



# The Albanian Community in the United States

## Statistical Profiling of the Albanian-Americans<sup>\*</sup>

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## Executive Summary

When the Albanian Communist regime fell in 1991 - 92, many Albanians saw their future outside the borders of Albania. At that time in history, no one anticipated the scale of migration that would take place in the subsequent two decades. Today, one third of Albania's 1991 population lives abroad. Most of these migrants live and work in neighboring Greece and Italy. The third most popular destination is however the United States. Besides this new wave of migrants, the US has an old Albanian diaspora – the offspring of migrants who came to the US between the First and the Second World War. This is what mainly gives rise to the second generation Albanian-Americans.

To the best of our knowledge, there is currently no systematic documentation of the socio-demographic and economic characteristics of the Albanian community in the US. To bridge this gap, we use data from the American Community Survey 2012 and analyze these characteristics. The profiling could be of interest for anyone who focuses on the Albanians abroad – the Government's Programs dealing with diaspora and migration issues, researchers interested in migration questions, the Albanian Community Organizations in the US or the diaspora members themselves.

We find that the first and the second generation Albanian-Americans have distinctive features. The first generation (those who arrived after the fall of Communism) is more educated than the non-Albanian Americans with comparable demographics. This is particularly true of Albanian women. The education of the second generation resembles more closely the US population with comparable demographic characteristics.

Despite the qualification advantage, first generation Albanian-Americans earn much less than non-Albanian Americans with comparable socio-demographic characteristics. We find that this is not associated with being Albanian *per se* but with being an immigrant more generally. The migrant-native gap narrows down with time spent in the US. An important channel through which the current gap is maintained is qualification mismatch. We observe that first generation Albanian-Americans are over-represented in occupations requiring little skills and under-represented in occupations requiring medium and high skills, in direct contrast to them being more educated than non-Albanians.

When it comes to the earnings of second generation Albanian-Americans, the situation is more nuanced. The low skilled Albanian-Americans earn significantly more, and the highly skilled Albanian-Americans earn significantly less than the non-Albanian Americans with comparable socio-demographic characteristics. We currently do not have a straightforward explanation for this pattern.

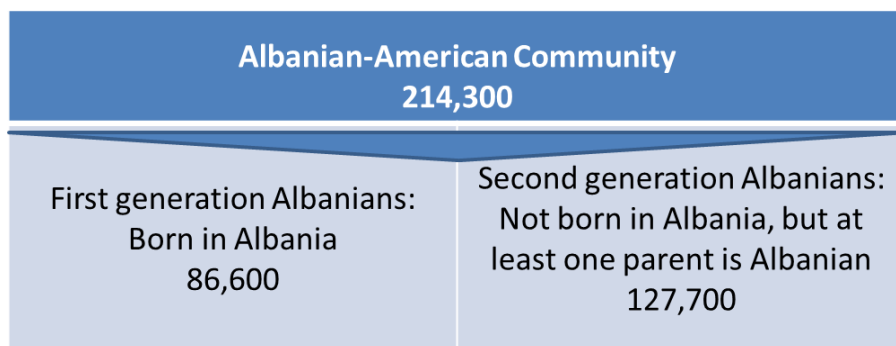
The Albanian population in the US is highly concentrated in a few states: New York, Michigan and Massachusetts account for almost 60% of all Albanian Americans. The community in Massachusetts is the best educated; best employed and has the highest earnings among the three, but is also the oldest one in terms of demographics. However, due to its sheer size (over 60,000 Albanian-Americans), New York is the host of most Albanians with BA degree (about 10,000). New York also hosts the largest number of high earning Albanians (about 1,800 earn at least \$100,000 a year).

## Defining the Albanian-American Community

We use two demographic characteristics to define the Albanian-American community: (a) whether a person was born in the Republic of Albania, or (b) whether a person declares his or her first or second ancestry to be Albanian. Ancestry can refer to national or ethnic identity. We distinguish between first and second generation of Albanian-Americans. The first generation is constituted by all Albanian-Americans whose country of birth is the Republic of Albania. First generation ethnic Albanians who emigrated from the Republic of Kosovo, the Republic of Macedonia or other places in the Balkans are not part of this group. The second generation Albanian-Americans is composed of US residents who were not born in Albania, but have Albanian ancestry (first or second). At the same time, the definition may include second generation Albanian-Americans from other places in the Balkans as long as they define one of their ancestries as Albanian.

The data for this study comes from the American Community Survey (ACS) 2012, as provided by the IPUMS-USA (Ruggles et al. 2010). The ACS 2012 is a one percent random sample of the USA population in 2012. Completing the survey is mandatory for the surveyed individuals, which safeguards from problems of self-selection. The survey is administered by the U.S. Census Bureau.

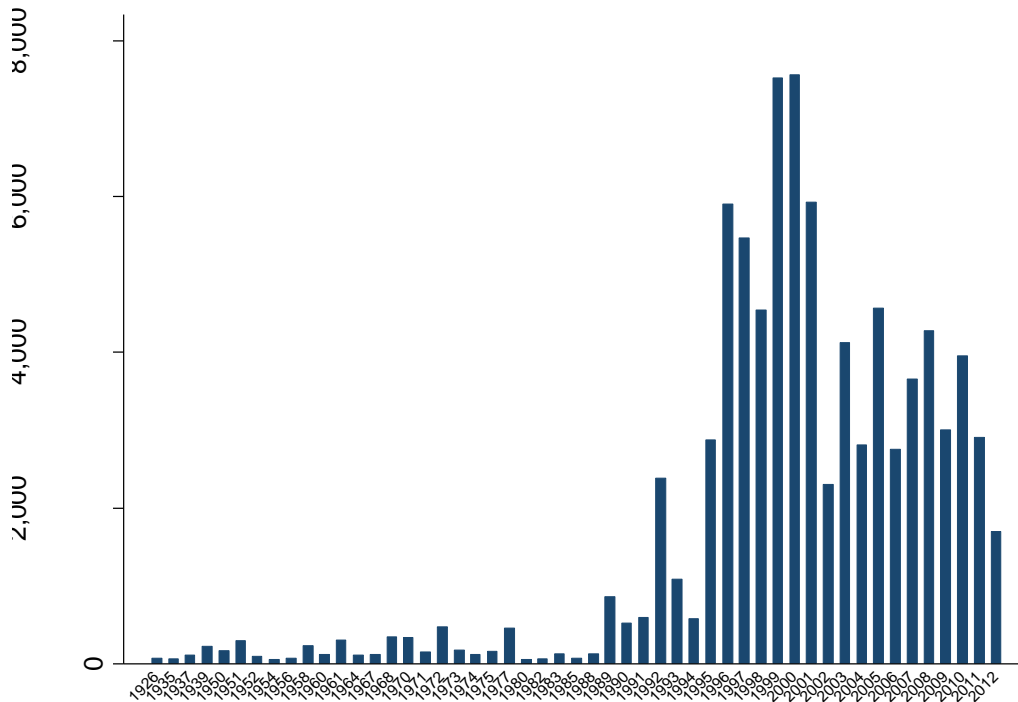
Using the above definitions, according to the ACS, in 2012, there were 86,600 first generation Albanian-Americans in the USA and 127,700 second generation Albanian-Americans. This is a total of 214,300 Albanian-Americans (Figure 1). For the reasons discussed above, this group mainly represents the Albanian-Americans stemming from Albania.<sup>1</sup> The total community of ethnic Albanians in the USA is probably much larger. Nazi (2000) gives an unofficial estimate of between 250,000 and 500,000 Albanian-Americans in 2000.



**Figure 1: The Size of the Albanian-American Community**

Most of the first generation Albanians immigrated to the US in the 1990s and 2000s (94%); 36% immigrated in the 1990s and 47% in the 2000s (see Figure 2).

<sup>1</sup> Ragaru and Dymi (2010) name additional reasons for the undercounting of the Albanian-American community: “For at least two reasons – first, some of them came as illegal migrants and have not been officially registered; second, Albanians from Montenegro, Kosovo and Macedonia – whose citizenship was Yugoslavian until the break-up of the Federation - often hesitate between declaring themselves as Yugoslavians, as Turks or as Albanians.” (Ragaru and Dymi 2010, p. 8)



**Figure 2: Distribution of first generation Albanian-Americans by year of immigration in the USA**

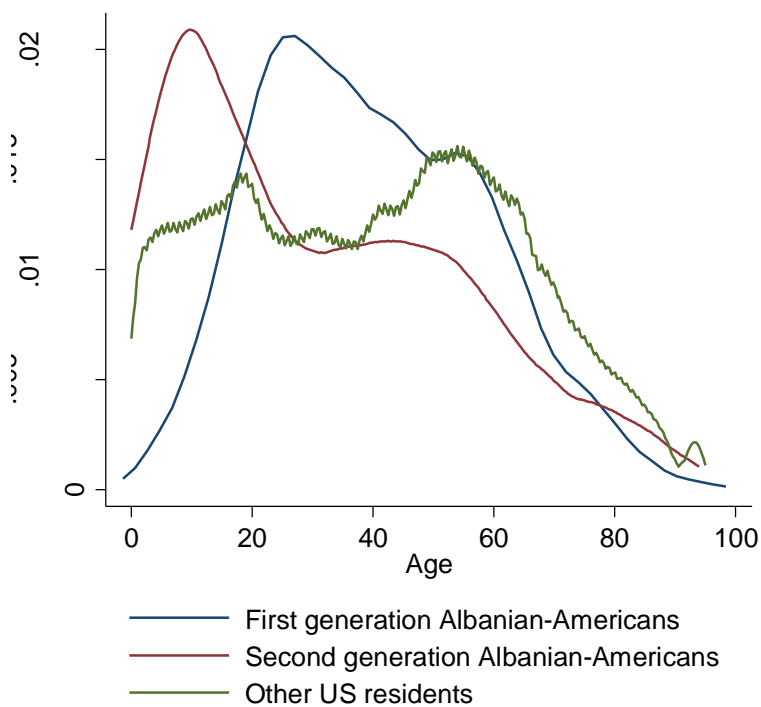
The second generation Albanian-Americans is composed of immigrants to the USA before and after World War II. The early Albanian-American immigrants came to the USA as guest workers in the late 19<sup>th</sup> century (Nagi, 1988, p.35). More significant Albanian communities were built in the 1920s and the 1930s when whole families from the southern part of Albania immigrated (Nagi 1988, p. 52). After World War II, under the regime of Enver Xoxha, Albanians from Albania were not allowed to leave the country. Hence, most ethnic Albanians who immigrated to the USA during Enver Xoxha’s rule come from elsewhere. It is important to bear in mind that the second generation also encompasses the children of those who immigrated after the fall of the communist regime in the early 1990s.

