspective.

As we live in a global society, it is often observed in children and young people that identity clashes or intersections occur among the culture, traditions and language of their country of origin with those of the migrant country. In such cases, the role of school and particularly of the teacher is essential in the context of didactic projects to focus on the values carried in each culture.

Although there is a tendency to charge the responsibility to children themselves, Nigris replicates on the responsibility of the school. According to Nigris, (2003), the majority of children and adolescents belonging to minority groups do not receive the same commitment and attention as other children, and in most cases they fail to occupy important places in society.

Nowadays, the school must be conceived as a community of parents, students and teachers, all committed to building an educational structure capable of responding to the intentions of a society that not only accepts, but also appreciates the linguistic, religious, and cultural differences. (Damiano, 2001)

#### 4. Intercultural Education as a Part of Albanian School Curriculum

Intercultural education needs to be divulgated. And for this, the support of educational institutions and especially of the school is necessary in order to raise awareness of the younger generation for coexistence with the diversity and cooperation with individuals of different cultures, for a harmonious coexistence in a multicultural societies, such as ours. (Beshiri, 2014)

At school, it is important to be committed for carrying out a clear project that should be reflected in the curriculum as well as in teachers training. The implementation of such a project is expected to lead to resolving conflicts and discrimination problems between social groups belonging to different cultures.

The school must be aware of its role, which is not only to recognize and understand different cultures, but also to seek values to share in the larger context of the coexistence of different people, in order to develop the “global citizen project”.

By doing so, the traditional didactic-educational behaviour is overcome, and an appropriate educational response is given to the needs faced by school institutions. (Beshiri, 2011)

In this way, the school should be looked at from the perspective of an “intercultural laboratory”, i.e. a place where should be carried out cultural activities promoting values of cultures representing all ethnic groups. The intercultural education in our basic education system is currently included as a part of the curriculum dealing with civic education in the country and on the other hand multiculturalism is dealt with as a social phenomenon in sociology in upper secondary education.

Unfortunately, we have to admit that our schools are still unprepared for multicultural challenges (the case of returning migrants).

In Albania, intercultural education continues to be dealt with as special education, setting up special structures and teachers for the education of returning migrant children. (Beshiri, 2014). As Bauman notes, (1999), homogenizing growth generates fragmented, episodically lived lives in a series of unrelated events; uncertainty is one, in which being is divided into fragments and life into episodes.

Despite efforts over these three decades to implement various projects on intercultural education and human rights, only in 2016 were taken the first steps to intervene in the school curriculum and for the integration of knowledge on issues related to religious identity, as well as intercultural and civic education. For the implementation of this project, a program was drafted for the integration of religious knowledge and other issues related to it in the curriculum of the subject “Citizenship”, for the sixth and tenth grade, and meetings were held with UNESCO representatives in Tirana in order to provide support in teacher training and teaching staff on issues associated with the integration of this knowledge into the school program.

#### 4. Conclusions

The school must be made aware that its duty is to seek out the values of various cultures in order to share and develop them in the coexistence of different students.

Teachers need to be made aware of the multicultural reality that schools and classrooms may encounter. Many teachers and educators do not have enough knowledge about intercultural education of students.

Further efforts by educational institutions are required to include intercultural education as an integral and additional part of the various curriculum development programs in order to assist and develop the process and types of communication both within and outside the school, addressing and managing thus the necessary changes as well as all learning necessities.

It is not just about interfering with certain ad hoc actions and much less about building a model type of intercultural education detached from the school education context, but it is necessary to address the importance of this discipline and to include it in the school curriculum, particularly in every curricular course and activity organized by the school.

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## The Role of University on the Civic Preparation of the Youth

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### Abstract

University plays an important role in equipping students with knowledge and academic expressions. The institution helps the students in development of society understanding and civil engagement. The aim of this study is to observe the role of university through the curricula in civil preparation of the students and their awareness for active civic participation. The study used a mix quantitative and qualitative scientific method. The instrument included online closed and open questions, which were completed from 50 second year students, of Education Faculty, Professional Master "Elementary Education Teacher" and Professional Master of "Didactics". The study resulted that students are very interested in being prepared in Democratic Civil Education. Practical activity is very important, but the pandemic was an obstacle in performing practical activities. Students state that using convincing argument, preparation job and researching the information from various sources helps them develop high-level thinking, and reach high results. Family civil education also helps them in continuing further education. Students gain knowledge, skills, attitudes and values from the university as prerequisites to be active future citizens. Realizing the teaching quality indicators in university is necessary for youth healthy democratic formation. It is important to increase students' awareness and motivation for change. This is to make them aware in fulfilling their mission on creating a democratic civil society, with responsible citizens for their roles and engagement taken. Universities should know their responsibilities by including in the Education Faculty programs the curricula of Civil Education to increase students' academic and create practical expressions.

**Keywords:** civil education, participation, practical activities, active citizenship

### Introduction

Civic education equips people with knowledge, skills and expressions in order to actively participate and to be aware in society, as critical citizens who take their responsibilities in a very serious matter. Each society needs people who contribute effectively for a healthy and consistent community.

The youth should be aware that by acquiring values and human principles, wherever they come from; university programs, family or society, in the future they will facilitate the problems that challenge their lives. An education in the area of civilization cannot be though to be a closed process, but it should be an open program, which lives only out of the auditorium areas. Students need to be skilled on problem solving methods, to show tolerance and

understanding of the individuals that think differently, and know how to compromise in order to achieve cooperation. In the developed countries, many programs are developed in order to prioritize in the curricula of the civic development the processes that include the responsibility taking, cooperation, tolerance, compromise, development of skills of feeling expression, conflict resolutions, moral values acquisition etc.. These education programs have created a high feeling of responsibility and altruist behavior for the students. Without a wide active civil participation, the democracy starts to be vanished, underestimated, and become solely defensive of a vicious cycle of people. With the active participation of people of all societies, the democracy will withstand the inevitable storms of various groups.

Universities are academic institutions that are obliged to transmit knowledge, values and behaviors to the young generation, things that are important for development of the moral dimension of an individual, political stability, economic wellbeing, and cultural continuance of the community. The mission of universities is to create a cooperation climate, understanding, tolerance, partnership and equal opportunities for all students. The mission aims to develop the personality, preparation of the students as citizens with full rights to act independently.

Organization of activities should be the main part of the university programs as it enables the students to be initiators, to be more cooperative in helping the community. A very important requirement of participation is the tendency of the students to be active in the problems of the community, which is directly related to the rights and responsibilities of each individual in consolidating a healthy democratic system. A strong supportive point of view for the students should be the pedagogues, who contribute in encouragement and counseling. Education in democratic citizenship goes further than the area of the auditorium, challenging the division between the formal and informal education, the qualitative improvement of academic levels, acquiring the civic competencies so necessary for the social changes.

Including the elements of civic democratic education in the curricula of the programs in the Pedagogy Department in the Faculty of Education is considered with priority and has aimed to prepare professionals who are ready for the job market and to be successful as teachers. In the bachelor system, the actual curriculum creates possibility to recognize the civil democratic education concepts through the course of "Education with the rights of children and civic education". Through this module the student teachers are presented with the knowledge of rights, institutions, their history and the support of the students during the creation of their personality. The students are aware of the rule respect in community, the values that they should possess, the importance of tolerance, understanding, compromise, collaboration, the way to confront the conflicts and to find the ways of problem solving, to argument the importance of being a citizen in classroom, school and community. In the master level, the module of "Democratic Civic Education" helps the students to gain deeper knowledge in order to know the factors that necessitate the competencies in civil education, standards, curriculum, principles, objectives etc..

### **Theoretical background**

According to Gora. C (2007) "Civic Democratic Education is an indicator of the development of the education quality of a country, is a strong point of support for the social development and adherence in EU".

European societies change from each other from the number and the degree of the complexity of the conditions and education services that they offer for the learning process of the civic

education and for the relations between the education results and their social recognition. Emphasizing only the individual responsibility may bring undesirable consequences, particularly when this happens in societies in transition where choices of selection in education areas and the relations between the education and its social acceptance are rare. In such situations where the odds for independent choices do not exist, the individual becomes less aware on the learning aspect. This is the reason that the mutual responsibility of the individual and society keeps the main place in the learning aspect for the democratic civilization during the lifetime states the Council for Cultural Collaboration (2000).

The council conclusions in May 2009 expressed that “One of the main objectives of the Strategic Model for European Collaboration in the education area and training till 2020 is the promotion of the cohesion, social capital and the active citizenship through education as Vassiliou. A reported in 2009 also”.

“The key to be responsible in a modern society is to take responsibility for your own life, this is a virtue of independence and autonomy. Independence of the judgement as necessary as the autonomy of acting. The individual should be left to create his own opinions is stated in Civic Education for Europe”. In the Card of EDC is recommended that education for a democratic citizenship is mainly focused on the democratic rights and responsibilities and the active participation in the civic, political, social, economic, legal and cultural areas of society ...”.

Civic democratic education includes a set of concepts and basic values, which are common for all modern democracies. The democratic principles are universal, but their implementation is realized in accordance to the actual circumstances of each society, that is why the students are prepared to live as citizens of a democratic society. The Ministers Committee recommended in 2010 that member states should support the involvement of education for a democratic society and for the human rights in the institutions of higher education, especially the ones that prepare future teachers by respecting the principle of academic freedom of these institutions.

The role of university in training and certification of the teachers and the insurance of the teaching quality has a very high importance states Gora C, (2007). In Austria, ‘master’ programs in civic education organized by various universities, especially the university of Strasbourg (2011) are available for teachers of all subjects and schools. Vassiliou A, (2012) stated that they are designed to support the teachers in implementing the civic education in the most effective way possible, within their specialty and/or the fundamental principles of civic education.

Alma Powell, Alliance of American Promise emphasizes: “When the youth discover that they can be the agents of change, miracles happen. They start to serve in neighborhoods, learn public affairs, create innovative solutions for difficult public challenges and finally become voters, builders of community projects and leaders of our communities and nations. The center of this transformation from spectator to citizen means that who we are as Americans, our main democratic values and individual roles we can play. Guardian of Democracy in 2003 wrote that american history and civic education should be the main focus of public education for each school in America.

Chris Waller, Society for Citizenship Teaching in 2006 states that the specialists of citizenship are extraordinary assets for the school, and the schools know that, but more often they hire them in a context far from citizenship. More often, this makes the new qualified teachers to be

delusional and quitting the profession all together. One of the main objectives stated in the European Strategy for the Youth 2010-2018 is the promotion of the active citizenship, social participation, and solidarity of all the young people. "Vassiliou A, in 2012 said that there were two main events in 2011, the year 2011 was declared the European Year of Voluntary Activity, the promotion of active citizenship and the Hungarian presidency selected the civil education as the main theme of the debate between the education ministers during an informal meeting held in March.

Civil citizenship is a main issue in the Lisbon program. The European Commission promoted three big pillars and one of them is "teaching an active citizenship". In the detailed program of working for following the education system and training in Europe, The EU has developed 13 objectives related to the Lisbon program, the objective 2.3 relates to: "Support for active citizenship, equal opportunities and social cohesion". Among issues mentioned earlier in the work program related to the active citizenship are "to ensure that learning democratic values and participation from all is promoted effectively to prepare individuals for an active citizenship according to De Weerd et al, 2005 ". Guomundur Heioar Frimannsson asks if we should allow the youth to develop these skills they want and create interests they like.

### **Stating the problem and the goals of the study**

University programs in the civic area serve the students to know the factors that make Democratic Civic Education a necessity, as the main pillar of the democratic society. Students know the importance of recognizing and respecting the human identity in a democratic society. Through these classes the students are equipped with the theoretical basis and practical expressions to argument why is it important to take responsibilities in a democratic society, to understand the importance of knowing the laws and rules, and their implementation in the living community. Students are prepared to know conflicts, management and resolutions in society.

**The goal of this study** is to evaluate the role that the universities play in promoting the active citizenship in youth groups through curricula, in the university programs of Education Faculties, that prepare teachers, and the challenges that this university education system faces in this pandemic situation.

**Objectives** consist on studying the impact of the university programs of the youth with active citizenship, based on various national and international programs, curricula modules and development of an online questionnaire with the students of teaching program. Objectives consist on knowing the importance of civil education of the youth as one of the main pillars of the democratic society, in promoting the civil values of future teachers, who will educate generations of students through professionalization and dedication.

The study used the contemporary pedagogic literature related to the impact of the role of the university programs on the active participation of the youth and the importance that this participation has on the democratic development of the country. The quality level of the education process needs to be raised through the development of civic competency, as a necessary value for the formation of the future teachers, by better using the youth potential and their contribution for the best of their living community.

## Methodology

The study used the quantitative method through completing an online questionnaire (N=50) together with the qualitative research realized through the focus group (N=20) made of students.

The study instrument included open and closed questions, completed online from the participating students. The sample included second year students of the Education Faculty, University "Aleksander Moisiu" Durres, program of Professional Master "Elementary Education Teacher" and Professional Master "Didactics". 92% of the sample were females and 8% males, as these types programs have mostly female students. 88% of the participants had 0-3 years of work experience, 6% had 4-10 years, 2% had 10-20 years and 4% over 20 years.

The hypothesis of the study is "Facing the pandemic is a challenge for the promotion of the active citizenship in youth of universities", and to prove it we raised the following research questions:

What are the priorities that the university programs bring in the area of citizenship to increase the youth active participation?

What are the difficulties that the students faced during promotion of the active citizenship out of the auditorium?

What are the challenges of promoting the active citizenship of the youth in consolidating a democratic society?

## Results and discussion

The participating students completed the online questionnaire by expressing their opinions and behaviors. They were asked if the university has all the conditions to organize the practical activities in the area of Democratic Civic Education. 18% stated that they totally agreed, so the university fulfills the conditions. 44 % agreed, 12% were neutral, 24% somewhat agreed and 2% did not agree.

When asked if the environment around the university enables the development of out of auditorium activities, 16% stated that they totally agreed they had the proper environment, 42% agreed, 22% were neutral, 12% somewhat agreed and 8% did not agree. In relation to the opportunities that the environment offers within the university, for the organization and demonstration of the practical activities of the students, 34% of them totally agreed that were offered a proper environment, 48% agreed, 8% were neutral and 10% somewhat agreed.

The students' answers showed that the university enables them to organize practical activities in the environments inside and outside the auditorium. Regarding this issue, there is still room for improvement, there is a considerable number of students who do not speak out, but remain neutral.

When students were asked if they were interested in gaining knowledge in the field of Democratic Civic Education, 80% strongly agreed, 10% agreed, 2% remained neutral, 6% somewhat agreed and 2% did not agree at all. So about 90% of students say that they are interested in obtaining knowledge in the field of DCE and consider it very important to acquire knowledge in the field of citizenship, while 88% of participants stated that courses they take in school enable them to organize practical activities. They state that receiving information in

this area enables them to prepare themselves academically and practically for participation and decision-making in their community.

When asked if the pandemic situation made it difficult for them to practice, 60% strongly agreed that it was difficult for them, 26% said that they agreed, 4% remained neutral, 8% partially agreed and 2% did not agree at all. So, 86% of students see the pandemic as an obstacle in carrying out concrete activities to help the community, as active citizens. Regarding the question how much the civic education they received in their family helps them in their further civic formation, 76% of them strongly agreed that the education they received helped them, 18% agreed, 4% remained neutral, and 2% did not agree at all. About 52% of students said that organizing practical activities to help the community is difficult, 26% of them did not express an opinion and 22% stated it is somewhat difficult.

The problems caused by the pandemic situation were felt on the practical training of the students, in the absence of the organization of activities and real actions in and out of the university environment. During the previous years there were excellent experiences on the activities organized by the students helping the people in need. Such an activity was the one performed on June 22, 2017 "Citizenship and youth involvement in civic actions, a necessity for the democratic development in the country" where participated around 100 students who presented their studies, and later on continued with the charitable activities for the orphans in the orphanage of Shkozet, Durres. (<https://durrelajm.al/aktualitet/uamd-aktivitete-shkencore-dhe-bamiresi-jetimet-video>).

The following year, June 23, 2018 the tradition continued with visits to the Nursing Home in Kavaje, where old people and young students created a celebrating environment. This activity included 130 students who offered their services to the elders and brought gifts. These types of activities are greatly appreciated from the students and they gladly organize them. When the students were asked that how much the programs in the field of citizenship help them in overcoming the difficulties, 26% of them said that they strongly agreed that this opportunity was created for them, 48% agreed, 6% remained neutral and 20% partially agreed. Students were asked to express how prepared they were for taking on roles and responsibilities in school and community, 32% strongly agreed of being ready, 48% agreed, 8% remained neutral, 10% somewhat agreed and 2% did not agree at all. Analyzing the answers, about 70-80% of students admit that the university prepares them in practical training to solve the problems faced, as well as in taking responsibility in society. Regarding the question if the students possess the competencies in the field of citizenship, so necessary for a democratic society, 46% strongly agreed, 38% agreed, 14% remained neutral and 2% somewhat agreed. So, 84% of students think that the university prepares them with the necessary civic competencies.

## Conclusions

The curricular framework in the field of civic education supports national standards of educational development, provides flexibility in teaching, guarantees the necessary space for active and interactive learning. In our reality the study showed that there is still work needed to improve the quality indicators in terms of active student participation. This can be seen in the answers given by the students on their strengths and weaknesses regarding their active participation. Thus in the strong points they list the desire to express free thought, self-demands on improvement, the will to achieve what they want, the responsibility they feel

towards others, being cooperative, accepting ideas and thinking differently, knowing the laws and responsibility for idea implementation, information about the issues of society, participation in conferences on the protection of human rights and citizenship, the desire to have a better community, etc.

As for the difficulties they face and which do not enable them to exercise active citizenship, they list the impossibility in time, lack of information on various issues, lack of motivation, family commitments, disappointment they have suffered in many cases, fear of pressure from others, lack of civic organization, financial difficulties, non-compliance with rules, limited number of activities, lack of free speech prevents them to be themselves, the inherited way of thinking, indifference, frustration and distrust of the people they lead, etc. Students seek a collaborative climate, positive and more open communication with the whole community in terms of organizing activities at DCE, as this not only reinforces their knowledge but transforms that knowledge into habits and values, making them part of each student's personality. Work forms that promote the active participation of students are needed to be used, as they are promoters of free speech, who know how to take responsibility. Indifference and lack of cooperation between many different actors makes it difficult to achieve the desired results in the field of citizenship. It is important that in working with students are used problem situations from everyday life, in the thematic treatment of DCE classes. In addition to theoretical information, it is important for the students to practice by becoming more closely acquainted with the problems and possible solutions, challenges and how to overcome them.

The pedagogues should consider the combination of theory with practice, and the lecture hours to be performed not only within the faculty environment, but also out of the auditorium and the university premises. This will help the students to know more places, to get further information for the topics treated in the lectures, to know better the issues of society, how the institutions function. This knowledge will make the students more sensible and more responsible as individuals.

It is of a special importance for the university to collaborate with all the actors, citizens, local government and non-governmental organizations all over the country. Each student should have the possibility to express personal opinion as they like, without fear and embarrassment, as this is the right way for them to become active citizens of the future.

The universities' moto is the organization of many activities with students, increasing the trust to self- development and to critically think the social issues. The collaboration between pedagogues and students and interaction between students among themselves creates the possibility to take on responsibility and to resolve confronted issues.

It is also important to train, qualify and self-training for students, who are the teachers of the future, in order to improve their professional formation.

Familiarizing students with their rights and responsibilities helps them to improve their behavior, to equip them with civic competencies, necessary for a democratic society. DCE learning creates opportunities for active citizenship, creates the necessary framework for living in modern multicultural societies, and makes each individual feel valued and independent in the acquisition of civic values and behaviors. It is very important to include civic education and training curricula in the university programs of teaching faculties, as they enable the academic training of student teachers of all branches, so necessary for a society aspiring to democracy. All teachers confront students in situations that require their

commitment and dedication, so they must be prepared to face these situations, in order to prepare the younger generations as worthy citizens of Europe and the whole world. Universities need to know their responsibilities for the teachers they train, in order to increase the quality level of preparation in the area of DCE, to meet the challenges that the actual time demands today.

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## Children's Functioning in Difficult Situations in the Contemporary World

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### Abstract

Stress is an integral part of our lives. It also applies to our childhood. That is why it is so important to know how children cope with stress (how they learn coping strategies) and to equip them with the competences to cope constructively with stressful situations throughout life. This article describes strategies for coping with stress that are characteristic for children at the end of early school education. They have been identified in the course of my own research aimed at characterizing child stress and relate to a fragment of research activities aimed at 8- and 9-year-old children. The research established that in some children the developmental process of coping with stress has started: children look for, investigate, and think how to cope with difficulties. In this struggle, however, they focus on people who could be a source of support for them in coping with stressful situations. Among children's stress coping strategies, an important role is also played by emotionally focused strategies, which are aimed at reducing negative emotions and arousing positive emotions. Contemporary times show how important it is to develop, from the earliest period of an individual's life, competences in dealing with difficult situations, with stressful situations. Development of emotional intelligence, including emotional self-awareness, self-regulation, empathy, creative problem solving, the ability to establish and maintain relationships, including friendship relationships, the development of specific cognitive skills (divergent thinking, cognitive decentration), as well as psychological resilience are the basis of constructive coping with these situations. The family environment, a stable, harmoniously functioning home, as well as educational influence of preschool and early school environment play an enormous role in shaping these competences in children.

**Keywords:** stress, resistance to stress, children's physiological and behavioural reactions to stress, problem focused coping strategies, emotionally focused coping strategies, coping strategies for children in early school age

### Introduction

In recent years the number of factors causing stress in children has increased as a result of the modern lifestyle implied by social and economic transformations requiring constant adaptation to changing conditions, and the increase in negative phenomena such as greater social poverty, unemployment, alcoholism, increasing number of divorces, family conflicts, long absence of one parent due to their work abroad, loneliness, aggression and preoccupation

with success. Georgia Witkin has shown on the basis of her own research that childhood is a period full of strong tensions. The author conducted "Childhood stress test" and identified groups of factors causing stress in children's life (Witkin 2000, 25 -26). These include, among others:

factors coming from the school environment, which are connected with grades, homework, tests and promotion to the next class;

factors coming from the family environment that reflect children's concern for their family, their parents' health;

factors related to peer environment such as the lack of acceptance, mockery, ridicule, backbiting, slander, teasing, and disloyal and false friends;

factors related to the news coming from the surrounding world concerning bombings, nuclear disasters, environmental pollution or wars.

Moreover, Georgia Witkin's research indicates that adults have insufficient knowledge about child stress and are not always aware of it. The author showed that:

"Parents do not know how often their children worry.

Parents are not aware of how many children feel lonely.

Parents have no idea how often insomnia of their children is caused by stress.

Parents have no idea how often their children are afraid to talk to them.

Parents underestimate the stress generated by school and overestimate the importance of peer pressure.

Parents do not realize how often children's fears are realistic" (Witkin 2000, 21 -22).

Children have their own specific stress language, which we should be able to read correctly. They speak to us through their behaviour, their emotions and body language. The physical reactions of children to stress, identified by Georgia Witkin's research, are: insomnia, stomach pains, nausea, and headaches (Witkin 2000, 28 -30). The above empirical data are confirmed by my own research on the topic in question. In the course of my research I have shown that children in stressful situations feel headaches, have problems with sleeping, stomach aches, and nausea. However, among the behavioural symptoms of child stress, I found the following reactions in children: gloomy mood, avoiding companionship - desire for loneliness, running away into dreams, getting into conflicts with siblings, getting into conflicts with peers (Cywińska 2017, 208- 225).

Therefore, the ability of parents, teachers, and educators to recognize children's stressful situations and to notice the above mentioned physiological and behavioural reactions, combining these reactions with their difficult situations in them becomes extremely important. It is therefore invaluable to help children to develop their stress coping skills, to be aware of their strategies for coping with stress and, if necessary, to be constructive in directing their actions in this area. It is important that the stress protection system they have developed during childhood can be applied effectively throughout their lives.

## Stress and resistance to stress

The term "stress", as it is currently used, was coined by Hans Selye, a Canadian researcher and physiologist, who defined biological stress as "the non-specific response of the body to any *demand* for change" (Selye 1977, 25). Unspecific changes in the functioning of the human body (nausea, headaches, stomach aches, insomnia, and loss of appetite) arise when the human body is subject to the influence of a stressor (stress-inducing factor). Because they occur in connection with changes in psychological regulatory mechanisms such as cognitive processes, emotions or motivation, psychological stress, which is sometimes treated differently, is also distinguished.

Psychological stress is identified:

with the internal state of the body meaning negative emotional tension (e.g. I.L. Janis' theory of emotional tension). According to Irving L. Janis, a stress situation in an average person causes a high degree of emotional tension, which interferes with the normal way of reaction;

with external factors disturbing proper functioning, i.e. referring to the characteristics of the environment in which stimuli considered harmful or threatening appear (e.g. Tadeusz Tomaszewski's theory of difficult situations or Maria Tyszkowa's developmental theory of difficult situations);

with a type of relationship between an individual and his or her environment (e.g. transactional stress theory by Richard S. Lazarus and Susan Folkman). According to this approach, stress is a result of human cognitive processes, i.e. it depends on how a person assesses and understands his/her relationship with the environment. It is therefore "a special kind of relationship between man and his environment, which is assessed by man as being taxing or exceeding his resources and endangering his well-being" (Terelak 2001, 70).

Stress is part of our lives. Hans Selye shows that we should not always avoid it. Apart from destructive stress, which disorganizes our lives and destroys people and is a reaction to threats and fears, we can also cope with eustress, i.e. good stress, which contains pleasant experiences of joy, fulfilment and self-expression, caused by stressors motivating people to make efforts and shape our life achievements.

It is also worth emphasizing that every person has a different "resistance to stress". It is treated either as a lack of emotional response to a difficult situation (e.g. lack of such emotional states as anxiety, fear, anger, etc.) or as the ability to maintain the previous direction, efficiency and level of organisation of behaviour despite the occurrence of stress. The ability to think and act rationally despite the stressor serves here as an indicator of resistance understood in this way.

Resistance to stress is determined by various biological and psychological factors. These include:

the tasks that a person performs (when performing known, trained tasks, people show more resistance than with other, less known tasks);

physiological processes and psychological changes that occur independently of the stress situation (e.g. illness, fatigue lowers stress tolerance);

constant characteristics of the individual determining his or her style of reaction (features of the nervous system, childhood experiences, self-esteem, features of emotional reaction, way of perceiving reality) (Frączek 1978, 670 – 678).

The above factors suggest that resistance to stress can be modified and practiced - it can be strengthened during an individual's life, which is confirmed by research conducted by, among others: Seymour Epstein, Neal E. Miller, Janusz Reykowski, and Irena Heszen.

### **Methodology**

The empirical research presented in this text is part of a study on stressful situations of children leaving early school education - children attending the third grade of primary school (8- and 9-year-old). The research aimed at characterizing various aspects of child stress was based on the accounts of 280 children and the opinions of their mothers (280) and 100 teachers of early school education. The research was conducted on the basis of questionnaires and individual interviews, whereas the results were discussed in detail in the following publication: Cywińska, M. (2017). *Stres dzieci w młodszym wieku szkolnym. Objawy, przyczyny, możliwości przeciwdziałania*, Poznań. The present paper presents various kinds of strategies which children use to cope with stressful situations, releasing negative emotions.

### **Coping in stressful situations**

In the face of stressful situations it becomes extremely important to cope with them. Coping with stress is conditioned by a cognitive assessment of the situation in which we find ourselves. The initial cognitive evaluation determines whether a stimulus reaching the brain is identified as a source of stress. If this stressor (situation) is assessed as a threat, a challenge, a loss/harm, then the basic adaptive process of coping is initiated. Coping is defined by Susan Folkman and Richard S. Lazarus as “cognitive and behavioural efforts to manage specific external and/or internal demands that tax or exceed the resources of the person” (Sheridan, Radmacher 1997, 9). The very process of coping with a difficult situation depends on a secondary cognitive assessment of the situation in which the person assesses what he or she can do to meet its requirements. This cognitive activity therefore relates to the ability and resources to cope with a stressor.

