

THE IMPACT OF GREEK CRISIS ON THE ALBANIAN ECONOMY

Dorjana Nano¹, Jola Haska²

¹ University of Gjirokastra “Eqrem Cabej”, Albania. Email: nano.dori@yahoo.com
² University of Gjirokastra “Eqrem Cabej”, Albania. Email: jola_haska@yahoo.com

Abstract

It is widely known that a stronger economy is translated into the more development and prosperity for its society. The term “economic power” does not automatically mean that one country must have all the necessary resources, all the sectors to be developed, high wages, sustainable macroeconomic indicators, etc. Despite all deficiencies, it is considerably essential for a state to know how to manage assets, how to cooperate with the right partners, to make flexible decisions, backup plans, and above all to have a vision. Albanian economy is not a powerful one; therefore it depends on the neighboring countries and its partners. Greece, one of the closest countries of Albania, is experiencing a deep financial crisis and this fact could affect our country. Hence, the question is: What could be the impact of Greek crisis on the Albanian Economy? This study provides a detailed analysis and evaluation of the impact of the Greek crisis on the Albanian economy. It is mainly focused on some direct indicators such as: remittances, foreign direct investments and the external trade. The objectives of this research are: i) firstly, to investigate the economic and social impact of the Greek crisis on our economic and social development; ii) secondly, to forecast what could be more in the future; and iii) finally, to draw conclusions and provide some recommendations for policymakers. The data provided for this research cover the last five year period (2010-2015). Results suggest a substantial diminishing of the economic Albanian indicators as the consequences of the Greek crisis. Findings of this research could be valuable for government and businesses in order to take relevant measures for preventing the negative impact and promoting the best one. In addition, individuals could benefit from the results of this study, in order to know how to become cautious and smart consumers.

Keywords: *Greek Financial Crisis, Economy, Albania.*