

**INDUSTRIALIZING ALBANIA DURING COMMUNISM
CASE STUDY: ELBASAN 1960-1991**

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Abstract

The communist regimes in various regions of the world have been subject to intense academic interest. To date, scholarly research has nevertheless focused mostly on political aspect, pointing out the lack of civil rights and liberties under communist totalitarian systems. The same case is valid for the study of communism in Albania, as well. A majority of the works on the history of the communist regime in Albania either glorify the regime if they are products of that period, or blame it for its obvious negative sides, if these works have been written after the regime's collapse.

In an effort to overcome this dichotomy, the current thesis focuses on economic history, especially on the industrialization aspect I argue that the Albanian economy underwent a total transformation under communism, especially by switching its profile from an agricultural country into an industrial one, by emulating the Soviet models of industrialization. I have attempted to discover to what extent the Soviet model was implemented in Albania and what was its outcome. In exploring the adaptation of Soviet blueprint to Albanian realities, I have also interviewed former communist leaders of Albania, who nowadays admit mistakes were made in the past, even if they are not fully aware of the high social costs of industrialization. Despite certain, the totalitarian characteristics of the communist regime were present in both cases, the Soviet and Albanian ones, and this is notable in the campaign of industrialization, as well.

In order to have a clear picture of the process of industrialization, the factors and the role of each factor, including the role of the leader, I consulted various sources, written and unwritten ones, from unpublished interviews, archival documents, legislation and to the published books and articles. Hence the use of oral history and

microhistory theories, as I deal in my thesis in national and local level, with the case of Elbasan, were relevant in the material analysis to come to conclusions.

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Introduction

“Albania is a country as old as the Balkans itself, inhabiting the Balkans before the Greek world, the Roman occupation and the Slavic invasion, which survived slavery and which inhaled to be alive, in every part where Albanians struggled for independence and are still struggling as in Kosova”¹. One of the characteristics of Albanian history is the relation to its endless wars for independence, an independence, which would be gained on November 28, 1912. This independence would last for a few months due to the Balkan Wars, which would separate it definitely from some of its territories, such as Kosova, Çamëria, part of Macedonia and part of Montenegro as well. This was the result of the Conference of Ambassadors in London in 1913.

This would not be the last hardship for Albania, as it experienced other war disasters, such as World War I and World War II. The end of the latter had a strong impact on countries in Central and Southeastern Europe. Nevertheless, Albania was involved in World War II due to its invasion and then occupation by Fascist Italy in 1939; later on, Albania was occupied by Nazi Germany experiencing thus two totalitarian regimes. The fight against the Germans led to the creation of the Albanian National Liberation Army followed by the foundation of the Albanian Labor Party (PPSH) in 1941. The leader of these forces was Enver Hoxha, a figure who distinguished himself during the war of liberation. Finally the Albanian army succeeded in liberating Albania on November 29, 1944.

¹ Sheradin Berisha, “Kryengritja Shqiptare e Vjeshtës së Vitit 1913” (The Albanian Appraisal of Autumn 1913) in <http://www.agimi.com>, 2004, (last visited February 2007).

The National Liberation War was the beginning of the charismatic leadership of Enver Hoxha, who later on would be regarded by Albanians as the savior of the country with the partisan forces. All this would lead to the communist take-over and the creation of the new government headed by Enver Hoxha, in which the new leadership would embark on an assiduous campaign of reconstructing and transforming Albania. This campaign was led by Enver Hoxha, who appointed himself to various posts in the new government, such as head of the Central Committee of the Albanian Labor Party (PPSH), Prime Minister from 1944-1954, simultaneously holding the ministry of foreign affairs from 1946 to 1953 and President of Albania. As first secretary of the Party's Central Committee and President of Albania as well he retained effective control of the government until his death.

Albania's economy was revolutionized under Enver Hoxha's long rule, as he aimed at transforming Albania from a semi-feudal country into an industrialized one, which he succeeded in doing. Yet, to date there have been few studies about the economic policy of the Albanian communist regime, especially in the field of industrialization, the existing works focusing mainly on political history. These studies have focused mostly on the negative effects and the control of people's life, the surveillance and the purges as well. The works of various authors have some limitations. For instance Emil Ginar "Shqipëria-Historia 1966-1968" (Albania- History 1966-1968)², who concentrates in a small span of time and writes about the Albanian political life at that period. Edith Durham in "Histori e Letrarizuar Balkanike" (Literary

² Ginar, Emil. "Shqipëria-Historia 1966-1968" (Albania- History 1966-1968), (Tiranë: Naim Frashëri, 1992).

Balkan History)³, sees the Albanian history in a literary way and unfortunately escapes the real history focus. Whereas Nikolas J. Costa “Albania: A European Enigma”⁴ bases his book on the stories told by his grandfather and just one testimony is never enough to write history. Other names that focus only on the negative sides of the regime are: F. Lubonja⁵, R. Papa⁶ who throughout their articles criticize the regime for the purges, the persecutions and the limitations of human rights. Names of the ones who have concentrated just on the political aspect of the communist regime are innumerable. Yet no one to date has attempted to consider the two sides of the communist regime, which as the other systems had its own pros and cons, but which reconstructed Albania in terms of the economy. In the everyday life discussions of people, there are visibly two types, the ones who are nostalgic for the regime and the others that suffered from it. Despite this, the existing common known knowledge about the relations of Albania with the Soviet Union and the economic transformation according to the Soviet examples is still present. In reality this is a topic that needs some consideration as well.

My MA thesis argues that Albania experienced a complete socio-economic and political transformation under communist rule but at a high cost. This transformation was clearly noticeable in the development of industry, as the communist government succeeded in industrializing Albania and in changing the national economic direction making good use of the natural resources. My main directions of research are the

³ Durham, Edith. “Histori e Letrarizuar Balkanike” (Literary Balkan History), (Tiranë: Naim Frashëri, 1995).

⁴ Costa, Nikolas J. *Albania: A European Enigma*, (Boulder: East European Monographs, c1995)

⁵ Fatos Lubonja, “Fatos Lubonja, “Mbi Krimet e Komunizmit” (On the Crimes of Communism) in Përpjeka (Endeavor), January 19, 2007.

influence of the Soviet industrial model in Albania, the legislation on industry in Albania and the development of industry. I have used the comparative method to compare the type of industrialization prevalent in the Soviet Union and in Albania to explain the adaptation of the Soviet models of industrialization to Albania due to the economic and technical aid of the Soviet Union.

While providing a general overview of the industrial development of Albania during communism, I have focused in more detail on the case study of Elbasan, the most industrialized Albanian city. I have concentrated my research on the period of the industrial boom in Albania, especially of Elbasan, from the late 1960s up 1991. This city was selected for the most important branches of industry. The outcome of this regime's plans was the creation of an industrialized town and Elbasan was to be the situation of many industrial state enterprises and factories. This resulted in some significant outcomes for it, like the increase in its economy and the increase of the population number. Elbasan became a clear example of the impact of communist plans. It is a city situated in the center of Albania and the climate and mineral resources were available to make the communist regime concentrate the majority of industrial branches in it and in its surroundings as was the case of Cërrik's petrol refinery.

I have analyzed mainly primary and secondary sources. The primary sources were the archival documents in Elbasan and Tirana in the Political Central Committee archives of PPSH (Albanian Labor Party), as well as documents in the main enterprises or plants during communism. These documents together with the others in

⁶ Robert Papa, "Fokus nga Robert Papa" (Focus from Robert Papa), (A program conducted from him from 1991-2007 in various TV channels).

the Municipality of Elbasan testified the development of these enterprises and simultaneously their administrative structure. The legislation and the decisions made from the Council of Ministers analysis were my focus as well. They demonstrated the way that the process of industrialization was reflected in the political life and the ways they were specified to function in the Albanian constitution.

The other primary source was composed of the live interviews of various authorities. The interview with Mr. Ramiz Alia, Minister, Member of the Politburo and later on President of Albania during this period alleviated my work in revealing the real ways of industrialization of Albania, specified the role of the leader, as well as the engineers. Furthermore, it facilitated the understanding of decision-making and he confessed to some of the mistakes made in the course of following the Soviet Models of industrialization and implementing them in Albania. The other concern of this interview was related to the reasons for choosing Elbasan as the target for industrialization compared to others. The other interviews, such as the interview of one of the Ministers of Industry and the others of the directors of important enterprises shed light on the administrative issues and the position of the directors in the work process. Moreover, they focused on their dependence on the regime and the leader's decision, which they aimed at specifying.

The secondary sources were composed of books in English and in Albanian and additionally the main newspapers published in Albania during the Dictatorship of the Proletariat period such as "Zëri i Popullit" (People's Voice), "Bashkimi" (Unification) and "Shkumbini" (Shkumbini). The books served as a first stimulus on which things to focus attention on and to consider what was written, the way it was judged and the

gaps that need to be filled. The newspaper articles revealed the data of the development of industry in Albania and the way that the development was discussed in political arena.

Albania underwent economic development during the communist regime and all this development was reflected in Elbasan, in which the leaders made good use of its natural resources. This would lead to economic growth due to the decisions taken from the Central Committee of PPSH and the Council of Ministers.

I have divided my thesis into three chapters in accordance with the periodization and aims of my thesis. The first chapter provides some theoretical and methodological aspects about industrialization during communism. The analysis of the methods I have employed and furthermore the existing literature is the focus of this chapter as well. Moreover, as I will consider the Soviet models of industrialization implemented in Albania, I have outlined the Soviet Models first implemented in Soviet Union itself in order that the transportation model can be visible. Hence the nature of these models, the role of the Soviet leaders, the role of the party and the role of heavy industry, pursued by the outcome of these models are the concerns of this chapter. Concluding I have summarized the findings of this chapter in terms of the implementation of these models and the shaping of the territory for the Soviet leaders to employ them as Soviet Union itself implemented them on basis of the observations of its leaders in Western countries.

The study of the industrialization process in Albania during communism in my thesis is reflected in national and local perspective as well. As a result my second chapter is concerned with the national level where I have given an overview of the

economic circumstances of Albania before the establishment of communism. The other concern of this chapter is the role of the leader and the party in the economic policies implemented in Albania. Then the process of industrialization in Albania and its stages occupy the other aspect covered in this chapter. The means of industrialization and the legal and political aspects of industrialization occupy the other part as it would be of academic relevance to observe the way industrialization was discussed politically and reflected in the media and also to take into account the legislation related to the process of industrialization.

The last chapter addresses Elbasan, my case study. I have provided an account on the history of Elbasan before the communist takeover, in order to clarify its development during communism. After this the economic transformation of Elbasan during the communist era is the core section of this chapter. This sub-chapter gives a full account on the stages of industrialization of Elbasan focusing on the most important enterprises or factories. This chapter reveals the reasons for the transformation of Elbasan into the most industrialized city of Albania during communism. The other aspect treated in this chapter is the political and legal aspect on the process of industrialization of Elbasan. Concluding, I have given an account of what the communist rule resulted to be for Elbasan, especially if we compare it to the consequences of the political regime change. There is a short analysis of the enterprises' change after the collapse of communism in order to contrast the outcome of the communist regime in Elbasan. Furthermore, a short discussion on the mistakes made by the regime by following the Soviet example is placed in the concluding remarks.

It is hoped that the thesis will contribute to the study of the communist regime in Albania, especially with regard to its strategy on industrial development. I aim to underline the transfer and adaptation to Albanian conditions of the Soviet industrial policies and their outcome. Not only this, but my thesis can be considered as a basis for comparison of the economic prosperity in communism and the unconsolidated democracy. This thesis can serve as one of the few objective studies on communism and especially on Elbasan, with the purpose of demonstrating the importance of that city and especially in demonstrating the potential resources it has and how much they are made good use of at the present time.

Chapter 1: Theoretical and Methodological Aspects

1.1. Some Theoretical Aspects of Industrialization under Communism

Enver Hoxha: - The Party's program to build a complex industry, heavy or light one, for its enlargement with new sectors of modern production was verified from practice that it was a completely realizable program.¹

This is one of the many speeches of the communist leader of Albania that displays the focus of the government. This government established in Albania after World War II was as the others in the region, a communist one. The Communist regime had similar consequences in all countries, no matter their geographical position. Yet, arguably its greatest impact was in Central and Southeast Europe. As a totalitarian regime, communism had a largely negative impact on societies; it would nevertheless be of relevant academic importance to explore the two sides of the coin, thus taking into account the negative as well as the positive effects of communism. Notwithstanding political repression, purges and the lack of human rights, very much discussed in the academic literature, a deeper study would also uncover long-lasting positive sides of the communist rule.

The peculiar characteristics of each country shaped the communist type regime in each country, accounting for the different long time duration. This was present in the case of Albania as it did not separate its Stalinist communist type, despite the Soviet Union did change its. In coping with this challenge, after delineating general features at regional level, my research focuses on a single national case study that of Albania. In

¹ Enver Hoxha, *Raport në Kongresin e VII të PPSH* (Report in the Seventh Congress of PPSH), (Tiranë: 8 Nëntori, 1976), 4.

Enver Hoxha- "Programi i Partisë për ndërtimin e një industrie komplekse, të rëndë e të lehtë, për zgjerimin e saj me sektorë të rinj të prodhimit modern u vërtetua nga praktika se ishte një program plotësisht i realizueshëm".

this perspective I will concentrate on national and local level, concretely speaking, Albania and Elbasan.