Richard S. Lazarus and Susan Folkman have identified two categories of coping strategies: problem focused strategies and emotionally focused strategies. Problem-focused coping is aimed at controlling the stressor (situation) in such a way as to achieve the previous goal, which requires searching for, collecting, processing and using information about the stress event, thus realistically and accurately assessing the stressor and available resources. A person's cognitive activity is therefore directed to “search” the behavioural repertoire (strategies) for those that would provide an opportunity to reduce or remove the stressful properties of the situation, i.e. solve the problem.

Emotionally focused coping in turn aims to reduce unpleasant emotional tension. To this end, intrapsychic processes are included, covering all cognitive processes that regulate emotions. This function is performed by defensive mechanisms, the set of which forms the defence system of the “I”. These mechanisms are unconscious processes. Their task is to defend against fear, as well as to protect the sense of dignity of the individual, his or her high self-esteem, good self-esteem (Grzegołowska- Klarkowska 1986, 15). It is worth emphasizing that defence mechanisms are the result of the process of socialization, so they are not innate properties of

the subject. Functioning in different social groups, appearing in specific cultural and institutional arrangements shapes different ways of defending against fear by distorting reality or denying it. In general, however, their action - as unrealistic forms of protection against difficult situations - is adaptive. They alleviate symptoms of stress, but do not eliminate its causes.

Coping in the context of my own research (Cywińska 2017, 225 – 231) on children at the end of early school education, i.e. 8 and 9 years old will be considered in this article on the basis of the two categories of coping strategies indicated above. In formulating the research questions on the above topic, I was therefore guided by the coping functions (categories) selected by Richard S. Lazarus and Susan Folkman: the instrumental (task-based) function, focused on the problem and the function relating to the self-regulation of emotions. Therefore, I asked children the following questions:

Think and tell me what can be done to cope with a problem that causes fear/anxiety, anger/fury, sadness?

Think and tell me what can be done to cope with fear/anxiety, anger/fury, sadness?

It must be noted that a considerable proportion of the children surveyed did not provide answers to questions about problem focused and emotionally focused coping strategies. Empirical research has shown that some children were not able to indicate any ways of coping in difficult situations, in stressful situations or their answers were inadequate in relation to the questions posed. The analysis of children's statements on the above questions shows that children prefer the following strategies for coping with problems and emotions. These are in order of preference:

seeking guidance and support (coping with the problem - 76 answers; coping with emotions - 57 answers),

trying to forget about the problem (coping with the problem - 51 answers, coping with emotions - 53 answers),

undertaking alternative forms of activity (coping with the problem - 50 answers, coping with emotions - 51 answers),

expressive discharge of emotions (coping with the problem - 32 answers, coping with emotions - 35 answers).

Table 1. Problem-focused strategies used by children – in children's accounts

Answers	Girl		Boy		Total	8 years		9 years		Total
	N	%	N	%	N	N	%	N	%	N
Consideration of different ways of solving the problem	8	5.44%	4	3.01%	12	2	3.17%	10	4.61%	12
Chi-square test result	$\chi^2=1.008990$ ; $df=1$ ; $p=0.031514$					$\chi^2=0.2446549$ ; $df=1$ ; $p=0.62086$				

Trying to forget about the problem	2 3	15.65%	28	21.05%	51	3	4.76%	48	22.12%	51
Chi-square test result	$\chi^2=1.370040$ ; $df=1$ ; $p=0.24180$					$\chi^2=9.875237$ ; $df=1$ ; $p=0.00168$				
Seeking guidance and support	6 6	38.10%	20	15.04%	76	18	28.57%	58	26.73%	76
Chi-square test result	$\chi^2=18.77211$ ; $df=1$ ; $p=0.00001$					$\chi^2=.0838909$ ; $df=1$ ; $p=0.77209$				
Undertaking alternative forms of activity	2 2	14.97%	28	21.05%	50	10	15.87%	40	18.43%	50
Chi-square test result	$\chi^2=1.763539$ ; $df=1$ ; $p=0.18418$					$\chi^2=.2181705$ ; $df=1$ ; $p=0.64044$				
Expressive discharge of emotions	1 5	10.20%	17	12.78%	32	8	12.70%	24	11.06%	32
Chi-square test result	$\chi^2=.4584041$ ; $df=1$ ; $p=0.49837$					$\chi^2=0.4584041$ ; $df=1$ ; $p=0.49837$				

Source: the author - results were considered statistically significant when the calculated test probability  $p$  met the inequality  $p < 0.05$

There is a statistical relationship ( $p = 0.00001$ ) between the sex of children (girls - 38.10%; boys - 15.04%) and their preferred strategy of seeking guidance and support. The data in Table 1 show that girls were more likely than boys to seek the aforementioned support in the environment. Another statistical relationship relates to the strategy indicating attempts to forget about the problem ( $p = 0.00168$ ), which shows that 9-year-old children (22.12%) much more often than 8-year-old children (4.76%) declared manifestation of this type of strategy.

Table 2. Emotion-focused strategies used by children – in children's accounts

Answers	Girl		Boy		Total	8 years		9 years		Total
	N	%	N	%	N	N	%	N	%	N
Consideration of different ways to solve the problem	7	4.76%	1	0.75%	8	3	4.76%	5	2.30%	8
Chi-square test result	$\chi^2=4.045408$ ; $df=1$ ; $p=0.04429$					$\chi^2=1.062619$ ; $df=1$ ; $p=0.30262$				
Trying to forget about the problem	2 3	15.65%	30	22.56%	53	9	14.29%	44	20.28%	53
Chi-square test result	$\chi^2=2.172691$ ; $df=1$ ; $p=0.14048$					$\chi^2=1.141889$ ; $df=1$ ; $p=0.28525$				
Seeking guidance and support	3 4	23.13%	23	17.29%	57	9	14.29%	48	22.12%	57
Chi-square test result	$\chi^2=1.466833$ ; $df=1$ ; $p=0.22585$					$\chi^2=1.848234$ ; $df=1$ ; $p=0.17399$				

Undertaking alternative forms of activity	30	20.41%	21	15.79%	51	11	17.46%	40	18.43%	51
Chi-square test result	$\chi^2=.9999053$ ; $df=1$ ; $p=0.31733$					$\chi^2=.0310210$ ; $df=1$ ; $p=0.86019$				
Expressive discharge of emotions	20	13.61%	15	11.28%	35	2	3.17%	33	15.21%	35
Chi-square test result	$\chi^2=.3457624$ ; $df=1$ ; $p=0.55652$					$\chi^2=6.463316$ ; $df=1$ ; $p=0.01101$				

Source: the author - results were considered statistically significant when the calculated test probability  $p$  met the inequality  $p < 0.05$

It should be emphasised at the same time - as can be seen from Table 2 - that the result of the chi-square test is statistically significant with regard to the expressive discharge of emotions by children ( $p = 0.01101$ ). It turns out that age is a differentiating factor in children's preference for this strategy. The results indicate that 9-year-old children (15.21%) use this strategy more often than 8-year-old children (3.17%).

It follows from the empirical data presented that in order to cope with stressful situations, children first sought help from people they were in contact with, most often parents and friends. Some children's statements within this strategy are as follows: "you can talk to a colleague", "you can talk to someone", "I call my mom or dad to help me with a problem", "I hug my parents", "you can talk to your parents", "I hug my mom", "I ask my mom how to solve this", "you can talk to your mom or dad, sister or brother", "you can meet a friend", "you can talk to friends", "I'd talk to my grandmother", "you can make a plea to a loved one", "you can hug and ask your parents for help", "you can call your mom and she'll tell you what you can do", "you can confide in someone close to you", "I call a friend".

Another strategy pointed out by the children was a strategy focusing on trying to forget about the problem, which is illustrated by the following statements made by the children: "you can fall asleep", "I run into dreams, fantasy", "you can think about something nice and calm down", "I think about cool things", "you can dream", "you cannot think about it, forget about the problem", "you can go to sleep", "you can forget about the wrong thing", "you can think about something else", "you can remember something nice", "I think about good things", "I think about something funny".

The third in the order of the children's answers was the strategy concerning their alternative forms of activity, which is illustrated by the following statements: "I play and go outside", "I draw, play board games", "I go out to the swimming pool, do sports", "I eat ice cream, read a book", "you can play with your pet", "I try to do something", "you can play with your friends", "you can read or play an instrument", "you can play with your mother or brother", "you can watch TV", "you can stroke animals", "I watch fairy tales".

The strategy of expressive discharge of emotions, in turn, is characterized by such exemplary statements as: "you can hit the pillow", "you can crumple the card", "I hit the pillow", "you can stomp on the floor", "you can scream, cry", "you can bite the pillow", "I break the crayon", "I hit the ball", "you can shout out loud", "you can tear the card", "you can crumple the newspaper".

It seems that the dominant strategy of "seeking leadership and support" which emerged in the course of the study fits into the confrontational style of coping with stress oriented towards the person/emotion (Heszen 2013, 110). It shows a focus on those who could be the source of sustaining emotions; those who provide support, advice, and information about the stress situation. An important role in children's coping with stress is also played, as shown by my own research, by a style of avoiding the problem by means of suppression (a strategy that reflects attempts to forget about the problem: "*I dream, fantasize*", "*I think about something nice, pleasant*") and avoidance through distraction, reflecting the activity of doing another activity (strategy of taking alternative forms of activity: "*I play with my colleagues*", "*I draw*", "*I play the instrument*"). It should be added that one of the forms of avoidance through distraction is to engage in social contacts (Endler, Parker 1994, 50 – 60) which takes into account the social aspect of coping (Folkman, Moskowitz 2004, 745 -774). Children's coping strategies in stressful situations - as shown by the study - also reflect the palliative approach(strategies) mentioned in the literature, aimed at reducing negative emotions, and the salutary approach(strategies), aimed at arousing positive emotions (e.g. dreaming of nice situations, things, listening to music), corresponding to an emotionally focused coping function (Gruszczyńska 2013, 103 – 119). Research on this aspect of child stress shows that children very rarely at this stage of development try to cope with difficult and/or stressful situations on their own; very rarely do they try to consider different ways of solving the problem on their own and seek help and support from people close to them. They expect to have a conversation, to find ways of solving the problem, and to seek a solution with a parent or friend.

## Conclusion

The analysis of stress coping strategies for children at the end of early school education carried out on the basis of the fragment of my own research presented here leads to the global conclusion that in some children the development process has started in the indicated area: children talk, ask questions, look for, explore, wonder how to face difficulties. The role of adults (parents, teachers) is to give them far-reaching support in this area. It is invaluable to discuss, to provoke an exchange of thoughts, to exchange views on the possibilities of solving stressful situations, difficult situations for all children. It is important to activate those who are already progressing in this area, and to stimulate those who are less reflective in this aspect.

Contemporary times show how important it is to develop, from the earliest period of an individual's life, competences in dealing with difficult situations, with stressful situations. Development of emotional intelligence, creative problem solving, the ability to establish and maintain relationships, the development of specific cognitive skills (divergent thinking, cognitive decentration), as well as psychological resilience are the basis of constructive coping with these situations. The family environment, a stable, harmoniously functioning home, as well as educational influence of preschool and early school environment play an enormous role in shaping these competences in children.

In relation to the family environment, it is extremely important that the behaviour of parents in difficult situations (conflict, stress) constitutes a constructive model for children. During childhood such processes as observation of other people's behaviour, imitation consisting in taking over external features (forms) of behaviour from another person and identification expressed in copying other people's mental states are the basis for adopting a system of

behavioural norms and values from the environment (parents). By observing parents, the child not only reproduces their behaviour outwardly, but by identifying with them, more or less consciously adopts their preferred norms and values, which are expressed in their attitudes, emotions, needs, motives, opinions or various forms of action.

The author's own research cited in this text indicates that children perceive their parents' quarrels (conflicts) as the dominant stressogenic event in the family environment (Cywińska 2017, 185-208), which threatens the stability of the family and often introduces a traumatic home atmosphere, making it impossible to satisfy the child's sense of security, which is of fundamental importance for its proper development. Parental conflicts can be evidence of ongoing processes in families that take on the characteristics of a crisis of different aetiology. This leads to the conclusion that the pattern of conflict situations that children encounter in the family home does not provide them with a positive reference point for the difficult situations they will face in the future. This research may suggest that the natural process of learning aggression (e.g. direct verbal aggression, direct physical aggression) begins in the family, and also supports the argument that aggressive children often have one or both aggressive parents who become paradigms for their own behaviour.

Since the family may not provide the conditions for children to learn to cope with difficult situations, it is very important that kindergarten and school take over this role. There are Social and Emotional Learning (SEL) programmes (Salovey, Mayer, Caruso 2004, 380-398) that address this problem in the environments described above; they include educational activities aimed at developing particular abilities and competences that are components of emotional intelligence. They also address issues related to solving social problems, including interpersonal conflicts. All these programmes aim to enrich the emotional and social experiences of children and young people. They also enable the development of emotional and social skills and competences. These programmes include:

The PATHS programme, designed for primary school students,

The Resolving Conflicts Creatively Programme (RCCP), designed for children and adolescents,

ECSEL's Peaceful Kids Programme for pre-school children,

Creative Response to Conflict (CRC) programme for younger school-age children,

Social Development Program K-12 run in New Haven,

Social Development Curriculum,

Self Science programme (Matczak, Knopp 2013, 75-79; Sandy, Cochran 2005, 312-332; Asher, Rose 1999, 333-366).

All of the above programmes aim to teach children and/or young people to:

recognize, name and express emotions,

represent the characteristics of feelings,

enrich their vocabulary related to emotions,

recognize the sources of feelings,

show empathy, the ability to console oneself, taking into account other people's needs, goals, aspirations,

cope with negative emotions (especially anger/rage),

understand non-verbal messages,

develop skills of constructive conflict resolution,

communicate properly and cooperate with a partner,

develop creative intelligence and creative problem solving.

Teaching children and young people constructive strategies of behaviour in conflict situations, ones that question the need to react with aggression, violence or submissiveness and passivity, is an important context for the activities proposed by the above mentioned programmes. This takes place

-in kindergarten by re-enacting different situations that are difficult for children and by exposing the negative consequences of certain behaviours in puppet shows;

-at school by means of staging, during lessons in small groups or in front of larger audiences, various situations close to the children which are difficult, conflictual or which trigger aggression.

The programmes emphasise the need to adapt the above-mentioned areas of activity to the cognitive abilities of children and young people, to continue them in subsequent stages of their development and to implement them systematically in everyday school activities (e.g. during social-emotional skills lessons).

The programmes also emphasise the art of making and maintaining friendships to prevent social isolation - which can lead to violence and aggression - and the role of friendship in helping children and young people cope with difficult and stressful situations. Friendship is "a specific relationship between two children, characterised by mutual affection, placing the friend above other peers and a sense of sharing experiences with him/her" (Asher, Rose 1999, 339). During the course of the friendship relationship, the child's need for fun and entertainment, i.e. the desire for companionship and to spend leisure time together, is satisfied. In difficult matters the child also has the opportunity to receive anti-stress support from a friend. Children who have positive relationships with their peers can generally count on their help, whereas children who lack social support are often deprived of it (Asher, Rose 1999, 341). Friends help to manage their own difficult emotions and to develop in the child the belief that he or she is a valuable and competent person (this may be through praise or direct help), and the intimate relationship they form together provides a wonderful space to talk about their worries, fears and anxieties and to analyse together, coming up with ways out of situations that are difficult for the child. Because this relationship is so valuable in a child's life, the programmes mentioned above highlight the need to involve a "friendship specialist" in schools (Asher, Rose 1999, 358), whose task is to help children solve their problems with their peers and to develop in them competences that foster the establishment and maintenance of friendship relationships. Emotional intelligence therefore fosters satisfying interpersonal relationships and the acquisition of social support.

The results of my own research presented in Table 1 and Table 2 also show that 8- and 9-year-old children very rarely attempt to solve a stressful problem on their own, or possibly attempt to seek a solution to a stressful problem. Therefore, it becomes extremely important to develop this skill in children. It should be emphasized that problem-solving skills develop with age, as Jeffrey S. Turner and Donald B. Helms point out (Turner, Helms 1999, 296). Therefore, it is important to stimulate children's skills in this area - especially in solving cognitive tasks - through specially selected educational activities. They should promote the child's effective use of specific cognitive styles to find solutions to problems. Children may represent:

the analytical style, when they examine the fine details of stimulus objects,

the superior style, when they look for common properties of objects,

the activity-oriented style, which represents combining objects or events into groups that have some interacting properties,

the activity-placement style, which reflects classification based on shared location (Turner, Helms 1999, 297; Cywińska 2014, 187).

The research shows that younger children (aged four to six) are better at using the activity-oriented style, while older children (aged six to eleven) are better at using the superior and analytical styles. It is also worth emphasizing that problem solving requires the effective use of two types of thinking: divergent and convergent. The former reflects intellectual creative abilities, which manifest themselves in the search for many different solutions to a given problem and exploring many ideas, while the latter reflects a class of processes of an analytical nature, enabling the evaluation and critical examination of the resulting ideas (Groborz, Ślifierz – Wasilewska 2003, 208 – 211). Both types of thinking are necessary during problem solving, which is a multi-phase process consisting of certain phases: the phase of recognising and defining the problem, the phase in which we look for different possible solutions to the problem, the phase reflecting the critical evaluation of the draft solutions, then the phase of identifying the solution that would be the most beneficial to both parties involved in the problem, the penultimate phase in which ways of practical application of the identified solution are developed, and the final phase in which the effectiveness of the identified solution is tested in practice. The second phase is based on the divergent thinking mentioned earlier, while the third and fourth phases are based on convergent thinking (Gordon 2000, 242 – 249).

Among the techniques for developing children's problem-solving skills, the technique of "brainstorming" and "paradoxical brainstorming" should be highlighted, as well as the factors of divergent thinking such as: fluency of thinking, flexibility of thinking, originality of thinking, sensitivity to problems, and elaboration. For example, let us consider two selected factors of divergent thinking: sensitivity to problems and flexibility of thinking. The first of them manifests itself in the ability to detect gaps, deficiencies, insufficiencies and imperfections that occur in different situations and people's actions. Encouraging children to describe, for example, what deficiencies a bicycle or a CD has and what difficulties are involved, we develop the aforementioned sensitivity to problems. The second factor reflecting flexibility of thinking presents a certain complexity, as it includes spontaneous flexibility and adaptive flexibility. The former consists in the production of qualitatively diverse semantic solutions, which is expressed, for example, in inventing unusual uses for various objects that help to make progress in the field in question (Szmidt 2013, 158 – 164).

In the process of teaching children how to cope with stress, creative problem solving should therefore not be neglected, in addition to the already emphasised issues focused on developing the child's emotional intelligence, which - importantly - also influences psychological well-being, understood as one's own subjectively perceived or felt well-being.

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## Vertical Jump to Female & Male Basketball Players in Albania

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### Abstract

Vertical jump is one of the basic elements in collective sports such as volleyball, basketball, football, etc. The reason of this study is the evaluation of this element and other parameters of the Albanian National Championship basketball players female & male. From the specificity of their training, there are differences in the physical qualities of individual performance, where one of the elements is vertical jumping. The performance profiling of basketball players is important to distinguish the anthropometric and physical characteristics from other sports. Basketball players were tested in different periods before and after the training with their coaches. Subjects were 59 Female (F) mean age 18.1 years old and 60 Male (M) mean age 18.8 years old. They evaluated us; Body Height (BH), Body Mass (BMI %), Body Weight (BW), Squat Jump (SJ), Countermovement Jump (CMJ) and Drop Jump 40cm (DJ). From the obtained data of the test was observed even the effect of the training that these athletes have done for the jumping level, assessment of explosive strength and maximum power. Differences were seen to individual basketball players between two periods, before and after the testing. The evaluation of these tests is one of the key features of a vertical jump as one of the specific technical element in the game on air in the sport of basketball. The obtained results suggest changes in sporting performance of "vertical jump" in the force settings, speed and power.

**Keywords:** basketball, squat-countermovement jump, drop jump, female & male.

### 1. Introduction

Basketball is one of the most popular sports in the world but also quite developed in our country Albania. Basketball players during their game, in addition to various runs, must also develop vertical jumping in catching balls on the table or even fighting in the air with the opponent. Plyometric training [1] is widely used to improve jumping ability, especially in sports such as volleyball and basketball [2, 3, 4, 5]. Volleyball and Basketball sports have different performances for their own game characteristic, so the training is specific where there are differences in the physical qualities of individual and team performance. Methods plyometric and resistance training are usually referred to in the literature as improving the most powerful strength characteristics (explosive strength) in basketball players. In basketball, the ability to generate maximal strength levels in the shortest period of time (muscular power) is necessary to gain high sport performance levels [6]. Moreover, agility is a vital component for the success in basketball players [7]. So the meaning of the vertical jump element is basically the measurement of the strength, speed of the lower extremities. Numerous scholars have found that high jumps can be improved through applications of plyometric exercises. The best possible perfection of a vertical jump is achieved with training

with the purpose of increasing the height of the jump, the high degree of muscular activity that is achieved by increasing the loads in the phase of extension of the vertical jump. Therefore, the purpose of this study is to identify the performance of vertical dance and the comparison between the sexes of some young basketball players in Albania by using the tests squat jump (SJ), countermovement jump (CMJ) and drop jump (DJ). Individual differences in physical fitness parameters among players have been attributed to long-term sport training specificity [8]. To assess the vertical jump is needed the application of Bosco tests such as Drop Jump [9], that made possible the definition of the height of the optimum fall from which the player takes \ wins the maximum jumping and the connection between the height of the fall, the time of contact and flight-time. To developed this study we have used the facilities of the University of Sports in Tirana and its respective laboratories of Physiology and Biomechanics where tests are developed with advanced equipment and GFRP "Leonardo" platform.

## 2. Methodology

In understanding with coaches of the basketball teams we based our study on the female & male in the period before and after a preparatory mini phase in the period before and after the second phase of the National Championship. During the study players have been under our observation for the performance of the training program with their coaches. Training sessions have been regular, 5 times a week with duration of 1 hour and 30 min each time. In this study participate these basketball players and they were tested in these parameters shown in table 1;

Table1 Anthropometric Measurements (Basketball players)

<i>Nr;</i>	<i>FEMALE (F) 59</i>	<i>MALE (M) 60</i>
<i>Mean Age</i>	<i>18.1</i>	<i>18.8</i>
<i>Body Height (BH) cm</i>	<i>182.4 cm</i>	<i>195.9 cm</i>
<i>Body Wight (BW) kg</i>	<i>71.8 kg</i>	<i>83.2 kg</i>
<i>Body Mass (BMI)%kg/m<sup>2</sup></i>	<i>21.55%</i>	<i>20.37%</i>

### 2.1. Protocols of the Test Performed

- SJ (squat jump) - The vertical jump from the initial position starts when the athlete has his/her legs refracted to 90° and hands positioned on the waist. There have been realized 3 jumps and has been taken the best.
- CMJ (Countermovement Jump) is similar to SJ, but the athlete begins the testing by staying right and then he/she takes off by refracting his/her lower limb to 90 ° and hands placed on the waist (3 jumps). Tests were developed on Muscle Lab Jump.
- DJ (drupe jump) from 40 cm cube in Leonardo® Ground Force Reaction Plate (GRFP-Novotec Medical, Pforzheim, Germany).
- Calculation (CMJ-SJ) x 100/CMJ). The capacity of reusing the accumulated energy as a result of the elastic stretch that precedes the muscular contraction.

During squat jumps with a knee flexion to 90° players were instructed to perform a maximal vertical jump and were not allowed to use any motion, forward flexion before jumping. All volleyball players were tested in the same conditions, with a preliminary general stretching of

10 min. The basketball players then developed an individual warm-up of 10 min before starting the specific vertical jump performance test in the Squat Jump-SJ, Countermovement Jump-CMJ and Drop Jump-DJ at the throw height from 40cm cubes [10]. Basketball players are initially recommended for each performance of the jump test how it should proceeded.

### 3. Results

Table 2 shows the average team data of female and male basketball players taken under observation. The values obtained clearly show the level of the players in Albania.

Table2. Data obtained from Ergo Jump Muscle Lab Jump (female & male)

Basketball players	FEMALE		MALE	
	Test 1	Test 2	Test 1	Test 2
<b>Squat Jump</b>	27.7	29.7	33.4	39.8
<b>Countermovement Jump</b>	33.9	35.2	39.2	45.9
<b>(CMJ-SJ)x100/CMJ%</b>	18.07	15.50%	18.10%	14%

Table.3. Data of the tests done with GFRP "Leonardo" (female & male)

	Squat Jump Test				Countermovement Jump Test			
	Test 1 Fmax	Test 2 Fmax	Test 1 Pmax	Test 2 Pmax	Test 1 Fmax	Test 2 Fmax	Test 1 Pmax	Test 2 Pmax
<b>FEMALE</b>	1.38	1.48	2.73	2.97	1.46	1.53	2.81	2.96
<b>MALE</b>	1.55	1.6	3.52	3.57	1.51	1.75	3.32	3.71

### 4. Discussion – Analysis

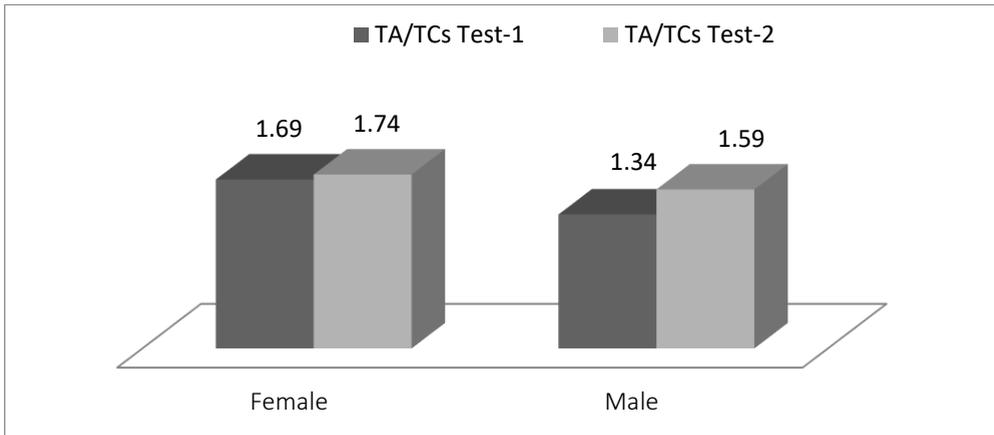
From the data shown in tab.2,3 it seems clear in comparison and with different references from the foreign literature, female and male basketball players have low jumping levels ;referred by [11] (SJ 37cm ,CMJ 41cm for girls ) (SJ boys 47cm ,CMJ-53). But in both teams there have been male and female individuals who have improved during the training with the coaches. It is clearly seen in younger athletes. For a long time we thought that CMJ jump would provide the muscle elasticity measure, while today it is found that this test provides the rapid force measure of the jump. The differences between the two tests CMJ-SJ of the athletes in teams is the "elasticity index". Good capacity used by the elastic energy corresponds to 8-10 cm. Difference between these two tests is called "The index of fast power" [11].The difference in % of (CMJ-SJ) the calculation of the elasticity index. Elastic energy (CMJ-SJ) x100/CMJ the capacity for subsequent reuse of accumulated elastic energy resulting from the elastic stretch preceding muscular contraction. From the data obtained before and after the training of the basketball players there is still exploited elastic energy. We think that there is more to be clarified and developed in the training plan that the coaches use to increase the vertical jump to basketball players. Vertical jump assessment has been widely used as an alternative to the maximum straightforward assessment of strength and power of the lower extremities [12]. This platform consists in obtaining more data to the evaluation of the basketball players, force (F max kN) and power (P max kW), during the vertical jump. This platform clearly shows and identifies all the testing protocol of the vertical jump. Technical good used efficiency (EFI %) during the vertical jump highlights the general preparation that this sports has in lower

extremities (legs) and the usage of the elastic energy of the muscle complex. From the observation and the conversation with the coaches of these two teams we realized that despite the general athletic-technical-tactical preparation they used different plyometric exercises to increase the vertical jump.