## Socio-Demographic Characteristics of the Albanian-American Community

The average age of the first generation Albanians is 40, while the average age of the second generation is 29 years. The first generation is therefore on average somewhat older than the non-Albanian Americans, while the second generation is significantly younger (Table 1). Figure 3 clearly shows that the first generation Albanians is overrepresented among the prime age (25-54 year old) residents, most likely because they have come to the US either for the purpose of obtaining college education or for work. On the other hand, the second generation shows a high density of children and youth. A large part of this second generation is probably the offspring of post-communism Albanian migrants.

**Table 1 Average age and gender by group**

	Average age	% Male
First generation	39.8	52.7%
Second generation	29.3	51.7%
Total community	33.5	52.1%
Non-Albanian Americans	37.7	49.2%



**Figure 3: Age distributions by group**

53% of the first generation Albanians and 52% of the second generation Albanians are male. This stands in contrast with the non-Albanian Americans among whom only 49% are male.

With almost 32% of the first generation Albanian-Americans older than 25 having gained a Bachelor’s degree or higher, this group is better educated than its non-Albanian American counterpart. With only 26.5% highly educated, the second generation, on the contrary, scores below the educational achievement of the non-Albanian Americans (Table 2).

**Table 2 Educational attainment by group**

	First generation	Second generation	Non-Albanian Americans
No schooling	2.1%	3.1%	1.4%
Elementary	12.0%	18.3%	12.3%
High school/GED	33.6%	33.0%	28.0%
Associate/professional degree	20.4%	19.1%	29.1%
Bachelor's	22.5%	17.9%	18.1%
Masters	8.1%	8.3%	9.8%
PhD	1.2%	0.3%	1.3%
Share with BA or higher	31.9%	26.5%	29.2%

However, one may derive wrong conclusions solely by looking at the educational composition of the groups. In order to learn if Albanian-Americans are better or worse educated than their non-Albanian counterparts, we need to compare groups with similar demographics, i.e., age, gender and race. Hence, in Tables 3 and 4 we show the differences in educational attainment as measured by the share of those with Bachelor’s degree or higher between the Albanian-Americans and non-Albanian Americans. We make sure that each of the two groups has identical distributions in terms of age and gender.<sup>2</sup> Since Albanians belong to the white race, we only compare them against other white American residents. Table 3 shows the differences between the first generation Albanian-Americans and their non-Albanian statistical twins, while Table 4 shows the differences between the second generation Albanian-Americans and their non-Albanian statistical twins. The column “t-value” indicates if a difference is statistically significant. We say that a difference is statistically significant when the difference in our outcome of interest between two groups of interest is statistically different from zero. If a difference is not statistically significant despite registering a positive (or negative) difference, we cannot conclude that that difference is statistically different from having no difference at all (a difference of zero). For our sets of samples, t-values of over 1.28 indicate statistical significance.

The results for all Albanian-Americans in Table 3 suggest that the first generation Albanian-Americans is significantly better educated than the non-Albanians of comparable age, race and gender. Interestingly, once we start comparing within same-gender groups, we find that the male Albanian-Americans have identical educational attainment as the non-Albanians of same age and race and that the entire

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<sup>2</sup> This analysis is based on exact matching of each interviewed member of the Albanian community with a single member of the non-Albanian community in the USA, such that the two are statistical twins in terms of their gender, race and age.

difference in educational attainment we observe is due to the much higher educational attainment of Albanian-American women.

We do not find such striking educational differences when comparing same demographic groups of second generation Albanian-Americans and non-Americans (Table 4). The second generation is slightly, but not significantly better educated than their non-Albanian demographic twins. This holds when we compare groups within the same gender.

**Table 3 Educational attainment (percent with Bachelor’s or higher degree) of the first generation Albanian-Americans for groups of equal age, race and gender**

	Non-Albanian Americans	First generation Albanian-Americans	t-value
All	25.8%	29.7%	1.66
Males	25.4%	25.4%	0.00
Females	26.3%	34.6%	2.36

**Table 4 Educational attainment (percent with Bachelor’s or higher degree) of the second generation Albanian-Americans for groups of equal age, race and gender**

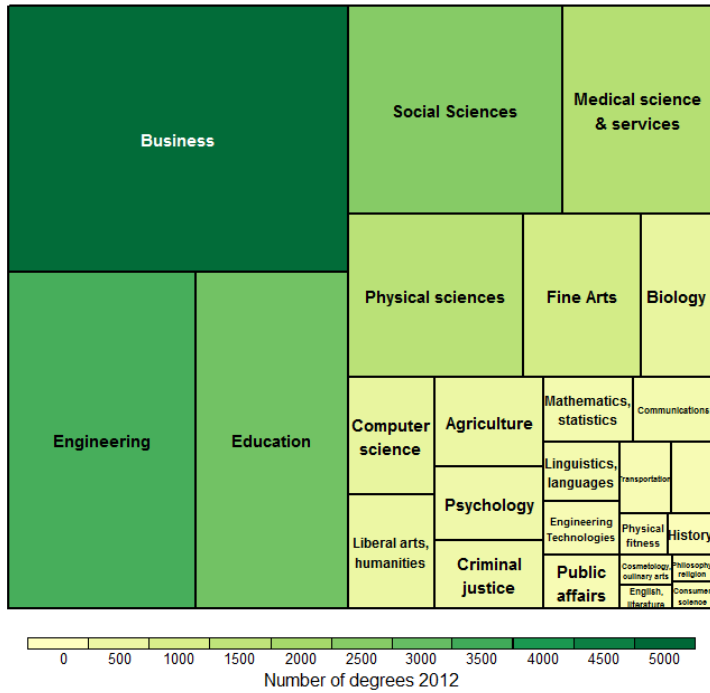
	Non-Albanian Americans	Second generation Albanian-Americans	t-value
All	17.0%	18.7%	1.00
Males	16.4%	18.6%	0.91
Females	17.7%	18.9%	0.50

Next, we study the educational fields of the Albanian-Americans with college degrees or higher. We find that these individuals mainly study business, followed by engineering, education and social sciences in the case of the first generation; and followed by education, social sciences and engineering in the case of the second generation (Figures 4a and 4b).

Among the first generation, there are about 5,000 Albanian-Americans with business degrees, about 3,500 with engineering degrees, 2,800 with degrees in education, 1,500 with social sciences degrees and 1,700 with medical science degrees. Among the second generation, there are about 3,500 Albanian-Americans with business degrees, about 1,500 with engineering degrees, 2,600 with degrees in education, 2,200 with social science degrees and about 1,000 with degrees in medical science.

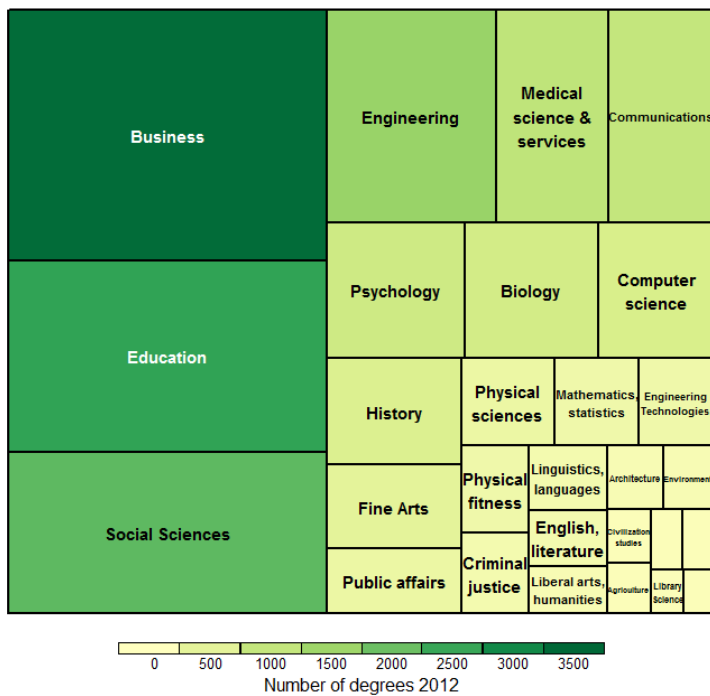
As a next step we study the educational specialization of Albanian-Americans. We say that a group is specialized in a certain educational field if its share of graduates in that field is higher than the field’s share in the total USA population of university graduates. For instance, if 10 percent of all college graduates study business and 13 percent of all Albanian-Americans study business, the specialization of Albanian-Americans in the field would be  $0.13/0.10$  or 1.3. Hence, specialization values above one suggest over-specialization and specialization values below one suggest under-specialization in the field.





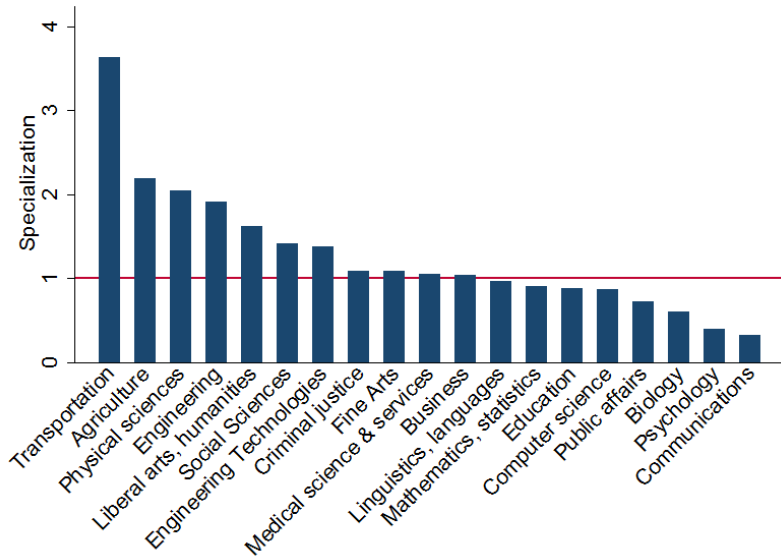
**Figure 4a: Educational field composition of the first generation Albanian-Americans**

*Note:* We only include those with Bachelor’s degree or higher. The total surface of the tree map adds up to 100% of the first generation college graduates. The size and the color of each parallelogram are proportional to the shares of each group in the total number of college graduates.