My Focus

My focus is on the models of industrialization implemented in Soviet Union that were later on transported in Albania and employed from the Albanian communist regime to industrialize Albania and on the degree they were applicable for Albania as the total industrialization of the country was the main goal of the government. Industry became the target of the communist governments during the implementation of controlled economy and the communist leaders operated through the Five-Year Plans for the completion of the entire process of industrialization. The concern for the industrialization process was the development of heavy industry and the creation of industrial cities like the Soviet Magnitogorsk as well. In the same vein, the Albanian government transformed Elbasan from a generally agricultural into the settler of most of the industrial branches. From this perspective, the industrialization of the country is closely related to urbanization. In the case of Albania several new cities were created such as Kukës or Mat where some industrial works were placed including the hydro-energetic plants².

The idea of leadership embarking in assiduous campaigns to industrialize the country runs through my thesis, mostly when talking about the role of the leader of the country in decision-making especially in my case study, Albania. Before dealing with the stages of industrialization during communism it is important to define some of the key terms that I employ in my thesis.

² Anthim Konomi, Irfan Veteriku, Egon Gjadri, Stavri Naço, Dhori Guri, Agim Shehu, Riza Minarolli, Kosta Goga, *Ndërtimet në Shqipërinë Socialiste* (Constructions in the Socialist Albania), (Tiranë:

Definition of Terms

Communism is one of the key terms that needs to be defined, mostly since there is a common way of understanding communism that is based mostly on the negative impact of communism. In the academic world the most researched case study of communism is the Soviet Union one, but all the communist regimes settled in various East and Southeast European countries shared the same characteristics with the Soviet communist regime. Nevertheless each country had its own peculiarities and communism in them developed some special features, or did not undergo the same stages as in Soviet Union, whose communism changed with the Khrushchev takeover. That is the case of Albania which did not “betray” the Stalinist models and its latest collapse, compared to other countries, demonstrates that one example of communist study cannot be applied to all the communist regimes.

Various scholars define communism on the basis of several denominations that are characteristic for totalitarian regimes. Fitzpatrick defined it in view of the role of the leader. The leader and the party were to take decisions related to people as in the case of determining to train technically the proletariat³.

Femia defines it in terms of the leading Marxist ideology. These two approaches are linked so well that “it might be said that Marxism is the ideology and communism the practice”⁴. Other scholars base their definition on the economic model and on citizens’ rights. Notwithstanding people’s value in building the new socialist society, their life was surveyed by the police forces. There were lots of purges in Soviet Union

8 Nëntori, 1980), 52-61.

³ Sheila Fitzpatrick. “Stalin and the Making of New Elite” in *The Cultural Front*, (New York: Cornell University Press, 1992), 155.

⁴ Joseph V. Femia, “Marxism and Communism” in *Contemporary Political Ideologies*, (London, New York: Continuum, 1999), 104.

during communist regime and this was related to classes but mostly to people's functions⁵.

Another feature of communism was related to political pluralism. The previous did not allow the latter, as a result there was only one party and that was directed by the leader and the other members of the Politburo from where the principals of the country came out.

As previously mentioned the state-party and the leader of the country played a significant role in implementing controlled economy in the country during communism, without forgetting the existence of the State Planning Commission that played essential role in formulating and controlling the process of industrialization as one of my interviewees asserted. I have focused my thesis in this perspective. This was because all communist regimes established in Eastern and Southeast Europe were characterized by controlled economy. The first step of this process was the change from agricultural to industrial profile through collectivization, which led to high rates of imprisonment of the rich farmers⁶.

In my thesis I use the concept of communism to refer to economic development in terms of controlled economy, the role of the leader and the role of the state-party in the development of economy. Therefore in accordance to my thesis I have defined communism in terms of a totalitarian regime which is composed of several constituents like the leader, the state-party, controlled economy, who act simultaneously but the

⁵ Sheila Fitzpatrick. "Stalin and the Making of New Elite" in *The Cultural Front*, (New York: Cornell University Press, 1992), 170-176.

⁶ John L. Schreher & Michael Jakobson, *Collectivization of Agriculture and the Soviet Prison Camp System in Europe-Asia Studies*, Vol. 45, issue 3, 1993, 533-535.

primary role falls on the leader of the country and the state-party, who control the socio-economic life.

The stages of the communist takeover have been and are still a discursive focus. Hugh Seton Watson claims that the communist take-over took place in three stages, namely: “a general coalition of left-wing against fascism; a bogus coalition in which the communists neutralized those in other parties who were not willing to accept communist supremacy and finally complete communist domination frequently exercised in a new party formed by the fusion of communists and leftist groups”⁷. During the first and the second stages the communists established enormous influence through social organizations under their control, such as women’s and youth associations, trade unions, professional bodies and Soviet friendship societies.

What is the case of Albania in this framework of communist takeover?

The first communist group was formed in Korça in 1929 but as a party it was founded in 1941 and the main leader was Enver Hoxha, who later on would become even the commander of the National Liberation Army in 1944, which liberated the country from Nazi Germany⁸. The fact that the communists liberated Albania was the beginning of the charismatic leadership of Enver Hoxha and the regime. The communists after they seized the leadership of the country since the beginning and set up for the opposing of the National Front (Balli Kombëtar) through their self-legitimization for having liberated the country⁹.

⁷ R. J. Crampon, *Eastern Europe in the Twentieth Century and After*, Second Edition, (London and New York: Routledge, 1997), 211.

⁸ James O'Donnell, *A Coming of Age: Albania under Enver Hoxha*, (New York, Columbia University Press, 1999), 63.

⁹ Christopher Cviic, *Remaking the Balkans*, (London: Pinter Publishers, c1991), 138.

He formed the government where he was holding several posts in various times. As the leader of the country, he embarked in assiduous campaigns to modernize the country. These empirical examples testify that the Albanian communist takeover underwent the same stages noticed from Watson.

Communist Model of Industrialization

The model type of communism is regarded the Soviet Union one. This type of communism was also used for the construction of other communist regimes in Southeastern Europe. As Albania came out of the war in very poor conditions it had to rely on economic aid to overcome the difficulties moreover when the leadership decided to revolutionize the economy aiming at the change of the profile of the country from an agricultural into an industrial country. The leader of the country Enver Hoxha declared that “We observe with pleasure that industrialization with quick rhythm is approaching everyday the planned objective from the Party, the transformation of Albania from an agricultural-industrial country into an industrial- agricultural one”¹⁰. But which were the models of industrialization followed by the Albanian government?

At a time when Soviet Union was trying to spread communism, Enver Hoxha accepted the Soviet assistance and decided to implement the same policies that Stalin implemented to modernize Soviet Union. Consequently the same models were implemented into two different countries in terms of economy and in terms of territorial size.

¹⁰ Enver Hoxha, *Raport në Kongresin e VII të PPSH* (Report in the Seventh Congress of PPSH), (Tiranë: 8 Nëntori, 1976), 4.

Enver Hoxha -“ Me kënaqësi konstatojmë tani se industrializimi me ritme të shpejta po e afron për ditë e më shumë objektivin e caktuar nga Partia, shndërrimin e Shqipërisë nga një vend bujqësoro-industrial në një vend industrialo-bujqësor”.

But it is interesting to study to which extent they were successful in Albania and what they brought to Albania. In this perspective time plays an important role, as for the period when these models of industrialization, which focused on the development of heavy industry, were regarded as very much profitable and the same people who voted it at that time have different opinions at the present. Two of my interviewees confirmed in their interviews the mistake they did in copying all the Soviet Models of industrialization, due to the ideological standpoint¹¹.

Historiography about Soviet Communism

The nature of the communism regime has generated numerous scholarly debates. The existing academic literature either blames communist regime for political purges or concentrates on the leader cult. It is worth saying that there is a great variety of literary works on communism in Soviet Union due to the fact it is regarded as the main pattern of communism. When talking about the literature about Soviet type of communism in the field of industrialization and Soviet communism is still an interesting topic of research.

This is the focus of a recent book entitled “Stalin A New History.”¹² To my opinion, the book is dedicated to the role of Stalin in the entire communist era and the process of industrialization, as he was the decision-taker for any policy that would lead to the development of the country. The authors name all the chapters starting with *Stalin as...* which demonstrates that Stalin was the first and final word in the decision-making process. The volume “An Economic History of the USSR 1917-1991”¹³ offers a

¹¹ Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë
J.B. ex-Minister of Industry in Albania, interview by the author, April 25, 2007, transcript, Tiranë

¹² Sarah Davies & James Harris, *Stalin A New History*, (UK: Cambridge University Press, 2005).

¹³ Alec Nove, *An Economic History of the USSR 1917-1991*, (London: Penguin Books, 1992).

complete overview of the economic policies followed during communism for the development of its economy, simultaneously focusing on the industrial development and policies as well. Another book that concentrates on the industrialization of Soviet Union is “*Steeltown USSR, Soviet Society in the Gorbachev Era*”¹⁴. This book covers the urbanization area especially the creation the industrial town like Magnitogorks was during Stalinism. It describes all its stages of creation and then the people employed in the town industry. Other books describe the entire process of industrialization, the stages, the means and the factors that led to the development of industry in Soviet Union. This is what Alec Nove does in “*The Soviet Economy, An Introduction*”¹⁵ and R.W. Davies does in the volume “*The Economic Transformation of the Soviet Union 1913-1945*”¹⁶. These two authors embark in explaining the economic development of Soviet Union and also explaining all the influencing factors in this process and at the same time comparing the industrial development of the country in several years. Consequently all these sources and other attempt to explain the models of industrialization and its stages as well.

Historiography about Albanian Communism

The communist regime in Albania is depicted as a gloomy one and there are few bibliographical items about industrialization of Albania during communism. This is due to the concentration of the scholars mainly in the side effects of the regime, such as repression and the lack of rights focusing more on political history, rather than on economic history. Recent political changes influenced the way communist history is

¹⁴ Stephen Kotkin, *Steeltown USSR, Soviet Society in the Gorbachev Era*, (Los Angeles, University of California Press, 1991).

¹⁵ Alec Nove, *The Soviet Economy, An Introduction*, (Washington: Frederick A. Praeger, ©1961, 1965).

¹⁶ W. Davies, Mark Harrison, S. G. Wheatcroft, *The Economic Transformation of the Soviet Union 1913-1945*, (London: Cambridge University Press, 1994).

depicted. The existing literature can thus be divided into two groups, the one written during the regime and the other written after the collapse of communism. Works of the post-holders during communism praise communism and its achievements, unlike the post-communist works, which aim at not accepting the achievements of the communist regime in Albania and address only on the negative effect of the regime.

These two groups of writing the Albanian history during communism are chronologically delineated. Thus the works written during the regime and the other set written after the collapse of communism after 1991. The first set of works, which praises communism and its achievements is mainly represented by the works of Enver Hoxha and his supporters, such as Ramiz Alia, Adil Çarçani and also writers such as P. Geço, P. Pejo, V. Misja, A. Pano, V. Toçi, B. Bardhoshi, etc. All of them dedicated their works to the party and its leader. Hoxha's "Work I-66" praised the party and the leader, and the role of the people as the main factors in developing Albanian industry. Certainly he attributes most of the progress of the country during industrialization to the state party but he never spares an opportunity to praise the people as well, which can be regarded as a factor that created his cult in people's vision.

The works of R. Alia, "Prona Socialiste shtohet me Punë, për Mbrojtjen e saj është e interesuar e gjithë Shoqëria" (The Socialist Property grows through work; the whole Society is interested in it)¹⁷ and A. Çarçani, "Pesëvjeçari i Shtatë-Etapë e re për zbatimin e forcave tona" (The Seventh Five-Year-Plan - A new Stage for the employment of our abilities)¹⁸ had a similar goal adding the aspect of giving directives

¹⁷ Ramiz Alia, *Prona Socialiste shtohet me punë, për Mbrojtjen e saj është e Interesuar e Gjithë Shoqëria* (The Socialist Property increases with Work, the entire Society is interested in its Protection), (Tiranë: Shtëpia Botuese "8 Nëntori", 1981).

¹⁸ Adil Çarçani, *Pesëvjeçari i Shtatë-etapë e re në Zbatimin e Forcave Tona* (The Seventh Five-Year-New Stage in the Implementation of our Abilities), (Tiranë: Shtëpia Botuese: "8 Nëntori", 1981).

on the ways to industrial development. All this was due to the fact that these two authors hold offices in the communist government of Albania. Books about industry were written from the engineers of the period, who were regarded by the leader as the main figures of the “Socialist Work”¹⁹. V. Misja in his book “Ekonomia e Industrisë në RPSH” (The Economy of Industry in People’s Republic of Albania)²⁰ pictures some of the branches of industry during communism. It is a reliable source as he is an economist who took part in the process of industrialization. Another group of economists in the book: “Ndërtimet në Shqipërinë Socialiste” (Constructions in the Socialist Albania) focus on the main constructions that Enver Hoxha’s government decided to build in order to develop the country since “before the Liberation, Albania was one of the most backward countries of Europe”²¹. Unlike the other previously mentioned Pali Pejo “Lufta E PPSH për Ndërtimin e Bazës Ekonomike të Socializmit” (The War of PPSH for the Construction of the Economic Basis of Socialism) matches the economic transformation with politics. Thus he praises the party for the construction for the socialist economy and he regards politics as the main source for the development of industry. The Institute of Economic Studies of the Academy of Science and the University of Tirana published a book on the state enterprises “Njohuri për Ekonominë Socialiste” (Knowledge on the Socialist Economy). In this book the anonymous group of authors provides an overview on the functioning mode of the

¹⁹ Ramiz Alia, *Raporte e Fjalime 1986*, (Reports and Speeches 1986), (Tiranë: 8 Nëntori, 1987), 38.

²⁰ V. Misja et al, “Ekonomia e industrisë në RPSH” (The Economy of Industry in People’s Republic of Albania), (Tiranë: Drejtoria e Botimeve të Universitetit të Tiranës, 1972).