Table.4” Data of the tests done with GFRP “Leonardo” (female & male) DJ 40cm

Basketball Players	F max kN		P max w/kg		Time Contact(TC)s		Air Time(TA)s		TA/TC s	
	Test 1-	Test 2	Test 1-	Test 2	Test 1-	Test 2	Test 1-	Test 2	Test 1-	Test 2
<b>FEMALE</b>	3.31	3.18	30.8	33.4	0.304	0.303	0.48	0.934	1.69	1.74
<b>MALE</b>	3.31	3.12	14.45	33.63	0.419	0.328	0.499	0.512	1.34	1.59

Graffic.1.Drop Jump 40 cm (female & male)



This is a jump that is standardized to fall from a height, contact with the falling ground and knees at an angle of 90 °, without interruption, in a vertical jump to the maximum with a minimum foot contact with the GRFP force platform (Specific plyometric indicator). The Drop Jump test offers a progressive increase of the height of the falling cube from 20cm, 40cm, 60cm and 80cm near a force platform GRFP. This test assesses the explosive strength of the lower limbs. The test represents the "Explosive-Reactive-Ballistic Force" and in particular, the neuromuscular capacity to develop very high values of force during the stretch-contraction cycle [9]. In this test we used fall from 40 cm high cube in both volleyball teams. The test provides as an objective the progressive increase in the decline faze, contact time (TCs), the residence time on air (TAs) and has also the objective to show the highest determining result of the vertical jump. Bosco has come to the conclusion that to have significantly results TA/TC on DJ test. The results of the study as outlined above for women and men show that using the DJ test we can improve the vertical jump. By comparing the first and second DJ test, the results show the higher increase of the sportive performance in maximal force and maximal power in male volleyball players than female, especially in particular individuals. As a result of improved power and force is also increased the vertical jump shown in the declining contact

DJ faze with the time of flight, expressed in seconds. DJ exercises are plyometric exercises commonly used to increase explosive power through stretching-shortening cycle muscle activity. Thus it helps to gain the greatest power output and energy output in the concentric phase [11]. Optimal determination of DJ jump height is important in training volleyball players. Despite the large number of plyometric studies, few studies on exercise have directly compared the effectiveness of plyometric, DJ training and CMJ training. Various authors have found that high jumps can be improved through plyometric exercises. Statistical analysis was performed using IBM Statics 20. As a working environment between groups: ANOVA with repeated measurements with time factor and/or group. The results of descriptive statistical analysis for the dependent variable "TA / TC" presented in table 4 showed that there is progress in increasing performance in this test of both groups of volleyball players. Some authors have reported [13] that commanded plyometric training shows that plyometric exercises are effective in increasing the volleyball, speed and dexterity of volleyball players. In Test 2 measurements there is an average significant increase in seconds for both females and males.

## 5. Conclusion

We think that there is more to be clarified and developed in the training plan that coaches use to improve the vertical jump to basketball players. . DJ test evidence that is a more effective way to increase the output power and the jumping performance. From the obtained results of the study we have arrived on these conclusions: Vertical jump SJ and CMJ done in Ergo jump and with the implementation of the method Bosco test 1 and test 2 training shows that tested basketball players have yet untapped and well-used energy. We think that in terms of training from coach's plyometric exercises to increase the explosive power in vertical jump have not been done regularly with a detailed program. But for female and even for male players the training has been efficient. Max force (F max) and max power (P max) are relatively poor values (low) compared with the results that a basketball player should have during a vertical jump. Practicing these tests, we think that in the sport of basketball they are a necessity of a coaching advancement for the ages to have a better performance of their basketball jumping for both men and women.

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## **Development of Grammatical Knowledge for Communication Activities for Foreign Language Acquisition in Online Classroom for Preparatory Year of Romanian Language at the University of Pitești**

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### **Abstract**

The paper focuses on developing grammatical knowledge for communication activities, through interactive sample activities in the online classroom, in the process of Romanian language acquisition as a foreign language of study for young adults, between 18 – 21 years of age, who apply for the Preparatory year of Romanian language at the University of Pitești, Romania. Teaching grammar has always been a challenge in every teaching-learning process of a foreign language. Grammar grounded knowledge is the key for communication in terms of accuracy and fluency, because it is important for learners to have a set of rules and constructions to make use of, in order to develop interactive and communicative abilities. Each set of activities focusing on accuracy or on fluency used to create correct examples of language use, requires adaptation to the communicative needs, depending on the level of the learners and their needs. Recent national and international events make it clear that there is an imperative need to adjust the entire process of delivering communicative grammatical content in order to make grammar become functional at the level of online communication the learners have to achieve. The goal during online classes is to use targeted communicative practice activities and performative tasks that best facilitate communicative grammar comprehension and learning, in order to help young adult learners gain confidence to start speaking and communicate online.

**Keywords:** grammatical knowledge, communication activities, preparatory year, Romanian language, online classroom

### **Introduction**

We are facing the birth of a new society defined by different patterns of communication, a different perception of space and time, where everyone can access and use the online environment, regardless of age, gender, social class and geographical context. The continuously – growing need for acquiring communication skills in a foreign language is fully justified, since it opens new doors in terms of employment, and it also allows you the

opportunity to know new cultures, people and places. This ongoing technological progress and changes in the knowledge-based society is challenging the educators and trainers to rethink what they teach, to whom, how and when. The world has gradually changed so surprisingly over the last 10 years, that we, as teachers, have to ask ourselves if our traditional way of organizing education really meets the needs of today's learners. In order to prepare ourselves to teach a changing audience – the digital generation - we had to use pedagogical strategies that strengthen the quality of the learning process. We managed to attract our learners by doing a systematic rethinking of the teaching methods, by redefining the learning concepts, by introducing new innovative elements besides the students' textbooks, by reshaping learning approaches.

The main aim of this article is to investigate how the Romanian grammar teaching and learning is carried out in the process of Romanian language acquisition as a foreign language of study for the Preparatory year of Romanian language academic courses at the University of Pitesti, Romania; to focus on grammar content from the students' textbook, and to present a sample of interactive targeted communicative activities as well as some performative tasks meant to engage students in spontaneous communication. To fulfil our aim, we have the following main research objectives, which we will explore in the present article, by applying questionnaire and by taking interviews: for the first part of our analysis we will discuss about the grammar content in the students' textbook, language teachers' attitude on grammar instruction process for communicative purposes; the last part of the analysis will present the effects of the methods and activities used to improve students' communicative performance.

## **Brief Outline of the Methods and Approaches for Language Learning and Teaching**

### **2.1 The Grammar Translation Method**

The Grammar Translation Method is the classical method, considered simple and effective (Stern, 1996), whose main objectives are the study of grammar, vocabulary and literature. The approach is a deductive one, with the emphasis on conscious learning. The ability to receive the written message and the ability to express oneself in written are the most practiced skills. The native language of the students is extensively used, the techniques used being translations, reading texts, grammar exercises and vocabulary. The roles of the teacher are as follows: manager, coordinator and evaluator of the students, the interaction in the classroom taking place especially between the teacher and the students (frontal approach). Correcting students is very important because the emphasis is on accuracy.

### **2.2 The Direct Method**

The inventor of the method is C. Berlitz. The main objective is to teach students to communicate in a foreign language. Translation is not allowed, the teacher using the real world, images, pantomime to suggest meaning. The mother tongue is not used at all. Grammar is taught inductively. Students practice vocabulary in context. The techniques used are: conversation, reading aloud, exercises, compositions, repetitions. The teacher's role is to be a partner of the student. The interaction takes place between the teacher and the students, but also between the students and the students.

### 2.3 Presentation, Practice, Production ( PPP)

This is the British version of the audio-lingual method, notes Jeremy Harmer (2004, p. 80). It consists of three stages. In the first stage the teacher introduces the elements of language to be assimilated. Students practice using reproductive and rehearsal techniques. The third stage concerns the use of language presented and assimilated in an original and authentic way by the students. As with the audio-lingual method, vocabulary and grammar are taught inductively. Communication takes precedence, since the mother tongue is not used. The model is the teacher, who is the one who coordinates the activity. Because it is a method based on communication and evaluation is done all this way.

### 2.4 The Communicative Approach

The Communicative Approach or Communicative Language Teaching ( CLT) has as main objective is students' fluency. Emphasis is placed on "real" communication (Harmer, 2004, p. 85). All four dimensions of language teaching are developed: the ability to express oral expression, the ability to receive the oral message, the ability to receive the written message and the ability to express oneself in writing. The learners' communicative skills are developed by linking grammatical development to the ability to communicate. Grammar is taught in relation to a communicative task, thus creating a need for specific items of grammar . The students' mother tongue is not used. The techniques used are: discussions, debates, role-playing, written communicative activities, drama, etc. The roles of the teacher are those of facilitator and manager of the students' activity, but also of their partner, the interaction taking place especially between students. Authentic and interesting materials are used in order for the students to make connections with their own language and culture. Errors are tolerated especially during communication activities, when the emphasis is on fluency. Students are evaluated both orally and in writing.

## 3. Research Design and Procedures

For the first analysis part we have discussed the role of grammar teaching, with reference to the communicative activities in a second language acquisition process, then we made an analysis of grammar and grammar exercises in the students' textbook for Romanian language which we use at the academic preparatory year of Romanian language in our university. In order to find out the teachers of languages' opinion about grammar teaching for communicative activities as well as about the teaching aids and educational materials used during online classes to make the methods and approaches for teaching a foreign language more interesting, we applied some questionnaires and interviewed them. For the last part, during online classes , we gave the students a task to complete : exercises with interactive targeted communicative activities, and we compared the answers given by the students when they were interviewed about how they understood better the concept and the use of grammar rules, with their academic results of the respective practice communicative activities.

### 3.1 The Role of Grammar Teaching for Communicative Activities

Grammar is at the heart of spoken and written communication and allows us to be clearly understood by others. Teaching grammar is fundamental in the process of acquiring a foreign language. Without grammar we can hardly speak, and if we do, it will not be very correct and concrete. Grammar has long been a subject of study and although the methods of studying grammar have changed dramatically lately, the reasons for studying grammar have remained

essentially the same. Grammar allows people to communicate what they want to express in a way that can be understood clearly. Explicit knowledge of grammar is very important, as it gives us a more conscious control and choice over the language. By fostering explicit knowledge of grammar, performative tasks will hopefully become implicit over time. Poor use of grammar can lead to blurring of messages, which affects our ability to communicate and can hinder the strengthening of relationships – an important skill for the development of young people. The correct use of grammar, on the other hand, makes listening and reading easier, making communication more enjoyable and impact more positively on relationships. Grammatical competence is defined in the CEF as follows: "... knowledge of, and ability to use, the grammatical resources of a language[...]. Grammatical competence is the ability to understand and express meaning by producing and recognizing well-formed phrases and sentences in accordance with these principles (as opposed to memorizing and reproducing them as fixed formulae)." (Council of Europe, 2001, pp112-113). By teaching grammar, young people become even better prepared for the world of work. Discussion on how to teach grammar effectively and how to provide effective grammar practice for students has always been a major concern for both language teachers and learners. In order to make a grammar instruction meaningful, there are some reasons to take into consideration: students need to think critically when given grammar concepts and rules; they have a better understanding of grammar if the grammar instruction is sequenced; students need regular practice of what they are being taught; students need to acquire grammatical skills that will allow them to be able to transfer their comprehension of grammar knowledge to reading, writing, and real life. Brown (2001) mentioned that grammar should be taught in accurate communicative contexts, thus encouraging fluency and accuracy. He also offered a set of guidelines for teaching grammar for effective communication: simple explanations, clear examples, relevant visual teaching aid; grammar should be presented in an interesting, motivating way for the students, taking into account learners' cognitive style, as well.

### 3.2 An Analysis of Grammar Structure in the Students' Textbook

We will examine the techniques used for grammar teaching and learning in classrooms, also grammar content in students' textbooks. Șerban V. and Ardelean L. (1980), argue that the structure of teaching and learning a grammatical phenomenon should comprise five stages:

1. Preparatory dialogue with complete semantics of forms.
  2. Presentation of forms in context (structuring phase).
  3. Structural assignment exercises (exercise / practice phase).
  4. Functional exercises (generalization phase).
  5. Integrating the phenomenon into micro-conversation (skills training).
- Our students' textbook for Romanian language as a foreign language, called "Limba română – Manual pentru studenții străini din anul pregătitor", whose authors we are, generally follow this line; language structures are taught in close connection with vocabulary and grammar elements, and are exemplified on texts. The introductory part is dedicated to phonetics, with oral teaching, in order to clarify the issues related to the target language sounds; teaching is sequenced then into reading, writing, grammar and vocabulary, and, eventually, fluent speech. As structure, it comprises complete units, the grammatical category being associated with the appropriate theme, and the act of speech, being related to the thematic area; the lexical and

grammatical components is presented and explained and then integrated into communication structures ; a theme such as “In the city” can be used for teaching the forms of the adjective, and the description of means of transportation in the teaching of the demonstrative pronoun and adjective. The clearly formulated objectives of the unit are presented at the beginning of each lesson. Romanian grammar is presented in a clear manner, with very short and comprehensive structures , with rules displayed in a simple manner; the morphology, syntax is structured according to the level of speech, progressively, so that the learners may acquire a proper vocabulary, which, together with a set of grammar rules, will allow them to become engaged in further communicative activities. The exercises are very simply presented, especially at the beginning, by setting a demonstrative model as example. Grammar exercises are generally based on the model: first is shown an item with a given answer as example, and then a number of eight to twelve similar items are given to be solved. In addition, dictation and grammatical compositions are used.

### 3.3 A View of Teachers’ Attitude Towards Teaching Grammar for Communicative Purposes

In the process of second language teaching, teachers are supposed to use participative techniques and apply suitable strategies so that their students can produce the spoken language in an acceptable way, as well as to contribute to the increase of the activeness, creativeness and productiveness of learning among students. At the same time, we refer to the students who should have a good level of oral fluency, after having been introduced to the most appropriate techniques for developing the oral fluency, along with grammatical accuracy, thus being able to determinate the achievement in their communication activities, whether effective or not. We applied a questionnaire and we also interviewed the 12 teachers, aged between 45 to 65 years of age, 85 % out of whom are female teachers, that deliver courses of Romanian language as a foreign language, to find out what is the way grammar should be taught in the classroom, and to present several situations that describe how teachers of languages make use of several methods, techniques and approaches, and what is the type of targeted oriented practice activities, performative tasks they use, in order to prove the efficacy of grammar instruction as a necessary step towards meaningful communication. The questions that teachers were required to answer in the questionnaire referred to the language used in grammar teaching, to what are the methods and techniques used for teaching Romanian as a foreign language, as well as of teaching grammar, and also to specify the tools and resources (teaching aids and educational materials) they used for online practice of communication activities in the online classes. For the interview part we enquired, teachers discussed the advantages and disadvantages of the methods and approaches they used for teaching grammar for communicative purposes, and also about the benefits and barriers of the tools and resources they used in online classroom.

The question that referred to the language used in grammar teaching: “Do you think Romanian grammar should be taught in Romanian, in the link language, or in both?” revealed the following answers: when enquired if grammar should be taught in Romanian or with the help of the link language ( English or French) or both, 65% of teachers agreed to use them both. 10 % of the teachers answered that grammar should be taught only in Romanian, so that teachers have the chance to listen to the target language, while 25 % thought that grammar should be taught only with the help of the link language, because it is easier for the students to understand the rules.

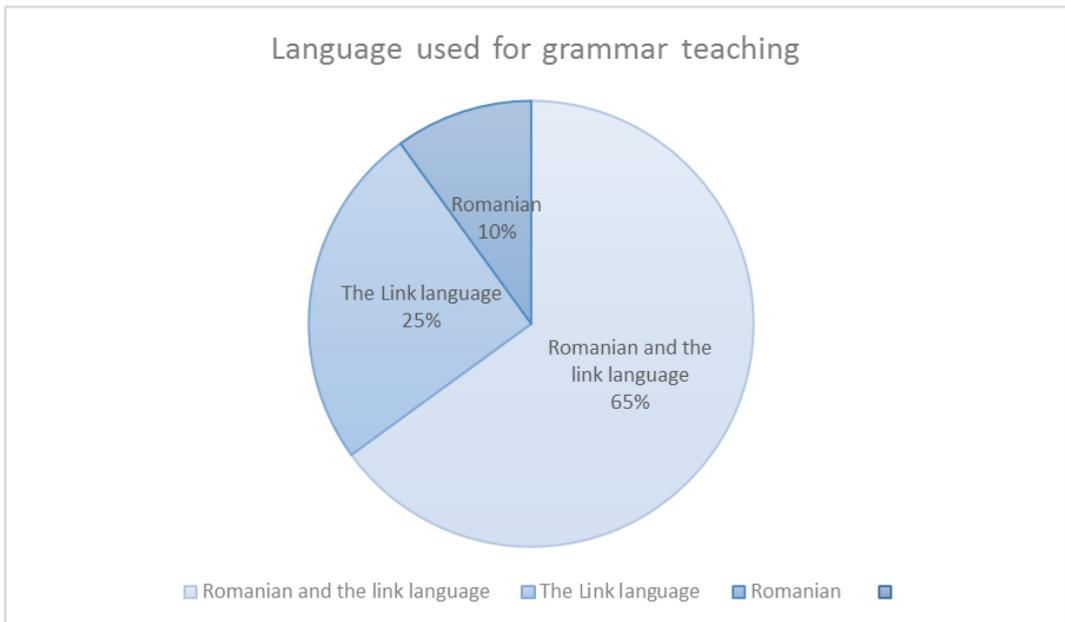


Figure 1 – Language used for grammar teaching

For the question, about what are the methods and techniques used for teaching Romanian as a foreign language, we asked the question: “Which approach do you use to present grammar content?”, and we also made interviews about teaching methods and approaches for teaching grammar. The investigation focused on two topics: the methods of grammar teaching, the relationships between correct grammar and communicative competence. We know there are two main approaches of teaching grammar. The deductive approach, more teacher – centred, when the teacher gives the rule, and language is produced based on the rule, and the inductive approach, more student – centred, when the teacher gives the students a means to discover the rule by themselves. As it is also written in the questionnaire, we asked teachers which approach do they use when teaching grammar, the deductive one, which includes PPP, Grammar Translation Method, the inductive one, which includes The Direct Method, The Communicative Method, or a mix of these types of approaches. We can see that when the teachers taught new grammar content in the classroom, 25% of teachers used only inductive approaches, because it consolidates students’ oral as well as written abilities. 70% of the teachers used both inductive and deductive approaches in their classrooms: they used inductive approaches when a new grammar topic was first introduced and followed up with deductive approaches when the topic was reviewed. Only 5% of teachers used the deductive approach. Figure 2, down below, shows a graphical representation of the answers of the language teachers, regarding the teaching approach for grammar content.

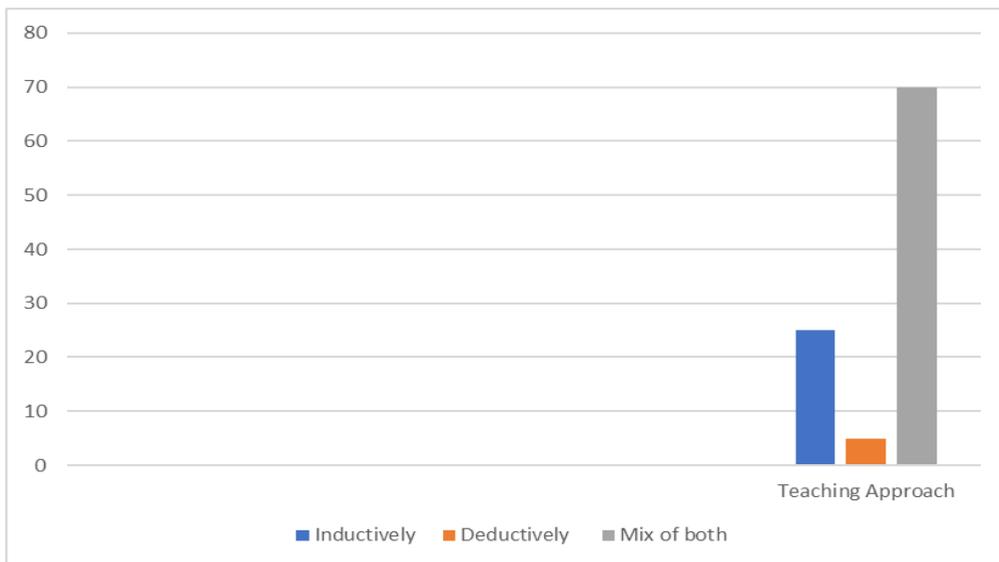


Figure 3 – Teaching approach for grammar content

We shall further discuss three different situations of teaching that we were presented during the interviews, and then we shall explain the advantages and disadvantages of using these methods and approaches for communicative purposes during classes of Romanian language as a foreign language. This is in addition to the questionnaires, but the findings are coincident. Situation 1: the teacher explains to the students what will be expected during the task and post task review section. The teacher introduces, or reviews, as is the case, the main vocabulary and grammatical items the students will need to accomplish the assigned task. This is Presentation, Practice, Performance (PPP), a deductive approach whose main advantage is that it is easy to implement, because production comes only after presentation and practice, it allows the possibility to prime language for later use. One of the main disadvantages is that it deprives students of learning opportunities, because they may become unsure on how to use target language in different contexts.

Situation 2: the teacher uses pictures and images to teach new words, speaks only in Romanian ( the target language), reads a passage in the text, then he asks the students questions related to that passage, and ends the lesson in an attractive way for the students, by telling a poem. The Direct Method, here presented, is a method which has very great impact in language teaching, hence the oral and natural techniques used have as main aim acquisition of the language by associating the word with the action, without involving mother tongue. This method ignores written work and reading activities. There is not sufficient attention paid to reading and writing skills.

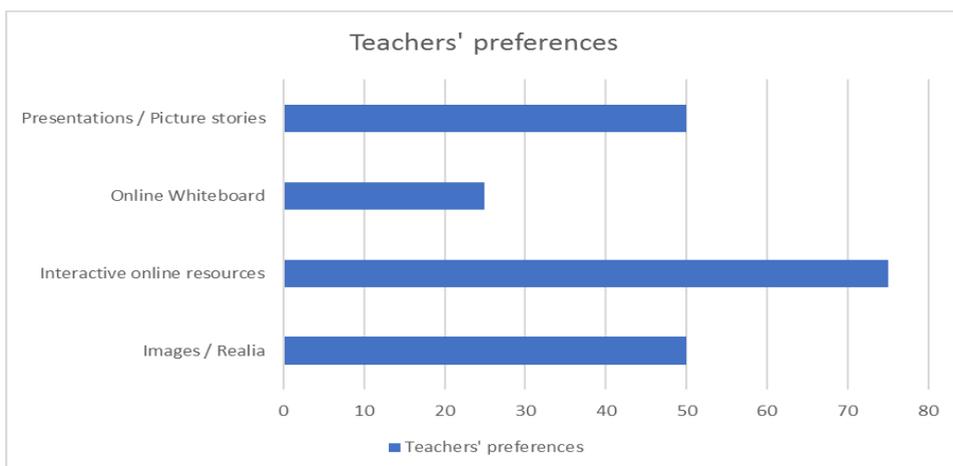
Situation 3: the teacher asks students to repeat the sentences he uttered; the expressions are learnt by using the dialogue based on imaginary situations; after the sentences are repeated and memorised, students work in pairs, then they are introduced the model exercise, they copy the exercise. This is mix of the deductive and inductive approaches, in the desire to cover reading, listening, writing and oral performance.

The research findings indicate that teachers' perceptions about grammar and grammar teaching is that students should be able to express their own ideas in real situations in a language that is as correct, meaningful and appropriate as possible, their task being to facilitate this grammatical skill with maximum efficiency. Teachers' role is to guide students on how to make use of the patterns of grammatical form in contexts of communicative activities. Learners, in their turn, should learn grammar implicitly through target language use and explicitly through the discovery of grammatical rules through use in meaningful examples.

For the question "what are the teaching aids and educational materials you used for the targeted communicative activities during online classes?" we inquired about the tools and resources, they were required to choose from a variety of items and solutions available for online language teaching. Traditionally, language teachers use textbooks as an essential tool for teaching and learning that supplement teacher instruction. Foreign language learners use the textbook as a qualitative source of learning with language other than input given by the teacher. Given the present situation, the attention shifted to a more adequate way of delivering courses, introducing new, interactive teaching tools and educational resources and using proper methods and approaches to help the students be ready for the instruction that will allow them to communicate.

It resulted that teachers are more interested in the digital content, especially the one that is interactive for several reasons: it is more attractive to the student, it contains built-in audio and video, the student feels more involved in the learning process, it also offers the opportunity for the completed exercises to be corrected automatically, as well as the information necessary to accomplish the targeted practice activities, such as a glossary or grammar reference, it engages students into a friendly learning environment, so as to gain confidence and start speaking.

Figure 3 shows the teachers' preference for several types of digital content:



Besides the preferences resulted from the questions of the questionnaire, we asked the teachers to motivate their choice. The interactive online tools and resources are preferred in 75% cases in online teaching. They said they represent an extraordinary solution: the video clips on different virtual platforms can be viewed by students, for communicative purposes,

and later on they can complete worksheets, created mainly by the teachers; or, some interactive live worksheets, created entirely by the teacher, quiz, which offer a useful feedback, not only to the students, but also to the teachers, who can have an easier and clearer record of the students' personal progress. With an equal percent of 50 %, teachers make use of picture stories and presentation; in the same way, they use Realia or images when they introduce new vocabulary or grammar, or as a starting point for communication activities; these kind of activities make students feel motivated and become actively involved in the online class. Power Point Presentations, as well as Picture stories represent a support for the student – teacher interaction. Picture stories are usually a starting point for a narrative speaking or a writing activity, but they can also be of utmost importance in the communicative and interactive classroom. The Power Point Presentations can be very dynamic, attractive and interesting, especially if the teacher succeeds in combining successfully the text, the images, the audio, the video to present new material to the students. Another advantage is the fact that, once it is distributed, it can be accessed by the students any time, at will. There was only 25 % preference for the online whiteboard. The use of such a software brings a lot of benefits, by creating an attractive environment for real collaboration during online classes, by allowing possibility for all participants to write and draw at the same time and also to see in real time the changes made, by offering easy access to other online applications or digital content. The lack of choice for this e-tool is due to the fact that during face – to – face classes, the classical whiteboard was the main tool used for collaborative activities, while at the online classes, both teachers and students have much more opportunities and choices among all the other interactive resources and digital tools.

### 3.4 Grammar Teaching in Practice in Online Classroom

In terms of grammar teaching practice for communicative purposes, we propose a set of targeted interactive-learning activities for young adults between 18 – 21 years of age, during online classes at the Preparatory year of Romanian language, with the purpose of developing communication abilities, increasing learning efficiency and building positive interpersonal relationships. We shall present a sample – activity of this type we applied to all the groups of students. It is an activity in which the learner is pushed to speak on a topic using, at the same time, grammar rules.

Figure 4 presents a sample of a targeted communicative activity, an interactive worksheet, presented during online classes, which is the starting point for engaging students into spontaneous authentic communication.

1. Completează , în exemplele următoare, cu prepozițiile din chenarul de mai jos corespunzătoare, pentru a forma propoziții corecte.

în, la, din, de la, pe, spre

2. Citește fiecare propoziție și bifează dacă este adevărat sau fals în cazul tău, notând A sau F în coloana marcată „ TU”.

PROPOZIȚIE	ADEVARAT sau FALS			
	TU			
1. În general, eu merg .... munte de două ori pe an.				
2. Când intru .... magazin, cumpăr și articole aflate la promoție, chiar dacă nu am nevoie de ele				
3. După ce ies ..... un film, de obicei, rețin câteva fraze interesante.				
4. Dacă simt nevoia să fac mișcare în aer liber, merg să alerg .... stadion.				
5. Când am cursuri, plec ...facultate cu o jumătate de oră mai devreme.				
6. Atunci când merg într-o clădire înaltă, îmi place să urc.... ultimul etaj să admir priveliștea				
7. Când vin ... facultate, acasă, după cursuri, de obicei, revizuiesc materia predată de către profesor				
8. Prietenii mei sosesc ... vizită la mine acasă, de obicei fără să anunțe înainte.				

3. Acum, lucrați în grupuri, scrieți numele membrilor grupului în celelalte coloane și discutați fiecare propoziție în detaliu. Completați cu răspunsurile colegilor.