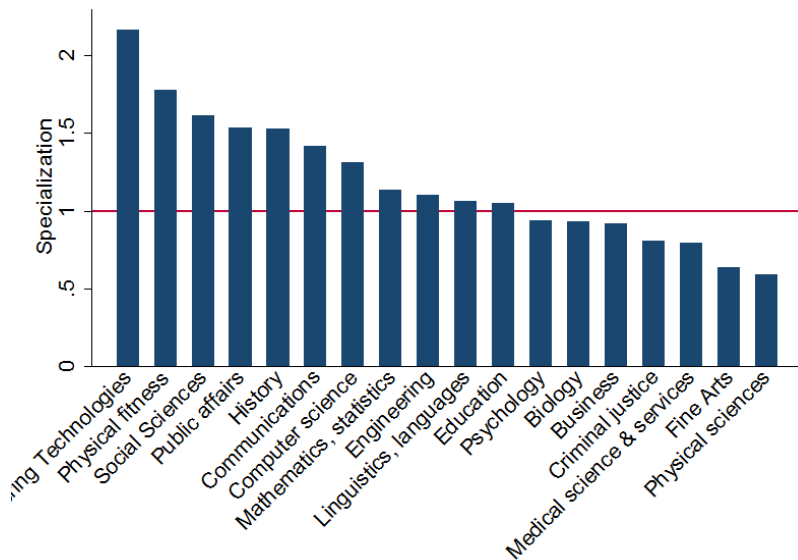
**Figure 4b: Educational field composition of the first generation Albanian-Americans**

Using this logic, Figures 5a and 5b show the educational field specializations of the first and second generation Albanian-Americans. As we can see in Figure 5a, the first generation is overrepresented in the fields of transportation, agriculture, physical sciences, engineering (including engineering technologies), liberal arts and humanities and in social sciences. The second generation (Figure 5b) is overrepresented in the fields of engineering technologies, physical fitness, social sciences, public affairs, history, communications and computer science.



**Figure 5a: Educational field specialization of the first generation**

Note: We only include educational fields which have at least 200 first generation Albanian-American graduates.



**Figure 5b: Educational field specialization of the second generation**

## Labor Market Characteristics

Both generations Albanian-Americans have slightly better employment rates than other US residents. The first generation, probably due to its prevalence among the prime age population, has much higher labor participation rate. The self-employment rate of the first generation is comparable to the one of the other US residents, while the one of the second generation is significantly higher. This difference is striking and deserves further investigation. We would like to find out if Albanian-Americans are still more likely to be self-employed after we have controlled for certain characteristics that typically affect the self-employment chances such as age, gender, race, educational attainment and place of residence. For those who have certain educational specialization, we would like to control for it too, since self-employment rates are profession-specific. Table 6 shows the results of such an analysis.

The results in the table show comparisons of the self-employment rates between the following groups: (a) First generation Albanian-Americans with less than a BA degree and their non-Albanian statistical twins, (b) First generation Albanian-Americans with at least a BA degree and their non-Albanian statistical twins, (c) second generation Albanian-Americans with less than a BA degree and their non-Albanian statistical twins, (b) second generation Albanian-Americans with at least a BA degree and their non-Albanian statistical twins. We find that after controlling for such characteristics, the differences between the groups diminish. Hence, second generation Albanian-Americans are in general not more prone to starting businesses than the non-Albanian-Americans. The reason why this appears to be so is because the two groups differ in observable characteristics such as age or level of education.

However, once we control for a number of observable characteristics, we notice a significant difference in the self-employment rates between the highly skilled first generation Albanian-Americans and their non-Albanian counterparts. Here, the Albanian-Americans are far less likely to be self-employed (8.1%) than the non-Albanians (12.5%).

**Table 5 Unemployment, labor market participation and self-employment by group**

	First generation	Second generation	Non-Albanian Americans
Unemployment rate	8.8%	8.9%	9.3%
Participation rate	71.0%	60.7%	63.9%
Self-employment rate	9.6%	11.6%	9.2%

**Table 6 Self-employment rates by group and skill level after matching on observables**

	First generation		Second generation	
	less than BA	BA or higher	less than BA	BA or higher
Albanians	12.2%	8.1%	14.0%	9.7%
Non-Albanian Americans	13.7%	12.5%	10.7%	10.4%
t value	0.51	1.29	1.10	0.20

*Note:* observable characteristics are age, gender, race, educational attainment and state of residence. For those with BA degree or higher we additionally match on field of education.

While the first generation Albanian-Americans on average earn significantly less than the non-Albanians, both in terms of wages and in terms of non-wage income, the second generation Albanian-Americans earn similar wages and higher non-wage income (Table 7).

**Table 7 Income by source and group**

	Wages		Non-wage income		Total income	
	Mean	Median	Mean	Median	Mean	Median
First generation	33,000	25,000	3,400	0	36,400	26,200
Second generation	39,300	30,000	6,200	0	45,500	34,000
Non-Albanian Americans	39,200	27,600	5,400	0	44,600	30,400

The question arises if these differences simply reflect differences in the group composition (e.g., age, location or education) or do they persist even when comparing within groups with same demographic characteristics? The latter may point toward lack of integration or even discrimination. Table 8 presents the differences in the earnings between Albanian-Americans and non-Albanian Americans for groups of identical age, gender and educational attainment. Since Albanians belong to the white race, we only include white non-Albanian residents in the comparison group. For the subgroups of highly skilled (those with a Bachelor’s degree or higher), we also make sure that we compare within the same educational fields. The presented t values show if the income differences between the groups are statistically significant or not. Values of 1.29 or higher indicate statistical significance. The comparisons suggest that when it comes to wages, the low-skilled Albanian Americans from both generations earn comparable wages to their American counterparts. However, the highly skilled Albanian-Americans earn significantly lower wages than their non-Albanian statistical twins. The wage differences are striking: about \$17,000 USD in the case of the first generation and about \$19,000 in the case of the second generation. The non-wage income differences most times do not compensate for these gaps. In the case of the first generation, the non-wage differences actually further widen the gap. This becomes clear when looking at the differences in total income. In the case of the first generation, the highly skilled Albanian-Americans on average earn over \$21,000 less annually than their statistically comparable non-Albanian Americans. In the case of the second generation, this difference is about \$17,000. Only the low skilled second generation Albanian-Americans, with a positive difference of about \$4,000, manage to earn significantly more than their non-Albanian American “twins”.

Further analysis (not shown here), shows that these patterns are not specific to Albanians but to immigrants in general<sup>3</sup>. The longer migrants stay in the US, the smaller the wage gap becomes, suggesting that migrants may need to undergo a period of integration and adaptation before they can be considered equally desirable on the job market.

<sup>3</sup> We estimated Mincer-type wage regressions for the full ACS sample. The coefficient of being a migrant is negative – ceteris paribus, migrants earn 12% lower wages than non-migrants. Once we control for being a migrant, being Albanian does not add further explanatory power to the regressions. ‘Years spent in the US’ is positively correlated with earnings – each year spent in the US increases wages by 0.6%.

**Table 8 Income differences by income source and group after matching on observable characteristics**

	Wages		Non-wage income		Total income	
	less than BA	BA or higher	less than BA	BA or higher	less than BA	BA or higher
Difference (first generation Albanian-Americans and non-Albanian-American statistical twins)	-1,400	-16,800	-1,700	-4,400	-3,100	-21,300
t-value	0.59	2.44	0.89	1.09	0.86	2.78
Difference (first generation Albanian-Americans and non-Albanian-American statistical twins)	2,300	-18,600	1,800	1,500	4,100	-17,100
t-value	0.86	1.78	0.86	0.34	1.36	1.58

### Choices of Occupation and Industry

Figures 6a and 6b show the occupational composition of first generation Albanian-Americans and second generation Albanian-Americans respectively. Most jobs performed by first generation Albanian-Americans are low-skilled, followed by medium skilled and followed by highly-skilled ones. Also in the case of the second generation we see that most jobs are low skilled. However, a large share of all jobs performed by this group is high skilled. Moreover, the share of medium skilled jobs in the total jobs is higher than in the case of the first generation. In light of the fact that this generation is actually better educated than the second generation, it is intriguing to see such a large share of low skilled jobs. This suggests a significant mismatch between the completed educational level and the educational level needed for the jobs which first generation Albanian-Americans take. The fact that the prime age workers in this generation tend to be younger (Figure 3) is probably one reason for this. Educational and in general skill mismatch is more common among young workers (Nedelkoska et al. 2015). Another reason may be the fact that migrants need to climb a ladder over time to integrate into the labor market of the country of destination (Borjas 1985).

Among first generation Albanian-Americans who are employed in mainly low-skilled jobs, approximately 6,800 are employed in construction and extraction while 6,400 and 6,000 are employed in cleaning and maintenance, and food preparation and serving respectively. For those who are employed in mainly medium-skilled occupations, 6,800 are in sales, 6,200 are in office administrative support and 3,900 are in personal care and service. Among first generation Albanian-Americans who are employed in mainly high-skilled occupations, 3,000 are in management, 2,300 are health professionals and 1,700 are financial specialists.

For second generation Albanian-Americans, among those who are employed in mainly low-skilled jobs, the top three occupations are the same with around 8,600 being employed in food preparation and serving, 5,100 being employed in cleaning and maintenance and 4,000 being employed in construction and extraction. In terms of second generation Albanian-Americans who are employed in mainly medium-skilled jobs, the top three occupations are again the same with first generation Albanian-Americans with 5,900 in office administrative support, 3,200 in sales and 1,700 in personal care and

service. For those who are involved in mainly high-skilled occupations, 7,600 are in management, 2,100 are health professionals and 2,100 are employed in education.