²¹ Anthim Konomi, Irfan Veteriku, Egon Gjadri, Stavri Naço, Dhori Guri, Agim Shehu, Riza Minarolli, Kosta Goga, *Ndërtimet në Shqipërinë Socialiste* (Constructions in the Socialist Albania), (Tiranë: 8 Nëntori, 1980), 21.

enterprises and the structure of the enterprises, where they reveal the importance of the state enterprises in the course of industrialization of Albania²².

One of the main issues and aims during industrialization in communist regimes was the technical side. The Albanian government dedicated special attention to the technical and material basis. Some aspects of this are analyzed in “Baza Materialo-Teknike dhe Efektiviteti i Investimeve në Industri” (The Material-Technical Basis and the Affectivity in Industry)²³. V. Misja can be regarded as one of the most important scholars during communism and his books about industry are a good source. A relevant example is his “Krijimi dhe Zhvillimi i Industrisë në RPSH” (The Creation and the Development of Industry in RPSH)²⁴. In this volume he gives an account of some of the branches of industry, the basis for the development of industry and supplies some balances to see how industry developed during the years.

Another important issue for the Albanian government was the distribution of industry in several zones of Albania in accordance to the natural resources. This is clearly visible in “Ekonomia dhe Organizimi i Industrisë” (The Economy and the Organization of Industry)²⁵ published by a group of authors, who examine the regional distribution of industrial branches, specifying the reasons for the distribution. Unlike the other economists, T. Joanidhi and his colleges in “Planifikimi dhe Organizimi i Ndërrmarjeve Socialiste” (The Planning and Organization of the Socialist

²² Instituti i Studimeve Ekonomike I Akademisë së Shkencave të RPSSH dhe Fakulteti i Ekonomisë së Universitetit të Tiranës, *Njohuri për Ekonominë Socialiste*, (Tiranë: 8 Nëntori, 1981).

²³ V. Misja, *Baza Materialo-Teknike dhe Efektiviteti I Investimeve në Indsutri*, (The Material-Technical Basis and the Affectivity in Industry)(Tiranë: Shtypshkronja e Re, 1983).

²⁴ Vladimir Misja, *Krijimi dhe Zhvillimi i Industrisë në RPSH*, (The Creation and the Development of Industry in RPSH), (Tiranë: Naim Frashëri, 1963).

²⁵ Grup Autorësh, *Ekonomia dhe Organizimi i Industrisë*, (The Economy and the Organization of Industry), (Tiranë: Shtypshkronja Revista Dispenca, 1973).

Enterprises)²⁶ try to shed light on the way the enterprises functioned and how much they were influenced by the state-party or by the leader, but unfortunately he does not bring much of a truth in it. Mainly the authors of the books about Albanian economy had a rich background in economics and they were competent about what they were doing and what was happening during the communist rule. Their works occupied a considerable position during the regime, after it they are never mentioned but they are regarded as the tools of the regime. Frankly speaking, what needs to be recognized, is that these books are still a valuable source of revealing the constructions in the field of industrialization.

The second historiographic trend was led by F. Lubonja, and R. Papa also including some new politicians who entered politics after the communist collapse. Their aim was to underestimate the achievements of the communist regime by showing only its negative sides. This was attributable to the fact that Lubonja's father was persecuted and later executed by Enver Hoxha. Consequently, the articles written by him in "Përpjekja" (Endeavor) are biased. Lubonja has always written against the communist regime and he still continues to write, especially about the persecuted and the purges committed during communism. In one of his articles in "Përpjekja" he states that "There is no doubt that the history of communist regimes even in countries like ours, where they were the most wild, it is not possible that there is no history of counter-communism"²⁷. The other article of Lubonja against communism is based on the religious toleration during communism²⁸, and he stresses one more time, what is

²⁶ T. Joanidhi, P. Ballano, A. Baçka, *Planifikimi dhe Organizimi i Ndërrmarjeve Socialiste*, (The Planning and the Organization of the Socialist Enterprises) N.I.SH, (Mihal Duri, Tiranë 1967).

²⁷ Fatos Lubonja, "Mbi Krimet e Komunizmit" (On the Crimes of Communism) in *Përpjekja* (Endeavor), January 19, 2007.

²⁸ Fatos Lubonja, "A Majfton Miti i 'Tolerancës Fetare'" (Is it enough the 'Myth of Religious Toleration'" in

commonly known that religion was abolished during communism. In his articles Lubonja concentrates on picking up the negative sides of communism and never mentions anything about the positive sides, as the reconstruction of economy in this era.

Whereas R. Papa, started conducting his program called “Focus from Robert Papa” where he aimed at displaying all the negative sides of communism aiming at underestimating the figure of Enver Hoxha. Papa was one of the first to commence its attack against the figure of Hoxha, and also to reflect the difficulties of the first years of transition of Albania²⁹, sometimes even panicking the people and offending the families of the previous government’s members by showing on TV the destruction of the busts and figures of their dearest people.

Unlike the previous people the new politicians aimed at consolidating their regime and moreover self-legitimizing themselves as the saviors of the country from the communist oppression.

Other newspapers that would reveal just the negative impact of communism are the regional newspapers “Klan”, “Dukagjini” and “Metropol” as well published after the collapse of communism, where their staff depicts the negative view of communism and of the Albanian leadership. Thus the main-editor of Dukagjini newspaper wrote for Klan newspaper and article about communism, which reveals the collaboration of these two newspapers aiming at revealing the crimes of communism.

Lobi, March 31, 2007.

²⁹ Robert Papa, “Focus nga Robert Papa”, (Focus by Robert Papa), 1991-2007.

In the article, “Komunizmi Drapëri i Parë” (Communism the First Sickle)³⁰ Prelë Milani poses the question if Albanians would have had any better regime after the war, and compares communism to prohibition, as they both function in practice.

Surely there are aspects of the regime that can be disputed and the consequences of the regime as well. The purges and the other negative effects like collectivization led to the negative impression of this regime in Albania but for the time they did not appear alike and moreover because there was the lack of human rights and nobody could raise the voice to contradict the regime.

There are numerous attempts by scholars to explain this process, but they cannot be regarded as reliable due to the biased testimonies and the literature they employ. This is attributed to the fact that they are written by people who have suffered under communism either by being persecuted or by having a family person labeled as enemy of the party, the state and the people, and imprisoned. These attempts are much more visible in the European historiography about Albanian communism.

Besides this, European historiography owns a narrow literature about Albania in general, and about the period of communism, in particular. As for the Western historiography on Albania, most of the published works are superficial and based on prejudiced testimony, such as the work of Emil Ginar, a French diplomat, “Shqipëria-Historia 1966-1968” (Albania- History 1966-1968)³¹, who concentrates in a short span of time in a superficial way as he does not get engaged in understanding the Albanian communist policy.

³⁰ Prelë Milani, “Komunizmi Drapëri i Parë” (Communism the First Sickle) in Klan, March 3, 2007.

³¹ Emil Ginar, *Shqipëria-Historia 1966-1968* (Albania- History 1966-1968), (Tiranë: Naim Frashëri, 1992).

Edith Durham in “*Histori e Letrarizuar Balkanike*” (Literary Balkan History)³², sees the Albanian history in a literary way and unfortunately escapes the real historical focus. Whereas Nikolas J. Costa “*Albania: A European Enigma*”³³ bases his book on the stories told by his grandfather and just one testimony is never enough to write history. Therefore only a small number of Western scholars like Christopher Cviic, Derek Hall and Edwin E. Jacques attempt to understand Albanian history from within, but they are often too general. Moreover, they base their books on testimonies of people who were affected badly from communism.

Consequently having various kinds of sources, whose use can be limited in terms of judgement on communism, reveals the necessity of analyzing them in various methods.

³² Edith Durham, *Histori e Letrarizuar Balkanike* (Literary Balkan History), (Tiranë: Naim Frashëri, 1995).

³³ Nikolas J. Costa, *Albania: A European Enigma*, (Boulder: East European Monographs, ©1995).

1.2. Some Methodological Considerations

My aim for this thesis is to understand how the models of industrialization were implemented. The transportation of the models from Soviet Union to Albania could not have the same outcome. Thus the degree of success in both the two countries and to which degree the role of the leader and of the state – party effected the process of industrialization in both countries are academically interesting and are the focus of my thesis.

I employed the comparative methods to observe the transportation of models from one country to another focusing in the achievements of the two governments in terms of industry. This is the reason I concentrated on various kinds of sources, primary and secondary as well. The primary sources I utilized were oral history, statistical data in various enterprises or in the municipality of Elbasan and unpublished archival sources. The secondary sources I made use of were the literature in English and Albanian and simultaneously the newspaper articles from the communist era.

The challenge remains in the examination of each of the types of sources. The idea of “objective knowledge of the past” was revealed previously by Ranke in 1824 who emphasized the role of intelligence and general historical knowledge in examining sources.³⁴ Stanford argues that objective is about the object and subjective about the subject, pointing out that objective knowledge about an event in the past is possible only through the subjective experience of the historian.³⁵ This is what I am at in writing my thesis.

Stanford emphasizes that objectivity can be achieved making use of facts and truth apart from objectivity. In accordance to Stanford a historical fact accords with a

judgment about the past in which historians agree. He states clearly “Facts are what statements state and not what they are about”.³⁶ Then he continues with his concept about truth. For him the concept of historical truth is related to two points. First – he regards truth as a property of a statement and secondly he regards truth as a goal, something that the scholarly discipline aims at. It is true if my secondary knowledge agrees with my primary knowledge. In reality this can be achieved through the means of primary sources. Thus the interviews, statistical data and archival sources I collected shed light on reality. The archival sources were relevant in terms of decisions taken as far as legislation is concerned but simultaneously in terms of the plans appointed to various industrial enterprises. I interviewed authorities of the communist era, such as Mr. Ramiz Alia, Ministers of Industry and various directors of the main enterprises or plants in Elbasan. These interviews especially the one of Mr. Alia clarified various questions related to the Albanian-Soviet beginnings of collaboration to the end. The industrialization project and the decision-making were part of the interview with Mr. Alia and the Minister of Industry. Mr. Alia went further in explaining the pros and cons of the industrialization of Albania and the mistakes made due to the copy they committed to the Soviet Models. The directors of the main state-enterprises and the Metallurgical Plant directors shed light on the structure and the administrative organization of the work. Portelli claims: “Oral history has become a dialogic discourse created not only by what the interviewees say, but also by what as we historians do- by the historians presence in the field, and by historian’s presentation of the material.”³⁷

³⁴ Michael Stanford, *A Companion to the Study of History*, (Oxford: Blackwell, 1996), 122-130.

³⁵ Ibid.

³⁶ Michael Stanford, *A Companion to the Study of History*, (Oxford: Blackwell, 1996), 129.

³⁷ Alessandro Portelli “Oral History as Genre” in *The Death of Luigi Trastulli and other Stories-Form and Meaning in Oral History*, (Albany: State University of New York Press), 1991, 3.

This is true to some extent as the historian has to interpret the interviews and to make use of it according to his/her aims.

Furthermore I have focused on local level as well, with the case study of Elbasan, writing thus microhistory. Giovanni Levi states that, “microhistory is based on the reduction of the scale of observation, on a microscopic analysis and an intensive study of the documentary material”³⁸. Thus focusing in one city which underwent a total transformation during communism was easy in terms of the smaller scale of materials to be examined but all together difficult as the documents required intensive study especially their interpretation.

The secondary sources for me were mainly books and articles of newspapers and journals that supplied information about the work already done in the field of economic history in terms of revealing the constructions during communism. Mainly the books I went through served as a guide on what to further on conduct research or explore in primary sources. As far as books about Soviet Union, I concentrated on exploring the models of industrialization and the ways they were implemented. Whereas in the books about the Albanian case I focused on the constructions, the branches of industry that the Albanian leaders decided to develop. They were a good source concerning the data as well, especially the congress volumes and the works of the leader. The data supplied in these books conformed to the data I discovered in the archives as well.

After having pictured the two cases I employed comparative study in order to sort out the methods that Albania copied, the way they were implemented in Albania in

³⁸ Giovanni Levi, “On Microhistory”, in Peter Burke, *New Perspective on Historical Writing*, (Pennsylvania: University Park, 1991), 95.

comparison to Soviet Union, the extent to which they were put into practice but moreover how much Albania profited from these models of industrialization. Consequently I came up with the models of industrialization employed in Soviet Union, which later on would be transported in Albania.

1.3. Soviet Models of Industrialization in Soviet Union

The end of World War II established in the world the hegemony of the superpowers. This divided the world into two parts, the Soviet domination precinct and the British-American domination zone. One specific regime was established in accordance to the dominators' one. Consequently Soviet Union instituted the communist regime, which later on was spread in the respective zone creating the communist block where countries such as Albania joined. The communist regime had its own principles and as such particular policies were implemented in accordance to the principles of the regime. The policies applied included the economic sphere as well. I will explore which were the characteristics of the economic policies implemented in Soviet Union or as we can call it, the Soviet Union Model of Industrialization. Furthermore which were the factors of the Soviet Union economic development.

The economic circumstances of Russia in 1913 still remained the least industrially developed of the great powers. Its industry was responsible only for "21 per cent of net national income. This included 15 per cent from large-scale industry, which employed a mere 4 per cent of the labor force"³⁹.

By the course of years the situation was becoming worse, as such Alec Nove confirms that with the fuel crisis causing the closure of many state-operated factories 1921 was a nightmare year for people and the government. Towards the end of the year in 1922 there emerged a nightmare of a different kind. The leadership decided that the time had come to abandon the system under which state-industry had been operating.