Figure 4 A sample of interactive targeted communicative activity

In this verbs of movement with obligatory preposition activity, students learn 8 verbs of movement with obligatory preposition and use them in a virtual group discussion. We put the interactive worksheet on the classroom platform. Students begin by completing verbs of movement with obligatory preposition task in 8 statements, with the prepositions shown on the interactive worksheet. When the students have finished, they are automatically given the answers; then, we review each verb verbs of movement with obligatory preposition and the meaning of each statement. Next, students read each statement and indicate whether it is true for them or not by writing 'A' for true or 'F' for false in the column marked "TU". After that, we divide the students into groups of four. One student from each group is designated to write the names of their group members in the other columns of the chart. The students then discuss each statement in detail and the designated student from each group completes the chart with their classmates' true or false answers. Afterwards, we have a class feedback session to find out which statements were true for most of the students and which were false. Any interesting findings can then be discussed in more detail.

This type of activities are more practical and conversation-focused. Their aim is to stimulate the use of grammar and vocabulary the students have learnt. These activities should enhance different skills altogether: team working, communication in a foreign language, public skills,

problem-solving, creative thinking etc. Through targeted communicative activities, interaction and group work are encouraged, increasing the learner's self-esteem and ability to organize and learn autonomously. These activities help learners use the language in various areas, focusing more on communication. Furthermore, the choice of the topic is crucial, and also a certain relaxation, on the teacher's part, with regard to testing.

The results returned from these type of activities, together with the answers given by the fifteen interviewed students showed that grammar understanding was inversely proportional to grammatical errors made in exercises. The greater the level of understanding the students had, the more correct answers they tended to give. Moreover, the competency level in listening, speaking, reading, writing and grammatical understanding are different primarily because of the different teaching approaches used.

#### **4. Concluding Remarks**

This article evaluated several teaching approaches, to determine which method is the most appropriate for the purposes of teaching and learning Romanian grammar for the Preparatory year of Romanian language academic courses at the University of Pitești for the courses delivered during online classes. Furthermore, in order to understand how grammar is presented in the students' textbook, we studied the grammar section of the students' textbooks, and we examined the ways of grammar teaching and learning in the classroom, and how the exercises are displayed in textbooks. After that, to learn more about the teachers' view towards teaching grammar for Romanian as a foreign language, we presented some situations in which the teachers demonstrated how they used the teaching methods and grammar instruction in the classroom, making observations for the methods chosen. To determine if a specific teaching method and grammar instruction technique can enhance oral performance, we examined the effectiveness of the targeted interactive practice activities and performance tasks via interviews with the students and by comparing their answers with their academic results obtained in the online classes. The analysis of the teaching methods, the grammar and grammar exercises form the students' book, the teachers' preference for some digital tools and online resources for their online class, together with the level of oral performance of the learners of Romanian as a foreign language, has yielded several results. Practice showed that students were exposed to the both learning approaches, inductive and deductive, in order to develop their listening, reading, writing, speaking abilities as well as to gain grammatical knowledge. At the same time, the new virtual environment created a new context where they were more willing to interact and communicate, especially if the teacher adapted the methods and approaches to the online classes. So, no matter how relevant the students' book are, the teacher's methods and approaches have the greatest impact on students' learning, on their engagement in discussions, on their level of grammar accuracy and oral fluency for any performative tasks or targeted communicative activities.

The conclusion that emerges after conducting the analysis through both questionnaires and interviews is that in general, the teachers possess positive attitudes towards grammar teaching. They believe grammar is useful and important for understanding the structure of the Romanian language and for communicative purposes.

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## Appendix

### *Questionnaire for the Teachers*

*1.Do you think Romanian grammar should be taught in Romanian, in the link language, or in both?*

*Romanian*

*Link language*

*Both*

*2.Which approach do you use to present grammar content?*

*Inductive approach*

*Deductive approach*

*A mix of approaches*

*4.What are the teaching aids and educational materials you used for the targeted communicative activities during online classes?*

*Realia / Images*

*Power Point Presentation / Picture stories*

*Online Whiteboard*

*Interactive online resources (interactive worksheets, videoclips, quiz)*

## The Primary School from Challenges to Opportunities: The Role of Participatory Action-Research

Emanuela Guarcello

### Abstract

Action-research is a particular methodological approach to research on the basis of which the scientific rigour of the investigation is placed immediately both in dialogue with the real problems perceived by the parties involved and in service towards a concrete change of the problems themselves. One of its declinations is participatory action-research that has found space in different social and professional fields, including the school. Pedagogical studies, which classically represent the most authoritative knowledge in reference to the school experience itself, consider action-research to be one of the most promising forms of educational research because it works in -dialogic- ways and towards an end -change and therefore innovation- which represents the very essence of education. In the face of a reconstructed picture, two specific questions emerge today, precisely in the transition from the pandemic phase to the post-pandemic phase, about the contribution that action-research can bring in particular to the primary school -The first and most delicate area of human and cultural formation of the child- to transform the challenges of the Covid-19 pandemic into opportunities. If action-research can be a good approach to innovating school practices also in the face of these new challenges, so that innovation itself is significant and effective: Does action-research itself need to innovate in order to be able to trigger change within a context that has altered not only because of the pandemic emergency but also in relation to the wider transformations that affect society today? With regard to what aspects, therefore, is it meaningful to start this process of innovation? Starting from these problematic spaces and in order to work on a reconstruction of possible answers to the questions raised, the present contribution is articulated around three main reflexive nests: participatory action-research in primary school, the question of participation and the question of the problem.

Keywords: action-research, participation, primary school, problematization.

### Introduction

#### Action-research and participation

Action-research is a methodological approach to research that operates, with René Barbier (2007), through a "co-formation between university researchers and people who work in the field and who directly live the situations" with respect to which the action-research itself applies<sup>1</sup>. What Barbier defines as "collaborative and educational interference" (p. 10) between

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1. Action-research, being a word of "recent formation" (April, 2005), is referred to in linguistics either as a copulative formation (two nouns that both have main function) -*action-research* (Baldacci, 2013; Pourtois, 1993, 1988, 1990; Barbier, 2007, 2003; Scurati & Zanniello, 1993; Becchi & Vertecchi, 1990;

professional researchers and practitioners clarifies the theoretical foundation on which the action-research itself is based: the indispensable dialogue between theorists and experience. It is a dialogue that certainly recognizes its epistemological roots within the philosophical-pedagogical thought of John Dewey (1929a, 1929b) with specific regard to the enhancement of the relationship between science and experience and the foundation of a theory of investigation as "method of thought". In particular, however, the word action-research is not a Deweyan term but rather a term coined in the 1940s by Kurt Lewin (1946) -"action research"- which aims to underline how the cognitive process becomes social action when *all the actors participate* in research.

Precisely this *participatory dimension*, further underlined and clarified by its emancipative power, becomes generative of a particular declination of action-research: – specifically - the *participatory* aspect of the research (Cadei, Deluigi, Pourtois, 2016, p. 33; Orefice, 2006; Sorzio, 2019). If the Freirian echo and the experience of Participatory Action Research in Latin America (Freire, 1968; Michelini, 2013, p. 133; Sorzio, 2019) are central to understanding the sense of participation as *inter-pares* co-operation, it is from the nineteen eighties, in the wake of Schönian studies (1983, 1987), in which particularly the professional is conceived not only as a valid interlocutor of the researcher, but as the bearer of that reflective rationality, characterizing the attitude of research (Grange, 2014, p. 184). A reflexive rationality that not only determines a new conception of the professional but also an innovative epistemological vision with respect to professional practice: just as a practice is also reflective, it is called "theory of action" (Michelini, 2013, p. 135). From this perspective, it is therefore on the one hand the practice itself that generates the theory, just as on the other hand it is the theory that systematizes and directs the practice.

This new conception of both the professional and the professional practice represents a turning point for action-research since it leads to being participatory not only in the sense of challenging those who work in the field in relation to the problem being studied, but in the sense of basing the choice of problem aspects to be investigated on their reflection, as well as the path and actions to be implemented (White, 1977; Chevalier & Buckles, 2019). This trajectory also opens to a particular type of participatory action-research, *collaborative* research «one of the most promising formulas of participatory research», characterised both by reciprocity between partners involved in the process and by a research process conducted in a negotiated manner and through reflection in action and on the action (Heron & Reason, 1997, p. 71, Fabbri & Bianchi, 2018, Hall & Hall, 2000, Lee, 1993; Everitt, 1992; Stull, 2019; Marani & D'Ugo, 2020; Biagioli, Proli & Gestri, 2020).

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Sorzio, 2019)- and as appositional form (two nouns of which the first with main function and the second with special function that indicates a characteristic of the first) -action-research (Orefice, 2006; Losito & Pozzo, 2005)- as a univerbal form (a word understood in its overall meaning and not in the meaning of compounds)-research (Minardi & Bertolotto, 2015). Although there is not always in the literature a conceptual justification for the linguistic choice made, it is considered to be consistent with the hermeneutics of action-research and the pedagogical framework within which it is dealt with in this paper, the choice of copulative formation which, following the thought of Jean Pierre Pourtois, conceives a 'double link between research and action. The ambiguity of this relationship lies [...] in the fact that the actor-decision maker orients the processing of his scientific data according to the objective to be achieved, while the actor-researcher integrates the same data in a theoretical field submitted to a test of validation.» (Pourtois, Desmet & Lahaye, 1993, pp. 94-95.).

## **Participatory action-research in primary school: a challenge and an opportunity for innovation**

The emphasis highlights one thing, not only on Participatory Action Research (PAR) but in particular on Collaborative Action Research (CAR): the mere call for participation still does not clarify the actual level of cooperation of the people involved in the research path. As Sherry Arnstein (1969) classically pointed out, the concept of participation can be understood on the basis of three levels of participation itself. A first level marked by the search for consent or the provision of information compared to proposals already pre-ordered, a second level characterized by a real consultation while keeping the decision-making power in the hands of the process manager -in this case the researcher- and a third level of effective negotiation, cooperation and empowerment (Nanz & Fritsche, 2014) characterized by direct management of the process by citizens / practitioners.

A particular area in which the debate and practices in participation have found a fertile field of 'play' is the school (Pourtois, 1993, 1988, 1990; Barbier, 2007, 2003; Losito & Pozzo, 2005). Specifically starting from the school reforms that at the European level have promoted the idea of school as a 'workshop' of educational experimentation and the idea of teacher as researcher, the practice of action-research has seen an increasing expansion in a participatory sense. An expansion also determined by the recognition of the limits of a 'pure' experimentation conducted in experimental environments, therefore difficult to control and verifiable in quantitative terms (Scurati & Zanniello, 1993). Action-research in fact is immediately intended to propose itself as an experience of empirical and qualitative research aimed not only at the study of phenomena but also to their *transformation* with particular regard, following Lawrence Stenhouse (1975; Ruddok, 1985), to the needs genuinely perceived and identified by the teachers and the actors involved.

It is precisely within this transformative dimension that it is possible to grasp the link between action-research and innovation in schools: action-research is intended to be a practice of reflection, research and training specifically aimed at supporting teachers in recognising the problematic aspects of the school environment in order to innovate, that is, to work towards their transformative change. Although the innovative tension of didactic and scholastic environments has always animated the history of the school and has given rise to extremely high points of transformation of epistemology, teaching and learning practices, it is in particular because of the upheavals in the education system consequent to the Covid-19 pandemic that the school is now called and urged to rethink its *innovation* once again. An innovation that faces the challenge of securely redesigning the school in relation to the new needs that the post-pandemic era will present in health terms, without being able to exclude the possibility of future new epidemiological alerts (WHO, 2019). An innovation that is also faced with the challenge of redesigning the school in the face of challenges and opportunities that the pandemic period itself has caused to emerge in the school experience: distancing, online teaching, the fragility of children and families, the use of social media, ... (Guarcello, 2020; Unesco, Unicef & The World Bank, 2020).

The pandemic, in fact, has brought issues -didactic, relational, environmental, organizational- to the attention of teachers, which must be problematized in order to be captured in the complex aspects of risk, of harm but at the same time aspects of growth that can be offered to the entire school community. Precisely in relation to the issues raised by the pandemic and more generally by the current relationship between school and society, action-research is

offered to teachers as a process by which to problematize emerging issues in everyday school life and identify the most appropriate, innovative actions for a change that *effectively* improves the living conditions of all actors participating in school life.

The action-research process can therefore be considered central and urgent today. In a more general sense it is a certainty, in the school across all its levels up to the university degree and so it is, with even more insistence and significance, at the level of primary school. The primary school is in fact the school level that, starting the specific curricular work of literacy and disciplinary teaching, lays the foundations essential and hardly recoverable compared to the subsequent levels of education (Attinà, 2012; Scurati, 1984). It is also the school level that initiates the children themselves in their first specific and explicit relationship with culture and with their personal and subsequently professional emancipation. At least for these two first orders of reason, the commitment of action-research in schools must start from primary school and find a priority and elective field of participatory research to promote innovative actions in scholastic and social transformation. (Gurney, 1989; Nigris, 1995).

Action-research in primary school has been conducted over time on the basis of epistemological perspectives (e.g. sociological, psychological, anthropological, pedagogical) that interpret the scholastic transformation from specific conceptual angles. The angle from which we intend to interpret participatory action-research in primary school, moreover historically and authoritatively privileged with respect to school themes, is the pedagogical one (Becchi & Vertecchi, 1990; Sorzio, 2019; Orefice, 2006). More specifically within this angle, reference is made to a particular theoretical orientation of action-research: the orientation defined by the epistemological paradigm that combines two macro-areas of theoretical assumptions, the realist-pragmatist and critical-hermeneutic-constructivist (Baldacci, 2013). It is an epistemological paradigm that highlights the transformative impact of action-research, a crucial one within educational practices also at the school level and that, as Massimo Baldacci explains, makes action-research a methodological approach to research that "manifests the nature of active knowledge of pedagogy in an exemplary way " (p. 46).

Although action-research is not an experience foreign to primary school (Anelli, 2017; Di Martino, 2020; Ferrari, 2016; Mok, 2016), it reduces the risk of promoting a transformation that innovates the school in the sense of replacing the existing one with new practices whose transformative potential in all respects are often reduced to merely re-naming actions that, in substance, remain unchanged. Innovating, in fact, does not necessarily have to be synonymous with 'camouflage', 'replace', 'transcend' or 'continually go beyond' (Becchi, 1997): "it is not enough to say", explains Luigi Calonghi (1993), "that an instrument is new or is used with an innovative perspective to say that it is valid, that it really serves the purpose" (p. 37). Innovate, on the contrary, must be synonymous with re-reading the existent in order to present a new or greater *validity* and to respond more fully to the *educational sense* of the didactic, relational and cultural experiences of the school itself (Scurati, 2017).

Action-research must therefore promote *substantially* innovative actions -that is, rigorously valid and genuinely significant- in the primary school of the post-pandemic era and is fully able to do so thanks to the lever and the two key pivots that characterize it: the leverage of participation and the procedural nodes currently defined in terms of problem and solution. These are three central aspects within the hermeneutics of action-research and, at the same time, represent the three "criteria for assessing the quality of action research" (Nuzzaci, 2018b, p. 163). They are, however, three aspects which must also be innovated, in order to

innovate the primary school effectively and significantly. They must be innovative, even before they are put to test, in terms of prioritising their conceptual definition, since only a clarification, a redefinition and a foundation of the ideas of participation, of problem and solution can launch action-research towards a real incisiveness in view of the innovation of primary school in the post-pandemic era.

### **The question of participation**

Participatory action-research finds its purpose and nourishment in participation (Orefice, 2006). A participation that intends to rest on a plan of dialogue reciprocity (Buber, 2011) between both school actors involved in research and professional researchers (Milani, 2019). In particular, among the school actors, teachers are also conceived as researchers who interact fully in the definition, implementation and evaluation of the research itself.

While this participatory aspect is undoubtedly pre-existent to the pandemic event and is already firmly investigated, at the same time it is the pandemic itself that re-reads and innovates this classic dimension of participation. In fact, the classic idea of participation is now in effect confronted with the V.U.C.A. dimensions (Kok & van den Heuvel, 2019)<sup>1</sup>. that characterize more generally the current society and that are made unequivocally evident by the condition of pandemic. They are dimensions -of Volatility, Ubiquity, Complexity and Ambiguity- which do not permit the thought of a school innovation conducted in any way, whatsoever, unilateral. In fact, it is not reasonably conceivable that research can innovate the school from the mere viewpoint of professional researchers, just as it is unreasonable to think that research can innovate the school from the mere viewpoint of teachers. Research, on the other hand, must necessarily be able to approach problem situations from the interaction between different viewpoints in theoretical-practical terms and at the same time common in terms of interest (school innovation) and in terms of direction (the promotion of the child).

In fact, while the research conducted only by a professional researcher is subject to the limitations which have largely justified the conceptual framework and the operational dissemination of action-research, at the same time in different respects also research conducted only by teacher-researchers suffer as many deviations: limitations regarding both the credibility of scientific soundness and the reliability of the methodological rigour of the research itself (Baldacci, 2012, 2017), alterations caused by projections, minimizations, exaggerations, focus on personal interests, reflective dynamics, and invisibility particularly stimulated by the relationship of closeness with children and parents.

Despite the limitations and biases of both perspectives, the literature is still unclear about a methodological choice between the "teacher-researcher" on the one hand and the professional researcher-teacher partnership on the other hand (D'Arcy, 1994; Hammersley, 1993; Lomax, 1994; Whitehead, 1993, 2002; Elliot 1994). It is a debate in which we need to take a position,

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1 «The "new normality" finds an effective synthesis in the acronym Vuca which stands for Volatility, Uncertainty, Complexity and Ambiguity (Garbellano & Meda, 2019, p. 19). V.U.C.A. «was coined in the 1990s by the US army as it was gearing for the possible asymmetric wars of the next century» (Gupta & Gupta, 2018, p. 90). As for its origin, the acronym sees in "Leaders: Strategies for Taking Charge" (Bennis, Nanus, 1985) and in "Training and Educating Army Officers for the 21st Century: Implications for the United States Military Academy" (Whiteman, 1998) two of his most popular references. Bill proposed a "2.0" revision of the acronym, intact in form but renewed in the substance of the concepts that constitute it: Vision, Undertanding, Courage, Adaptability (V.U.C.A. 2.0) (Bill, 2017).

a position which the post-pandemic situation demands with force and urgency. In view of the characteristics of the current problematic spaces and on the basis of both the pedagogical angle from which one looks at the action-research and the epistemological paradigm from which one interprets it, the position considered most founded and promising in this debate is that in favour of a participation that preserves an important role for teachers, managed however in a logic of partnership, or better with René Barbier from "interpenetration" (2007, p. 9), with professional researchers (Nuzzaci, 2018a, p. 152).

Although participation, with greater urgency and significance in the post-pandemic era, can only be understood in the sense of peer-to-peer exchange *inter pares* teachers and researchers, At the same time, however, it is difficult to balance the roles between researcher and teacher when they are present at the same time on the scene of the research, also due to the difficulty of the teacher himself to leave space and credit to the researcher (Hatch, 2002). The researcher, although recognized for his strictly scientific skills, often may not enjoy sufficient credit from the point of view of reading the school reality as he lacks the experience on the ground deemed necessary to understand the problems and their management. This experiential 'deficiency' is even more important in primary school, where reference to the child age group as well as to teaching and experiential practices strongly bent on the specific needs of children can also highlight the ignorance of the researcher in the eyes of teachers with regard to these issues or the distance of his theoretical knowledge from the day-to-day nature of schoolwork.

If on the one hand the position of the teacher could hide preconceptions and stereotypes that it would find meaningful to overcome, on the other hand it is *in primis* the researcher -as an expert in the dynamics that can intervene in a research path- to have the responsibility both to recognize and to manage these opposite and expulsive dynamics of refusal and to assume a posture really responding to the possibility of an *inter pares* research work. This transformation of the professional researcher's posture is a space of innovation yet to be cultivated and at the same time particularly promising. The researcher often finds it difficult to bring into discussion and innovate a *habitus* of research that traditionally favours both the rigour of the experimental data over the rigour of intersubjective validity, and the result finally communicated to the scientific community over the change aimed at improving the school and social community.

Much has been written and done about the training of teachers in a research posture, but undoubtedly, we should now also work on *training* professional researchers in a posture capable of innovating their profile, thinking in terms of '*participatory researcher*'. Not an unknown expression in the research panorama (Giusti & Ielasi, 1998; Stoecker, 1999; Schubotz, 2019, p. 76), it describes the profile of a researcher who remains, however, at the moment still nebulous. It is in fact a profile that needs to be worked on both at the scientific and the relational level. If the epistemological revolution, aimed at rehabilitating the rigour and validity of the subjective and qualitative dimensions of research, is already underway on the scientific level -albeit with theoretical clarity and an impact yet to be refined-, then it is above all on the relational level that training is needed. In fact, the profile of the participatory researcher should be more strictly defined especially in respect to the relationship of "interpenetration" that is created between researcher and teacher, with a consequent recognition of roles and reciprocal tasks avoiding field overruns, overlaps or unaddressed blind spots by both.

Participation can therefore be configured as the leverage of research capable of promoting innovative actions in the post-pandemic era if it is capable of innovating itself: not abandon the idea of participation, to delete or replace it but to revise and clarify the order of meaning in the direction of the interpenetration between teachers and researchers and the order of method with regard to the training of the participatory researcher.

### **The question of problematisation**

Action-research, starting from the participatory lever that distinguishes it, proceeds through two key nodes that characterize the process and determine its quality: the problem and its solution. Both of these nodes are intricately linked to participation because they find in it their particular activation lever and their specific mode of management. In fact, the problem and the solution are articulations that belong to action-research in that they are conceived and analysed, beginning from a feeling and from a participatory thought -regarding the problem- and in that they are reasoned, concerted and implemented towards a significant change for the people involved -regarding the solution.

If action-research classically starts from the genuine necessity for participants to 'focus on the problem' which is felt to be relevant to address (Lomax, 1995), at the same time it is the pandemic itself that urges a re-reading of this node. In fact, on the one hand it is the recognition of the status of complexity as well as of volatility, ubiquity and ambiguity of human phenomena -therefore also of the scholastic phenomenon- (Morin, 2017; Ceruti, 2018) to question the epistemological legitimacy of using the concept of problem. The problem, literally, is the obstacle placed in front-*προβάλλω/πρόβλημα*- and requires an appropriate solution. It therefore implies a condition of visibility of the obstacle and logical induction of the relevant solution. Without excluding the significance which the concept of the problem has assumed within the framework of action-research and in particular in pedagogical knowledge, it is intended to argue in favour of a more prudent use of the concept itself and therefore limited to those circumstances in which it is indeed reasonable to think of the recognition of an obstacle that 'is placed in front of it' and the possibility of a solution that moves or cancels the obstacle itself.

The pandemic obviously does not eliminate the existence of visible problems which can be resolved, but it exacerbates and amplifies the existential condition -in which man has long lived- of uncertainty, unpredictability, complexity and especially *volatility*. This condition, in order not to overwhelm mankind itself and especially new generations, must find a *-real-* awareness in primary school teachers: what emerges in the situation is not entirely comprehensible and definable, is not unique and is constantly changing. In this case, what emerges in a situation cannot therefore be identified with a problem -single and recognizable- but rather with a *problematic node* -tangled and not fully decipherable. Indeed, the problematic nature of complex and volatile situations cannot be eliminated or resolved. It can only be '*recursively*' clarified, reduced or loosened in such a way that it affects, as favourably as possible, school practices and the growth of the children and actors involved.

On the other hand, it is the framework offered by pedagogical knowledge and the specific interpretative paradigm that calls into question the epistemological legitimacy of the use of the concept of the problem in a further and different aspect. The problem refers to what is an obstacle because it is dysfunctional, wrong, 'out of place', risky or dangerous and therefore calls for a task of resolution: correction, replacement, elimination. In this sense the problem is

not a knot -tangled and not fully decipherable- but it is the clearly recognizable and moreover a *negative point*, -either with greater or lesser effort of understanding- that must be severed or dissolved. This aspect of the concept of the problem is inconsistent with a pedagogical brand of action-research for one precise reason: a research process that is educationally understood cannot start from dysfunction, from shortcomings but, while considering them, it must instead start from potential spaces of change.

This incoherence is of great importance and drama especially in the context of primary school where the child and his entire cultural and educational experience must be approached from the resources and possibilities of transformation. This inconsistency is also very topical in the context of the school -and its children- with the pandemic emergency, an emergency which, in its undoubted criticality and even drama, cannot also fail to be re-read with children and families in terms of opportunities and the ability to design sensible strategies to cope.

The post-pandemic era therefore urges action-research to a conceptual transformation that is articulated on two levels: the overcoming of the concept of the problem in favour of the concept of problematization and the overcoming of the concept of solution in favour of the concept of management. The first plan of the transformation therefore invites a recognition of the articulation of action-research in the problematization of the scholastic reality, that is in the ability of the teachers -and with that of the professional researchers- to look at and question daily scholastic life. Questioning the school's everyday life means that teaching, the relationship with students and school staff and the relationship with families and the community, from time to time, are deepened within a participatory and critical dialogue that arises from the questions that the partners ask themselves about a certain topic: "it is not enough ... define the topic ...: This must take on a *problematic dimension*" (Orefice, 2006, p. 231).

To engage in participatory and critical dialogue around a subject making it take on a problematic dimension means to start the dialogue itself not from assertions or personal opinions, but from some particular *questions*:

What *spaces of change* exist within this topic? Why is working to change these spaces so urgent and relevant to us now? How can we *realise* this change as far as possible *in concert*?

It is precisely by clarifying the problematic dimension of the subject that the subject itself becomes a node, that is, a tangle of *questions* that are partially knowable and separable: a *problematic node* (Orefice, 2006, p. 51)<sup>1</sup>. The knot, which is absolutely not to be severed as it is not necessarily to be dissolved, is rather to be recognized as a whole, to *investigate* its intertwining and to understand the continuous transformations of its intersections, to loosen the steps in order to insert -a step of vital importance- elements of change.

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1 When one enters into a dialogue on a subject, recognizing it as a problematic node, it is no longer consistent to speak in terms of the issues -i.e., that is the topics- from which one starts the action-research, but one must speak in terms of the questions. In fact, if the issue as well as the topic are described and explained, the dilemma, on the contrary is questioned on the assumption that it is not yet fully known or that in any case it is not fully knowable, but that in both cases can be transformed into an improvement. This step through transformation clarifies the connection between the problem and its solution or, correctly reconstructed, between the properly problematized question and its management.

Within the framework of action-research, in fact, everyday schooling is problematized not only for the purpose of investigation but above all for the purpose of action. Therefore, if research starts from an issue, it does so to transform the issue itself by improving those aspects that had determined its urgency and relevance. However, since the question is not a single and recognizable problem but a problematic knot -tangled and not fully decipherable-, the transformation cannot claim to 'solve' the question but must aspire to *manage* it.

It is precisely this transition from solution to management that recalls the second plan of conceptual transformation to which action-research is urged. A plan within which the management of the problematic issue is by no means less important than the solution of the issue itself. On the contrary, management can be considered as the only coherent and effective means of transformation in complex and volatile situations where the problems cannot be eliminated or addressed once and for all but may be recursively reduced and relaxed in such a way that it affects school practices and the growth of children and stakeholders as favourably as possible.

In order to make these reductions and easements, action-research can proceed through a particular methodology: the *plucking of the problematic question*. It is a methodology that, recalling in some respects the proposal of Paolo Orefice<sup>1</sup>, approaches the problematic node both for the different aspects from which it is composed and for its inseparable unity. Imagining 'plucking' the petals from a flower, every single petal would represent a different aspect, each of which are not possible to consider if not within an ecological vision that always places that particular petal inside the specific flower to which the petal belongs. In fact, without operating this relocation it would no longer be possible to realise which flower recognises the identity of each single petal.

Despite the fact that plucking -certainly- works on the recognition of the single petals, the flower that can consistently lend itself as a metaphor of this aestivation could be recognized not so much in a daisy, recalled in the argument of Orefice, but rather in a chrysanthemum. If, in fact, the daisy renders all the petals from which the flower is composed as clear and recognizable, on the contrary, the chrysanthemum has such a thick corolla that the single petals are not fully identifiable, are stratified, disordered. The examination of the problematic question, within the metaphor of the chrysanthemum, therefore, allows a work of recognition to be carried out, investigation and understanding aimed at identifying the possibilities and spaces of action but always within a dimension that recalls the image of the problematic node, that is, the tangle that can keep a part still to be deciphered, not fully read and analysed.