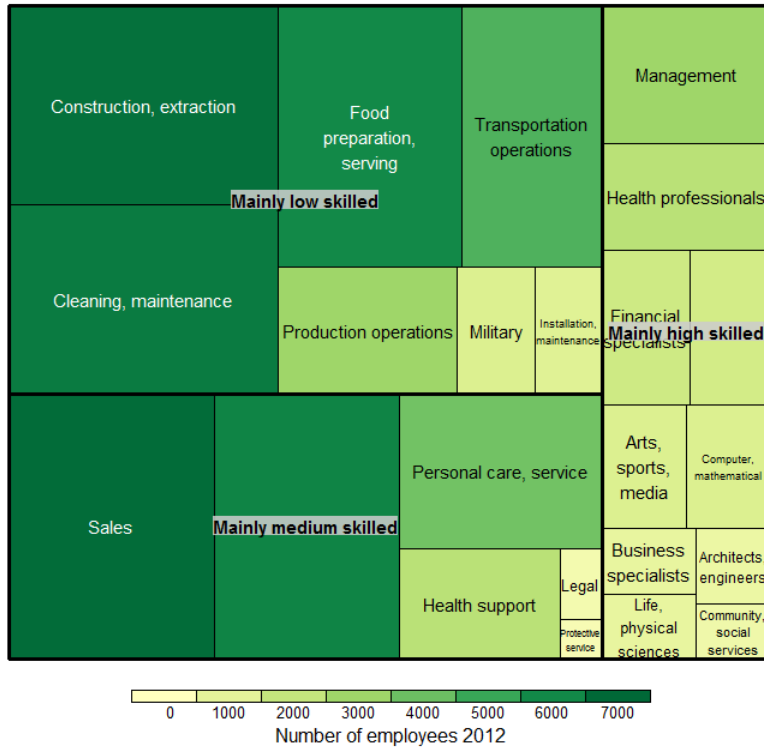
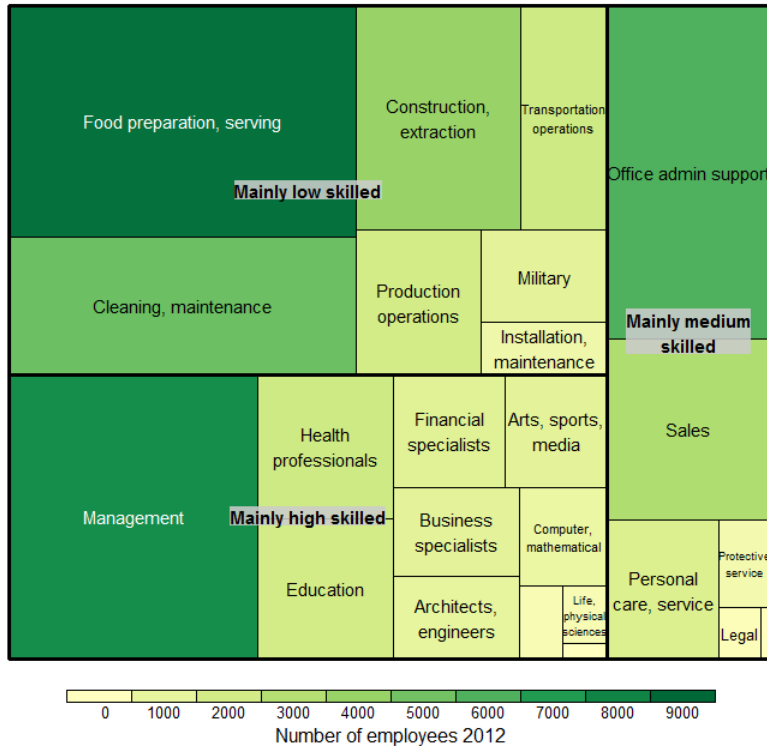


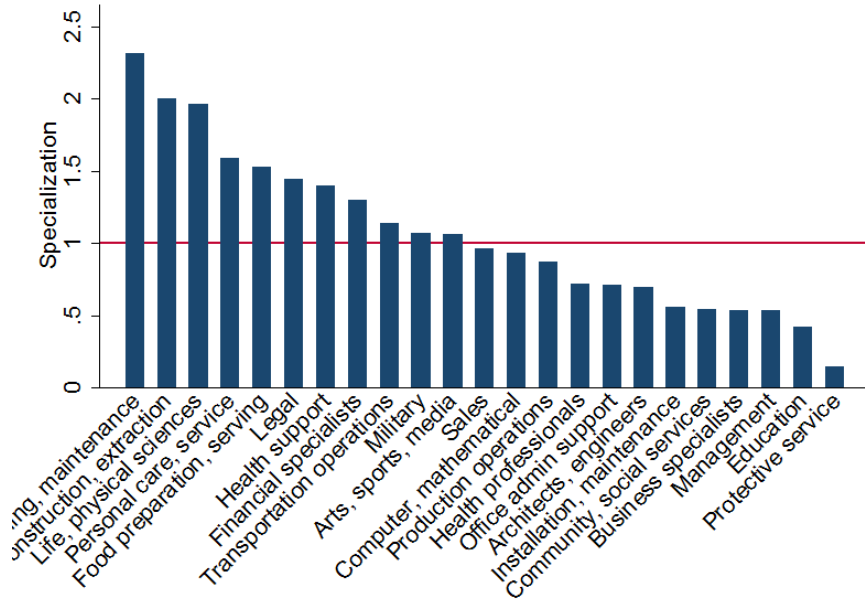
Figure 6a: Occupational composition of the first generation Albanian-Americans



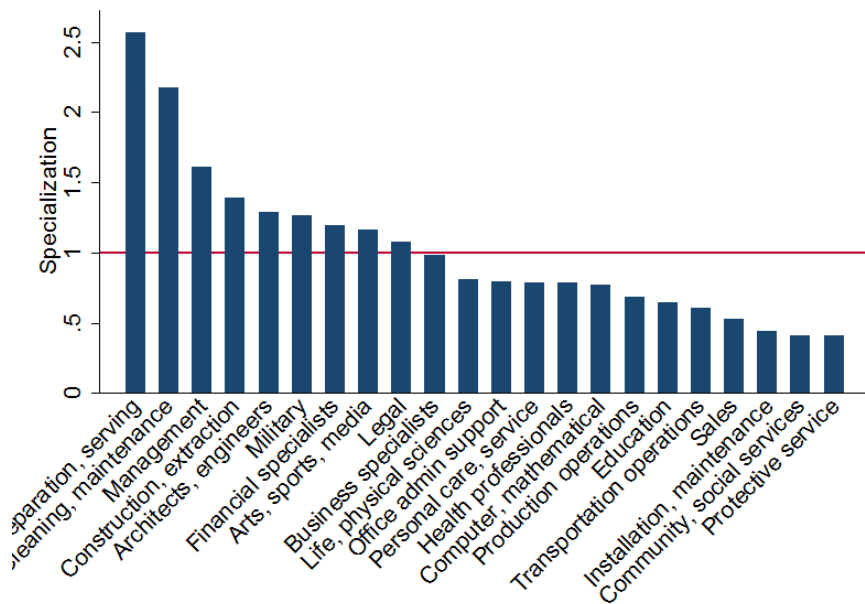
**Figure 6b: Occupational composition of the second generation Albanian-Americans**

As a next step, we study the occupational specialization of Albanian-Americans. We say that a group is specialized, or over-represented, in a certain occupation if its share of people in that occupation is higher than the occupation's share in the total USA population. Recall that specialization values above one suggest over-specialization and specialization values below one suggest under-specialization in the occupation. As we can see in Figure 7a, the first generation is overrepresented in cleaning and maintenance, construction and extraction, life and physical sciences, personal care and service, food preparation and serving, the legal profession and health support occupations. At the same time they are vastly underrepresented in occupations such as protective service, education, management, business, community and social service, all of which typically require at least medium level skills. This picture again shows that first generation Albanian-Americans are over-represented in a number of low skilled and underrepresented in many medium and high skilled jobs despite being relatively more educated than the non-Albanians.

The second generation (Figure 7b) is overrepresented in food preparation and serving, cleaning and maintenance, management, construction and extraction, architects and engineers and in military occupations. It is underrepresented among protective service, community and social service, installation, maintenance, sales, transportation and production operations, as well as education. In contrast to the first generation, the occupations in which the second generation is underrepresented are more often low-skilled.



**Figure 7a: Occupational specialization of first generation Albanian-Americans**



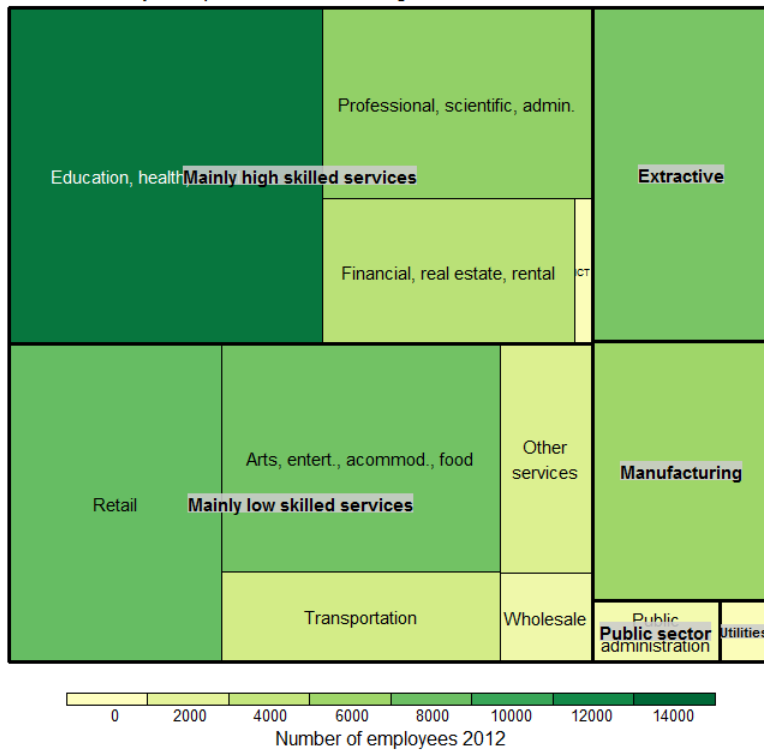
**Figure 7b: Occupational specialization of second generation Albanian-Americans**

In terms of industry, figures 8a and 8b show the industry composition of first generation Albanian-Americans and second generation Albanian-Americans respectively. The first generation Albanian-Americans are relatively concentrated in the mainly high skilled and mainly low skilled services industries, and less concentrated in the extractive and manufacturing industries. This is also true of the second generation Albanian-Americans.