The result was a monstrous growth of bureaucratic tangle, an unworkable degree of centralization (glavkism), waste and inefficiency. It was found necessary to close many enterprises because there was no fuel and no materials. While desperate efforts were made to restore rail transport and the fuel industries and by the end of 1922 substantial progress had been made in that direction-the opportunity was made to rebuild state industry on a new commercial basis to shed surplus staff and to compel more efficient operation by making management pay its way. Consequently wages paid in cash, rationing abolished in 1921, state industry was operated on economic or commercial accounting, materials and fuel had to be bought, the need of a stable currency was evident. As a result to enable industry to operate in this way it was necessary to divide it into autonomous units, in stead of treating it as if it were part of one great firm of which VSNKH was the board of directors⁴⁰. As such there is evident need for the development of the country. Moreover in the state of a greater country, Soviet Union.

Consequently as a totalitarian regime the one instituted in Soviet Union, the common characteristic is the role of the leader. A country can never progress or regress without its leaders and Soviet Union owes its progress to Lenin and Stalin, meaning that the leader is one of the factors that influenced in the economic transformation of Soviet Union. Lenin was born in 1870 and Stalin was born in 1879 and they both grew up being witnesses of the industrial developments of Western European heartland as Ruhr and the United States, where the miracles of the modern

³⁹ R.W. Davies, *The Economic Transformation of the Soviet Union 1913-19945*, (London: Cambridge University Press, 1994), 131.

⁴⁰ Alec Nove, *An Economic History of the USSR 1917-1991*, (London: Penguin Books, 1992), 82-91.

technology were emerging such as the ones from Buffalo to Chicago.⁴¹ In the 1900 these western countries and civilizations were the most industrialized ones and they were considered to be progressive for the backward Soviet Union, as a result they became the “viable models”⁴² for it. Consequently the Russian leader decided to implement some policies for its development. Moreover when the science revolution had occurred and was in continuum.

Thus according to Daniel Chirot, the years from 1780 until 1970 were considered to be the years of revolutions in science and each of these revolutions took place in a Western European country, leading to the development of those countries starting with the cotton-textile age dominated by Great Britain in 1780 and ending up with the age of electronics dominated by Western European countries and Japan replacing USA. Chirot considers the development of technology and science as divided into five stages and each of these stages was dominated by one western country or USA. As previously stated the first period is characterized by the domination of Great Britain with the cotton-textile age from 1780s until 1830s. The second stage is dominated by Britain again and it is the iron and rail age starting from 1830s until the 1840s.

The third stage was considered to be the age of steel and organic chemistry until World War I and the American and German economies were the best examples. Whereas the fourth stage is dominated by the American hegemonic economy and it is considered as the age of automobiles and petrochemicals and it started in 1910s until

⁴¹ Daniel Chirot, “What Happened in Eastern Europe in 1989?” in Vladimir Tismăneanu, ed., *The Revolutions of 1989*. (London: Routledge, 1999), 22.

⁴² Ibid.

1970s. The fifth stage is the age of electronics and biotechnology starting from 1970s and continuing in the next century when Japan and other Western European countries are replacing the United States of America in this time span.

It is the third stage that was more important to be taken into account for the Soviet leaders thus the period of the use of steel mills, huge electric generating plants, and chemicals became the goal of the Soviet leaders. This model of industry used by the Soviet leaders is being referred as the Stalinist-Leninist Model and it was mainly based in the third age of industrialization, as it could not afford the fourth age of world industrialization or other ages of science revolution⁴³.

Nevertheless the adaptability of the models was to be discussed, the government revealed to the population that there was no use to spoil consumers but to create an economy that was equal to the US economy and that was reached by the steel mill and power generating plants⁴⁴. Consequently what Soviet Union turned to be in the period of communist regime, was a country dedicating the majority of attention to the development of heavy industry, building as many factories as possible and having a qualified staff to work with the new technology. Especially it paid special attention the industry of steel and other metals, but at the same time the Soviet Union did not leave aside the chemical industry. These were some of the models that Soviet Union observed in west and wanted to implement.

Each country has its own peculiarities as such the models that Soviet leaders wanted to implement had to be adapted for the Soviet society. Thus various factors

⁴³ Daniel Chirot, "What Happened in Eastern Europe in 1989?" in Vladimir Tismăneanu, ed., *The Revolutions of 1989*. (London: Routledge, 1999), 22.

acted for this reason. The agents were the regime in itself, from which it generates the role of the leader, the role of the party and the economic policies.

The communist regime was characterized from centralized economy and controlled from VSNKH (All Russian Congress of People's Commissars)⁴⁵ as Nove argues in his book. Nationalization of economy was evident but in reality there was a peculiarity that is not very common in other communist regimes, the trusts. Despite their existence the trusts were subordinate to VSNKH via its local organs (*Promburo*) and the others to local *sovnarkhozy* (councils of national economy).⁴⁶ The state party and the leader of Soviet Union had specified this process and reflected it even in the constitution. Thus the according to a resolution of 29 July 1922 VSNKH operated its control over industry by:

1. Methods of an economy character: the financing of industry, the organization of the industrial credit, price policy etc.⁴⁷
2. Methods of an administrative character: appointment and dismissal of responsible officials of trusts and other trading-and-industrial units, the transfer of material resources from one branch of industry to another, from enterprise to enterprise, and so forth, in conformity with the industrial plan.⁴⁸
3. Methods of production-planning character: the drafting of production and disposal plans, inspection and checking on their execution ensuring the conformity of the industrial plan with the general plan.⁴⁹

It is clearly visible the attention that the government dedicated to the industrialization of the country, making it be prior in their resolution.

⁴⁴ R.W. Davies, *The Economic Transformation of the Soviet Union 1913-19945*, (London: Cambridge University Press, 1994), 131.

⁴⁵ Alec Nove, *An Economic History of the USSR 1917-1991*, (London: Penguin Books), 1992, 91.

⁴⁶ *Ibid.* 92.

⁴⁷ *Ibid.*

⁴⁸ Alec Nove, *An Economic History of the USSR 1917-1991*, (London: Penguin Books), 1992, 93.

⁴⁹ *Ibid.* 91.

The result of the first attempts was quick. Therefore the years 1928-1929 proved to be very successful in industry. The first five- year plan was began to be implemented in 1929, revealing one of the means that led to the completion of the industrialization process. The effects of the first plan were according to Nove the following ones:

Aggregates were liable on the inflation. Machinery developed. Handicrafts, small workshops were doomed to decline. Rapid urbanization tended to increase the in measurable output much greater than any real increase of consumers' welfare. Expansion and modernization of cities like Volga, Urals, Kuzbas became possible because of metallurgy and steel works.⁵⁰

Whereas Stephen Kotkin argues that Magnitogorsk worked and produced more steel than Canada and Czechoslovakia and quite equally to Great Britain during Gorbachev era⁵¹. The metallurgical complex dominated the life of the city housing to hundred thousand people eighty five children's institutions, several hospitals, a number of nearby resort complexes⁵². The construction of the industrial city was the other characteristic of the communist rule and decision-making.

Soviet Union in 1970 had the best technology and it even started to produce as much steel as possible and thus it became a copy of the United States of America as Daniel Chirot claims in his essay. Blackwell stated that the state-planned industry introduced by Lenin was to be applied due to two reasons as he claimed. The first reason was because he did not want that the Soviet industry could risk its sovereignty and become a market for the western countries and the second reason was because

⁵⁰ Ibid. 189.

⁵¹ Stephen Kotkin, *Steeltown USSR, Soviet Society in the Gorbachev Era*, (Los Angeles, University of California Press, 1991), 1.

⁵² Stephen Kotkin, *Steeltown USSR, Soviet Society in the Gorbachev Era*, (Los Angeles, University of California Press, 1991), 1.

he believed that if the industry was the monopoly of the state then it would “provide a safeguard against any attempts at foreign encroachment”⁵³ a reason that was claimed by the other developing countries during communism.

Davies socialism was defined as the social ownership of the means of production and state ownership was assumed to be the most advanced form of social ownership⁵⁴. As such the most common form of enterprises were the state owned ones. Alec Nove classifies the enterprises into three groups; state enterprises, non-agricultural co-operative enterprises and collective farms (kolkhozy)⁵⁵. Simultaneously the private sector continued to exist and it was categorized as agricultural holdings of collective farmers and state employees and private craftsmen, individual peasants, professional services⁵⁶. But in reality as far as the industrial output is concerned the enterprises would be ranked as the chart supplies.

	1928	1937	1950	1958
state enterprises	69.4	91.8	92	94
co-operative enterprises	13	8.2	8	6
private	17.6	0	0	0

Table 1: Gross Industrial output by forms of ownership (Per cent of total)⁵⁷

Regarding the definition about the state enterprise we can observe that it generates some consequences and responsibilities of the state. A state enterprise belongs to the state. As a result in essence and in law the enterprise is a convenient unit for the administration of state property. Thus there is again the ruling of the leader

⁵³ William L. Blackwell, *Russian Economic Development from Peter the Great to Stalin*, New York: New Viewpoints, 1974, 224.

⁵⁴ R. W. Davies, Mark Harrison, S. G. Wheatcroft “Industry under central planning 1929-1941” in *The Economic Transformation of the Soviet Union 1913-1945*, (London: Cambridge University Press, 1994), 136.

⁵⁵ Alec Nove, *The Soviet Economy, An Introduction*, (Washington: Frederick A. Praeger, ©1961, 1965), 27.

as the conclusion that comes out of Davies book, where Stalin had all the responsibilities and simultaneously the decision-making as well. We Stalin in her book as economist, as politicians and in various other positions, each of these positions constitutes a chapter of the book named all Stalin as...⁵⁸

The role of the leader was evident in the commended structure of the enterprises. Hence the structure consisted of the director and his senior also the chief engineer who acted as his deputy and the chief accountant are appointed by the state organs to manage the state's assets for purposes determined by the state⁵⁹. The primary task of the director is to fulfill and if possible to overfill the output plans and to utilize the resources placed at his disposal with due regard to economy. The output plan specified the quantity of the product required in the given month, quarter or year with some details of type, design, assortment, and etc where this is relevant. The aggregate output plan of industrial enterprises was frequently expressed in physical measure (tons, square meters) or where it cannot be done in terms of value (roubles of gross output). In these terms the role of the leader is pretty strongly expressed in commanded economy⁶⁰.

The ideology was always present in the entire process of industrialization. As such the development of industry was part of the strategy of constructing socialism in a

⁵⁶ Alec Nove, *The Soviet Economy, An Introduction*, (Washington: Frederick A. Praeger, ©1961, 1965), 27.

⁵⁷ Ibid.

⁵⁸ Sarah Davies & James Harris, *Stalin A New History*, (UK: Cambridge University Press, 2005).

⁵⁹ Alec Nove, *The Soviet Economy, An Introduction*, (Washington: Frederick A. Praeger, ©1961, 1965), 30-31.

⁶⁰ Ibid.

single country, which was surrounded by a hostile capitalist world⁶¹. This is the hypnotizing part of the communist leaders. The other characteristic of the communist leaders in the world was the exposing of the achievements of their government. Consequently Stalin declared that:

...we have caught up and overtaken the capitalist countries in a political aspect. Now we must use the dictatorship of the proletariat... in order to catch up and overtake the advanced capitalist countries economically as well.⁶²

The plans were the other aspect to be asserted in public from the leader of the country or the Politburo members. Within the framework of “socialization” or statization, the protagonists of industrialization in the Politburo, and in the party at large, were by 1928 in general agreement on their more specific industrial objectives. Davies summarized them under 5 main heads:

1. The Soviet Union must overtake the advanced capitalist countries in industrial output per head of population as rapidly as possible. The soviet industry must become self-sufficient as soon as possible, in the sense that it should not depend on the capitalist world for any major type of product
2. Soviet industry must overtake the west technically as well as economically. This required the construction of new advanced enterprises, and these would be capital intensive, even though there was an abundance of skilled labor in the Soviet Union
3. The output of capital goods would increase more rapidly than that of consumer goods, with the concentration of resources on “means of production for producing means of production” on the industries producing machine tools and industrial equipment.
4. The consumer goods industry (together with agriculture) would nevertheless expand rapidly so that the standard of living of the population would rise substantially
5. Location policy would be based on long-term needs rather than on short-term costs. A major part of industry would be located away from the old centers of industrial production. Iron and steel and the major engineering

⁶¹ R. W. Davies, Mark Harrison, S. G. Wheatcroft “Industry under central planning 1929-1941” in *The Economic Transformation of the Soviet Union 1913-1945*, (London: Cambridge University Press, 1994), 136

⁶² Ibid.

industries must be developed far from the frontier in the Urals and Siberia for defense reasons; modern industry must be established in Central Asia and other underdeveloped areas in order to pull up their economy⁶³.

These principles were embodied in the long-term annual or quarterly national-economic plans. Most prominent were the three five-year plans: 1928-1933, 1933-1937, and 1938-1942.

Conclusions:

Soviet Union, the country who became the example of Albania as far as economic transformation was a country that mainly attempted to make use of some western models of industrialization, due to the ambitions of its leaders. It is pretty true what Dodge states:

The USSR produced the world's first example of rapid, centrally planned and directed economic development.⁶⁴

That is the case of Albania which in reality attempting to industrialize the country, the leaders followed the Soviet example but with the slight difference that the Albanians were offered some more help from the Soviet state, compared to the help supplied to Soviet Union from USA. The economic circumstances of Soviet Union became the first stimuli that made the leaders to react for the transformation of its economy.

The general example of Soviet Models based on controlled economy mainly controlled from the leader of the country, the industrialization urge, the ideological sphere and the means through which industrialization was achieved such as

⁶³ R. W. Davies, Mark Harrison, S. G. Wheatcroft "Industry under central planning 1929-1941" in *The Economic Transformation of the Soviet Union 1913-1945*, (London: Cambridge University Press, 1994), 136.