Problematization and management can thus be configured as the nodes of an action-research capable of promoting innovative actions in the post-pandemic era if it is able in turn to innovate: to better understand the concepts of problem and solution and at the same time to better contextualize research starting from the hermeneutics of problematization and management. It is a hermeneutic that not only brings action-research towards a more meaningful coherence with the current situation -social and pandemic- but which calls for a precise commitment in the definition and testing of appropriate methodological practices -

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1 Orefice described the problem through four progressive steps: the "problem and its plucking" (P/s), the "disciplines and their methodologies or points of view" (D/m), the "methodology of disciplinary relation" and the "explanation/overall solution of the problem" (M/S). (Orefice, 2006, p. 221).

'plucking' is proposed as one of them- that are able to accompany and support people in the construction of an intersubjective and critical dialogue aimed at investigation and action.

### **Conclusions. Action-research as a living theory**

Action-research, paying attention to its participatory declination, can offer the school a valuable contribution to innovate its didactic and educational practices in the face of the challenges of the post-pandemic era. In order to have an effective impact on innovation in the scholastic environment the action-research itself must innovate, precisely in order to be able to trigger change within a context that has itself changed in its own way, both because of the pandemic emergency and because of the wider transformations that have long involved society and that the pandemic has rendered more and massively visible.

The particular innovation that could be deepened and experimented within further studies is the training of professional researchers in order to promote an actual posture of interpenetration. Among the main recommendations for further studies it is possible to state the importance of a switch from the concept of the problem to the concept of problematization and from the concept of solution to the concept of management.

In conclusion, the premise for validity of the contribution of participatory action-research lies in the principle that moves the action-research itself: the principle that with Gilles-Gaston Granger we could define "living theory" (Granger, 1960). It is a principle that was not conceived with the current pandemic, but that can find it, in a certain sense, an opportunity. The opportunity to *really* recognize, starting from a phenomenon that has touched or perturbed everyone in their daily life, the fallibility, the inefficacy and the senselessness of a theory that is a priori before reality, that is illusory to precede it, to diagnose, fix and control it.

Volatility, ubiquity, complexity and ambiguity combined with the pandemic, have taken shape and done so massively, demonstrating the need to overcome a still substantially current dichotomy between the use of pure theoretical models and the unfolding of experience. A dichotomy that science claims to be outdated and yet the human soul and the world of professions, on the other hand, struggle to go beyond in their daily and working practice.

Action-research offers this to the primary school: the experience of a practice that develops theory and a theory that informs the practice because it orders and systematizes it. In fact, action-research, precisely in its commitment to generate a transformative action, processes knowledge. A knowledge that is a synthesis of theory and practice (Ellis, 2011), a knowledge which is generated and at the same time is exercised in action, which therefore informs the actor, bringing wisdom and yet is renewed by the action itself within which it is tested and perfected.

Because of this, primary school gains the following from action-research: in addition to the definition of innovative actions in relation to particular problematic issues, action-research becomes the paradigm of a precise conception of teaching and education according to which there is no separation between learning from theory and practice (Tochon, 1989). The primary school can then experience, and cause its children to experience, a living culture and a living knowledge, which takes its form in the experience and above all acquires its meaning in the particular life of each child. A culture and a knowledge that in fact have the meaning -a meaning as central in scholastic theories as it is challenging in its practical translation- to

decode and read the existence of the child, to help him become the child who could be, would like to be and should be at the maximum of his possibilities, his dreams and his highest and noblest aspirations.

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## Aspects of Management and Road Maintenance in Albania

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### Abstract

Safety of road network is an essential part of economic and social development of any industrialized country. Decisions to maintain and improve the reliability, functionality and infrastructure structures can only be achieved through integrated planning and management life cycle routes. Always it has been a tendency to revise road maintenance strategies, but there is still a serious and reliable administration not only because of the shortage of funds, but also problems due to the reorganization of the system. Safety and performance of the road system depends on the continuous activity of road maintenance management. For it to be effective, it is necessary to intervene before depreciation has caused irreparable damages, or damages with a high economic cost of repairs. Investment in road infrastructure during 2006-2014 show that the life of these projects presents problems with maintenance and performance management life cycle in a wide range of component elements. Maintenance planning involves various problems that depend on the degree of degradation of the asphalt layers, the degree of deterioration of road structures (roads, tunnels, culverts, and economic planning of resources to repair them. The aim of this study is the first to provide a brief summary of the issues in the field of maintenance and management of the life cycle of investments in road infrastructure, proposing ways to reorganize the sector of management and maintenance of roads in the next and second testing and evaluation of the work and the nature of the standards are different types of road infrastructure projects, through a methodology consisting of a) development, b) collection of data, and c) analysis.

**Keywords:** Road Infrastructure, maintenance, depreciation, efficiency

### Introduction

The starting point for this work, was the state of the roads in our country in which their degradation problems in many cases were not only disturbing to us as road users but also as professionals in this field. What stands out is that although a considerable length of road system is financed during the years 2008-2014, again displaying various problems on the road

causing serious problems in road safety by not properly assessing solution for emergency or routine ones they have degraded various sections of their critical situation.

It must be underlined that the Albanian Road Authority which is the managing entity for the construction and maintenance of the road system in our country, there is a register of infrastructure works and the problems of each of them. This means that there is sufficient evidence for a realistic assessment of the state of these works. The lack of such information makes it impossible effectiveness of the current system to a rational program of interventions for maintenance.

This study will appear in standard procedures to be followed in the implementation and management of road maintenance. Through the analysis of the degradation problems in time for two road sections of the national road network, will be an analysis of these problems, causes of degradation and recommendations based on their connection with repairs.

Management and maintenance of roads, includes a set of procedures aimed at ensuring a routine or periodic maintenance over the lifetime of the work taking into account the factor of use of user satisfaction, road safety during usage.

In 1908, Henry Ford introduced the Model T more efficient and later Congress passed the Act Federal- Road in 1916, which consisted in the creation of the program in which funds are available on a continuous basis for state highway agencies to help improve road network.

Currently, the majority of European countries use the road maintenance management systems. According to European statistics report of 2012, 2013, the majority of countries use the net revenue collection "Toll". In May 2011 a plan was drawn for global road safety COST 2011-2020 under Act 354 COST "performance indicators Road System", for the creation of a joint group of indicators to promote and manage the safety of the road network in the whole of Europe.

Recently most of the countries with the proposal of the European Cooperation in science and technology, on 11 May 2011 working for the creation of a common methodology European to define performance indicators and a tool for maintenance which will be used throughout Europe, taking into account the needs of road users and operators. This system uses performance technical indicators characteristics of the road conditions, taking into consideration potential users and procedures that can be applied in different ways depending on the type of measurements and analysis performed by each road authority. System maintenance management Road (SMMR) means the complexity of activities that serve to keep the efficiency layers road structures ensuring high standards of safety and functionality, starting from the stage of planning, design, implementation and throughout the phase their utilization. Index with points from 0 (for the best situation) to 5 (bad for the state) will be used to assess maintenance target areas are considered;

- longitudinal profile
- transverse profile longitudinal profile

- transverse profile
- The composition of the layers
- Friction ( IRI)
- Carrying capacity
- Noise
- Air pollution
- Cracks
- Surface Defects

SMMR can be applied on two levels [3]:

Level 1-Level Government; dealing with the road maintenance management depending, considering it as isolated from the rest of the road network.

Level 2-nationally; in which is taken into consideration within the functioning of the national road network.

In a Management System of Roads, establishes three main phases [3], which are listed below

**phase study;** It includes the process of documenting the works of their situation, identify environmental risk factors, identification of network traffic, etc.

**stages of processing;** from data collected becomes a classification of works and processes in terms of urgency and the need for maintenance.

**decision-making stage;** based on the definition of maintenance interventions necessary for maintaining function and reinstate the work, keep the budget available in the optimal way.

The large number of variables that characterize the stages 2 and 3 make the process more complex maintenance and management. The solution may pass through more rigorous techniques. Proposed in the literature are many management systems that use different techniques and algorithms to support decisions that help the body concrete managerial decisions as well as decisions and strategic choices.

Most countries of the world have created their own norms and technical regulations regarding the management of maintenance works of art. There is still a Normative or European Standard with regard to this issue. Almost in each European country, there are norms that are active force within their territories.

With the information obtained, our country still does not have a standard or regulation, lacking elements that serve to this problem. Given this, it would be important to establish a normative or regulation so as to anticipated adverse cases related to human security.

Management System comprises:

- Inventory
- Inspection of asphalt layers

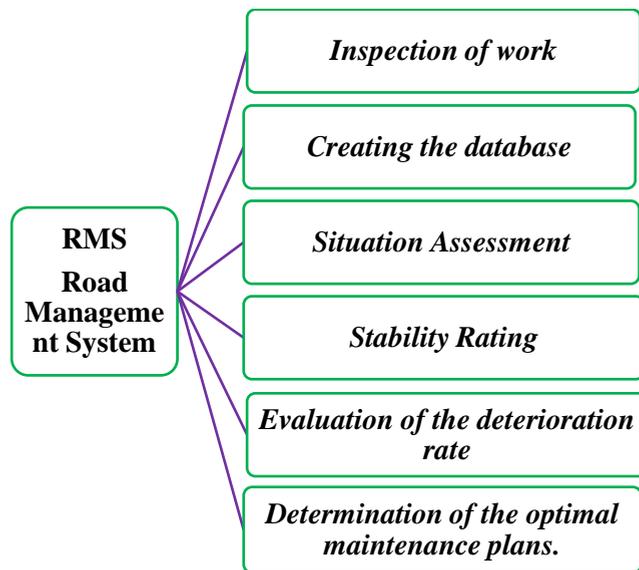
- Assessment of conditions
- Forecast conditions
- Analysis of conditions
- Planning works

## 2.0 Road Management Systems

Asset Management is the combination of management, financial, economic, engineering and other practices applied to physical assets with the objective of providing the required level of service in the most cost effective manner. It includes the management of the whole life cycle (design, construction, commissioning, operating, maintaining, repairing, modifying, replacing and decommissioning/disposal) of physical and infrastructure assets.

A management system includes a set of procedures aimed at ensuring an optimal maintenance of roads. The management system will help management entity plans to create some convenient maintenance.

In general the structure of a management system includes some work processes as given in the following scheme [3] [5] [6] (Figure 1).



**Fig.1. Organizing Scheme of RMS**

**Inspection;** The initial phase is the maintenance management inspection work. The outcome of inspections depends on the choice of a further offense control through proper experts with the goal of realizing a more specialized inspection. The inspection should be carried out rigorously and interval, regular intervals on all constituent elements of the roads. In each

work, each element of the structure held drawings and necessary information on her condition.

For these reasons should prepare a proper programming of inspections and surveys in the field. It is proposed that the inspections are carried out as scheduled in the cases:

- Routine inspections: 3-4 times / year
- Detailed inspections: 1 times / 2 year
- Inspections depth: 1 times / 5year

**Creating the database;** includes all the information that has to do with the network of roads (the performance of maintenance, the state of degradation, the assessment of the situation, the type of interventions, costs, etc.).

The database should be periodic coherence through visual inspections or inspections by instruments. We are taken into consideration all of them in roads that have width greater than 3.5 m.

Assessing the situation, based on This data collected during inspections. These data help us to make the classification of the problems and priorities of interventions in them.

The data on the state, will be used later to assess the capacity, bearing ability, stability of the structure and decision-making process that aims at strengthening security along the life of a the assets.

Evaluation of stability; some roads contain a reserve of resistance about several factors. This thing makes them even after some damage and degradation are again safe for use. For these kind of roads is not enough to assess the situation through visual inspections.

In other type of roads, we should show greater care and rigorous. Sustainability Assessment is an essential element of their management. Such assessment is done by methodically analyzing and half- probability. These methodologies are conservative considering the variables involved. However, more often they used probabilistic methods. These methodology is based on Cost benefit Analyses( CBA), calculating the ratio for each project.

This methodology has several limitations, however, because often there are no statistics.

The assessment rate deterioration, degradation of road in general is a natural process that translates to a reduction of the useful life or the timing bringing the total inefficiency of the assets in it. The objective of an entity should management, control of the process of depreciation during the cycle life of the project.

The Agency must do the necessary interventions in the most favorable times in order to have expectancy maintenance work desired. It is difficult to make a prediction of the depreciation, because it is caused by a some factor, which make a difficult process to be modeled. Roads are non market assets, so some of the decision makes want to include monetary value associated with it for CBA application. State preference ( SP) studies is one method used for nonmarket

goods, by collecting data through surveying where people are asked in construction market hypothetically. SP is a method generally used in cases for relevant valuation context, to measure preferences of nonmarket goods. The traditional depreciation Method in straight line is assumed that asset loses a fixed value every year. This annual loss in value, or constant depreciation rate, is simply calculated as the historical cost less salvage value, divided by the asset service life.

**Determination of the optimal maintenance plans;** Such procedures permit the distribution of resources available for the purpose maintenance of roads, keeping the level of service in an acceptable manner and with minimal cost. It is important the choice of a maintenance strategy for minimizing costs and maximizing efficiency.

For maintenance strategies provide:

- not realizing any type of maintenance to the road, then there is no need for essential interventions;
- not realizing any type of maintenance to the road when the situation aggravated to a point significantly;
- performing regular maintenance costs in order to reduce or delay the need for maintenance interventions on time.

Strategies for road network maintenance are dependent on policy decisions following the supervisory entity. In literature, proposed some sort of advice to follow in order to achieve optimization. They are divided into two categories:

- a. classical mathematical formulations (linear programming, quadratic programming, etc.)
- b. computational source software (neural network, genetic algorithms, etc.)

In cases performed optimization, strategic choice often resulting in network level does not match the optimization of each road.

In the literature, some researchers have been limited to the study of some aspects as condition assessment, evaluation of the deterioration rate, determination of optimal management plans, etc.

D.T.Hai (2008) [7] proposed a maintenance management system based on the assumptions that:

Degradation of the road in time comes according to a convex curve;

The degradation curves starts when the road has just been built;

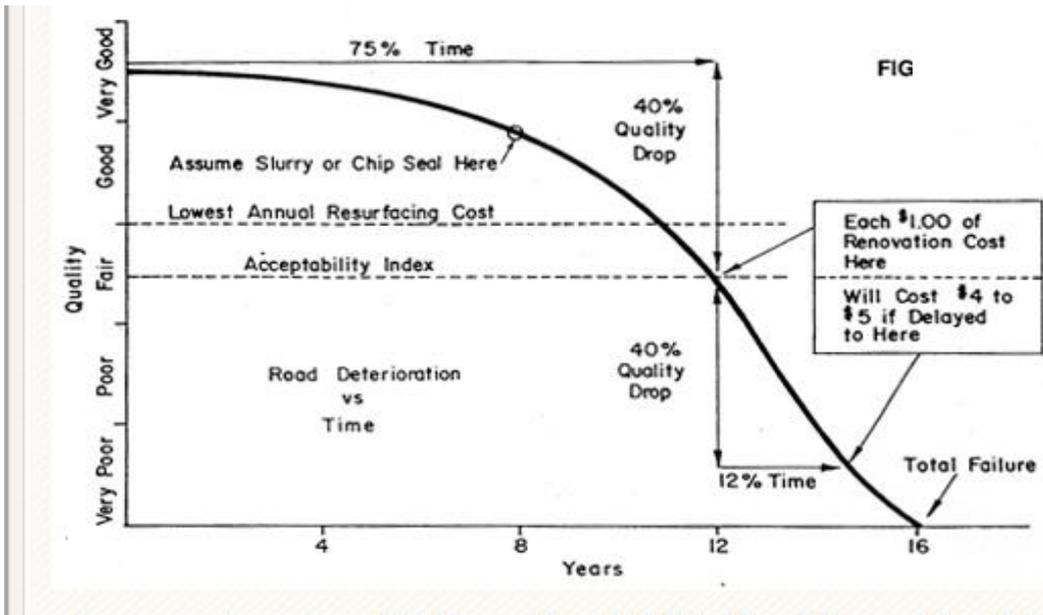
Cost analysis of the life cycle of the work by Frangopoulos (1999) [8] (LCC-Life Cycle Cost), says:

$LCC = \text{initial cost} + \text{cost} + \text{maintenance management costs}$

In this analysis it is considered that the initial costs are ignored, because they are involved in design expenses and they were incurred before the year zero.

Running costs are constant (fixed), and maintenance costs refer to three possible options, which are shown graphically below (Fig.2).

**Figure 2. Graphics for the presentation of the life-cycle costs**



Among other authors who have contributed to the study of the problems in question are A.D. Orcesi (2011); R.Gori (2006); A. Montepara (2008). Each of them has proposed his model based on forecasting the state of degradation through various theories, based on the determination of a parameter (index) which evaluated the situation on the road elements.

With the development of science, to facilitate the work of the road maintenance management, they are put to work specific systems, like EPTISA, HDM-4, which include different modules that allow us to archive, modify data inventoried, maintenance inspections provided and implemented a management plan for each road.

### 3.0 Reasons which lead to the degradation of Roads

While they bring about huge road network benefits to society, the adverse environment on impacts of road development such as disturbance and destruction of ecosystems have become more and more obvious. Such adverse impacts unfortunately have long been neglected. Great attention should be paid to this problem, and urgent work undertaken should be on the control of physical degradation along roads. Road construction without adequate provision for drainage is a major cause of gully erosion. Inadequate drainage systems for roads such as

small number of culverts, insufficient capacity of road ditches etc are some of the causes of gulling. Although the road caused gully erosion may occur anywhere in the world, the problem is particularly severe in developing countries due to neglect in maintenance and the lack of provision for safe outlets to the excess runoff. One of the components of the road sector development system project is to upgrade and rehabilitate trunk roads and rural roads. The road upgrading will cause some adverse effects on local water resources. The likely sources of impacts will include the need to redirecting watercourses at culverts and bridges; road cuts and other exposed sites that may trigger erosion and landslides (that may threaten the road itself); temporary road diversion that may affect people's property and safety; operation of quarries and burrow pits.

Aneglected and newly constructed drainage system without provision of proper and adequate accessories (energy dissipaters, soil and water conservation structures) quickly causes soil erosion and deteriorates components of the road system like ditches and culverts .The ultimate result may even be a loss of a road section or even many sections really hampering the traffic flow that negatively contributes to the mobility of the road users in general and the socioeconomic well being of the people in particular.

#### **4.0 RATINGS degradation**

Overall maintenance costs of intervention are comparable to the cost of building the offense. The need to optimize the costs of intervention has brought about major developments in two main directions [3] [5] [6]:

**1. Estimates instrument**, which has to do with diagnosis (investigation) on the ground and in laboratory. They data collected and constructive parameters and constituent materials rebelled.

**Laboratory tests**; are performed in laboratory tests on samples without damaged or injured, which get in site. Generally it means doing the measurement and analyses in detail.

**Test on the site**; They aim to bring the physical, chemical, mechanical properties of materials through measurements and analysis should taken directly at the object. Mainly carried out in the field that destroyed evidence samples and samples that are not destroyed. Some of the evidence gathered in the field are:

- proof printing sample axial
- assessment of the depth of carbonization
- evaluating evidence of deterioration
- ultrasound test
- evaluation of moisture proof

**2. Structural assessments**; It includes accounting techniques performed to obtain and interpret measurements of certain parameters (acceleration, velocity, displacement, etc.). They aim at assessing the current situation and anticipation damages.

Structural identification procedure usually join normal investigative methods (surveys geometric and material testing) that enable the development and calculations by a numerical model.

Road Roughness is a key indicator of paved road condition and maintenance requirements.

Historical roughness data is a key indicator of the rate at which any specific pavement section is deteriorating

There are presently no comprehensive roughness surveys being carried out

Traffic volumes are a second key indicator of a roads importance and of the economic justification for additional maintenance

There are presently no comprehensive traffic surveys being carried out.

Roughness of paved roads and traffic volumes on all roads should be measured regularly.

Roughness at annual intervals.

### **5.0 Repairs needed for interference**

Maintenance and repair operations include many tasks besides improving the pavement condition. To ensure a comprehensive maintenance and repair operation, incorporate the following tasks:

Routine inspections.

Material stockpiling.

Maintenance and repair of all related drainage systems.

Maintenance and repair of the actual pavement, including dust and mud control , snow and ice removal.

Miscellaneous tasks, including the maintenance and repair of necessary buildings, structures, and utilities, and the operation of necessary utilities

### **6.0 Funding and Costs of Maintenance**

Local Government Unit ( LGU) do not spend enough on maintenance.

Money spent of maintenance now saves much more money being spent on rehabilitation later

LGUs use "investment" projects to make good some of their maintenance failings

This results in complete blurring of the real total of expenditures on maintenance.

Further, LGU accounting formats do not allow for the clear identification of all direct maintenance costs/expenditures

It is estimated that total LGU expenditure (Municipalities and Communes) on maintenance and on "Investment" in lieu of maintenance is around ALL 1.95 billion and that this should rise to ALL 3.5 billion if a reasonable standard of road maintenance is to be achieved.

These figures do not include the present Regional Roads.

These figures assume only the most basic standards of maintenance (effectively, just maintain access) for the bulk of the Commune gravel roads

These figures do allow for an element of "improvement through maintenance" on the poorer surfaced roads

The current expenditures per kilometre at maintenance are :

Qarks	ALL 130,000 per km. per year
Municipalities	ALL 340,000 per km. per year
Communes	ALL 40,000 per km. per year

These figures illustrate the estimated current maintenance rates based on ESTIMATED road lengths. It is also advisable to consider the absolute estimated expenditures:

6 Qarks:	ALL 178 million	(12 Qarks	356 million)
11 Municipalities	ALL 133.5 million	(75 Municipalities	910 million)
53 Communes	ALL 96.7 million	(308 Communes	562 million)

These figures are very low. They effectively cover the costs of routine maintenance only, with no allowance for periodic maintenance or for improvements incurred as a result of inadequate maintenance.

These costs do not include substantial management costs, especially for the communes where there is really no element of management at all included within the costs. The commune accounting and record systems do not break out many of the costs associated with maintenance, in general they detail specifically only the costs of materials supply, casual labour and ,sometimes, permanent labour. Voluntary labour is not costed, and the costs of permanent labour are not always clearly assignable.

Routine maintenance alone is not the major element in a fully costed, fully functional maintenance regime. Roads deteriorate and incur higher maintenance costs as time goes by until periodic maintenance is required. The full maintenance costs can only be estimated by considering the complete cycle of events over a prolonged period.

The costing over such a twenty-year cycle are estimated in Annex D and result in the following estimates of annualised costs:

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The costing over such a twenty year cycle are estimated in Annex D and result in the following estimates of annualised costs:

<b>Routine and Periodic Maintenance costs for km. Annualized over 5 years (ALL)</b>					
<b>Growth rate</b>	4 %	Platform Width	6.7	6.7	6.7
		Traffic AADT	1000	500	2000
<b>New Roads No winter maintenance</b>			45299 5	41080 9	512655
<b>New Roads three-month winter maintenance</b>			48725 5	44506 9	546915
<b>Old road no winter maintenance</b>			85601 2	69578 5	108260 7
<b>Old road with three winter maintenance</b>			59027 2	73004 5	111686 7

Table.1. Routine and Periodic Maintenance for 5 years

The "platform width" of 6.7 metres is the average width of the surfaced area (as opposed to the carriageway width between edge lines) over the Phase 4 and Phase 5 SLRP contracts. Maintenance costs are influenced by platform width since this affects both pavement patching costs and periodic maintenance costs.

A winter maintenance requirement increases the general maintenance rate appreciably but is not a great contributor. This is because the overall maintenance costs are driven more by the pavement degradation and periodic maintenance costs than by the routine maintenance.

The rate for old roads is much higher than for new roads because the estimate foresees a serious effort in the first 5 years to bring these roads up to a reasonable pavement standard - Improvement through maintenance.

Applied to the probable LGA road holdings and assuming that the regional roads are handed to ARA these rates produce an overall annual cost of maintenance to the LGAs, based on the average of costs over 20 years, of:

Estimated LGA Maintenance costs - without Qark Roads			
Road Type/origin	Length - Km.	Cost/km/yr	
		ALL	Total - ALL
Urban Roads - Paved	1248	873,100	1,089,628,800
Urban Roads - Gravel	1745	156,000	272,220,000
Primary LGA Roads New Paved	500	427,900	213,950,000
Primary LGA Roads Old Paved	540	873,100	471,474,000
Primary LGA Roads Gravel	5020	156,000	783,120,000
Secondary LGA Roads	15150	44,200	669,630,000
Total LGA Maintenance Cost			3,500,022,800

Table.2 LGA maintenance cost units estimation.

These figures are not a precise amount required by the LGU Administrations for road maintenance, but are an indication of the scale of expenditure which they will need to build up to if they are to implement comprehensive and effective road maintenance strategies designed to keep their roads in reasonable condition and to gradually upgrade their less satisfactory roads to an acceptable standard.

## 7. Quality of Maintenance

The control of routine maintenance operations does not generally require the application of test procedures other than the use of a measuring tape or stick and a straightedge.

The quality of materials for patching, pothole repair and other interventions to paved carriageways can be difficult to control adequately because the volumes are so small. In general, the only practical means of material quality control for bituminous surfacing for these purposes is to accept certification from the supplier. Because of this it is desirable to limit acceptable suppliers to those with a proven track record of satisfactory materials supply or to those who can demonstrate the acceptability of their materials through programmes of regular testing.

At its crudest, the adequacy of routine maintenance can be verified simply by driving over the road. If there are no perceivable faults then maintenance, at least in the visible aspects, is basically satisfactory. If any possible faults are observed then it becomes necessary to stop and measure defects for checking against specified requirements in respect of both the dimensions of the defect and the frequency of occurrence.

This form of visual inspection on its own is not sufficient. There are areas of the road structure which are not always visible and these too must be checked for compliance with requirements. Such areas will include drainage and culvert cleanliness on a regular basis and, perhaps less frequently, items such as embankment slopes, erosion around major structures and at culvert inlets and outlets, free flow in major waterways.

The key to control of routine maintenance quality is the availability and use of experienced supervisors. Supervisors need to be familiar with the roads they are controlling; they will

know where problems are likely to occur, which roads are the most problematic under which conditions, which material sources give good and bad results and which elements of the labour force/contractors require closest supervision.

## **8. Recommendation on Maintenance Standards and Levels of Service and Planning systems**

A comprehensive system of Levels of Service and Standards of Maintenance should be developed.

For consistency this should cover all classes of road and traffic levels. It is therefore desirable that such a system be developed jointly with ARA.

Although, at the extremes, this system might cater only for one organisation or the other, in the middle range it is likely that there will be an extensive area of overlap, especially now that ARA (and possibly the LGAs) are expected to take over all regional roads from the District.

An example of Levels of Service and Maintenance Standards Indicators is given in Annex. This could be used as a model for development of a system appropriate for Albanian conditions or some other approach could be adopted.

Much of the commune, and in many cases the municipality, maintenance work is already directed simply at ensuring basic access.

Basic access can itself be defined as a maintenance standard, the lowest acceptable, although it may be further qualified by provisions relating to winter snow clearance.

Ideally, road maintenance should be a planned programme of events aimed at preventing problems before they become serious. Where funding is wholly inadequate, this approach becomes impractical and the maintenance organisation is forced into a wholly reactive mode where precious funds are conserved and used only to resolve problems as they occur.

Implementation of a planning system, operating jointly at both the central and LGA levels, is highly desirable to plan maintenance in such a way as to make the best possible use of available funds. The ROMAPS planning programme currently exists, where it is being used as a roads database; an upgraded version of this system, or some alternative, should be installed.

Its use would be to provide a comprehensive budgeting and planning function. With advances in internet connectivity, ownership of the programme together with access for both input and output could be shared between the centre and the LGAs. To get the best out the system it is important that all parties should have a sense of partnership.

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### **Annex : Levels of Service and Maintenance Standards - An Example**

A basic functional classification of public roads in this example divides the roads in the system into three “Functional Classes”:

## National Roads / Secondary Roads / Local Roads

These three functional classes are then each further sub-divided, using traffic levels as the criterion, into five "Traffic Levels".

Functional Classes	Traffic Levels - AADT (v/d)				
	1	2	3	4	5
National Roads	>8000	8000 - 5000	5000-2000	<2000	
Secondary Roads		>5000	5000 - 2000	2000-500	<500
Local Roads			>2000	2000 - 500	<500

The system envisages the provision of five different levels of routine maintenance; hereinafter called Maintenance Standards and refers to them as:

MS1, the highest standard of maintenance / MS2 / MS3 / MS4 and MS5, the lowest standard of maintenance.