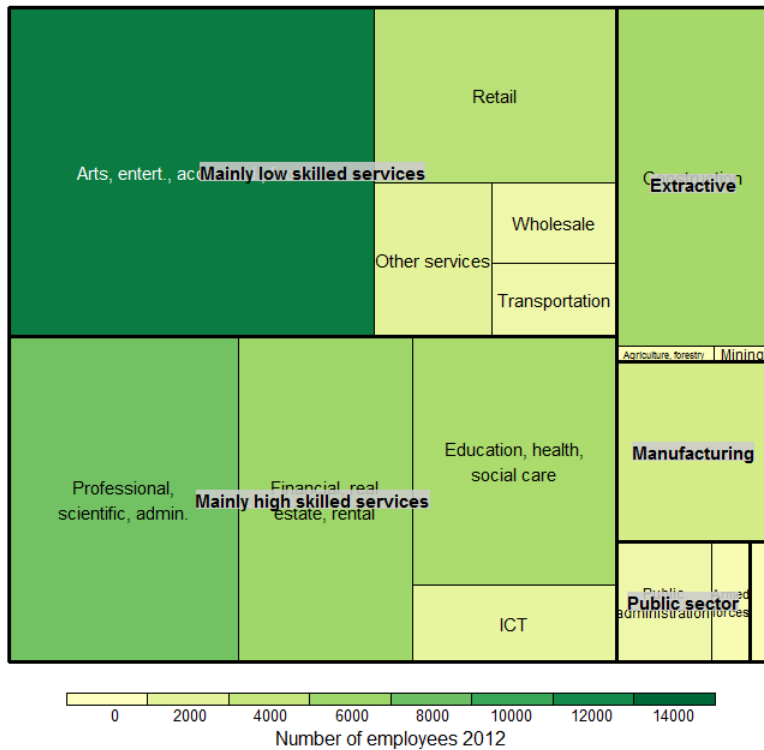


In particular, for first generation Albanian Americans who are involved in the mainly high-skilled services industries, 13,200 are in education, health and social care, 6,500 are in the professional, scientific and administration industry, and 4,600 are in the financial, real estate and rental industry. For those in the mainly low-skilled services industries, 8,500 are in retail, 8,000 are in the arts, entertainment, accommodation and food industry, and 3,200 are in transportation. Those who are in extractive industries are all in construction, numbering 7,500 while those in manufacturing number 5,800.

Among second generation Albanian Americans, for those who are involved in the mainly high skilled services industries, around 7,900 are in the professional, scientific and administration industry, 6,000 are in the financial, real estate and rental industry while 5,400 are in the education, health and social care industry. For those in the mainly low-skilled services industry, approximately 12,800 are in the arts, entertainment, accommodation and food industry, and 4,500 are in retail. Approximately 3,000 are in manufacturing while 5,600 are in construction, comprising nearly 99% of those in extractive industries.

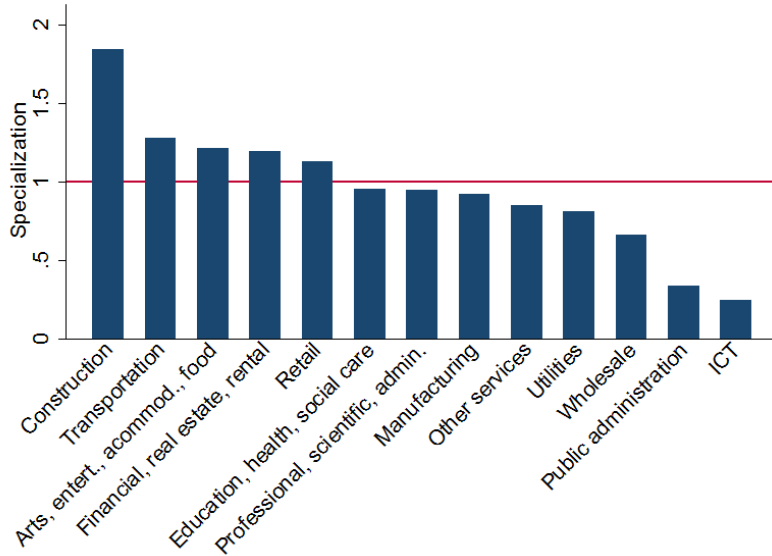


**Figure 8a: Industry composition of the first generation Albanian-Americans**

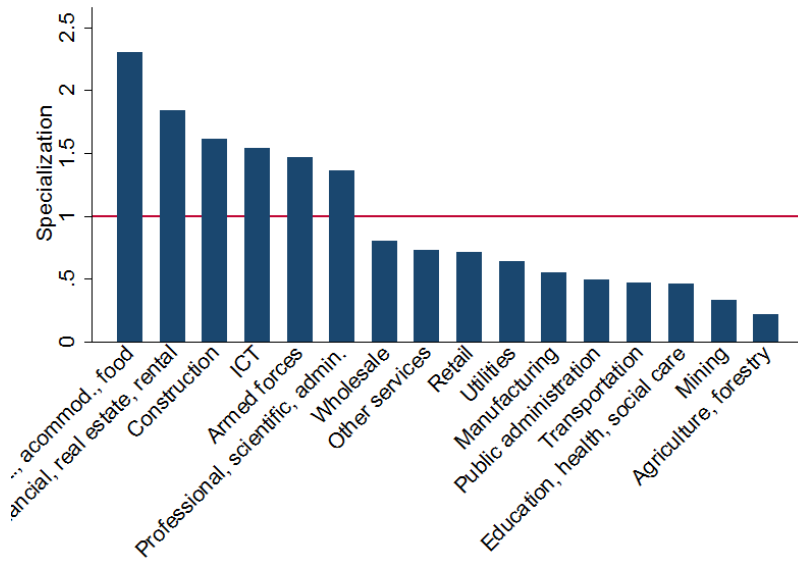


**Figure 8b: Industry composition of the second generation Albanian-Americans**

As a next step we study the industry specialization of Albanian-Americans. Here as well, we say that a group is specialized in a certain industry if its share of people in that industry is higher than the industry's share in the total USA population. Recall that specialization values above one suggest over-specialization and specialization values below one suggest under-specialization in the field. As we can see in Figure 9a, the first generation is overrepresented in construction, transportation, the arts, entertainment, accommodation and food industry, the financial, real estate and rental industry, and in retail. The second generation (Figure 9b) is overrepresented in the arts, entertainment, accommodation and food industry, the financial, real estate and rental industry, construction, ICT, armed forces and the professional, scientific and administrative industry.



**Figure 9a: Industry specialization of the first generation Albanian-Americans**

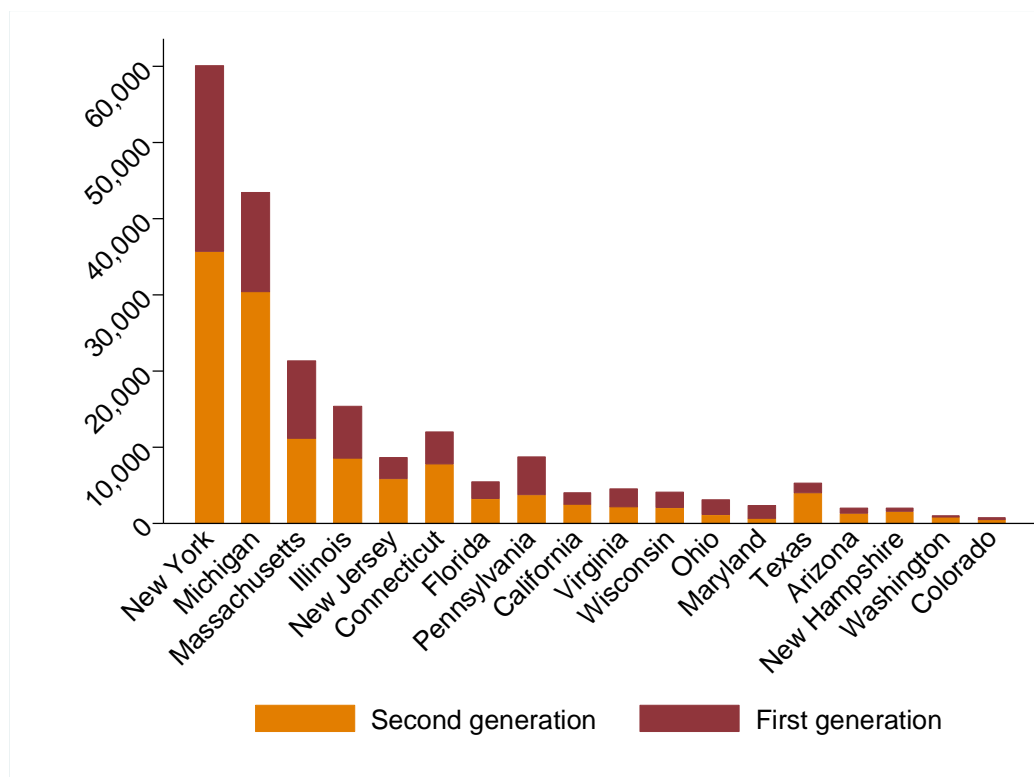


**Figure 9b: Industry specialization of the second generation Albanian-Americans**

## Albanian Communities in the USA

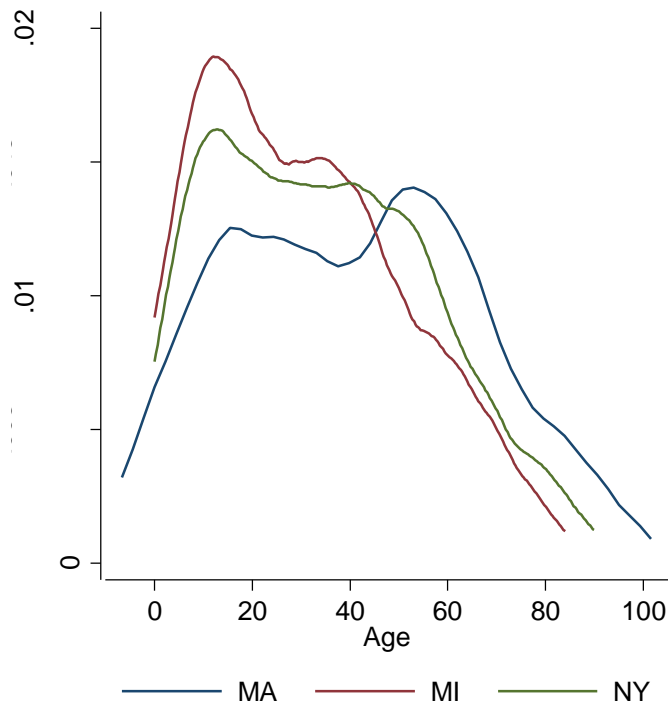
The ethnic Albanian population in the US is highly concentrated in few places. With over 60,000 Albanian-Americans, the largest community is in New York. Some 43,400 live in Michigan, about 21,300 live in Massachusetts, 15,300 live in Illinois and about 12,000 live in Connecticut (Figure 10). In most of these places, second generation Albanian-Americans outnumber the first generation. Exceptions are in Pennsylvania, Maryland and Ohio where the first generation is more numerous than the second. In Virginia, Wisconsin and Colorado, the two generations are equally large.