⁶⁴ Norton Dodge & Charles K. Wilber "The Relevance of Soviet Industrial Experience for Less Developed Economies", in *Soviet Studies Journal*, Vol. 21, No. 3, January 1970, 336.

collectivization, statization and the five-year plans led to the achievement of the government in a pretty short period of time. These models will be transported as well.

Chapter 2: Industrialization of Albania during Communism

Considering the economic circumstances of Albania before the communist takeover would serve for a comparison of the two cases, in order to sort out the outcome of the communist regime in terms of industrialization. That is what I have done in the two first sub-chapters contrasting the two periods of Albanian history in terms of economic development. Thus in this chapter I have dealt with the industrialization level of Albania. I have divided it into five sub-chapters aiming at giving a complete picture of the communist regime outcome. Thus the first sub-chapter is related to the interwar period of Albania focusing on industry. A picture of this period would supply food for comparison and also the beginning for the next sub-chapter, which deals with the transformation of Albania during the communist regime. The plans, the ideological line and the role of the leader in decision-making is its focus as well. The third sub-chapter is concerned with the means used to industrialize the country during communism, followed from the fourth sub-chapter which includes the stages of industrialization and the main works in this field. As a totalitarian regime, the government had taken precautions about every aspect of life, especially the one related to the work. The political reflection of the industrialization project and the legal part compose the fifth sub-chapter, stressing the fact that every aspect was controlled and that no place for sabotage or misinterpretation was left.

2.1. The Economic Circumstances of Albania before the Communist Takeover

“Please give me something, may God give you health...”

Come on, May God Give You!

But the beggar knows what “May God give You”: It means never to have anything, never to eat. Thus he knocks on the door with more strength. This time the voice from within is harsher:

Come on! May God Give You! Do you comprehend?

The beggar is forced to comprehend. He leaves that door, approaches the second, the third, the fourth and so on of all the doors of that street. This street is his salvation for today. Tomorrow it will be another one.

The beggar knocks on each door, somewhere they give him something, somewhere the lady of the home says: “I vow I have nothing today”-and the beggar this time is gentle, leaves remembering that home to return someday. But “May God Give You” he cannot endure, does not want to listen. He knows pretty well what “May God Give You” means...”⁶⁵

The upper abstract reveals the conditions of life in Albania during the interwar Kingdom of Albania, but which continued during the belligerent period as well. The Albanian society was socially stratified and the number that constituted the poor stratum was incomparably larger to the wealthy ones. This passage is one of the many moments of a beggar’s living, who represents the others as well in Shkodra, one of the main cities of Albania, which is regarded as the cradle of national culture together with Elbasan. The case of Shkodra is not the only where beggars attempted to live under

⁶⁵ Migjeni “Zoti të Dhashtë” (May God Give You”, 1938. (Migjeni is regarded as the poet of poverty as he was concerned with the economic circumstances of simple people living in Albania.)

Migjeni: Më fal ndoj send, të dhashtë Zoti shëndet...

- Hajt! Zoti të dhashtë!

Por lypësi e di se ç'domethanë "Zoti të dhashtë": Mos me pas kurr, mos me ngran kurr.

Prandej me ma tepër fuqi i bie derës. E tash permrenda asht zani ma i rreptë:

- Hajt more! Zoti të dhashtë! A merr vesht?

Lypsi doemos i duhet me marrë vesht. E len atë derë, msyn të dytën, të tretën, të katërtën, e kështu me rradhë, të gjitha dyert e asaj rruge. Kjo rrugë sot për sot asht fusha e shpëtimit të tij. Nesër asht ndoj rrugë tjetër. E lypsit, që troket nga dera në derë, diku ia falin ndoj send, diku i thotë e zoja e shtëpisë: "s'kam besa" - dhe lypsi atëherë asht i butë, shkon tue mbajt mend këtë derë, me ardhë ndoj ditë tjetër. Por at "Zoti të dhashtë" lypsi s'e duron; s'don ta dëgjojë. Ai e din mirfilli se c'do me thanë "Zoti të dhashtë".

the mercy of the wealthy. Literary critics admit that the poems of Migjeni will always be actual in any regime.

Albania experienced all the existing regimes, including absolutism. Thus during the period of Kingdom of Albania, 1928-1939, the king decided to take various actions for the improvement of the economic circumstances of Albania. What needs emphasis when considering the case of Albania during the reign of King Zog is the fact that Albania was an agricultural country and industry was at low level, but thanks to his dedication to industry somehow it developed. The weak points, which influenced in the Albanian industrialization, were the protection of the beys as he was part of this class, the importance paid to Italy, as he had to rely on the help of Mussolini for the progress of Albania and the Depression years.

The remainings of feudalism were very obvious during the beginning of his reign. They lingered in the villages and they were the main cause of stopping the industrial development of Albania. The majority of the land was owned by a small group of landowners, whereas 72 per cent of the farmers were landless. The majority of the castles were owned by them as well, but with the progression of the time feudalism was falling and the bourgeoisie class was growing. Attributable to the focus of King Zog and his government, there was a delay in factory building, as a result there were only 300 small factories in Albania in 1938 and they were mainly dependent on agricultural products⁶⁶.

By reason of the inheritance of the poorest country in the Balkans, Zog had to face obstacles to lead the Albanian industrialization and the first problem was the lack of

funds to afford the progress of Albania. Consequently the first solution was loaning some capital. As a result King Zog followed the open door policy towards USA and Italy but Italy became the best source of funds, which led to the widespread Italian influence in Albania⁶⁷. There were “75 per cent of the existing industrial enterprises in 1938 in Albania, which had Italian capital and 22 per cent of mixed capital but just 1.8 per cent had bourgeoisie’s capital. For this reason the Italian capital became the owner of Albanian National Economy”⁶⁸. The outcome of having foreign investment in Albania did not have only a negative impact that was the dominance of Italian assets and the control of Albanian industry by the Italian government. It served as a push forward to the progress of industry, but at the same time even affecting the direction of the profile of industry, it made the Albanian industry one-sided and impeded the development of Albanian national industry.

The Italian government decided to control in details the exploitation of its funds in Albania; therefore they created SVEA (Società Per lo Sviluppo Economico dell’ Albania- Society for the Development of Albania) as Italy granted 70 million golden francs for a 7.5 per cent annual interest⁶⁹. SVEA required to be in command of the way the loan was spent and it created a strategy of how to make use of the loan.

According to SVEA, traveling was very important and as such it decided to spend more funds on roads, and bridges, which were not built in line with the Albanian

⁶⁶ Pali Pejo, *Lufta e Partisë së Punës të Shqipërisë për Ndërtimin e Bazës Ekonomike të Socializmit* (The Struggle of the Albanian Labour Party for the Construction of Economic Basis of Socialism), (Tiranë: 8 Nëntori, 1974), 4.

⁶⁷ Miranda Vickers, *The Albanians, A Modern History*, (London: I. B. Tauris & Co Ltd, 1995), 25-45.

⁶⁸ Pali Pejo, *Lufta e Partisë së Punës të Shqipërisë për Ndërtimin e Bazës Ekonomike të Socializmit* (The Struggle of the Albanian Labour Party for the Construction of Economic Basis of Socialism), (Tiranë: 8 Nëntori, 1974), 6.

⁶⁹ Stefanaq Pollo, Arben Puto, *The History of Albania from its Origins to the Present Day*, (Tiranë: Ndërrmarja e Librit, 1981), 180.

needs. A detailed plan of exploiting the funds formulated by SVEA is reflected in this table⁷⁰:

	Estimated expenditure	Actual expenditure
Road building	14800000	15272604
Bridges	11265000	8771857
Railroads (Durrës-Tiranë)	2300000	3025755
Harbor work	8880000	7935727
Public buildings	6735000	9613737
Agriculture and land reclamation	5000000	1613737
Posts and telegraphs	485000	-----
Surveys	535000	954683
Totals	50000000	47188100 ²³

Table 2: Investments of SVEA in Albania

As seen from this table the total sum does not correspond to the entire sum of loan but there were never data on what happened to the other part of the loan.

The Albanian government did not take into account the fact that it would have been really difficult for them to pay the debts and thus they continued to get loans from the Italian government. The result of this was that “Italians took concessions in Albanian industrial plants such as the one of oil, the brewery in Korça, cigarettes in Durrës”⁷¹. As a result, within two years Italy succeeded in gaining control on the Albanian economy⁷².

The Industrial Development under Zog’s regime was one of the most essential issues for he made Albania go into deep debt and, as if this was not enough, it had to overcome even the period of Depression 1929-1935. This would affect negatively the Albanian fragile industry. Exports and revenues fell sharply. Industry was equally badly shaped, small factories for the processing of agricultural products, “in 1938-accounted

⁷⁰ Bernd Jürgen Fischer, *King Zog and the Struggle for Stability in Albania*, (New York: Columbia University Press, 1984), 153.

⁷¹ Eugene K. Keefe, et al, *Albania, a Country Study*, (Washington DC: Library of Congress, 1994), 24-49.

⁷² Nicolas J. Costa, *Albania: A European Enigma*, (New York: Columbia University Press, 1995), 120.

only 9.8 per cent of hydroelectric power. The per capita product was the lowest in Europe⁷³. After 1935 economic indices showed substantial improvement, due to Italian loans⁷⁴. In fact the two sides of this regime are to be considered. Thus Zog was the first ruler who started to develop Albania through the implementation of a range of policies. He gave importance to road building, industry and left aside agriculture.

Road building became the target of the Zogist government and at the same time the majority of the funds were used for this purpose. This process started when Zog was the President of Albania and it further extended during his reign as the King of Albanians. As a result, Zog as President put roads at the top of Albania's needs. His government added some more miles of new roads⁷⁵. While during his presidency he was the one to give the final word on decision-making. This was not the case anymore during his kingdom, because the Italian government had taken all the power from him due to the Italian economic aid and then to the impossibility of paying the debts to Mussolini.

Industrialization turned out to be the main objective of Zogist government. Consequently Zog started a campaign of industrialization and the results were to be praised. By "1922 there were 85 industrial units, foreign trade doubled between 1922-1924 and the development continued until 1925 and 1928". National currency, lek, began to be issued though the national accounts continued to be reckoned in gold francs. The negative side of this project was the prevention of urbanization but this was not the case in post war policies. An achievement of Zog was the changing of his perspectives of governing Albania. He stopped prioritizing the "northern clans" and he

⁷³ Ramadan Marmullaku, *Albania and the Albanians*, (London: C. Hurst & Company, 1975), 35-40.

⁷⁴ Tom Winnifrith *Perspectives on Albania*, (London: Macmillan 1992), 115-137.

made them, pay taxes as all the other Albanian citizens, which was regarded as a huge achievement⁷⁶. The taxes he gathered were to be put under the disposition of industrialization and Zog chose to develop quite all the branches of industry. As a result he evaluated the natural resources and he started factory building policy in accordance to the natural resources existing in several cities of Albania. Thus he built a modern beer factory in Korça, a cement factory in Shkodër in 1929 and numerous electric plants in various cities including Elbasan, which was fully electrified in 1934. Edwin E. Jacques argues in his book that one of the testimonies of this last event claims that they would “never forget the screams of delight rising and falling all over the city of Elbasan as the electric street lights were turned on and off while being tested for the first time one evening in 1934”⁷⁷. All this was due to the hydropower stations, which grew to be the other goal of Zogist government, and the first one was built in 1936 in Vithkuq on the outskirts of Korça with the capacity of 500 kW-hours. The mistake of the Zogist government was the non- development of mines. Mining never developed and there was no effort in exploring and exploiting some minerals, though the Albanian soil was rich of soft coal and bauxite, salt, limestone, high grade copper ore, low grade iron ore, asbestos and asphalt. The same happened, but with a slight difference, with Fieri, a city in southern Albania, which had abundant supply of oil and natural gas. The slightest difference is that it was discovered, but no concentrated effort was made for the industrial development of Albania and making use of it. The

⁷⁵ Nicolas J. Costa, *Albania: A European Enigma*, (New York: Columbia University Press), 1995, 120.

⁷⁶ Tom Winnifrith *Perspectives on Albania*, (London: Macmillan, 1992), 115-137.

⁷⁷ Edwin E. Jacques, *The Albanians: An Ethnic History from Prehistoric Times to the Present*, (London: McFarm, 1995), 220-250.

Albanian soil was so rich that it became the largest deposit of chrome ore in Eastern Europe⁷⁸.

Due to the intention paid to industrialization Zog denied the importance of agriculture. At the beginning of his regime agriculture was the most profitable branch of economy, “the mainspring of economy, which gave 90 per cent of the total national income”⁷⁹, but it declined. All the taxes gathered by the farms and the mines were spent by the royal court and nothing was used to help in the agricultural prosperity of Albania. Furthermore, it remained at a very primitive level, in 1938 there were only 32 tractors in the entire country, and it became impossible to keep up⁸⁰. Nevertheless, it still provided some incomes, so 4.5 per cent of incomes came from primitive industry the rest come from primitive agriculture equally⁸¹.

Although World War II would be pursued in Albania from the establishment of a new regime, the communist regime. It is of academic relevance to consult the economic circumstances of Albania before the communist takeover, in order to sort out the impact of the communist regime in Albania. Thus the economic circumstances of Albania before the communist takeover were at a very pitiable level.

As early as 1939 the Italian army invaded Albania and kept her subjugated until the breakdown of the fascist state⁸². Thus the Italian government decided through SAMIA (Società Anonima Mineraria Italo-Albanese- Anonymous Mineral Society Italo-Albanian) to build in Rubik a plant for the production of blister, a power plant of a high

⁷⁸ Edwin E. Jacques, *The Albanians: An Ethnic History from Prehistoric Times to the Present*, (London: McFarm, 1995), 220-250.