At the same time, five different Levels of Service are considered:

Excellent/ Good / Satisfactory / Poor / Bad

The level of service provided by a specific maintenance standard will be lower on a road of higher functional class and will be higher on a road of lower traffic level.

Service Level is a concept which cannot be measured directly; it is a statement of the quality of the experience which the road user can expect, or which he experiences, and is related to conformity with a series of differing criteria. These criteria are formalised as the Indicators which define the 5 Maintenance Standards. The following charts illustrate the variation in the relationship between Service Levels and Maintenance Standards for International Roads, Secondary Roads and Local Roads at different Traffic Levels: Service Levels – International Roads

Traffic AADT (v/d)	SERVICE LEVELS - INTERNATIONAL ROADS				
	Maintenance Standard				
	MS1	MS2	MS3	MS4	MS5
>8000	Good	Satisfactory	Poor	Bad	Bad
8000-5000	Excellent	Good	Satisfactory	Poor	Bad
5000-2000	Excellent	Excellent	Good	Satisfactory	Poor
2000-500	Excellent	Excellent	Excellent	Good	Satisfactory
<500	Excellent	Excellent	Excellent	Excellent	Good

*Service Levels – Secondary Roads*

Traffic AADT (v/d)	SERVICE LEVELS – SECONDARY ROADS				
	Maintenance Standard				
	MS1	MS2	MS3	MS4	MS5
>8000	Excellent	Good	Satisfactory	Poor	Bad
8000-5000	Excellent	Excellent	Good	Satisfactory	Poor
5000-2000	Excellent	Excellent	Excellent	Good	Satisfactory
2000-500	Excellent	Excellent	Excellent	Excellent	Good
<500	Excellent	Excellent	Excellent	Excellent	Excellent

*Service Levels – Local Roads*

Traffic AADT (v/d)	SERVICE LEVELS – LOCAL ROADS				
	Maintenance Standard				
	MS1	MS2	MS3	MS4	MS5
>8000	Excellent	Excellent	Good	Satisfactory	Poor
8000-5000	Excellent	Excellent	Excellent	Good	Satisfactory
5000-2000	Excellent	Excellent	Excellent	Excellent	Good
2000-500	Excellent	Excellent	Excellent	Excellent	Excellent
<500	Excellent	Excellent	Excellent	Excellent	Excellent

It should be noted in the table above that it is considered most unlikely that any Local Road would have traffic or require maintenance outside the limits shown by the box in the lower right corner.

## Effect of Aggregate Characteristics on Durable Concrete

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### Abstract

Aggregate characteristics have a significant effect on the performance of durable concrete. Aggregate blends with well-shaped, rounded, and smooth particles require less paste for a given slump than blends with flat, elongated, angular, and rough particles. At the same time, uniform grading with proper amounts of each size result in aggregate blends with high packing and in concrete with low water demand. Optimized aggregate blends have high packing, requiring low amounts of paste. As a result, they are less expensive and will have less durability problems caused by the paste such as heat generation, porosity, and drying shrinkage. Current EN 12620 standard limits the amount of material passing the N 200 sieve to 10 percent. However, manufactured fine aggregate (MFA) usually has between 10 and 20 percent fines. These limits, intended for natural sands, force MA producers to wash aggregate incrementing costs and generating environmental issues. This research and our experience in other countries show that good quality concrete can be made with good quality aggregates. Guidelines for proportioning and optimizing aggregate blends were made based on Bolomey Chart, equations and procedures.

**Keywords:** Durable Concrete, aggregate effect, Albanian aggregates characteristics

### Introduction

Aggregates occupy about 80 percent of the volume of typical concrete mixtures, and their characteristics have a definitive impact on the performance of fresh and hardened concrete. This study was concerned mainly with the geometric and chemical characteristics of aggregate particles, that is, shape, grading, and the amount and type of aggregates, as well as their effect on the workability (assessed by means of the slump cone) of fresh concrete and their effect on the compressive strength of hardened concrete. The results conclude that shape and type play an important role on the performance of fresh concrete, particularly in slump and flow. Results from mixtures with the same grading show that the slump and flow of mixtures increased with the packing density of aggregates and that the super plasticizer dosage required to reach the target slump decreased with the packing density of aggregates. The mean slump varied from 160 mm. for crashed materials to 2.1 in. for natural aggregate from

Fushe-Kruja city and Milot quarries. The mean dosage of super plasticizer required to reach a 200 mm target slump varied from 1-1.2% of cement. Natural river materials were the aggregates with the smallest packing density and crashed materials were the one with the highest packing.

The effect of grading was also verified. Differences in grading resulted in differences in slump as high as 50mm. For mixtures with the same amount of fines, differences due to grading were found. Aside from slump or flow the effect of grading on place ability and finish ability was observed.

To reach a desired slump, the water reducer demand increased with the amount of fines. However, the type of fines also played a significant role in the water reducer demand. In this study, limestone fines consistently required less super plasticizer than natural aggregate fines, even when limestone fines were composed of finer particles than the other two. The super plasticizer demand increased with the amount of fines without exception. However, the rate of increase of super plasticizer demand was low for low amounts of fines and high for high amounts of fines.

The amount and type of fines had only a slight effect on compressive and flexural strength in mixtures with water reducers. Natural river aggregates consistently produced mixtures with higher strength than the rest of the mixtures (with limestone) that had about the same strength. Natural river aggregates resulted in mixtures with compressive strength about 7 percent higher than mixtures with limestone.

From the results no conclusions could be made about the effect of shape and texture on strength since it depends not only on shape and texture but on the mechanical and the chemical characteristics of aggregates. The tests were designed to separate these effects.

## 2. Materials and methodology

### 2.1 Cement

Composition of Portland cement, CEM I 42.5 R type cement conforming EN 197-1 was used in this study.

CHEMICAL COMPOSITION OF SAMPLE					
No.	Chemical composition	Units	Test results	EN 197-1 Standard limit	Conformity
1	SiO <sub>2</sub> (Min.)	%	20.04	-	
2	Fe <sub>2</sub> O <sub>3</sub> (Min.)	%	3.68	-	
3	Al <sub>2</sub> O <sub>3</sub> (Min.)	%	5.02	-	
4	MgO (Max.)	%	1.72	5.00%	

5	CaO (Min.)	%	64.26	<b>10.00%</b>	
6	SO <sub>3</sub> (Max.)	%	2.97	<b>3.50%</b>	
7	Chloride content (Cl) (Max.)	%	0.0034	<b>0.10%</b>	
8	Loss on ignition (L.O.I)	%	1.53	<b>5.00%</b>	
9	Insoluble residue (Max.)	%	1.03	<b>1.50%</b>	

## 2.2 Aggregates

Two sources of aggregates were selected, crushed and natural. These sources were intended to cover a wide range of aggregates commonly used in the Albania in terms of shape and texture. The crushed aggregates consisted of limestone (LS); gravel (GR) and crashed sand (CR) from Fushe – Kruja quarries, all with more than 12 percent fines. The natural aggregates were siliceous river gravels from Milot quarries in north of Albania. Chemical characteristics of aggregates used for production of durable concrete are represented in table 2.1; 2.2

**Table 2.1 Chemical composition of crashed aggregates**

Measured parameters Percent [%]	SiO <sub>2</sub>	CaO	MgO	Al <sub>2</sub> O <sub>3</sub>	Fe <sub>2</sub> O <sub>3</sub>	Cl
	9.8	54.9	0.49	4.12	0.01	0.013

**Table 2.2 Chemical composition of natural river aggregates**

Measured parameters Percent [%]	SiO <sub>2</sub>	CaO	MgO	Al <sub>2</sub> O <sub>3</sub>	Fe <sub>2</sub> O <sub>3</sub>	Cl
	43.67	4.68	13.3	2.05	5.67	0.001

### 2.1.3 Water

Potable tap water available production site was used for mixing and curing of concrete.

### 2.1.4 Concrete admixtures

Additives used in this project are; Chryso-Fluid Premia 180(super plasticizer) in quantities 1-1.2% of cement weight in concrete. Additive is used to produce concrete class C30/45 MPa and the result was decreasing the amount of water. The effect of using the lowest amount of water is increasing the durability and resistance of concrete.

## 3. Methodology

The following characterization tests were conducted on coarse aggregates:

Sieve analysis: EN 933-1

Specific gravity and absorption capacity: EN 1097-7

The following characterization tests were conducted on fine aggregates:

Sieve analysis: EN 933-1

Specific gravity and absorption capacity: EN 1097-7

**Table 3.1 Granulometric grain analysis & cumulative passing calculations of crashed materials**

Sieve opening	Retaining on sieve [g]			Cumulative passing [g]			Cumulative passing [%]		
	Fraction I	Fraction II	Fraction III	Fraction I	Fraction II	Fraction III	Fraction I	Fraction II	Fraction III
[mm]	0/5mm	5/10mm	10/25mm	0/5mm	5/10mm	10/25mm	0/5mm	5/10mm	10/25mm
37.5	0.00	0.00	0.00	2318.62	2515.30	6671.80	100.00%	100.00%	100.00%
25	0.00	0.00	215.00	2318.62	2515.30	6456.80	100.00%	100.00%	96.78%
19.1	0.00	0.00	3546.80	2318.62	2515.30	2910.00	100.00%	100.00%	43.62%
12.5	0.00	0.00	2154.30	2318.62	2515.30	755.70	100.00%	100.00%	11.33%
9.5	0.00	30.20	652.30	2318.62	2485.10	103.40	100.00%	98.80%	1.55%
4.75	0.00	829.20	98.20	2318.62	1655.90	5.20	100.00%	65.83%	0.08%
2.36	8.10	1611.50	2.00	2310.52	44.40	3.20	99.65%	1.77%	0.05%
1.18	578.24	30.40	0.00	1732.28	14.00	3.20	74.71%	0.56%	0.05%
0.6	551.20	1.00	0.00	1181.08	13.00	3.20	50.94%	0.52%	0.05%
0.3	544.86	0.00	0.00	636.22	13.00	3.20	27.44%	0.52%	0.05%
0.15	421.84	0.00	0.00	214.38	13.00	3.20	9.25%	0.52%	0.05%
0.075	158.20	6.10	0.00	56.18	6.90	3.20	2.42%	0.27%	0.05%
Passing	56.18	6.90	3.20						

Total	2318.62	2515.30	6671.80
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**Table 3.2 Specific gravity and absorption of crashed materials**

Crashed aggregate fractions	Specific density [kg/m <sup>3</sup> ]	Humidity [%]	Absorption [%]
Fraction I (0/5mm):	2610	4	1.5
Fraction II (5/10mm):	2589	2	0.6
Fraction III (10/25mm):	2541	1	0.8

**Table 3.3 Granulometric grain analysis & cumulative passing calculations of natural river materials**

Sieve opening	Sieve retaining [g]			Cumulative passing [g]			Cumulative passing [%]		
	Fraction I	Fraction II	Fraction III	Fraction I	Fraction II	Fraction III	Fraction I	Fraction II	Fraction III
[mm]	0/5mm	5/10mm	10/25mm	0/5mm	5/10mm	10/25mm	0/5mm	5/10mm	10/25mm
37.5	0.00	0.00	0.00	2476.40	2787.50	6703.30	100.00%	100.00%	100.00%
25	0.00	0.00	125.30	2476.40	2787.50	6578.00	100.00%	100.00%	98.13%

19.1	0.00	0.00	3222.00	2476.40	2787.50	3356.00	100.00%	100.00%	50.06%
12.5	0.00	0.00	2845.30	2476.40	2787.50	510.70	100.00%	100.00%	7.62%
9.5	0.00	10.30	453.10	2476.40	2777.20	57.60	100.00%	99.63%	0.86%
4.75	0.00	1023.60	54.00	2476.40	1753.60	3.60	100.00%	62.91%	0.05%
2.36	2.00	1700.30	1.00	2474.40	53.30	2.60	99.92%	1.91%	0.04%
1.18	658.30	50.30	1.00	1816.10	3.00	1.60	73.34%	0.11%	0.02%
0.6	635.20	0.50	0.00	1180.90	2.50	1.60	47.69%	0.09%	0.02%
0.3	725.30	0.00	0.00	455.60	2.50	1.60	18.40%	0.09%	0.02%
0.15	323.20	0.00	0.00	132.40	2.50	1.60	5.35%	0.09%	0.02%
0.075	120.30	1.00	0.00	12.10	1.50	1.60	0.49%	0.05%	0.02%
Passing	12.10	1.50	1.60						

Total	2476.40	2787.50	6703.30
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**Table 3.4 Specific gravity and absorption of natural materials**

Crashed aggregate fractions	Specific density [kg/m <sup>3</sup> ]	Humidity [%]	Absorption [%]
Fraction I (0/5mm):	2703	6	0.9
Fraction II (5/10mm):	2710	4	0.5
Fraction III (10/25mm):	2674	3	0.4

## 4. Results and tables

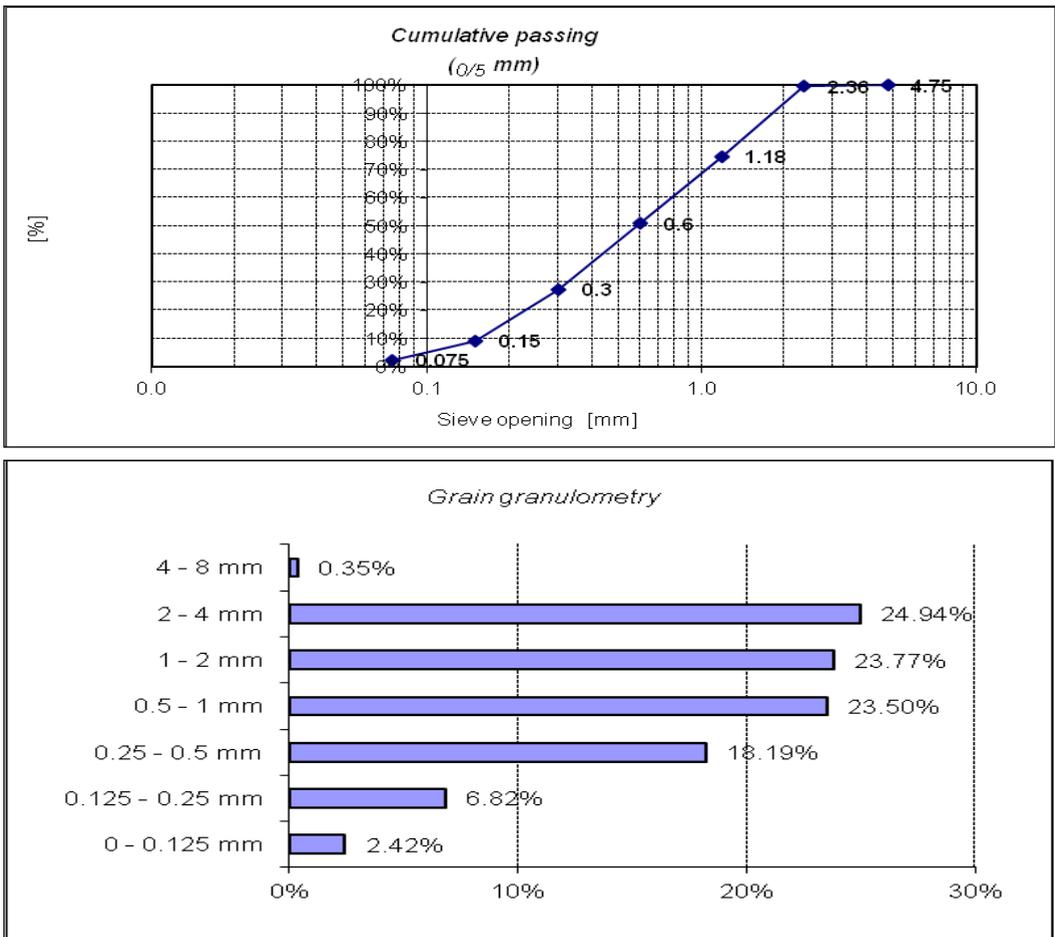
### 4.1 Effect of grading

Grading or particle size distribution affects significantly some characteristics of concrete like packing density, voids content, and, consequently, workability, segregation, durability and some other characteristics of concrete. Particle size distribution of fine aggregate plays a very important role on workability, segregation, and pump ability of fresh concrete. Many authors claim that uniformly distributed mixtures produce better workability than gap-graded mixtures although higher slumps could be achieved with gap-graded mixtures. Both coarse aggregate and fine aggregate should be uniformly graded. If fine aggregate is too coarse it will produce bleeding, segregation and harshness, but if it is too fine, the demand for water will be increased. Proper grading should depend on shape and texture of aggregates. For instance, suitable grading for natural sands could lead to bad results when using manufactured sands. Grading should also be changed depending on the construction procedures.

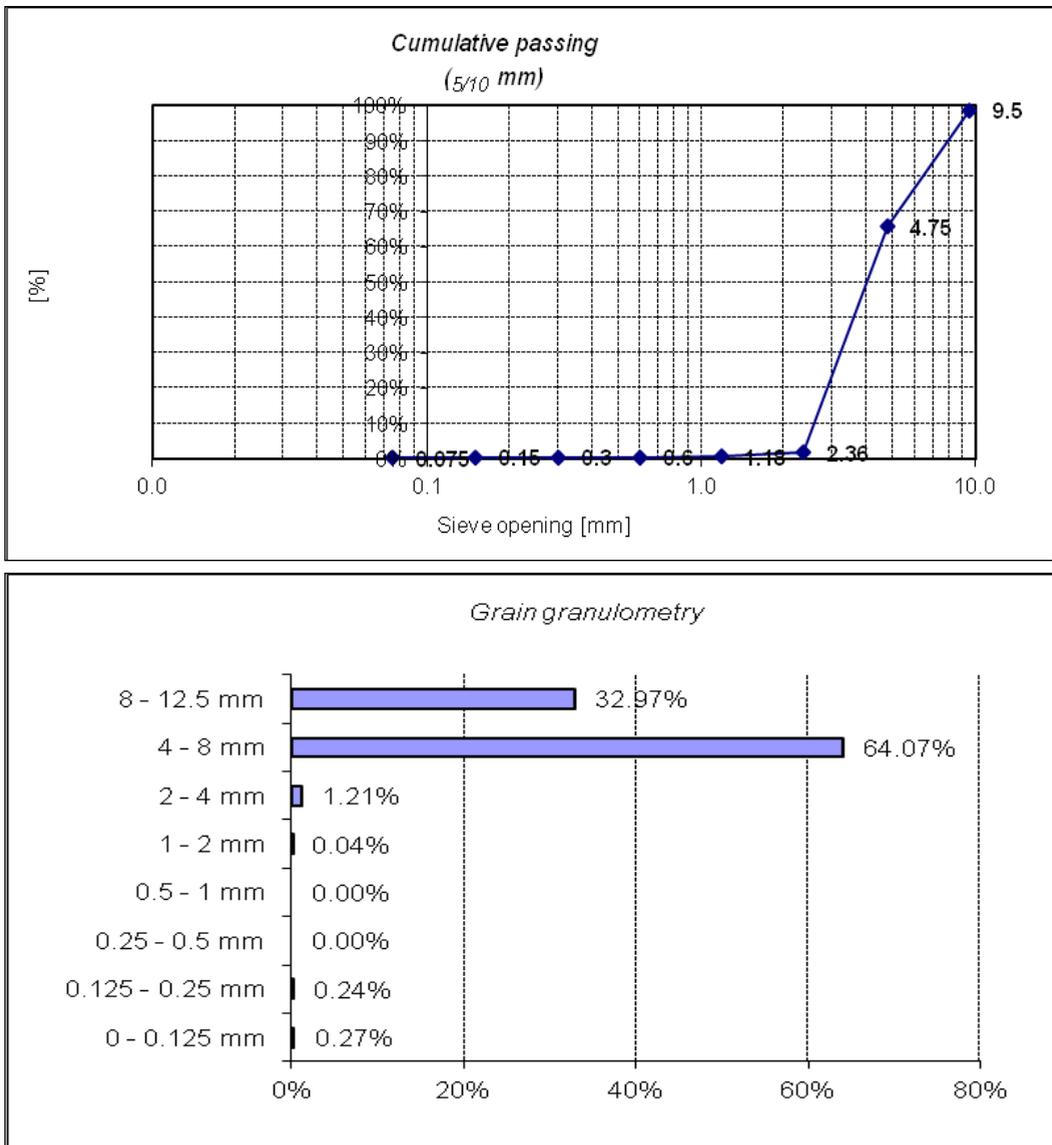
Permeability, one of the most important factors affecting concrete durability, is significantly related to void content of aggregate mixture: the lesser the void content, the lesser the permeability. In reducing permeability, it is desirable to have the highest aggregate content possible. Consequently, well-graded mixtures produce concrete that is more durable.

The results obtained from granulometric grain analysis are represented in graphs below.

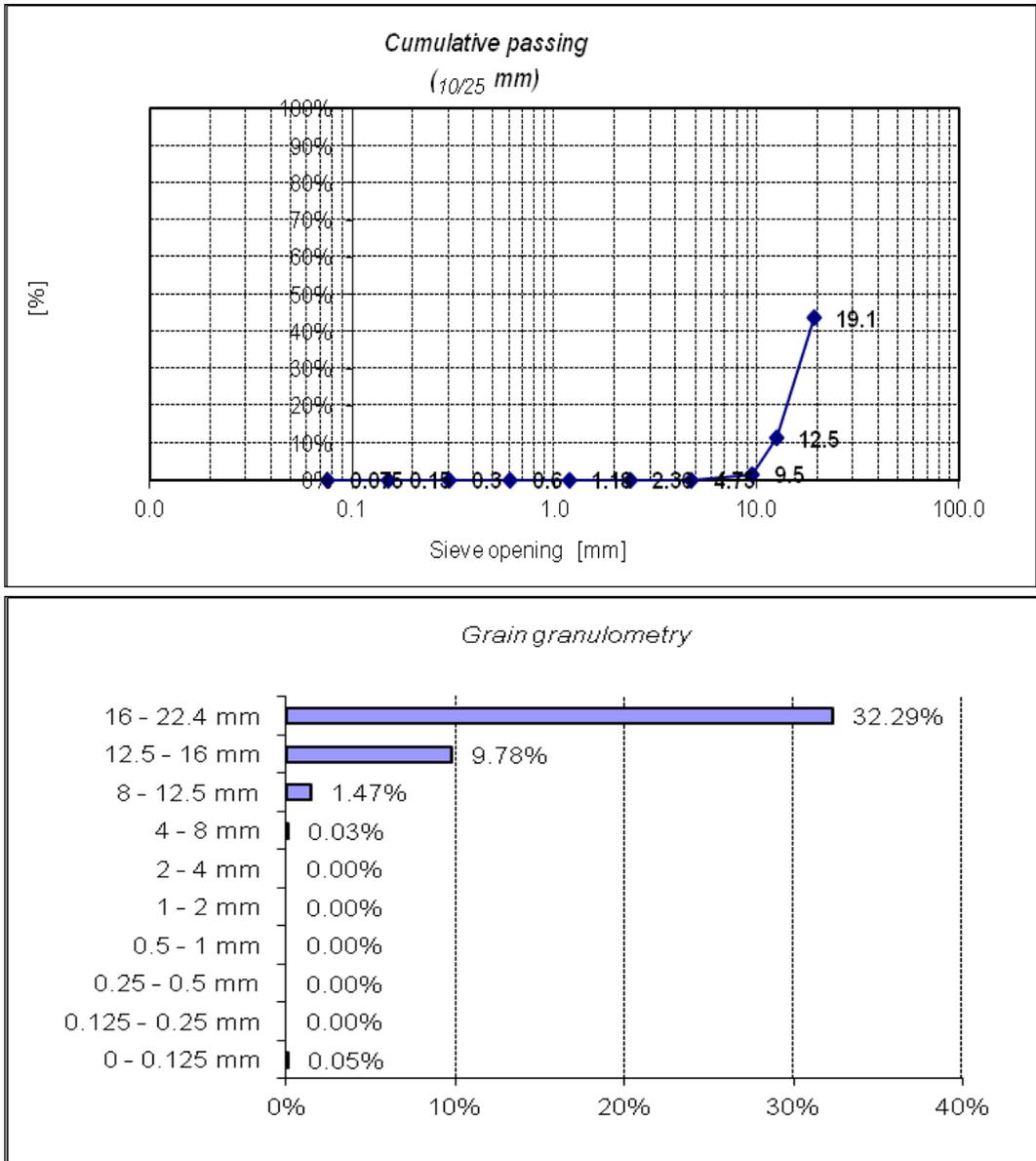
**Graph 4.1.1 Granulometric grain analysis & cumulative passing diagram for fraction I (0/5mm) – crashed materials**



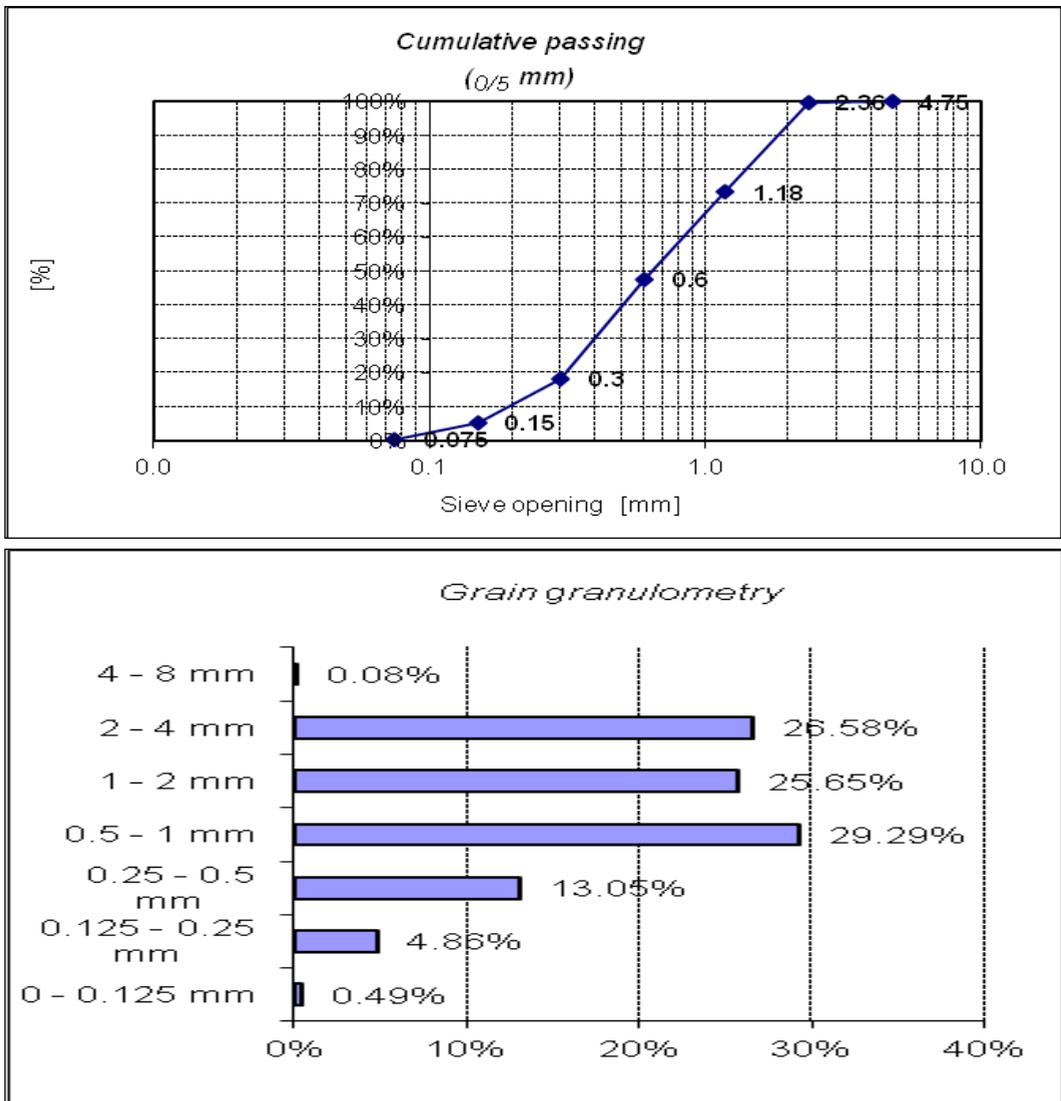
**Graph 4.1.2 Granulometric grain analysis & cumulative passing diagram for fraction II (5/10mm) – crashed materials**