The three largest communities (New York, Michigan and Massachusetts) account for 58% of the total Albanian-American population. In what follows, we will analyze the main socio-demographic and economic characteristics of these three communities.



**Figure 10: Albanian-American communities in the USA**

In terms of age, the youngest community is in Michigan where the mean age is 29 and the median 26. This is followed by the one in New York, where the mean age is 33 and the median 31. Finally, the mean and the median age of the Massachusetts community are both 39. Figure 11 shows these differences in more detail. It is clear from the figure that the age distribution of Massachusetts is shifted to the right compared to the other two places, indicating a sizeable population over the age of 50. In contrast, New York and in particular Michigan have an extremely high density of Albanian-Americans in their teens and twenties.



**Figure 11: Age distributions of the three largest Albanian-American communities**

The Massachusetts community is by far the best educated one, followed by the one in New York and then followed by the one in Michigan. These differences are not driven by the age differences between the communities. Table 9 shows the number and the share of Albanian-Americans older than 25 with a Bachelor’s degree of higher. Among these, almost 40% of those living in Massachusetts have at least a Bachelor’s degree. This is the case with 25% of the Albanian-Americans in New York and with only 17% of the Albanian-Americans in Michigan. However, due to the size differences of the communities, New York has the largest number of highly educated Albanians (8,800), followed by Massachusetts (5,400), and followed by Michigan (3,800).

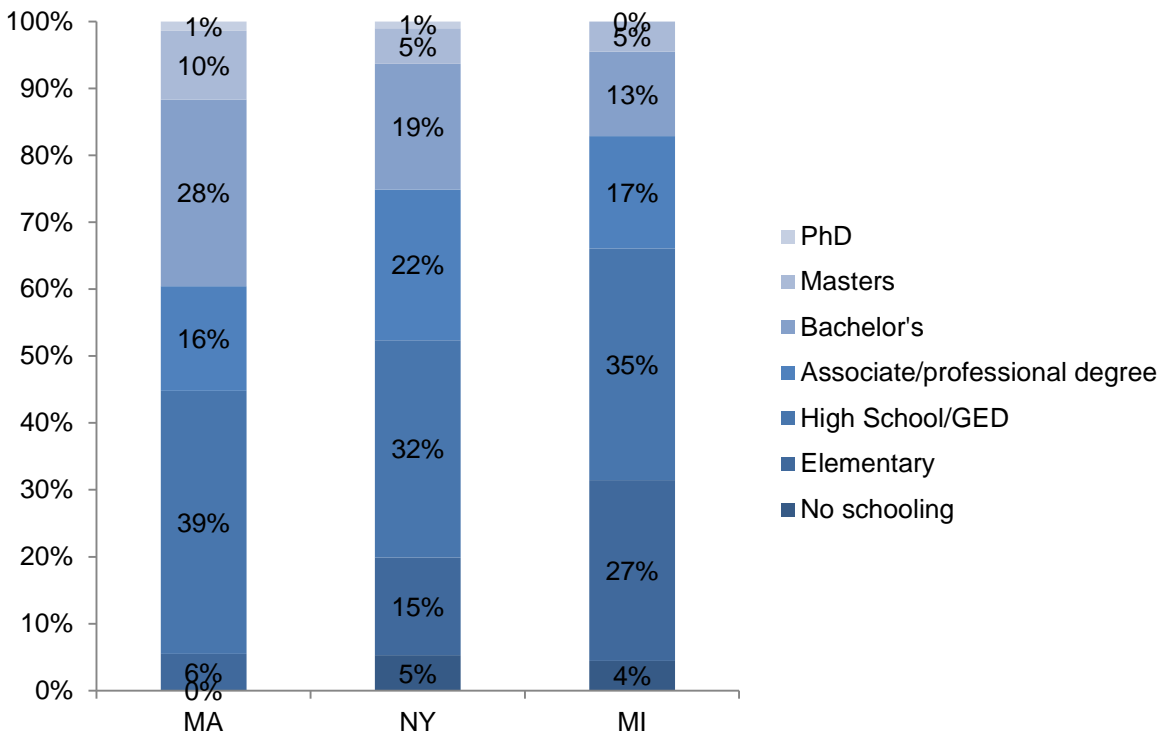
**Table 9 Number and share of Albanian-Americans with Bachelor’s degree or higher by community**

	Bachelor or higher	
	Count	Share
Massachusetts	5,400	39.6%
Michigan	3,800	17.1%
New York	8,800	25.1%

Note: The table only include those older than 25.

Figure 12 gives us further detail about the educational composition of the Albanian-American communities. For instance, while all Albanian-Americans in Massachusetts have some kind of education, in New York and Michigan, 5% and 4% of them respectively do not have any education. Moreover, while

10% of the Albanian-Americans in Massachusetts have a Master’s degree, only 5% of them hold Master’s degrees in both New York and Michigan.



**Figure 12: Educational attainment composition of Albanian-Americans by community**

Figures 13a, b and c show the educational field compositions of the three communities. As in the previous tree map figures, the total surface of the square adds up to 100% or to the full number of university graduates in all educational fields. The size of each parallelogram within the square is proportional to the number of graduates in the educational field. Darker green is also associated with more field-specific graduates. In all three communities, most of those who obtain university education gain a degree in business. This is the case with 34% of all university graduates in Michigan, 31% of all university graduates in Massachusetts and 20% of all university graduates in New York. Engineering is the second most popular educational field in Massachusetts (16%) and Michigan (18%), but not in New York where only 8% graduate with a degree in engineering. Social sciences are popular in New York (15%) and Massachusetts (10%), but not in Michigan where only 1% graduates with a social science degree. Another popular subject is education with 14% of all graduates in Michigan, 11% in New York and only 4% in Massachusetts. This is followed by medical science and medical services, with 8% of those in Michigan and New York and 7% of those in Massachusetts graduating in the field. Communication degrees are very popular in Michigan (13%) while this is not the case at all in Massachusetts and New York. Moreover, with 7% of all graduates, physical sciences are popular in New York but not in the other two locations.