⁷⁹ Ramadan Marmullaku, *Albania and the Albanians*, (London: C. Hurst & Company, 1975), 35-40.

⁸⁰ Ibid.

⁸¹ Edwin E. Jacques, *The Albanians: An Ethnic History from Prehistoric Times to the Present*, (London: McFarm, 1995), 220-250.

⁸² Arshi Pipa, *Albanian Stalinism*, (New York: Columbia University Press, 1990), 14-15

power potential. AMMI and Montecatini concentrated their attention on the production of chrome, whereas FERRALBA on iron, ACI (Azienda Carboni Italiani- Italian Carbon Enterprise) was concerned with the production of carbon in Priskë, Memaliaj, Drenovë and Radokal. SESA that owned concessions for the production of electricity, and increased its power and attempted to create a trust called ELECTRALBA, but they did not succeed due to the strong reaction of the Albanian capital in this sector. Other Italian enterprises that operated in Albania were SCAIA concerned with the industry of oil and alcohol, SAITAA (Società Anonima Industrie Tessili Autarchiche Albanesi- Albanian Anonymous Society for Textile Industry), COA (Compagnia di Oli Albanesi- Albanian Oil Company), SASA (Società Anonima Saccharifera Albanese) in Elbasan.

	1938	1939	1940	1941	1942	1943
Petrol	10800	151250	147300	145000	155000	120000
Carbon	3686	6900	7000	63500	13100	100000
Bitumen	10000	15500	9500	6000	14500	4000
Chrome	7000	11300	10300	12000	36000	6000

Table 3: Sector of Extracting Minerals (in tons)⁸³

As it can be seen from table 2 the Italian government paid very much attention to the energetic and petrol extraction sectors, although they were making use of the Albanian natural resources and exporting it to Italy at a low price.

Albania was more deeply involved in World War II due to invasions from the Fascist Italian forces and then the Nazi forces, which led to complete destruction. Italian scholars like Caselli and Thoma, themselves admit that World War II had a very hard effect on the Albanian economy. The presence of the foreign troops was relevant.

⁸³ Gian Paolo Caselli, Grid Thoma, "La Storia Economica Albanese 1912-1950: Lo Stabilirsi dell'Egemonia Italiana e il Primo Tentativo di Pianificazione" (History of the Economy of Albania 1912-1950: The Stabilization of the Italian Hegemony and the First Attempt of Planning), Journal of European Economic History, vol. 34, n 1, Spring 2005, 30.

The troops especially during the last moments of the occupation destroyed all the goods belonging to civil people and the state. The data for the war destruction were very impressive⁸⁴.

“7.3 per cent of the Albanian people was killed, 21 per cent of the buildings were destroyed, the zoo-technical richness was reduced in $\frac{1}{3}$, and the communication system was quite completely destroyed. The roads, ports, bridges, and the petrol wells were all damaged and the industrial output was just $\frac{1}{4}$ compared to the industrial output of 1938. The simplest and most necessary articles were imported.”⁸⁵

Unfortunately no reliable statistics on Albania's wartime losses exist, but the United Nations Relief and Rehabilitation Administration reported “about 30,000 Albanian war dead, 200 destroyed villages, 18,000 destroyed houses, and about 100,000 people left homeless in contrast Albanian official statistics claim somewhat higher losses”⁸⁶. There were just 300 factories and primitive establishments, which were mainly engaged with agricultural production. The electric energy, which was essential for industry, was produced by some electrical plants in the main cities of Albania. There were just 7,500 employed people and after the liberation of the country many of these factories had ceased working completely⁸⁷.

When the country was liberated none of these primitive factories functioned and the new task for the government was to reconstruct Albania and to eradicate the consequences of the war. The factories that were wrecked needed to be reconstructed and others needed to be built. That is the common decision the government undertook

⁸⁴ Gian Paolo Caselli, Grid Thoma, “La Storia Economica Albanese 1912-1950: Lo Stabilirsi dell’Egemonia Italiana e il Primo Tentativo di Pianificazione” (History of the Economy of Albania 1912-1950: The Stabilization of the Italian Hegemony and the First Attempt of Planning), *Journal of European Economic History*, vol. 34, n 1, Spring 2005, 30.

⁸⁵ Ibid.

⁸⁶ Microsoft® Encarta® Encyclopedia 2002. © 1993-2001 Microsoft Corporation. All rights reserved.

⁸⁷ Anthim Konomi, Irfan Veteriku, Egon Gjadri, Stavri Naco, Dhori Guri, Agim Shehu, Riza Minarolli, Kosta Goga, *Ndërtimet në Shqipërinë Socialiste*, (Construction in the Socialist Albania), (Tiranë:

to change the image of the country but moreover to make people “enjoy living in the country”⁸⁸ as it was preached in the speeches of the leader of the country. Apart from the building of factories, there was an extreme need to have technical training as well for the cadres. The number of cadres actually was just 380 people. The low wages and the tremendous number of unemployed characterized the Albanian industry before the communist takeover⁸⁹. As a result of the Italo-German conquest the poor economic material-technical basis of our industry was much more devastated. The material damages of the war were as follows:

Country	Damage Value
Albania	\$1,920
Greece	\$838
Soviet Union	\$824
Yugoslavia	\$705
Germany	\$721
Italy	\$232
Czechoslovakia	\$286
Bulgaria	\$67

Table 4: World War II Damages per Country per capita⁹⁰

The aftermath of the war was very difficult for Albania especially compared to the other countries. The material damage was considerable and they reveal clearly the conditions in which Albania came out of the war, demonstrating the economic circumstances of Albania before the communist takeover.

⁸⁸ 8 Nëntori, 1980), 21-22.

⁸⁸ Enver Hoxha, *Raport në Kongresin e VII të PPSH* (Report in the Seventh Congress of PPSH), (Tiranë: 8 Nëntori, 1976), 4. This is mainly a collection of the speeches and the plans that the government passed and voted for the transformation of the country. After being voted by the Ministers' Council they were published in books called Kongres (Congress) in order to be displayed to people and the directors of enterprises. They contained the budget and the plans that each enterprise had to fulfill in the stipulated time given by the government. Generally they were speeches of the leader who announced every decision.

⁸⁹ Vladimir Misja, *Baza Materialo-Teknike dhe Efektiviteti i Investimeve në Industri*, (The Material-Technical Basis and the Effectivity of Investments in Industry), (Tiranë: Shtypshkronja e Re 1983), 20.

⁹⁰ Ibid. 21.

As seen from this short description, it is needless to state that the economic circumstances of Albania were pretty insignificant after World War II, due to the consecutive occupations Albania underwent. But what will the communist leaders decide upon Albania after the takeover and the creation of the government?

2.2. The Communist Takeover, the Leader's, Ideology and the Party's Role in Economic Policies

Enver Hoxha: Another page of our history is being opened today, a page that is in our hands to make it as glorious as our war against the invaders, and this is the war for the reconstruction of Albania, for the construction of economy, for the construction of culture and education of our people, for the raising of its social, economic and political level... We need to understand here as well, as we understood in the armed war that to give to people a happy and prosperous life, the entire population needs to be the factor of this great deed.⁹¹

These are the words the leader of the country, Mr. Enver Hoxha, announced the liberation of the country and the creation of the government simultaneously announcing the plans he had for the reconstruction of Albania. Inheriting one of the poorest countries in Europe, not to say the most impoverished of European countries, the leader of Albania embarked on an assiduous campaign to develop Albania. I will consider the role of the leader in the entire process of industrialization in Albania as until now it was taken for granted that Mr. Enver Hoxha, being the leader of the country, controlled every aspect of life, including the economic one.

Consequently in order that I could be aware of the entire process of industrialization, as it in reality happened, I interviewed various authorities during communist regime. Thus Mr. Ramiz Alia, and one of the Ministers of Industry, and some directors of the state-enterprises shed light on the role of the leader, the role of ideology and also on the understanding of that time as far as the industrialization process is concerned. Not just this but these interviews facilitated also the

⁹¹ Council of Ministers, File P016, Archives of PPSH (Speech in the meeting for the Liberation of Albania and the coming to Tirana of the Democratic Government)

Enver Hoxha: "Sot po hapet një faqe tjetër e historisë sonë, një faqe që është në dorën tonë ta bëjmë po aq të lavdishme, sa dhe luftën tonë kundër okupatorit, dhe kjo është lufta për rindërtimin e Shqipërisë, për ngritjen e ekonomisë, për ngritjen e kulturës dhe arsimit të popullit tonë, për ngritjen e nivelit shoqëror, ekonomik e politik të tij... Duhet të kuptojmë edhe këtu, ashtu siç e kuptuam në luftën e armatosur se për t'i kryer këto detyra, për t'i dhënë popullit një jetë të lumtur e më të begatshme, duhet

understanding of the economic circumstances of Albania and broke some of the common known paradigms, especially on the role of the leader and on the shift of Albania towards the Soviet Union.

As such as I discovered from my research Mr. Hoxha was not deciding on every field of life. The regime established was called by the leaders of the time as Mr. Alia confirmed:

Dictatorship of the Proletariat or People's Democracy and as all the other regimes, as Mr. Ramiz Alia confessed, it had its own principles. These principles allowed free hand to the state and as such it decided on the policies to be followed, including economy⁹².

Elez Biberaj, chief of the Albania Service of Voice of America argues that "the creation of the one-party state in Albania displayed the determination of the new leaders to have good relations with the Soviet Union."⁹³ As such he alludes that the role of Mr. Hoxha would be to control the social and economic aspects of Albania. He pointed the direction of Albania towards Soviet Union only because of the desire of the Albanian leaders to occupy the same position as Stalin. This has been taken for granted in every kind of study about the Albanian communist regime. In fact Mr. Ramiz Alia, the right hand of Enver Hoxha and later President of Albania clarified this in his interview by pleading guilty to the decree of the end of the war declaring:

The relation with Soviet Union was not just a choice for us but it was a result of the end of World War II. The end of World War II was a deal between the Soviet Union and Anglo-Americans, thus the Soviet and Anglo-American Sirs divided the World into two parts in Yalta. The entire eastern countries were given to the Soviet Union and the western to Anglo-

që populli i tërë të jetë faktori i kësaj vepre të madhe" (me rastin e Pavarësisë dhe të ardhjes së Qeverisë Demokratike në Tiranë).

⁹²Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë.

"...regjimi i mëparshëm quhej diktatura e proletariatit ose demokracia popullore siç e quanim ne, çdo regjim ka parimet e veta, dhe si i tillë vendoste dhe mbi ekonominë".

⁹³ Elez Biberaj, *Shqipëria në Tranzicion*, (Albania in Transition), (Tiranë, Ora, 1998), 44-45.

Americans... Albania could not do otherwise because no one would allow it, as it had no better options as the world was divided among Stalin, Churchill and Roosevelt.⁹⁴

Thus the relation with the Soviet Union did not have as basis the role of the leader that the Albanian authorities aimed at in controlling the entire socio-economic and political life of Albania. These interactions were thus mandatory due to the World War II peace treaty. Consequently the new government, coping with the economic difficulties had to switch into the Soviet side. The newly born government decided to revolutionize the economy of the country and indeed it succeeded in doing it. There is a need to accept that the Albanian economy prospered during communism.

The leader of the country was considered to be the leading figure and the final word for any decision-making thanks to the centralization of economy. Unlike the other leaders of the communist block, Enver Hoxha, was not an authoritarian leader when talking about the economic aspect, thus according to the Minister of Industry of that period:

Enver Hoxha did not dictate any decision to us. He never went into details, but led by ideology, he voted for any plan proposed.⁹⁵

Mr. Alia explained the process of decision-making and from there he sorts out the role of Enver Hoxha. According to Mr. Alia:

The economy implemented by the Albanian Government was centralized and as such the state had the full control over every aspect. The plans of production were formulated by the governmental organisms, from the center, which assigned to

⁹⁴Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë. "Lidhja me Bashkimin Sovjetik nuk ishte vetëm një zgjedhje por ishte një rrjedhim i përfundimit të Luftës së Dytë Botërore. Lufta II Botërore ishte një marrëveshje e Bashkimit Sovjetik dhe Anglo-Amerikane, kështu... dhe Zotërinjtë Sovjetikë e Anglo- Amerikanë në Jaltë e ndanë botën në dysh. Tëra vendet e lindjes ishin ma Bashkimin Sovjetik, vendet Perëndimore ishin me Amerikanë... Shqipëria nuk mund bënte ndryshe, se nuk e linin, e ia kishin vënë litarin në fyt, nuk lejonte njeri të bënte ndryshe, se ishte ndarë bota midis Stalinit, Rusveldit e Çurcillit."