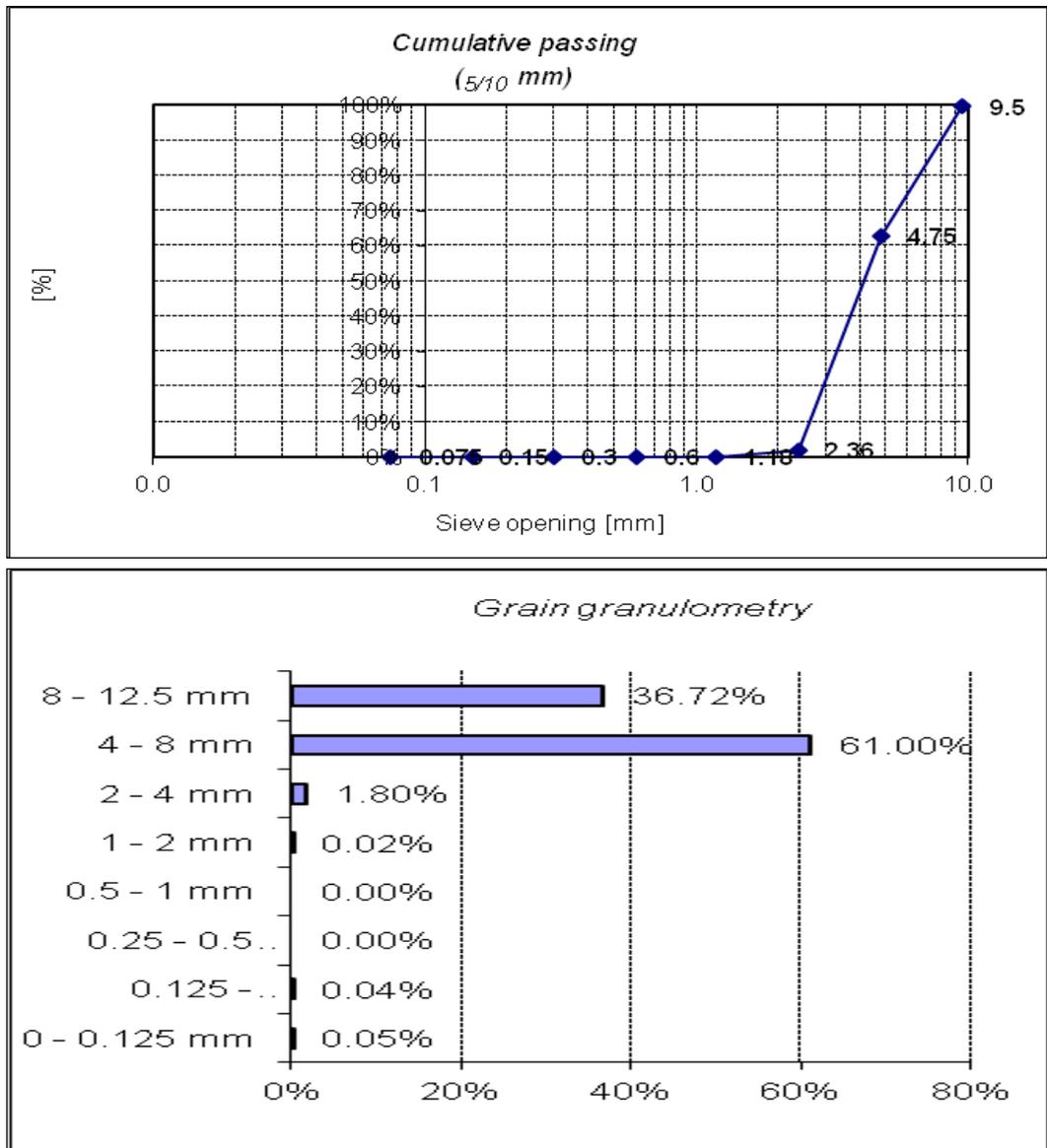
**Graph 4.1.3 Granulometric grain analysis & cumulative passing diagram for fraction III (10/25mm) - crashed materials**



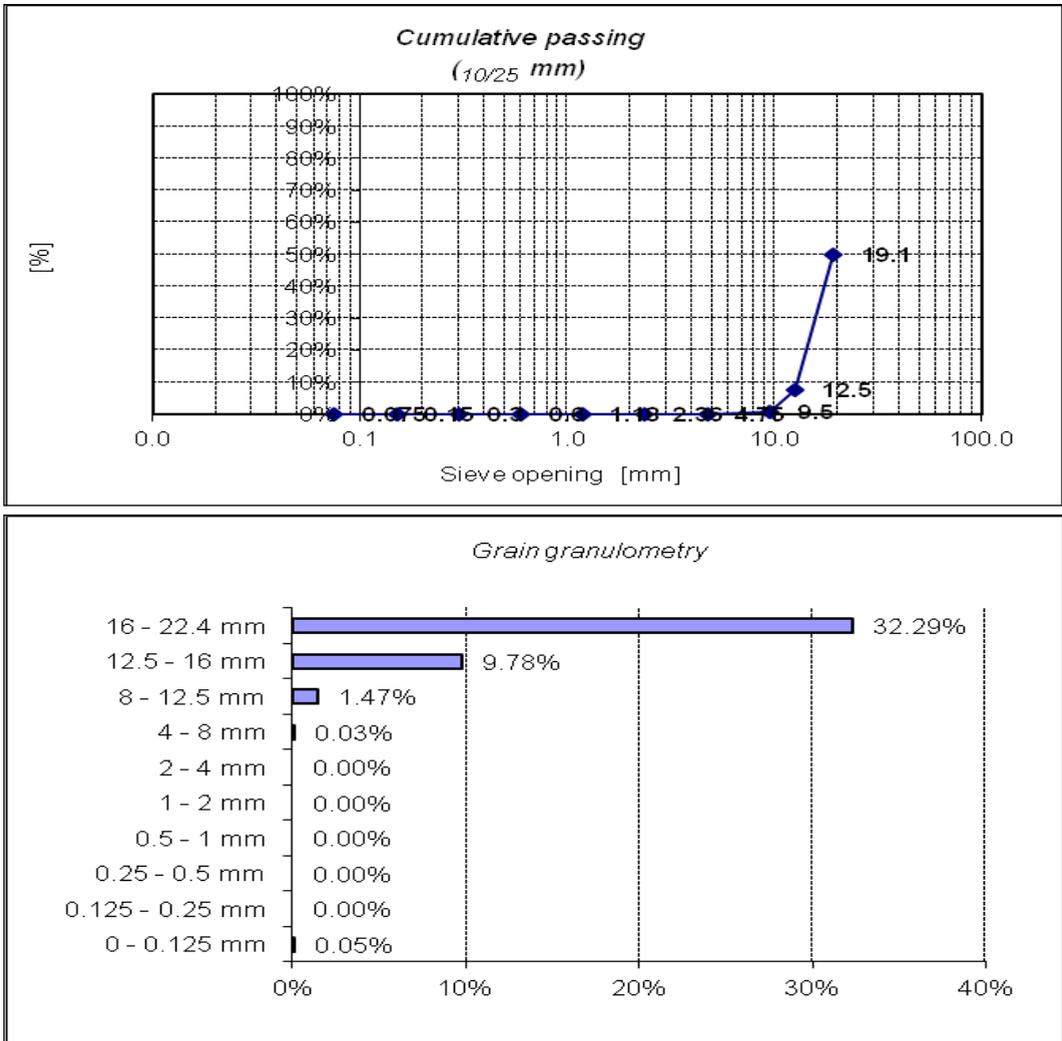
**Graph 4.1.4 Granulometric grain analysis & cumulative passing diagram for fraction I (0/5mm) - natural river materials**



**Graph 4.1.5 Granulometric grain analysis & cumulative passing diagram for fraction II (5/10mm) - natural river materials**



**Graph 4.1.3 Granulometric grain analysis & cumulative passing diagram for fraction III (10/25mm) - natural river materials**



**4.2 Effect of Absorption**

Aggregate porosity may affect durability as freezing of water in pores in aggregate particles can cause surface pop outs. However the relationship between absorption and freeze-thaw behavior has not proven to be reliable.” Nevertheless, absorption can be used as an initial indicator of soundness. Furthermore, aggregates with low absorption tend to reduce shrinkage and creep.

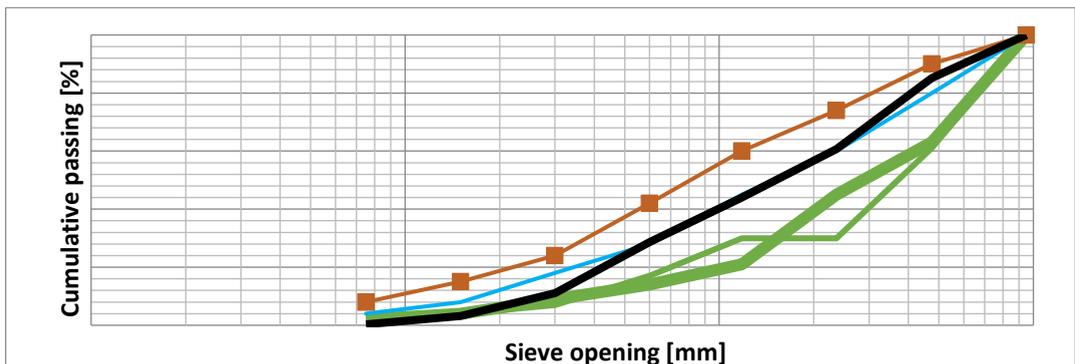
### 4.3 Proportioning methods study

In this study, two proportioning methods were evaluated. Different sets of mixtures were proportioned and analyzed using these Bolomey methods. The potential of the methods to optimize aggregates was evaluated and, accordingly the method was selected for the Optimization Study.

**Table 4.3.1 Concrete mix designs formulations**

Quantity calculated for 1 m <sup>3</sup> concrete [kg]		Crashed materials	Natural river materials
<b>1. Aggregates:</b>			
Fraction I (0/5 mm)	0/5 mm=	895	915
Fraction I (5/10 mm)	5/10 mm=	298	294
Fraction II (10/25mm)	10/25mm=	668	695
Total quantity of aggregates	a=	1861	1904
<b>2. Cement:</b>			
Cem I 42.5 R	c=	395	360
<b>3. Water:</b>			
Well water	w=	158	144
<b>4. Additive:</b>			
Chryso-Fluid Premia 180	d <sub>i</sub> =	3.32	4.32

**Graph 4.3.1 Reference curve DIN ISO 1045 Grain maximal diameter = 30 mm - crashed and natural river materials**

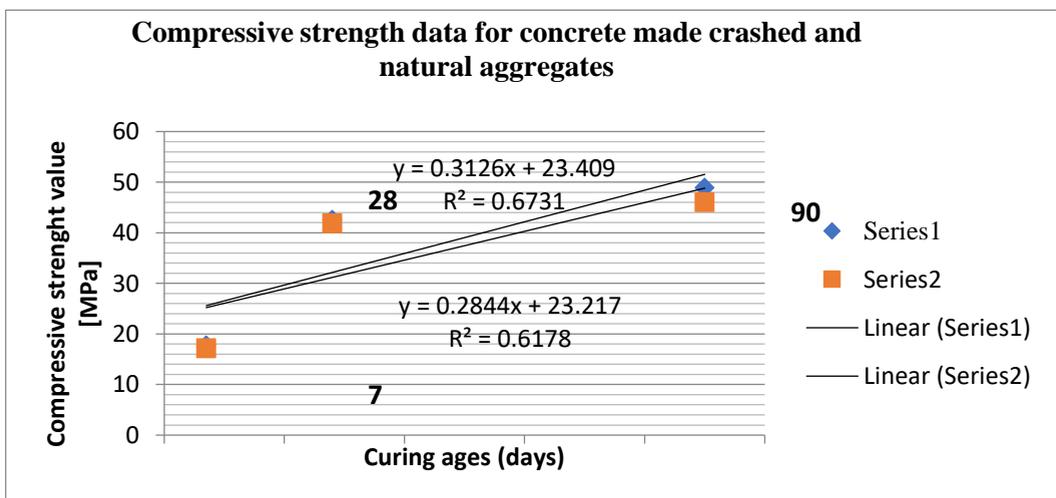


**Table 4.3.2 Main properties of fresh and hardened concrete**

Hardened concrete properties	Concrete made with crashed aggregates	Concrete made with natural river aggregates
Density of fresh concrete [kg/m <sup>3</sup> ]	2417	2412
Consistence (Slump test) [mm]	160	210
Water /cement ratio	0.4	0.4

**Table 4.3.3 Compressive strength data for 7, 28, 90 curing days.**

Sample code	7 Days [MPa]		28 Days [MPa]		90 Days [MPa]	
	Crashed materials	Natural river materials	Crashed materials	Natural river materials	Crashed materials	Natural river materials
Sample 1	17.253	16.892	41.357	41.483	49.337	44.072
Sample 2	17.210	16.795	41.615	41.039	49.250	45.252
Sample 3	18.265	17.542	43.231	42.569	49.897	46.214
Sample 4	18.333	18.023	42.987	41.874	48.987	47.001
Sample 5	17.321	17.002	42.560	42.321	47.456	46.874
Sample 6	19.211	17.215	44.023	42.012	49.022	47.560
Sample 7	16.998	17.023	41.236	41.154	48.564	47.745
Sample 8	18.002	17.213	42.564	41.562	47.568	46.451
Sample 9	17.368	16.874	43.000	41.654	48.987	47.023
Sample 10	18.213	17.452	43.985	43.874	49.874	48.541
Average	17.8174	17.2031	42.6558	41.9542	48.8942	46.6733

**Graph 4.3.1 Comparison of compressive strength data for concrete made crashed and natural aggregates**

## 5. Conclusions

Grading is the aggregate characteristic that plays the major role on the workability of mortar and concrete mixtures. Mixtures can be optimized depending on desired characteristics or selected criteria. A blend of aggregates can be optimized, for example, for slump, for packing density, for plastic viscosity, or for uniformity.

Angular aggregates increase the void content. Larger sizes of well-graded aggregate and improved grading decrease the void content.

Water cement ratio is affected not only from grading aggregate characteristics but even from absorption and chemical composition of aggregates used for production of durable concrete.

The moisture content of an aggregate is an important factor when developing the proper water/cementations material ratio. All aggregates contain some moisture based on the porosity of the particles and the moisture condition of the storage area. We calculate SSD as a specific moisture state which can be used as reference states for calculating moisture content.

Compressive strength of durable concrete is related directly to aggregates shapes composition and properties.

## Acknowledgement

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## Exploring Monetary and Non-monetary Poverty in Albania

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### Abstract

The living conditions in Albania have been improved and the country is making progress on the economic development, aiming on the same time through different policies, the improvement of people welfare. But, the indicators used to monitor the evolution of poverty in the country show that they are sensitive toward recessions of economic growth due to crisis and a difficult international climate of the economy. Hence the sustainability of the welfare has to be a factor of concern and the poverty should be monitored not only in monetary terms but considering the multidimensional aspects of it, to be comprehensively and efficiently addressed through relative policies. People can suffer poverty in many dimensions, not only in monetary terms but, also from factors related to other conditions of living like housing, utilities, access to education and health care, social inclusion and representativeness on the community. This paper investigates the non-monetary poverty in Albania during 2002-2012 when the country has known a strong improvement related to economic growth and the reduction of poverty but also a deterioration caused by the international crisis. Though, there is abundant information about the evolution of the poverty measured by the consumption aggregate for that period, little is known about non-monetary poverty or the conditions of living not related to monetary poverty. This paper intend to present a more comprehensive picture of the welfare during that period, by constructing a specific multidimensional poverty index for Albania – AMPI and explore the correlation between the two measures, and their overlapping extent. The results show that in the beginning of the period, the already high monetary poverty, touching about one fourth of the population, was accompanied by a non-monetary poverty that account for about half of the population. The exploration of the multidimensional measure of poverty has been chosen because it is little explored in Albania and the living standard survey can provide the right information to link it to the monetary poverty.

**Key words:** poverty, multidimensional, AMPI index, monetary, non-monetary

### Introduction

The persistent poverty, not only in Albania, but even in the rich and developed countries, evidences the complexity of the phenomenon and the difficulty to eradicate it. Poverty is not only related to lower incomes and social exclusion, but it is, at the same time, cause and effect. It reflects the marginalisation from the labour market and reduces the access to participation in the society. There are approaches that consider poverty as the result of personal failure or

innate problems (Robeyns, 2011). In this sense, people may not have the ability to transform their opportunities in benefits, or have the capabilities, but lack the opportunities, becoming potentially unable to do so. This may be a partial explanation of poverty especially in micro level, but it becomes insufficient when we examine the phenomenon to a broader extent. If there is a need to provide help to people in trouble, if the aid has to be directed to those who most need it, then it is necessary to identify them and to know their lifestyle. Today, income poverty is only one part of the overall concept of poverty or deprivation. Poverty can be defined as a condition in which a person is deprived of the essentials for a minimum standard of well-being and life. Therefore, poverty does not only refer to material resources, such as money, food or housing, but also to social resources, such as access to education and healthcare or meaningful relations with other people. Moreover, poverty can arise from insecurity, sense of powerlessness, the absence of rights, poor health or insecurity therefore combating a multidimensional poverty became not easy and requires more efforts to not only reduce the monetary poverty, but to address issues like how to empower the poor, or insure them against risks providing adequate social services targeted to the poor. In this paper we will summarize and compare the most important indicators used to measure poverty and will add new ones that encompass its multidimensional aspects based on the data of living standard measurement surveys conducted in Albania from INSTAT over the period 2002 – 2012.

## Background

For many years poverty has been a complex and difficult concept that often suffered from the lack of a single, universal definition to produce comparable and sustainable indicators in time and space. Sometimes, the quest for a unique indicator of poverty has been like to the enigma of Holy Grail: one concept only, one indicator, would never be sufficient to describe it. In general terms, poverty is considered to be deprivation in wellbeing. From the beginning of the concept of poverty (by the end of 18<sup>th</sup> century) it has been evident that the need to measure the well-being by objective and quantitative approaches is the result of the need to operate effectively in the social sphere.

There are different views to consider poverty based on the different fields and relative interest of study. The sociologists consider poverty as the impossibility to achieve a minimum of decent living due to insufficient financial resources; the economists see the poverty not just as the survival but living below the level of the society; the statisticians consider poor who lives below a certain threshold like about half of the median income (50, 60%). The three areas seem to try to reflect very different realities but they all converge to the problem of defining a decent standard of living and more over another crucial problem: is the poverty a relative or an absolute condition?

The concept of absolute poverty is mostly used in Anglo-Saxon countries, USA, some countries of Eastern Europe, Central Asia etc. According to the absolute concept of poverty, the poor are those who cannot ensure a fixed level of consumption of the basic needs of a given society at a given time.

The disadvantages of the absolute poverty are:

It determines the level of basic needs on a mostly subjective way.

Whereas the budget for food needs is set according to the computations done by the dieticians to reach the minimum of calories, the budget for non-food needs is defined in an arbitrary way.

There is a need to reevaluate the threshold according to the evolution of the society to which the poor belongs to better represent the reality.

The concept of relative poverty is a standard of the European countries. According to the relative approach, poor are those who have a lower standard of living than most of the society in which they belong, which means that they have an inferior standard of living associated with a kind of threshold (a percentage) defined as "normal".

The disadvantages of the relative poverty are:

- It does not eliminate the arbitrariness on the choice of the indicators of the level of living and of the value that represents the "normality" for the threshold.

- In addition, if the revenues double, the relative poverty remain the same but if the increase happen to be smaller in the lower part of the distribution than at the top (like it is the case of societies with extreme degrees of inequality), than the relative measure of poverty increase (this does not happen when absolute measurement of poverty are used).

- Do not allow for efficient comparisons between countries since often, less poor in underdeveloped countries are identified than in developed ones).

In the end seems that every society has struggled to define who exactly the poor are: people that do not have enough income to afford a normal living; people who cannot afford standard goods and basic services or people who claim to have difficulties to achieve what is considered as a minimum level of welfare? In addition: do the people being poor according to these three definitions are the same? This, have been leading in three aspects of poverty:

*The monetary aspect* is the most commonly used to identify and measure poverty because it allows for quantitative analyses and comparability over time. It identifies poverty with a shortfall in consumption or income from the poverty line.

Income at a lower level than poverty line presents poverty as insufficient resources.

Consumption at a lower level than poverty line presents poverty as insufficient resources to meet current needs for living. It is an alternative to income with the advantage to be more realistic (consumption patterns are mostly related to the usual income than current income hence household's consumption tends to be higher than usual income that in turn is higher than the current income) (Johnson, 2004).

Different studies have been tried and create multi-dimensional indicators of poverty (Alkire and Foster, 2007); Ravallion, 1994, 2011), and in Albania (Bici and Mancellari, 2015).

The first structured measurement of poverty in Albania started in the beginning of the century with the commitment of the country for development and poverty reduction (through the Growth and Poverty Reduction Strategy). The program aimed to stimulate a process of capacity building within the National Institute of Statistics (INSTAT) in order to establish a consolidated system in collecting and analysing data on a regular basis.

Before that, sporadic studies conducted in the field, have already given alarming hints about the level of poverty or living condition. A poverty profile based on 1996 data showed that

about 30 per cent of the rural and 15 per cent of the urban population were poor (World Bank, 2003), with many others vulnerable to poverty due to their incomes being close to the poverty threshold. Income related poverty was referring also to severe lack of access in basic infrastructure, education and health services, clean water etc. Two other surveys: the 1998 Living Conditions Survey (LCS) and the 2000 Household Budget Survey (HBS), carried out by INSTAT, indicated the need for measuring household welfare according to well-accepted standards, and for monitoring these trends on a regular basis. It has been agreed that the paucity of household-level information was a constraining factor in the design, implementation and evaluation of economic and social programs in the country.

The Living Standard Measurement Survey (LSMS) was chosen to be conducted as the most appropriate to meet the needs of measuring poverty considering the multidimensional aspects of it. A poverty profile based on the first data (2002) showed that some 25 per cent of the population was poor. The LSMS has been repeated in 2005, 2008 and 2012. The methodology was based on the cost of basic needs (CBN) (Ravallion and Bidani, 1994) calculating first a food poverty line, or the cost of obtaining a certain minimum amount of calories, and then augmenting it by an allowance for non- food basic necessities. The non-food component is calculated as the average of non-food share expenditures of households that spend for food roughly the same amount as the food poverty line. According to this methodology, the food basket of the second to the fourth lowest deciles has been used, focusing on the consumption of the poor. The food poverty line or extreme poverty line was set at 3047 ALLs per month, whereas the poverty line at 4891 ALL per month. Other poverty lines have been used like the 2 and 4 dollar a day in purchasing power parity (PPP) and relative poverty lines calculated as the 50% and 60% of the median per capita consumption expenditure.

## Methodology

### *Monetary indicators of poverty*

The headcount index ( $P_1$ ) measures the proportion of the population that is poor, i.e. the proportion of population for whom consumption is less than poverty line. It has the *advantage* to be more popular because intuitive and easy to understand.

$$P_0 = \frac{N_p}{N}$$

Where  $N_p$  is the number of poor and  $N$  is the total population. Sometimes, it can be useful to use the following formula:

$$P_0 = \frac{1}{N} \sum_{i=1}^N I(y_i < z)$$

Where  $I(y_i < z)$  is an indicator function that takes the value of 1 if the expression is true, and 0 otherwise. So, if the expenditure of the  $i^{\text{th}}$  individual ( $y_i$ ) is less than the poverty line ( $z$ ) then  $I$  equals 1 and the individual would be counted as poor.

The headcount index has some *weaknesses*:

It is insensitive to the degree of poverty and the distribution of the expenditures among the poor. It is clear that for the same number of poor, less intensity of poverty means better off but the headcount do not capture this. For some, it violates the transfer principle as if it does not change if there are transfers between poor people even it could be reasonable to suppose that the level of poverty would change.

Given that it does not capture the intensity of poverty, it is insensitive when the poor became poorer. Sometimes, the headcount index becomes lower just because it is easier for people that are just below the poverty line, to move above the line. But, if the average expenditures of the poor become lower, more targeting policies toward the poorest of the society are needed and more efforts to bring them above the poverty line.

The headcount index should fundamentally be individual based, rather than household based, because it should reflect the larger or smaller weight attributed to the poor families according to the size. Then, it will be higher when poor household are large and lower when poor household are small compared with household based calculation. But, as the measure of consumption expenditures is referred to the household, an assumption that the consumption is evenly shared across households is made, and hence all members of households are at the same level of poverty. This is not always the case because of eventual inequality within household, but often technically accepted for better facility.

*The poverty gap index ( $P_1$ )* measures the extent to which individuals fall below the poverty line as a proportion of the poverty line. It is considered as representing the intensity or depth of poverty as a measure of how poor the poor are. More specifically, we define the poverty gap as the poverty line minus expenditures for poor individuals considering that it is zero for everyone else (non-poor population):

$$G_i = (z - y_i) * I(y_i < z).$$

Then the poverty gap index represents the mean proportionate of  $G_i$  in the population:

$$P_1 = \frac{1}{N} \sum_{i=1}^N \frac{G_i}{z}$$

The contribution of the  $i^{th}$  individual to  $P_1$  is larger the poorer the individual is, i.e. the larger it is his  $G_i$ . The poverty gap index has not only the *advantage* to capture the intensity of poverty but allows defining the minimum cost of eliminating poverty because it shows the resources that would be needed to lift the poor out of poverty (as a proportion of poverty line) through perfectly targeted cash transfers. This is simply the sum of all poverty gaps, assuming that each gap is filled up to the poverty line that is clearly *not feasible in practise*.

On the other hand, we can consider as the maximum cost of eliminating poverty, the value of  $z$  for each one, assuming that nothing is known about the poor, and everyone has to be provided with enough to ensure they are not below the poverty line. The ratio of the minimum to the maximum cost is the poverty gap index indicating the potential savings from targeting.

The poverty gap index still has its weaknesses:

As the headcount index, the poverty index does not capture differences in the severity of poverty ignoring the inequality among the poor.

It is therefore insensitive to transfers among the poor.

Even it complements the poverty headcount; the two measures together are still non comprehensive measures of poverty.

*The squared poverty gap index ( $P_2$ )* is a weighted sum of poverty gaps (as a proportion of poverty line) where the weights are the proportionate poverty gaps themselves to give more weight to the very poor.

$$P_2 = \frac{1}{N} \sum_{i=1}^N \left( \frac{G_i}{z} \right)^2$$

The advantage of the squared poverty gap index is that it takes into account the inequality among the poor therefore it keeps traces of the transfers among them. The index increases if there is a transfer from a poor to a less poor and decrease for a transfer from a poor to an even poorer.

All the three indexes: headcount ( $P_0$ ), poverty gap ( $P_1$ ) and squared poverty gap ( $P_2$ ) are Foster-Greer-Thorbecke class of measures:

$$P_\alpha = \frac{1}{Nz^\alpha} \sum_{i=1}^N \left( \frac{z - y_i}{z} \right)^\alpha$$

Where  $\alpha$  is a measure of the sensibility of the index to poverty, often defined as the degree of aversion to poverty ( $\alpha \geq 0$ ). The parameter takes the value zero for the headcount, one for the poverty gap and two for squared poverty gap. Since they complement each other information, they must be used combined to interpret the results and since they measure different aspects of poverty, the interventions needed would be different. The headcount would encourage policies that lift out of poverty, the poor closest to the line, while the other two measures focus on those who are far away from the line aiming to help the poorest of the poor.

*The Sen Index.* The three indicators have the advantage to be additively decomposable but they do not provide a unique measure of poverty. One of the indicators that is able to combine the effects of the number of poor, the depth of their poverty and the distribution of poverty within the group has been proposed by Sen (Sen, 1976). It is called the Sen Index and like the squared poverty gap index takes into account the inequality among the poor.

$$P_s = P_0 \left( 1 - (1 - G_p) \frac{y_p}{z} \right)$$

where  $P_0$  is the headcount index,  $y$  is the average consumption expenditure of the poor and  $G_p$  is the Gini coefficient of the poor. The Sen Index ( $P_s$ ) can also be written as the average of the headcount and poverty gap measures weighted by the Gini coefficient of the poor:

$$P_s = P_0 G_p + P_1 (1 - G_p)$$

The Sen Index values lie in the  $[0, 1]$  interval, taking the value 0 if everyone is above poverty line and the value 1 if everyone has 0 consumption (the case of consumption based poverty rather than income). In practice the index will never be 1 both because there are some subsistence requirements (so that  $y_i < 0$ ) as well as because even in poor economies the system ensures the prosperity of some (so that for some  $y > z$ ).