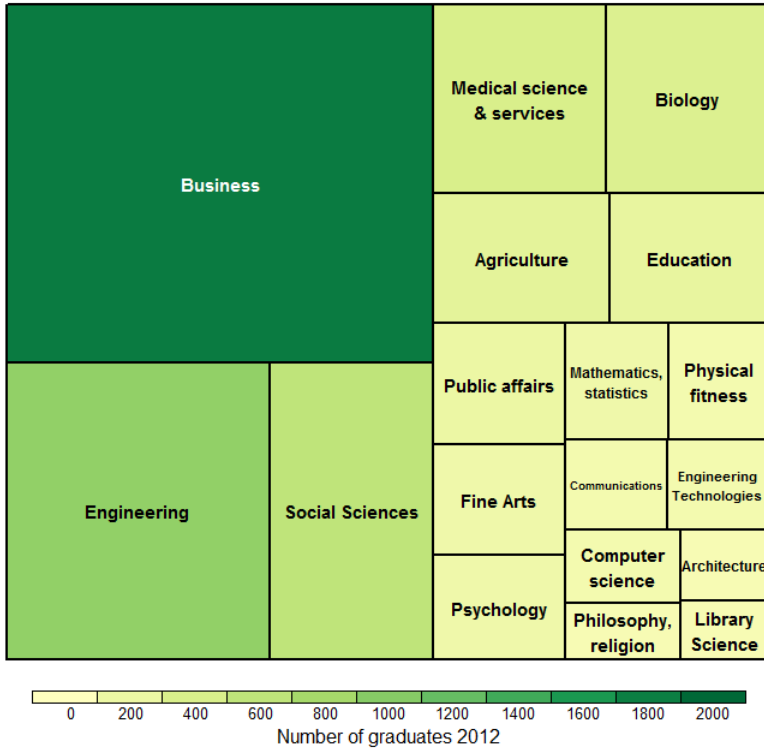


Figure 13a: Educational field composition of the Massachusetts community

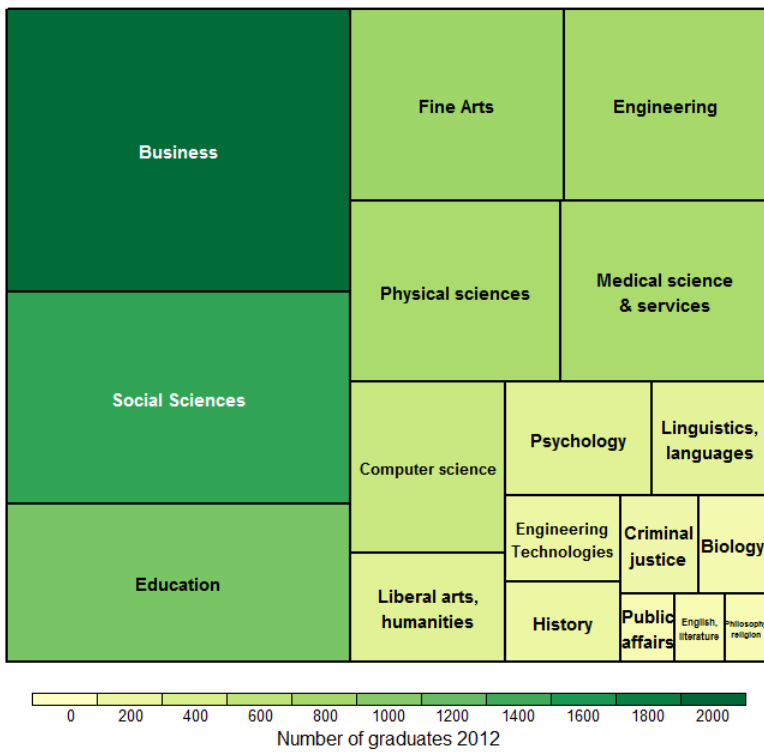
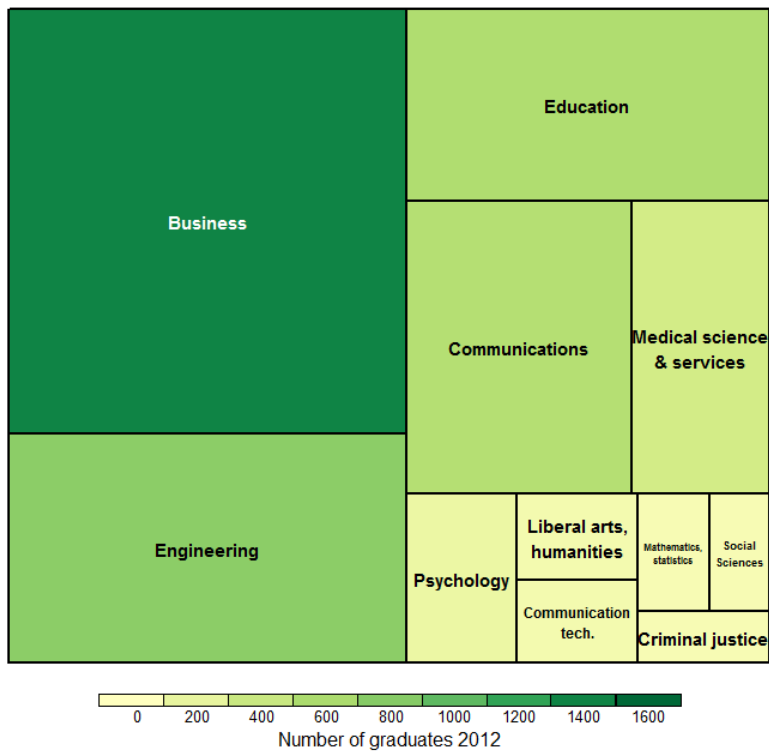


Figure 13b: Educational field composition of the New York community



**Figure 13c: Educational field composition of the Michigan community**

Table 10 shows the unemployment rate, labor force participation rate and self-employment rate for Albanian-Americans in Massachusetts, Michigan and New York. The labor force participation rate is similar between the three states, standing at 65.2% for Massachusetts, 63.4% for Michigan and 62.9% for New York. However, the unemployment rate for Albanian-Americans in Massachusetts, at 5.8%, is substantially lower than the unemployment rate of Albanian-Americans in Michigan and New York at 11.2% and 12.2% respectively. One potential reason for this may be that the proportion of educated Albanian-Americans is higher in Massachusetts, as detailed above, than in New York and Michigan. Another reason comes from the fact that the Albanian-American population in Michigan and New York is significantly younger and younger working-age people are in general more likely to be unemployed. In terms of the self-employment rate, Albanian-Americans in Michigan are substantially more likely to be self-employed, with a 14.6% self-employment rate versus a 5.6% and 6.9% self-employment rate in Massachusetts and New York respectively.

**Table 10 Labor market indicators by community**

	MA	MI	NY
Unemployment rate	5.8%	11.2%	12.2%
Participation rate	65.2%	63.4%	62.9%
Self-employment rate	5.6%	14.6%	6.9%



Table 11 details the income distribution of the Albanian-Americans in Massachusetts, Michigan and New York. In all three cases, the mean of total income is higher than the median of total income, implying that the income distribution is relatively unequal with a small proportion of individuals having particularly high total incomes. Total incomes are highest in Massachusetts with a mean of \$44,400 – potentially reflecting higher education levels. Total income is substantially lower in New York at \$27,900 and lower still in Michigan at \$19,300. Breaking down total income into wages and non-wage income, wage income is highest in Massachusetts at \$37,700, substantially higher than New York at \$23,700 and Michigan at \$16,800. Note that this does not control for observable characteristics such as location, education, age and so on. In all three cases and similar to the distribution of total income, the mean wage is higher than the median wage, reflecting the fact that a small group of Albanian-Americans are getting disproportionately higher wages. For non-wage income, Massachusetts again has the highest mean at \$6,700, followed by New York at \$4,300 and Michigan at \$2,500. Median non-wage income for all three states are 0, indicating that the at least 50% of Albanian-Americans receive no non-wage income and thus, a smaller proportion of the Albanian-American population is the one receiving the bulk of the non-wage income.

**Table 11 Income distributions by community**

	Wages		Non-wage income		Total income	
	Mean	Median	Mean	Median	Mean	Median
Massachusetts	37,700	16,200	6,700	0	44,400	26,300
Michigan	16,800	7,200	2,500	0	19,300	11,700
New York	23,700	10,900	4,300	0	27,900	17,500

Figures 14a, b and c reveal the main reason behind these income disparities: the types of jobs that Albanian-Americans perform in the three locations are drastically different. In Massachusetts, the bulk of the occupations in which Albanian-Americans work are medium and high skilled (Figure 14a). In New York, on the contrary, most occupations in which Albanian-Americans work are low skilled, followed by medium skilled, and only then followed by highly skilled occupations.

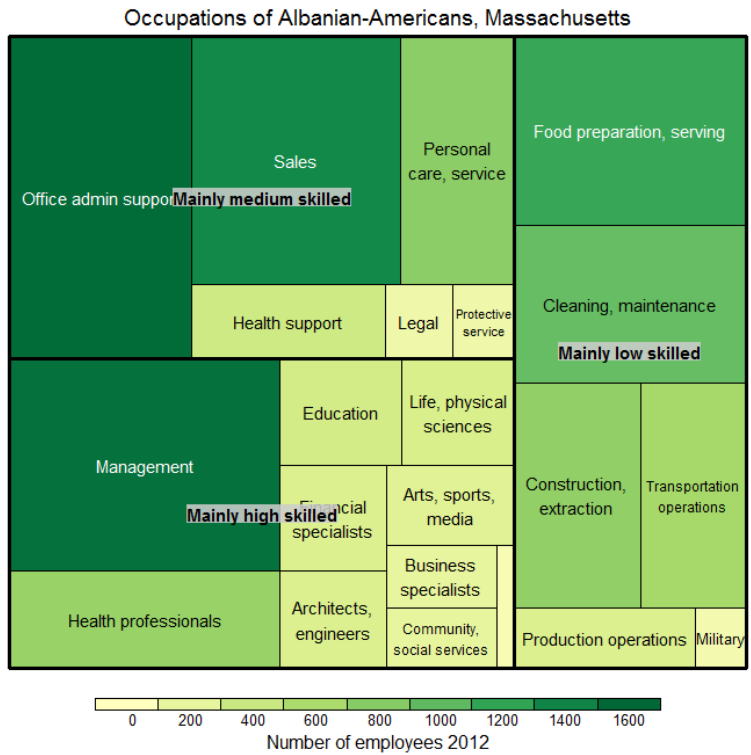


Figure 14a: Occupational composition of the Massachusetts community

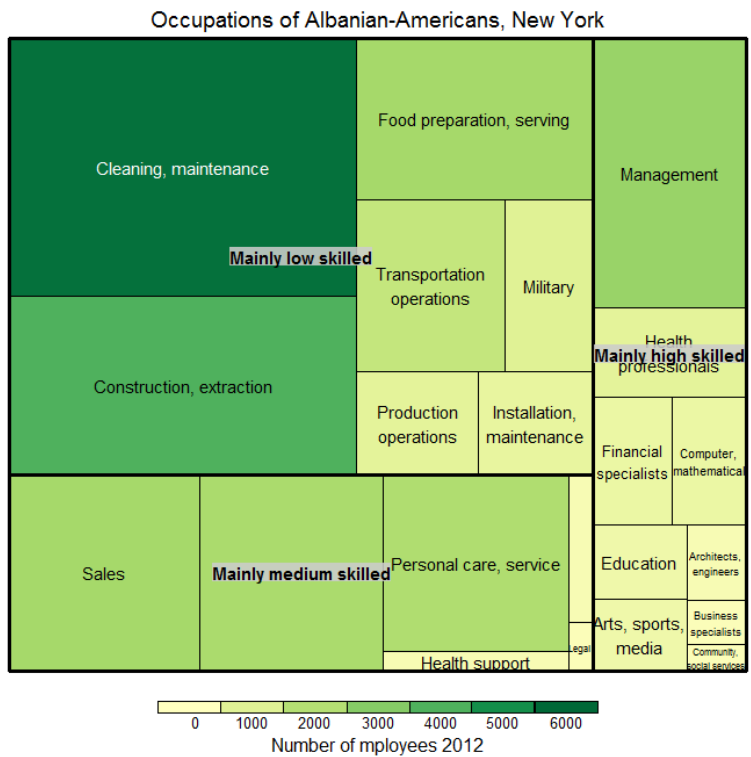
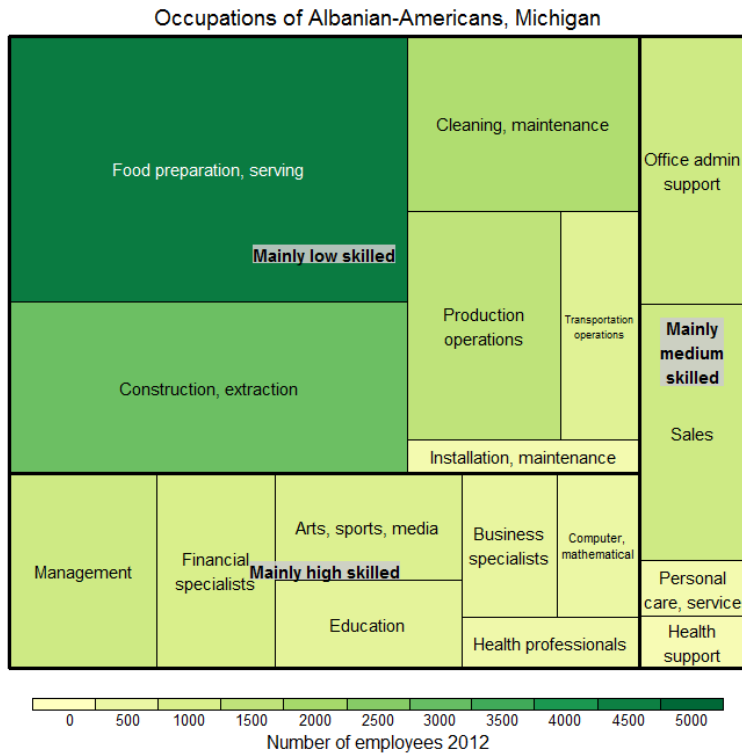