⁹⁵J.B. ex-Minister of Industry, interview by the author, April 20, 2007, transcript, Tiranë "Jo, Enver Hoxha, nuk na diktonte asnjë vendim. Ai asnjëherë nuk i shihte planet në detaje por i udhëhequr nga ideologjia miratonte çdo plan të propozuar".

an enterprise for instance to the Metallurgical Plant to produce a specific amount of a certain product. The enterprise's director had to comply with and produce the quantity assigned with the number of employers it possessed but moreover with the quality that the organism had prescribed to it. Consequently the director of the enterprise or the engineer had no say. The Centralized Democratic System did not allow the engineer or the entire enterprise to switch its direction, and in this sense it was called the centralized economy as well.⁹⁶

Through this description, the leader of the country just held the position of the controller in terms of the ideology to be followed. Academically interesting is the fact that in the huge framework of controlled economy there were initiatives as well, although they were not of huge dimensions. The factory or state-enterprise had to fulfill its primary task and after this, in case they hadraw material they could give another output. The realization of the plan was primary and in the case of the non-fulfilling of the plan the commission asked for a report from the director and of the engineer about the problems and about the ways to repair what happened in reality, or sometimes to compensate the loss in the coming month.⁹⁷

Actually the role of the party is also very much relevant to the economic policies. Thus the leader was not the only one to consider the question of economy. A commission acted at the national level to analyze every aspect of the entire process of the work. It is true that centralized economy acted in Albania during communism but as far as the degree of centralization is concerned there is a gap. Thus there is a need to

⁹⁶ Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë. "...ekonomia ishte e centralizuar dhe shteti kishte kontrollin mbi çdo gjë. Planet e prodhimit formuloheshin nga organizmat qeveritare, nga qendra e cila i caktonte një ndërrmarje të caktuar, psh metalurgjisë i caktonte që duhej të prodhonte një sasi të caktuar produktesh, të gjitha planifikoheshin. Dhe ndërrmarja duhej të prodhonte atë sasi me ato punëtorë, me atë cilësi që i caktohej dhe me ato rroga që përcaktoheshin për sasinë e caktuar. Ishte e planifikuar dhe drejtori i ndërrmarjes ose inxhinjeri nuk kishte mundësi të thoshte, "nuk prodhoj këto" pasi nuk mundej. Sistemi i Centralizuar Demokratik nuk lejonte që inxhinjeri ose ndërrmarja të ndyshonte drejtim, sepse nuk e linte sistemi. Dhe në këtë kuptim ekonomia ishte e centralizuar."

specify that the commission called the Council of Plans Commission and its members were well-known engineers, technicians, economists and politicians as well.

But what was the leader's role in ratifying an economic plan? As mentioned above, each factory or state enterprise was assigned an essential task from above, from the State Commission of Plans and not from Enver Hoxha, as Mr. Alia confirms breaking the paradigm that it was Enver Hoxha who assigned the plans for each enterprise. "The plans were formulated from the State Planning Commission, but their propositions of this commission were approved in the government, where Mehmet Shehu was the Prime Minister at that time. Further on the plan of the state was approved in the Politburo as well where Enver Hoxha participated. Mr. Ramiz Alia confessed that neither Enver Hoxha, nor Mehmet Shehu or Alia himself knew in detail about every plan. Thus I could know that we produced chrome lets say 1,000,000 tons by that time, but never of what percentage for instance I did not know how much of 20%, 25% or 30% chrome was produced. I was not interested as well to go into details, as the Council of Plans Commission was engaged with this, where technicians, engineers and specialists participated."⁹⁸

The role of the leader in planning the economy was never the one that is taken for granted, that of having the final word in everything. The role of Enver Hoxha, as Mr. Alia and the Minister of Industry declared was not the control of the plans concretely but the general ideological line and by the general line Mr. Alia meant specifying what type of economic policy needed to be followed. Hence we would follow the politics of

⁹⁷ Enver Hoxha, *Vëllimi 8*, (Volume 8), (Tiranë: Naim Frashëri, 1971), 258.

⁹⁸ Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë.

industrializing the country, and of collectivization, although collectivization was one of the means to reach the total industrialization of the country⁹⁹.

The other factor that influenced in the economic transformation of Albania was the ideology. And the leading ideology of communism was regarded to be the Marxist one. Femia connects communism to the ideology and he maintains that these two approaches are linked so well that “it might be said that Marxism is the ideology and communism the practice”¹⁰⁰. Mr. Alia himself admits that they voted every decision on the industrialization of Albania as they were led by the ideology. To cite him:

...at that time I voted for the industrialization of Albania because I had my conviction that Albania would progress, Enver did everything with us. I voted the first about every industrial work.¹⁰¹

Thus the leading ideology was the Marxist one and the leaders of Albania always emphasized this in every industrial work that they finished building. The relation with Soviet Union led in fact to the isolation of the country and the ideology made everyone obey to all the decisions. The leader of Albania was always preaching the idols of the system and comparing it to capitalism always highlighting the negative sides of capitalism. Thus in one of his speeches he stated:

the direction of the state, economy, culture, and of the army in the capitalist countries has just foreign labels ‘democratic’ because in reality the wild boot of capitalism, the law of jungle rules there. There is democracy just for the wealthy and not for the poor. The latter have to be subjected to the laws of their ‘democracy’, which naturally attempts to create in them the idea that it is ‘their democracy’ of people’s vote that elects

⁹⁹ Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë. & J.B. ex-Minister of Industry, interview by the author, April 20, 2007, transcript, Tiranë.

¹⁰⁰ Joseph V. Femia, “Marxism and Communism” in *Contemporary Political Ideologies*, (London, New York: Continuum, 1999), 104

¹⁰¹ Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë. “Në atë kohë e kemi votuar të gjithë industrializimin e Shqipërise, edhe unë e kam votuar, me të dyja duart madje, se nuk i bëri Enveri këto vetëm por i bëri me ne. Unë e kam votuar se kisha bindje që Shqipëria do të zhvillohej ...”

the senators for instance in USA and that is the finest democracy in the world.¹⁰²

The ideology and the leader's speeches played an essential role in hypnotizing the people, but at the same time this would be dubious as people talking about communism nowadays can be divided into two groups, the ones who did not suffer from communism and the others who did. The ones who never suffered or suffered a little attribute Enver Hoxha with merits. Generally the people, who lived during the communist era, claim that:

they learned how to read and write, there was electricity and health center in every village not mentioning the cities, the land commenced to be used well, there was a lack of criminality and finally there was equality.¹⁰³

In contrast the anti-Communist people still remember the period of the '50s when there was an enthusiasm to build the most prosperous Albania, the most fair despite the repressive acts of the regime. But actually these people never acted against it due to the fear or due to the ideology. Many scholars like Morozzo claim that the dictator dedicated more attention to the ideology however one of the Ministers of Industry emphasized in his interview that the leader made use of the ideology to revolutionize the economy of Albania. Thus the ideology and its components were a means of changing the image of Albania. It is the Marxist – Leninist ideology that the Albanian

¹⁰² Enver Hoxha, *Raporte e Fjalime (shtator 1970- dhjetor 1971), Mbi Revolucionisimin e Mëtejshëm të Partisë dhe të gjithë Jetës së Vendit*, Instituti i Studimeve Marksiste-Leniniste Pranë KQ të PPSH , (Tiranë: Shtëpia Botuese e Librit Politik, 1972), 10.

Enver Hoxha: “drejtimi i shtetit, i ekonomisë, i kulturës dhe i ushtrisë në vendet kapitaliste ka vetëm etiketat e jashtme “demokratike” pasi në fakt atje sundon thundra e egër e kapitalizimit, ligji i tij i xhunglës. Atje ka demokraci vetëm për të pasurit e jo për të varfërit. Këta u duhet t’u nënshtrohen ligjeve të kësaj lloj “demokracie” e cila natyrisht përpiqet të krijojë ndër ta përshtypjen se “demokracia” e tyre e votës “popullore” që zgjedh për shembull senatorët në SHBA është “demokracia” më e përsosur në botë”.

¹⁰³ Roberto Morozzo della Rocca, *L’ Albania, le Radici della Crisi* (Albania, the Roots of Crisis), (Tiranë: Shtëpia e Librit, 2000), 28.

leader never ceased preaching and sometimes even appreciating in every speech, like in the case of Hoxha's speech in the Seventh Congress:

Long Life to Marxism- Leninism, Long Life to the Victorious PPSH and to Our Heroic Working People and to the Wise and Faithful Leaders.¹⁰⁴

Surely he never left without appreciating the people and the party, which was very encouraging for the Albanians at that time. As the decision for the economic direction of Albania was given, then Albania had to comply with it and to follow the ideology of the Soviet Union where industry became primary.

Industrialization as a process had to be achieved by the employment of various means. Actually observing these means we can realize that they were similar to the Soviet ones. But which were these means utilized from the Albanian government to achieve the total industrialization process?

¹⁰⁴ Enver Hoxha. *Raport në Kongresin VII të PPSH*, (Report in the Seventh Congress of PPSH), (Tiranë: Shtëpia Botuese "8 Nëntori", 1976), 89.

2.3 The Industrialization Project and the Means to Achieve it

The Albanian government decided to implement various policies, including economic ones. The economic policy that the new government would follow was an outcome of the subordinated political relations to the Soviet Union. As the Soviet Union accumulated military power and political influence and made progress in terms of its industrial capacity, while Albania was in poor economic conditions, the new government had to rely upon Soviet aid. Thus the economic policies were mostly copied from the Soviet Union. Comrade Enver Hoxha, as he was called within the party and in public, declared:

Such a straight Marxist-Leninist orientation of our Party, in the development of a wide range of our industry, is the solid basis for our progress towards socialism.¹⁰⁵

By following the Soviet example he related industrialization with socialism creating thus a binomial that would continue to exist until the end. After this he stressed the fact that socialist industrialization's main aim was to win over capitalism. Thus the government believed that through the politics of industrialization they would increase the development of the production forces, but at the same time the construction and the development of the technical basis of socialism. Industrialization would radically transform the structure of social production, would create new branches apart from the existing ones, and increase the role of the industrial production in order to fulfill the necessities of the civil¹⁰⁶. What the government declared was that the socialist industrialization of Albania enlarged and strengthened the socialist property over the

¹⁰⁵ Enver Hoxha, *Vepra 5*, (Work 5), (Tiranë: Libri Politik, 1965), 336.

Enver Hoxha: "Një orientim i tillë i drejtë i partisë sonë, në zhvillimin në shkallë të gjerë të industrisë sonë është baza e shëndoshë për shkuarjen tonë në socializëm"

¹⁰⁶ Pali Pejo, *Lufta e Partisë së Punës së Shqipërisë për Ndërtimin e Bazës së Ekonomisë Socialiste*, (The War of the Albanian Labor Party for the Construction of the Socialist Economic Basis), (Tiranë: Shtëpia Botuese "8 Nëntori", 1974), 70-71.

production means and became an important factor in the disappearance of the capitalist elements¹⁰⁷.

The plan of developing Albania was closely related to the industrialization of the country in accordance to the Soviet example. Therefore a direct announcement from the leader heralded:

The party in its program for development and empowering the socialist economy since at the beginning and always has followed a straight Marxist-Leninist line giving the primary importance to the increase and widen industry, its empowering and its modernization.¹⁰⁸

Every progress in industry was attributed to the party program and the progress was claimed to be in all the fields, such as mining, communication, building and etc. This was reflected in the collection of the congress and the progress was notified to all including people. This is one of the examples of the proclamation of the leader that the Albanian economy was progressing.

...an increase of 3.9 times in industrial production in 1975 compared to 1960 from which 3.1 times of increase in the production of oil industry and chrome one. Copper industry had an increase of 21 times more, whereas the electric industry reached 7.1 times more. The boom was clearer in the chemical industry that was 24.8 times more and the mechanical one reached 14.4 times more.¹⁰⁹

The means that the Albanian government used to achieve the entire industrialization of Albania were collectivization, state property, state enterprises, the five-year plans and the development of heavy industry. These plans coincide with the Soviet models of industrialization. The procedure of implementing industrialization is the same as in the Soviet Union, starting with collectivization and then the other stages.

¹⁰⁷ Këshilli I Ministrave, *Industria* (Industry), 1975, in I106 in Albanian Labor Party's Archive

¹⁰⁸ Enver Hoxha. *Raport në Kongresin VII të PPSH*, (Report in the Seventh Congress of PPSH), (Tiranë: Shtëpia Botuese "8 Nëntori", 1976), 41.

¹⁰⁹ Ibid

Collectivization was the first step towards industrialization. Thus in accordance with Derek Hall the first stage of industrialization is marked exactly by the process of collectivization¹¹⁰. There are various streams of ideas as far as the function of collectivization. Sjöberg emphasizes the voluntary collectivization led by the belief of people that this would serve the industrialization of Albania¹¹¹. In reality, that was a policy implemented, and it was also reflected in the constitution of Albania, furthermore the entire project of collectivization was controlled by a specific organism of the state called *Kadastër* (cadastre) as one of the Ministers of industry ascribes nowadays¹¹². The other stream of ideas is from two Albanian economists that this would serve the development of agriculture¹¹³. Mr. Alia in his interview regarded collectivization as a positive characteristic of the period to lead to industrialization and to the unification of people and properties. He stated what collectivization meant for that era:

As an idea collectivization was the unification of the lands, individuals especially in our village, which was poor as before it was owned by a small number of feudals, thus Myzeqe was possessed just by 6-7 feudals, and the farmers were raja.¹¹⁴

Collectivization is always regarded as the first step towards industrialization, whereas Derek Hall distinguishes three stages of what he names post-war collectivization in Albania. According to him the first stage was related to the expropriation of the farmers. Thus according to the regime “all holding above 20 hectares were confiscated unless the owners were deemed to employ “advanced methods” of cultivation. The

¹¹⁰ Derek Hall, *Albania and the Albanians*, (London: Printer Publisher LTD, 1994), 19.

¹¹¹ Örjan Sjöberg, *Rural Change and Development in Albania*, (San Francisco: Westview Press, 1991), 86.

¹¹² J.B. ex-Minister of Industry of Albania, interview by the author, April 20, 2007, transcript, Tiranë.

¹¹³ Iljaz Fishta, Mihal Ziu, *Historia e Ekonomisë së Shqipërisë 1944-1960*, Tiranë: Dita, 2004, 340-341.