The index is equal to headcount ratio multiplied by the poverty gap ratio in the case of perfect equality (based on the consumption) among the poor ( $G_p = 0$ ) and equal to the poverty gap ratio in the case of perfect inequality. In the first case (when all the poor have the same consumption), the lower the consumption of the poor, the closer will  $P_s$  be to  $P_0$  and the larger the proportion of the poor, the closer will  $P_s$  be to  $P_1$ .

Beside the advantage to be a comprehensive measure of poverty and sensitive to the distribution among the poor, the Sen Index also present some inconveniency:

Given the dependency from Gini coefficient, it has the same inconvenience, i.e. it cannot be used to decompose poverty into contributions from different groups.

It is not intuitive that makes it difficult to interpret; therefore it is not used as much as, for example, FGT indicators that on the other hand satisfy the principle of the decomposability.

### *Multidimensional poverty*

Measuring living standards beyond poverty is an approach that uses other aspects to complete the multidimensionality of the poverty. It implies that people need not only a certain income to live in a decent way but to have also access in education, health and good housing conditions. It can be used to complete the information from monetary figures whether sometimes improvements in poverty reduction are important but not sufficient since they can mask deprivation in several other aspects.

The *Multidimensional Poverty Index (MPI)* is a composite measure that uses three dimensions: health, education and standard of living measured through ten indicators to identify the poor through a joint distribution of deprivation. It follows the methodology worked by Alkire and Foster (2007, 2011). The MPI is considered as an index of acute multidimensional poverty in developing countries. It shows the number of people who are multidimensional poor (suffering deprivations in 33.33% of weighted indicators) and the number of deprivations with which poor households typically contend. It reflects deprivations in very rudimentary services and core human functioning for people across countries (Alkire and Santos, 2010). It is one of those composite indicators that encompass in a unique figure different pattern of poverty beyond monetary aspect. However, it is difficult to be produced because based in datasets with rich information not only about main characteristics of households and its members, but also about some special issues like nutrition and child mortality. The usual MPI indicator, called also *Adjusted Headcount* combines two kind of information: the incidence of multidimensional poor people (H) and the intensity of their poverty (A).

The incidence of multidimensional poverty or the multidimensional headcount ratio (H) is the proportion of people (q) within a given population (N) whose share of weighted deprivations is equal or more than a cut-off point (k) usually put to 1/3.

$$H = \frac{q}{N}$$

The intensity or extent of poverty (A) is the average proportion of weighted deprivations of the multidimensionality poor.

$$A = \frac{\sum_{i=1}^N c_i(k)}{q}$$

Where  $c_i(k)$  are the censored deprivation scores of the poor,  $q$  is the number of the poor and  $k$  is the poverty cut-off. For  $c_i < k$  the  $c_i(k) = 0$ . People are considered MPI poor if they are deprived in one third of the indicators.

The MPI is then the production of  $H$  and  $A$ .

$$MPI = H * A$$

The MPI indicator is calculated at individual level although some variables, especially those who reflect housing conditions, are usually common across household members. For its nature, the headcount is decomposable and it is possible to detail the poverty by contributions of dimensions or indicators. This is particularly helpful for policy makers that can address specific issues especially when it comes to improve public services or fighting corrupted service.

The MPI comprises three equally weighted poverty dimensions: health, education and living standards. The health dimension is measured by the two equally weighted indicators: nutrition and child mortality. Education is captured by the two equally weighted indicators: years of schooling and child enrolment. Living standards are measured by the six equally weighted indicators: cooking fuel, sanitation, water, electricity, floor and assets (e.g. radio, TV, mobile phone etc.). All households that lack 30% or more of the weighted poverty indicators are considered MPI-poor.

## Results and Findings

As a starting point, let recall here the vales of FGT indicators already measured to define monetary poverty in Albania. The Foster-Greer-Thorbecke (FGT) indicators are given in the table below and as already mentioned in the methodology, have the advantage to be additively decomposable but they do not provide a unique measure of poverty.

*Table 1. Monetary poverty indicators in Albania.*

	2002	2005	2008	2012
P0 (headcount index)	0.254	0.185	0.124	0.143
P1 (poverty gap index)	0.057	0.04	0.023	0.029
P2 (squared poverty gap index)	0.019	0.013	0.007	0.010

Source: INSTAT, LSMS 2002, 2005, 2008, 2012

The Sen Index is calculated being able to combine the effects of the number of poor, the depth of their poverty and the distribution of poverty within the group in a unique number.

Further on, the Sen Index has been calculated as an alternative to the FGT indicators, given that it can combine in a unique figure the effects of the number of poor, the depth and the distribution of their poverty. The results show that the trend of the indicator during the study period is in line with the measured trend of FGT indicators between 2002 and 2008 years reflecting a strong reduction from 2002 to 2005, a continuous, even slighter, reduction in 2008 and a slight increase in 2012 (Table 2).

Table 2. Sen Indicator calculated for Albania.

	2002	2005	2008	2012
Sen index	0.080	0.051	0.032	0.042

Source: Author's elaborations based on LSMS 2002, 2005, 2008, 2012 data

An effort to compute a multidimensional poverty indicator for Albania (the Albanian Multidimensional Poverty Indicator - AMPI) based on the methodology of MPI has been made using indicators that are available in time, and possibly more adequate in representing the deprivation level in the country. They have been chosen in order to have a meaning for policy makers to influence not only the reduction of monetary poverty but also the negative effects of material and psychological effects of deprivation that in their turn may became the source for the persistence of poverty. Ten indicators organized within same structure of MPI have been used for the specific AMPI and same weights are maintained in order to compute the headcount and relative intensity. The indicators chosen represent access in education, health and decent housing condition, as in Table 3. The inclusion of two different indicators for the health dimension have been due to data constraint and the choice of the alternatives has been defined from the need to improve access in the healthcare system especially from those who cannot afford it. The living standard indicators are chosen based on the general situation of Albanian households as reflected by LSMS data. They include the access to water and sanitation system, electricity supply, heating system, space of living and conditions of the dwelling unit.

Table 3. The dimensions, indicators, deprivation cut-offs and weights of the AMPI.

Dimensions of poverty	Indicator	Deprived if...	Weight
Education	Level of Schooling	No household member has completed more than primary level of schooling.	1/6
	Child School Attendance	Any school-aged child is not attending school up to class 8/9.	1/6
Health	Health services access	Any household member has not have access to health services when needed.	1/6
	Health services affordability	Any household member has not had adequate financial means to afford health services when needed.	1/6

Living Standard	Electricity	The household has no uninterrupted electricity supply or it is not connected to the public system at all.	1/18
	Sanitation	The household's sanitation facility is not supplied within the dwelling.	1/18
	Water supply	The household does not have access to running water within the dwelling.	1/18
	House conditions	The household lives in a dwelling that is inappropriate or under construction.	1/18
	Heating	The household has no heating in the dwelling.	1/18
	Space of living	The household live in an overcrowded house with 3 or more persons per room.	1/18

Source: Author elaborations based on LSMS 2002, 2005, 2008, 2012 data

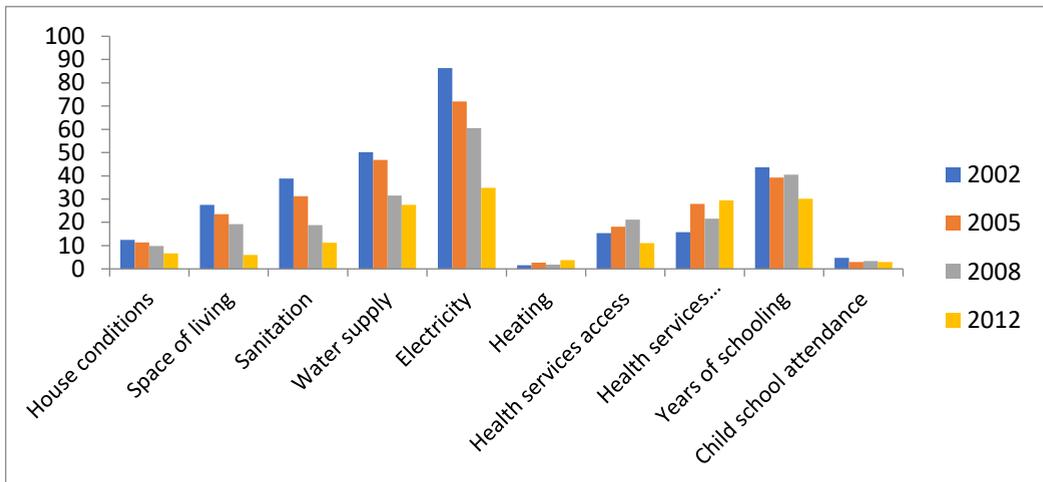
*Table 4. Indicators of Albanian Multidimensional Poverty, H and A by years.*

	2002	2005	2008	2012
Headcount (H)	0.4798	0.3463	0.2771	0.2135
Intensity (A)	0.1457	0.1368	0.1281	0.1091
<b>AMPI</b>	<b>0.0699</b>	<b>0.0474</b>	<b>0.0355</b>	<b>0.0233</b>

Source: Author elaborations based on LSMS 2002, 2005, 2008, 2012 data

Based on this methodology, about 48% of people in 2002 have been MPI poor in Albania that is, deprived in at least 33.3% of the weighted indicators. They suffered from deprivation in 14.6% of indicators, on average. Those who can be considered MPI poor are about 7%. These figures have decreased in years: the MPI Headcount has been reduced by 27.8% in 2005 and by 20.0% and 23.0% in 2008 and 2012 respectively; the Average Intensity has been reduced by 6.1% and 6.4% in 2005 and 2008 showing a substantial decrease then in 2012 by 14.8%. The MPI indeed have known a continuous reduction in the period: it is 3 times lower in 2012 compared to 2002.

Figure 1. Albanian Multidimensional Poverty Indicators by years.



Source: Author elaborations based on LSMS 2002, 2005, 2008, 2012 data

The deprivations endured by the multidimensional poor are concentrated on the dwelling conditions dimensions, in particular, on the lack of uninterrupted electricity, adequate water and sanitation services and years of schooling that represents primary level of education computed.

Table 5. Overlap and differences between monetary poor and multidimensionality poor by years.

Year		MPI non poor	MPI poor	Total
2002	Monetary Non poor	44.9	29.7	74.6
	Monetary poor	7.2	18.2	<b>25.4</b>
	<b>Total</b>	52.0	<b>48.0</b>	100.0

Year		MPI non poor	MPI poor	Total
2005	Monetary Non poor	58.5	23.0	81.5
	Monetary poor	6.9	11.6	<b>18.5</b>
	<b>Total</b>	65.4	<b>34.6</b>	100.0

Year		MPI non poor	MPI poor	Total
2008	Monetary Non poor	67.4	20.3	87.6
	Monetary poor	4.9	7.4	<b>12.4</b>
	Total	72.3	<b>27.7</b>	100.0

Year		MPI non poor	MPI poor	Total
2012	Monetary Non poor	69.1	16.5	85.7
	Monetary poor	9.5	4.8	<b>14.3</b>
	Total	78.7	<b>21.3</b>	100.0

Source: Author elaborations based on LSMS 2002, 2005, 2008, 2012 data

Table 6. The correlation between Monetary poor and MPI poor population by years.

Pearson Correlation			
2002	2005	2008	2012
0.2784*	0.2477*	0.2049*	0.1237*

\*Correlation significant at the 0.01 level (2-tailed)

The incidence of monetary poverty differs substantially (Table 5) from AMPI for the period of study (2002 – 2012). While it is important to study the mismatch between the two different measures of poverty, a consideration must be done that the aim is not to determine if the poverty line indicator under or over estimates, some underlying “true level” of poverty. The identification of the overlap between the incidence of monetary poverty and the overall level of deprivation in terms of the set of attributes considered for the multidimensional measure might be an aid to policy design to focalize correct interventions.

Exploring the association between the two measures reveals that a correlation between them exists even that not strong. The Pearson correlation coefficient presents a decrease in time from 2002 to 2008 becoming even lower (but still significant) in 2012, unfolding the fact that a continuous reduction on the multidimensional poverty has been developed independently from the monetary term. This may be indicating some degree of sustainability of improvement in living condition and poverty as a whole. Moreover, it may be an indicator that the domains

from which the indicators have been chosen have been improved during that time. There are persons deprived in more than one third of the weighted dimensions/indicators that have surpassed the monetary poverty line but it is evident that poverty line cannot be the only indicator to reject the status of non-poor. In addition, the amplitude of MPI is almost double compared to monetary poverty for the whole period. Therefore, the multidimensional poverty should be on the focus of the social protection policies to address not only the poor in terms of monetary aspects, but also the non-poor that suffer considerable deprivation from the basic elements of a decent life.

## Conclusions

Traditional measures such as the headcount rate and the average poverty gap may fail to capture one or the other elements of poverty and provide therefore an incomplete picture of poverty levels in the country. This is particularly important for the analyses of the effects of transfers among different groups of population. The Sen Index is a useful and comprehensive measure of poverty, because it combines the incidence, the intensity and the inequality among the poor in a single indicator.

Poverty measures should convey information regarding the effectiveness of social policies and focusing not only on the monetary dimensions, because there is the risk of leaving unaddressed individuals who still endure considerable deprivation. This study follows the approach of Alkire and Foster on multidimensional poverty, providing a simple and insightful method for identifying the poor: the multidimensional poverty index for Albania. This index has been developed and analysed during the study period. The results reveal that deprivations endured by the multidimensional poor are concentrated in health and education and, in particular, in the living standards hence the need to focalize public investments efforts along with the efforts to reduce monetary poverty.

According to 2012 figures, 16.5% of individuals lacking one third or more of the attributes considered would be classified as non-poor according to the monetary poverty line. This proportion was 29.7% in year 2002. The multidimensional headcount proposed is actually larger than monetary poverty line indicator, but the decrease throughout the years is more substantial and in continuous reduction even in 2012 while the monetary poverty headcount increase slightly by 1.9 point percentage. However, during the whole period the multidimensional poverty has been almost twice as high as the monetary poverty that draw the attention to take this field under continuing monitoring along with the monetary poverty.

In addition, the Alkire\_Foster identification method has desirable features to track the provision of basic public services. The aim is to create incentives to improve provide those areas where the poor are mostly deprived. It is almost intuitive that efficient policies would not be able to provoke a significant reduction in the headcount ratio of poverty unless they will provide an improvement in those dimensions that indicates more deprivation that may cause in turn the 'trap' of poverty.

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## Students Talk About Themselves During Covid Period: An Experience into an Autobiographical Experience

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### Abstract

The contribution provides an experiment of the application of the narrative-autobiographical method as a groundbreaking expedient aimed at encourage the reconnaissance and the self-awareness of the life experiences of the university students attending the “Pedagogy of Family Relationships” course at the Frederician athenaeum. Within the framework of the Methodologies of Clinical and Pedagogical Intervention Workshop was implemented a narrative autobiographical activity wich has proved to be notably useful for the students, not only for the experimentation of a new device to reuse in future professional contexts but also for the development of a space-time pedagogically functional to the self-recognition of significant learnings, of emotions, self-images and thoughts, these latter dimensions are difficult to intercept.

**Keywords:** experience, storytelling, learning, autobiographical method, training, meaning of life.

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**Use of E-Learning Platforms in High Education: Effects on Academic Results with the Influence of Covid-19****Silvia Casado**Grinubumet Research Group, Department of Applied Economics, Faculty of Economics and Business  
University of Burgos**Santiago Porras****Julio Puche****Joaquín Pacheco****Abstract**

The new virus COVID-19 has required most of the higher education systems to operate through the e-learning platforms. The objective of this work is to review the effect of the use of these platforms on the student's academic outcomes in the university environment. In addition, it is intended to study the influence of COVID-19 on this objective, reviewing this effect with face-to-face and virtual learning. In this work, statistical analysis methods are used in order to analyze the influence of both learning approaches on the academic results in the subject of financial operations of the first course of Business Management degree at University of Burgos (Spain). The data set is formed by the logs that contain the interactions of the students with the online resources of the subject through the platform of this university (UBUVirtual), based on Moodle 3.0 technology. Then a process of cleaning, filtering, ordering and coding of the data has been performed. With the results obtained, we intend to analyze the effect of an intensive use of e-learning platforms in the possible scenarios derived from the situation regarding COVID-19 in order to improve learning processes and resources for students.

**Keywords:** e-learning-platforms, high-education, academics-outcomes, COVID-19-influence, statistical-analysis

## Teaching Experiences of Hungarian Music Teachers during the Pandemic

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### Abstract

The introduction of digital (online) education in Central Europe in the spring of 2020 has radically changed the tools, methods and strategies of teachers. It also had a marked effect on music education, in which it caused significant changes due to its training characteristics. In addition to knowledge transfer, skills development is also an important goal of music education. Although the international equivalent of the Hungarian term “skill object” is not known (and the division of subjects into such rigid groups assumes some inaccuracy) (Kárpáti, Gaul, 2011), it clearly indicates that the acquisition of subjects in this category imposes different requirements on the student. While partially acquired knowledge may be a well-utilizable partial knowledge, semi-acquired skill is not a real skill. The form of individual training of instrumental and vocal lessons plays an important role in the success of music learners, which gives the teacher and his / her student the opportunity to develop a personal relationship between them (Váradi, 2014). An important condition for the success of group music / singing is cooperation, adaptability; the community experience plays a key role in developing commitment and maintaining motivation. The Music Pedagogy Research Group of the Doctoral Program in Education and Cultural Studies of the Doctoral School of Humanities of the University of Debrecen (with the support of the Art Theory and Methodology Research Institute of Hungarian Academy of Arts ) conducts a survey on the experiences of basic, secondary and higher online music education. In our presentation, based on the responses of 258 teachers, we seek answers to questions such as whether elements of digital music education can be used in the future; whether group music lessons can be implemented online / digitally. We attempt to summarize the pros and cons of digital education based on respondents’ opinions, and also address educators’ motivations and experiences in curriculum development. Our results showed that digital education during the pandemic stimulated the creativity of music teachers, and teachers were able to solve emerging problems constructively without prior competencies. The results of the research can contribute to making music education more effective for educators, enriching the transfer of information through new channels and, where added value is present, adapting to the increasingly popular digitalisation.

**Keywords:** music education, online education, motivation, digital curriculum development

### Student-Content Interaction in Virtual Classrooms

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**Abstract**

Virtual classrooms took their place in the middle of the educators' and students' life with the Covid-19 pandemic. Especially in the process of overcoming the first panic period, virtual classrooms met the needs of educators and students to see each other and hear their voices, even from a distance. However, with the prolongation of the pandemic process, the inefficient use of these environments has led to the question of the value of the screen time and the efforts spent. In this study, the introduction of some auxiliary applications and tools that will increase the interaction of students with the content in the virtual classrooms, as well as some teaching methods, techniques and strategies will be discussed. In this way, examples of providing opportunities for engagement, participation and motivation of students towards the lesson will be presented along with solution suggestions for some challenges that educators may encounter in virtual classrooms.

**Keywords:** interaction, virtual classroom, student, content

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## Using Flipgrid to Create a Positive Learning Atmosphere During the Pandemic: Preliminary Results

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### Abstract

The Covid-19 pandemic has had a negative impact on people and education. This presentation reports some preliminary results of a study designed to investigate if Flipgrid, a free video discussion platform, can contribute to creating a positive learning atmosphere in the online classroom during the pandemic. Thirty-seven university students participated in the study. The data collection procedures were a Flipgrid activity and two surveys. Preliminary results suggest that Flipgrid may contribute to generating a positive learning environment.

**Keywords:** Flipgrid, Covid-19, emotions, online teaching, online learning

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## **EU Support Toward Western Balkan Countries in the Fight Against Covid-19 in the Pre- Accession Phase**

**Dr. Fjorda Shqarri**

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### **Abstract**

The Western Balkan Countries from a long time now have been on the process to future membership in the European Union. During this process EU in various meeting and summit has defined the criteria and conditions that must be fulfilled by these countries and on the other hand has supported these countries to meet the conditions set in the pre- accession phase. This paper aims to analyse for the perspective of qualitative methodology based on literature and relevant legislation the role of the EU in supporting the WB countries in order to strengthen the regional cooperation and their efforts to combat the coronavirus outbreak and its impacts on societies and economies. The purpose of this paper is to explain and discuss the steps, declarations and meeting of EU structures and WB countries in strengthening the collaboration and solidarity during the on-going pandemic situation caused by Covid-19 infection.

**Keywords:** Pre-Accession Conditions, Pandemic Situation, Regional Cooperation, Economic Crisis, WB Countries

## Accounting Data and the Balanced Scorecard - Goals and Indicators

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### Abstract

In their study, *Relevance Lost: The Rise and Fall of Management Accounting*, Johnson and Kaplan concluded that management accounting systems since the 1980s have failed to meet the new challenges of a changing environment. Among other things, because managerial accounting has been subordinated to the needs of financial accounting. Financial accounting cannot provide adequate information to management and does not support strategic decision making. The reason for this can be found in the operational logic of financial accounting. Financial accounting is past-oriented, it evaluates (economic) events in money, and thinks in the short term. Would all this mean that financial accounting data cannot be used to support long-term decisions? In our study, we point out the connection between financial accounting data assets and strategic decision support. Our research question focuses on how financial accounting data, including an invoice issued by a company, can be used in Balanced Scorecard perspectives. Based on the content of the Balanced Scorecard, we want to point out where and what kind of relationship can be observed between financial accounting data assets and the BSC. Through a case study, we will present the strategic goals as well as the indicators suitable for measuring the goals. These will be presented for all aspects of the Balanced Scorecard.

**Keywords:** Financial Accounting, KPI, Strategy, Balanced Scorecard

**JEL classification:** M49

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## The Influence of Corporate Governance on Capital Structure

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### Abstract

Corporate governance has become an increasingly important topic in the context of finance and corporate management, being considered as a factor of influence in terms of decisions on resource allocation, management of owners' value, and in terms of capital structure and funding sources. This research aims to describe the factors that influence the capital structure, being conducted a quantitative study on the impact that the characteristics of corporate governance have on the capital structure of a company and its degree of indebtedness. The study was conducted at European level, by collecting financial data published for the period 2010-2019 by listed companies in Germany, France and Italy, countries where the principles of corporate governance have been imposed since over 50 years ago. As variables that describe corporate governance, we analyzed the presence of the CEO in the Board of Directors and the independence of the members of the Board. The debt-to-equity ratio was used to describe the capital structure. It was found that corporate governance characteristics, namely the presence of the CEO in the Board of directors, influence directly and negatively the capital structure and the degree of indebtedness of the companies included in the study.

**Keywords:** Corporate Governance, capital structure, debt-to-equity ratio, CEO Board member, Board independence

### JEL Classification

G32, G34

## Effects of COVID-19 and Lockdown Policies over Mental Health

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### Abstract

The covid-19 pandemic has been an external shock exerting detrimental effects on wellbeing through several channels, including the individual's exposure to risk of contagion and to the policy measures to fight the pandemic. We exploit the differential timing of the effect of the pandemic across European countries, and the different stringency of lockdown measures over anxiety and depression. We use publicly available data for 22 European countries from an online survey conducted globally between March 20th and April 6th and also include information from the level of restrictions in daily life (measured by the COVID-19 Government Response Stringency Index) and of the epidemiological risk exposure effects (current and delayed) on anxiety and depression. We draw in an event study, and both a difference in differences and a regression discontinuity design to obtain reliable estimates of the effect. We document that although lockdown increases the average symptoms of depression and anxiety in 4.12% and 6.27%, if it takes place once the pandemic has reached a category five (according to the Pandemic Category Index), there is a strong mitigating effect on wellbeing (captured by symptoms of depression and anxiety). That is, although the increase in mortality to category 5 increases depressive and anxiety symptoms by 5.57% and 14.04% respectively, if this circumstance coincides with the obligation of home confinement, the increase in the level of depression is reduced to 1.01%, and anxiety drops to 10.30%. However, there is great heterogeneity in the cumulative effect of confinement in a situation of high mortality. Taking into account the household income, the level of depression (anxiety) increases by 7.843% (4.021%) in the lowest income quartile as compared to the highest one.

**Keywords:** mental health, covid-19, pandemic, subjective wellbeing, stringency

## Writing Projects and Hybrid Teaching: Writing an Informative Text

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### Abstract

COVID-19 has placed a lot of restrictions on people's daily lives. These restrictions have also reached the classrooms. In Spain, a hybrid teaching model was imposed during the period between September and December in university studies. Far from being an inconvenience, this situation presented an opportunity to adapt collaborative learning methodologies to virtual environments. These virtual environments favour group work and the connection between classroom work and real life. In this presentation, we will explain the adaptation of a writing project to this hybrid (situation) for first year Education students. The final product of this Project was an informative text about the educational system of a country other than Spain. The aim was for students to work through the three stages of the entire writing process (text preparation, textualization and revision) to acquire the necessary skills to be effective writers. This project, based on team work, was carried out through face-to-face and online sessions. The result was satisfactory, above all, in two ways: on one hand, the students discovered and practiced all the different stages involved in the writing process. On the other hand, they learned to work as a team in a virtual environment. Additionally, they practiced/implemented different digital tools and skills that will serve them in their academic and professional futures.

**Keywords:** writing, projects, hybrid, teaching, writing, informative, text

## Reconstruction of Cliché Image of Oriental Woman in Mohsin Hamid's *Exit West*

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### Abstract

This paper attempts to hold a mirror to the existential struggle of an immigrant Muslim woman who is trying to survive on her journey to the west. Mohsin Hamid presents Nadia as one of the main characters in his 2017 novel *Exit West*. The paradox concerning Nadia is that while her preference for wearing a long black robe confirms the western misconstrued image of Muslim women, her actions, her view of the world, of life and of herself definitely refute the ingrained eastern notion of the suppressed, submissive, silenced Muslim woman. According to the dominant western view, oriental women are still under the strict control of the mechanisms of patriarchy. Among the control mechanisms of patriarchal order are traditions, norms, values and religion. However, Nadia does not fall into this western miscategorization of Muslim woman with her strong, rebellious character, and with her freethinking and insight. Indeed, it is Nadia, who safeguards, directs and in a sense, matures Saeed's-the other main character-rather timid and naïve personality. What is unexpected in the journey of these two characters is that the one who is need of identity reconstruction is not the female but the male character, for Nadia does already have a firmly constructed identity and she has no intention to transform either her outfit or her world view for the sake of integrating herself into the western culture. In brief, through the character of Nadia, Mohsin Hamid reconstructs the cliché image of oriental woman. In *Exit West*, Hamid reverses stereotyped gender roles by attributing his female character all the dominant personality traits attached to the male sex.

**Keywords:** Mohsin Hamid, *Exit West*, oriental woman cliché, reversed gender roles

## **Duration of Kidney Failure and Hemodialysis in Causing Sensorineural Hearing Loss**

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### **Abstract**

Chronic renal failure affects all organ systems. Senses are not exception and hearing impairment in this group of patients is very common, particularly sensorineural hearing loss (SNHL). The aim of this study is to evaluate if medium number of months of chronic kidney failure and number of hemodialysis sessions affect hearing in patients with chronic kidney failure. As a transversal methodology we included 65 patients. 21 (32.3%) female patients and 44 (67.7%) male patients. Study was realized in the American Hospital 2 of Tirana during years 2015-2016, 27 (41.5%) patients during 2015 and 38 (58.5 %) patients during 2016. Concerning the results in our study, there is no characteristic connection between level of hearing loss and number of months in hemodialysis. The same result is that there is no characteristic connection between medium number of months of kidney failure and level of hearing loss. There are controversial results in many studies about this correlation but without clear results. We could conclude that sensorineural hearing loss is very common in hemodialysis patients. Sensorineural hearing loss in hemodialysis patients in our study is not affected by the number of hemodialysis sessions and by the number of months with kidney failure. However, many more studies in large groups of patients are needed to arrive in a definitive conclusion.

**Keywords:** sensorineural hearing loss, hemodialysis sessions.