Figure 14b: Occupational composition of the New York community

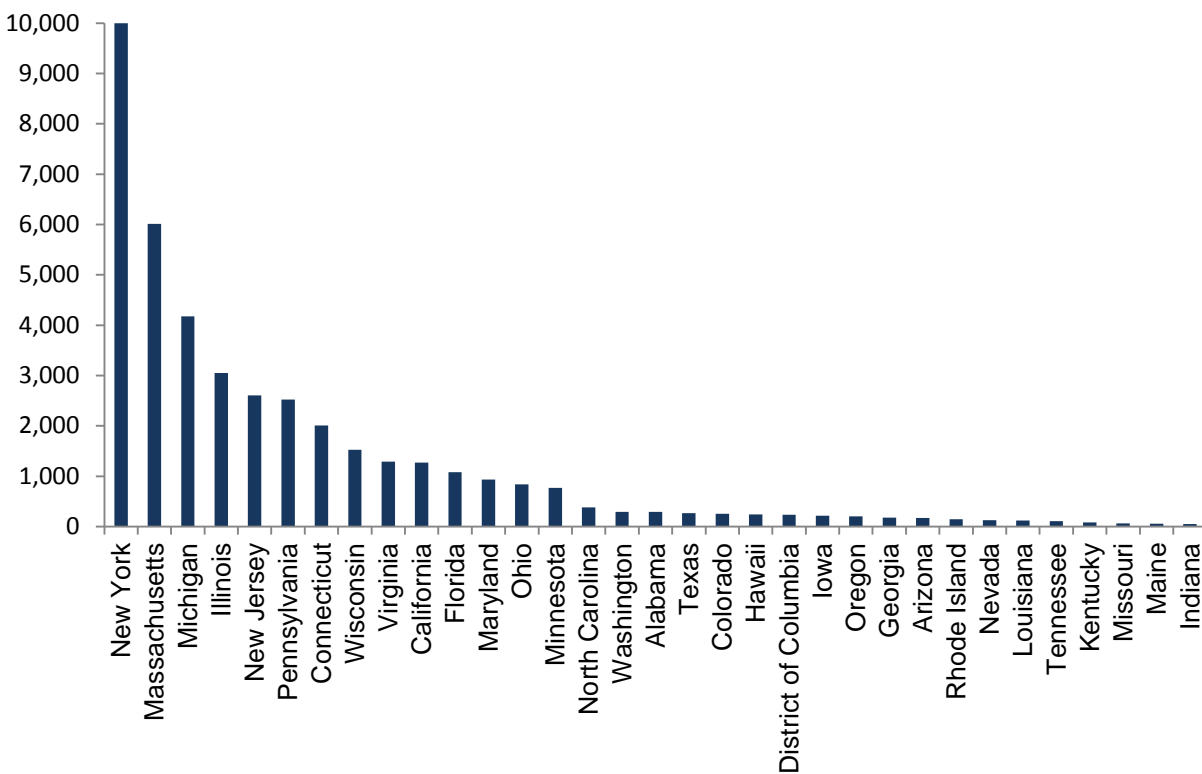


**Figure 14c: Occupational composition of the Michigan community**

## Human and Economic Capital of the Albanian-Americans

When countries design policies for engaging the diaspora in the development of the home country, they need to understand the main assets of their diaspora. We will argue that the Albanian-American community has both human capital and economic capital that could potentially be mobilized for development purposes.

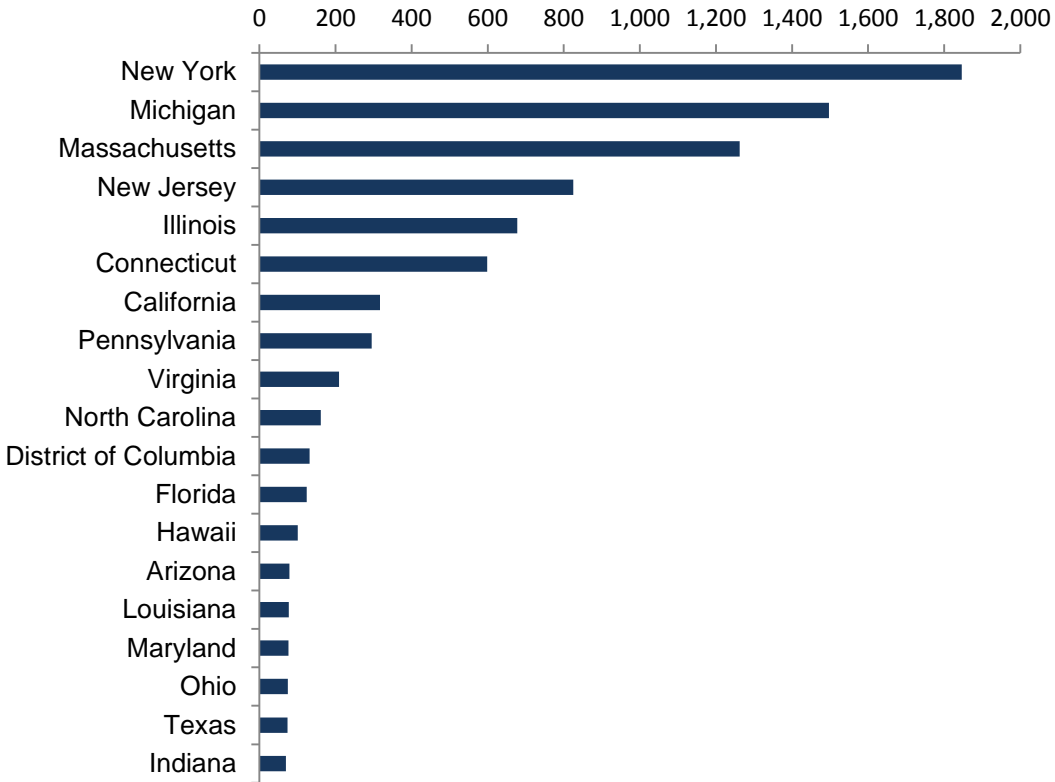
In 2012 there were 41,600 Albanian-Americans with at least a Bachelor’s degree in the USA. Seven states (New York, Massachusetts, Michigan, Illinois, New Jersey, Pennsylvania and Connecticut) host over 70% of these university graduates (Figure 15). There are over 8,000 Albanian-Americans with degrees in business, 1,100 with degrees in computer science, 4,600 with degrees in engineering, 5,600 with degrees in medical science.



**Figure 15: Number of college graduates of Albanian origin by state**

10,500 Albanian-Americans hold some kind of managerial positions in the USA, about 1,900 work as engineers or architects, about 2000 work in IT related jobs and over 4,000 work in health care occupations. 8,500 Albanian-Americans earn at least \$100,000 annually. Most of these live in New York, followed by Michigan, followed by Massachusetts, New Jersey, Illinois and Connecticut (Figure 16).

For a country of the size of the US these numbers are not large, but they are surely significant for a country of the size of Albania. The Albanian-American community could make an impact in the home country, professionally and economically, even if a small fraction of the community engages.



**Figure 16: Albanian-Americans earning at least \$100,000 annually**

## Conclusions

Countries that would like to engage their diaspora and migrant communities in the development of the home region need to first understand the basic characteristics about their communities abroad, such as their location, education, employment and earnings. Such characteristics should help governments understand the professional and economic potential of the diaspora. In the case of the Albanians living abroad, such profiling is absent. In order to address this gap, using data from the 2012 American Community Survey, we map the socio-demographic and economic characteristics of the Albanian-Americans.

The analysis shows a number of distinct features of the Albanian Americans. The Albanian-Americans can be roughly divided into two groups –first and second generation Albanian-Americans. The first generation was born in Albania, but immigrated in the US post 1990. The second generation consists of all Albanians whose parents (or grandparents) immigrated to the US pre-Second World War. The children of the first generation Albanian-Americans are also part of what we call second generation Albanian-Americans.

First generation Albanian-Americans, and in particular the women, are much more educated than the non-Albanian Americans with comparable demographics. At the same time, the education of the second generation resembles more closely that of the US population with comparable demographic

characteristics. Despite the qualification advantage over the other Americans, first generation Albanian-Americans earn much less than non-Albanian Americans with comparable socio-demographic characteristics. One important reason for this unintuitive finding is qualification mismatch. The first generation Albanian-Americans are over-represented in occupations requiring little skills and under-represented in occupations requiring medium and high skills. We furthermore find that this pattern is shared with other migrants. Migrants on average earn much worse than non-migrants *ceteris paribus*. The gap closes the longer one stays in the US.

The Albanian population in the US is highly concentrated in a few states: New York, Michigan and Massachusetts account for almost 60% of all Albanian Americans. In all three communities, the second generation outnumbers the first generation Albanian-Americans. The community in Massachusetts is the best educated; best employed and has the highest earnings among the three, but is also the oldest one in terms of demographics. However, due to its sheer size (over 60,000 Albanian-Americans), New York is the host of the most Albanians with at least a BA degree (about 10,000). New York also hosts the largest number of high earning Albanians (about 1,800 earn at least \$100,000 a year). As such, New York dominates as a center of Albanian professional and economic capital. Massachusetts follows as a place with 6,000 college graduates of Albanian origin and over 1,200 high-earners and Michigan follows with 4,000 college graduates and 1,500 high-earners of Albanian origin.

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