¹¹⁴ Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë. Kolektivizimi si ide ishte racionale, e re, sepse bashkimi bën fuqinë, këtë mos e harro, një njeri i vetëm nuk bën asgjë, bashkë është më ndryshe. Si ide kolektivizimi, bashkimi i tokave, bashkimi i njerëzve,

second stage is concerned with the “combination of Marxist rhetoric and the Machiavellian pragmatism. The characteristic of this period was land redistribution to the landless peasantry”. The third stage is exemplified from the “total collectivization of the lands and its consequences were the development of larger units of production, the elimination of former monocultural aspect of Albanian agriculture. Regional specialization and land reclamation and irrigation for more cultivated land were the other two consequences of collectivization”¹¹⁵. But actually he forgot about the moment of Mr. Alia’s rule, who attempted to correct the mistakes done by the previous regime. As a result Mr. Alia who determined to support the farmers.

...my correction was to return the farmers the land parcel, not entirely, not three acres but just one, so that they could fulfill their necessities.¹¹⁶

The other means that the Albanian government utilized for the transformation of the Albanian economy was controlled economy, meaning by that the nationalization of property. Thus the state instigated centralized economy and as such the state had the full control of the property, calling it as state property and prohibiting private property. Zickel argues that the state owned all the economy and moreover the state-enterprises served this function¹¹⁷. The five-year plans were part of the realization of the process of industrialization. These five-year plans were formulated by the commission of the state and then they were sent for approval to the state apparatus. Actually the five year plans were also split into one year plans and these plans were delivered to the

sidomos në fshatin tonë, që ish fshat i varfër, por fshatin tonë më parë e kishin në dorë feudalët, tërë Myzeqenë e kishin 6-7 feudalë, kurse fshatarët ishin raja.

¹¹⁵ Derek Hall, *Albania and the Albanians*, (London: Printer Publisher LTD, 1994), 35.

¹¹⁶ Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë “korrigjimi im ishte që fshatarëve t’u ktheja atë parcelën e tokës, jo të plotë, jo 3 dynym, por një dynym vetëm që të plotësonin nevojat e tyre.”

¹¹⁷ Raymond Zickel, *Albania, a Country Study: Area Handbook Series*, (Washington DC: Library of Congress Press, 1994), 105

directors of the enterprises with the expectation that they would fulfill and overpass the plan¹¹⁸.

The previous direction of the Albanian economy was agricultural one but then the leader of the country undertook the action of changing it into industrial. Enver Hoxha himself announced in one of the Party's Congresses:

I am glad to observe now that the industrialization with quick steps of the country is bringing closer the assigned objective from the Party, the transformation of Albania from an agricultural-industrial country into an industrial-agricultural one.¹¹⁹

The industrialization period was related to the development of the most important branches of industry, focusing on the construction of the factories that would deal with the heavy industry, light industry and alimentary industry as well. The other industrial branch of essential importance for Albania as it would lead to the economic growth due to export was the construction of the power plants in quite all the most important cities. The mines became profitable as well and as such the Albanian government prioritized them as Albania became one of the exporters of various minerals.

The other characteristic of the plans to develop Albania was concerned with the creation and the development of heavy industry. The Albanian government was developing by that time black industry, military industry and mines as well. The functioning at that time of various heavy industrial deeds in different cities of Albania demonstrated it. These heavy industrial enterprises or plants were situated in various cities. The desire to make use of their natural resources, the belief in the future

¹¹⁸ Ramadan Marmullaku, *Albania and the Albanians*, (London: C. Hurst, 1975), 25-27.

¹¹⁹ Enver Hoxha, *Raport në Kongresin e VII të PPSH* (Report in the Seventh Congress of PPSH), (Tiranë: 8 Nëntori, 1976), 4

Enver Hoxha -“ Me kënaqësi konstatojmë tani se industrializimi me ritme të shpejta po e afron për ditë e

prosperity of Albania and the yearn for following the Soviet example made the Albanian government undertake operations that would industrialize Albania. Thus Mr. Alia himself affirms:

We voted heavy industry; me myself voted it more. This is because I had the conviction to have metallurgy to work and exploit our minerals, as we had the minerals¹²⁰.

This was not the only reason of developing metallurgy. The other reasons as the Minister of Industry of that time confirms are related to the independence of Albania and the protection of Albania.

We developed heavy industry because we wanted Albania to be independent from the other countries. We wanted to use our minerals and have a steady economy in Albania to prosper everyday. Whereas we developed military industry in order that we could protect our country when necessary especially if the enemies would attack us.¹²¹

A new direction was evident in Albanian economy in the '70s. Swain assumes that despite the changes in the economic policies in the other countries in 1970s, Albania continued with the same ones and fell in isolation¹²². That is one of the peculiarities of the Albanian communist regime. Swain focuses only after the 1970s but this process started partially since the 1960s when Albania broke with Soviet Union. Albania did follow the Soviet models of industrial but when the switch during the Khrushchev rule occurred, Albania ceased to follow Soviet Union anymore. As a result various works started with the Soviet aid were interrupted and this was considered and reflected in

më shumë objektivin e caktuar nga Partia, shndërrimin e Shqipërisë nga një vend bujqësoro-industrial në një vend industrialo-bujqësor”

¹²⁰Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë.

“E kemi votuar, dhe unë e kam ngrit dorën me të madhe, bile të dyja. Pse? Se kisha bindje ëëëë, të kishim një metalurgji që të punonim ne, të shfrytëzonim ne mineralet tona sepse neve i kishim mineralet”

¹²¹J.B. ex-Minister of Industry of Albania, interview by the author, April 20, 2007, transcript, Tiranë.

“E zhvilluam industrinë e rëndë sepse donim që Shqipëria të ishte e pavarur nga shtetet e tjera. Ne donim që të shfrytëzonim mineralet tona që të kishim një ekonomi sa më të fortë, që Shqipëria të përparonte çdo ditë. Kurse industrinë ushtarake e zhvilluam që të mbronim vendin tonë kur të ishte e nevojshme, veçanërisht kur armiqtë të na sulmonin”

the Albanian media as the “Khrushchevite betrayal”¹²³. Then after Soviet Union, it was the turn of the other communist countries that led to the isolation of Albania.

As a conclusion I can fully claim on basis of the sources that the communist takeover led to the creation of a state that implemented various economic policies, mainly copied from Soviet Union. A range of factors not just one, the leader, taken for granted in other studies, influenced in this aspect led to the Albanian industrialization.

¹²² Geoffrey Swain & Nigel Swain, *Eastern Europe since 1945*, (United States: Palgrave Macmillan, 2003), 176

¹²³ Anthim Konomi, Irfan Veteriku, Egon Gjadri, Stavri Naço, Dhori Guri, Agim Shehu, Riza Minarolli, Kosta Goga, *Ndërtimet në Shqipërinë Socialiste*, (Construction in Socialist Albania),(Tiranë: 8 Nëntori, 1980), 28

2.4. Industrialization of Albania during Communism

Enver Hoxha- During the Five-Year Plan we need to create an industry, which would be able to raise in a higher level the production of wide consumption on basis of making good use of national raw material aiming at a lower import of these articles.¹²⁴

Taking into account the economic circumstances of Albania, the government embarked in various campaigns to transform the Albanian economy, and despite the negative sides of the regime very much discussed about, there is a need to consider the positive sides as well, which are mainly related to the economic prosperity. I will argue that the Albanian economy underwent a complete development under the communist regime.

The Stages of Industrialization

The process of industrialization was composed of various stages, which instigated with collectivization as the first step. Mr. Alia himself confessed that they did this, as collectivization was a means of reaching to the industrialization. Hence through the interference of collectivization they created the cooperatives, which later on were enlarged due to the decision of the government. Even at present Mr. Alia protects the idea of collectivization:

¹²⁴ Enver Hoxha, *Vëllimi 8* (Volume 8), (Tiranë, 1971), 321

Enver Hoxha: “Gjatë pesëvjeçarit të krijohet një industri e cila të jetë e aftë të ngrejë në një nivel shumë më të lartë prodhimin e mallrave të konsumit të gjërë në bazë të shfrytëzimit më të madh të lëndës së parë në vend dhe me qëllim që të ulët në mënyrë të dukshme importimi i këtyre artikujve nga jashtë.”

Collectivization, as an idea, was a rational one, because unity makes power, this is in every system, meaning regime, because one individual cannot do anything alone, together, it is different. Collectivization was a good idea and fruitful, but there were mistakes during its implementation.¹²⁵

After the implementation of collectivization the communist government set off the process of industrialization focusing on industry, but paying special attention to heavy industry. One of the means through which the government decided to use in order to progress in the industrial field was the implementation of the Five-Year Plans, and each of these plans composes one



Figure 1: Map of Albania

specific stage of industrialization. The first phase of Albanian industrialization started with the Two – Year Plan of 1949-1950, with the international aid of Stalin. Thus thanks to this help the construction of the textile plant named “Stalin” together with the power plant adding a living center next to it as well. The plants for cotton-spinning in Rrogozhina and Fier as well. The other industrial works started to be constructed, like the sugar factory in Maliq, a zone in Korça. Additionally a power plant was settled there

¹²⁵Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë. “zhvillimit të industrisë nëpërmjet kolektivizimit, pasi kolektivizimi ishte rrugë, e kupton, me ndërhyrje me anën e kolektivizimi zhvilluam bujqësinë, me anën e kolektivizimit krijuam kooperativat e vogla e ato u zgjeruan. Edhe kolektivizimi ka patur anët negative, për mendimin tim, ti në daç merre në daç mos e merr, Kolektivizimi ishte ide e mirë dhe e frytshme, por pati gabime gjatë implementimit.”

as well to supply the sugar factory with electricity¹²⁶. This plan marked thus the first phase of industrialization of Albania.

The second stage I indicated by the beginning of the Five-Year Plans. The first Five-Year Plan started in 1951 ratified from the Second Congress of the Party. The main economic aim of this plan consisted in the continuation with a faster rhythm of the construction of the economic basis of socialism. The beginning of this Five-Year Plan led to the displaying of the socialist industrial basis as a group of engineers maintain. This period marks the beginning of the other main power plants that would provide electricity in the entire Albania. The branches of industry that started to generate were light industry and heavy industry, including clothes and food industry. Various industrial works were the output of this five-year plan and the construction of socialism as well had its origins. The engineers learned how to work with a technology, which entered Albania for the first time. This period marks the creation of the first group of cadres, who would operate for the further development of Albania¹²⁷. According to the documents consulted in the archives of PPSH (Albanian Labor Party) the industrial production after the first five-year plan thus in 1955 was “3 times more than in 1950 and 11.5 times more compared to 1938”¹²⁸. This five-year plan was very much appreciated from the leader of the country who in the third congress of the party asserted “The First Five-Year Plan can be called the five-year of the creation of the

¹²⁶Anthim Konomi, Irfan Veteriku, Egon Gjadri, Stavri Naço, Dhori Guri, Agim Shehu, Riza Minarolli, Kosta Goga, *Ndërtimet në Shqipërinë Socialiste*, (Construction in Socialist Albania),(Tiranë: 8 Nëntori, 1980), 22-24

¹²⁷ Ibid. 25

¹²⁸ Council of Ministers, File I0615, Archives of PPSH

new and modern people's industry, the basis of the protective abilities of our fatherland and of the continuous amelioration of the people's prosperity".¹²⁹

The third phase begins with the second five-year plan, that is a result of the first plan. It persisted with the continuation of the projects of the first five-year plan but surely launching the efforts for other endeavors. Compared to the first five-year plan there were 150 important buildings and in the second one there were 250 ones, according to the documents of the Ministers' Council. As a result of the industrial works built during the first and second five-year plans the industrial product was 26 times more than in 1938. A better amelioration of the work in construction was obvious in the second plan and this affected in the fulfilling of the plans in a shorter time and then in over-passing the plans dictated to the enterprises and to the factories or plant's directors.

The third five-year plan indicated the fourth stage and that is the beginning of heavy industry. By considering the case of Soviet Union, the Albanian government decided to give special credit to heavy industry. Most of the heavy industry plants were built during this period. The construction plans for this period grew 16 per cent compared to the first five-year plan, the yield increased 44 per cent, the cost decreased of 16 per cent¹³⁰. There was a slow down of the construction of the industrial works, due to the breakdown with Soviet Union, and in the Albanian newspapers it was announced that this slow down was due to the betrayal of the

¹²⁹ Council of Ministers, File I 0615, Archives of PPSH.

Enver Hoxha: "Pesëvjeçari i Parë mund të quhet pesëvjeçari i krijimit të industrisë së re dhe moderne, e cila është bazë e zhvillimit të ekonomisë popullore, baza e aftësisë mbrojtëse të atdheut tonë dhe e përmirësimit të vazhdueshëm të mirëqënies së popullit".

¹³⁰ Anthim Konomi, Irfan Veteriku, Egon Gjadri, Stavri Naço, Dhori Guri, Agim Shehu, Riza Minarolli, Kosta Goga, *Ndërtimet në Shqipërinë Socialiste*, (Construction in Socialist Albania), (Tiranë: 8 Nëntori, 1980), 27.

“Khrushchevite Soviet Union”¹³¹. Still there was a considerable number of industrial buildings, like the plant wire plant in Shkodra and power plants in various cities of Albania as well. It is worth mentioning that this is the period when the most important plant was built in Elbasan, the Metallurgical Plant. In this phase it was built and very few of its units worked directly. The textile plant in Berat was built within this period as well demonstrating thus the intention of the government to develop all the industrial branches. Shoes’ factories in Shkodër, Gjirokastë and Korçë, brick kilns in Tirana, wood plant in Laç, cement factories in Fushë-Krujë and Elbasan, the nitrogen-ammonium plant in Fier, the plastic factory in Durrës were part of the work of this period as well¹³².

The fifth stage of industrialization is marked with the beginning of the fourth industrial plan. This culmination of industrialization is characteristic of this period. Apart from this, the technical-scientific revolution took place. The revolutionary initiatives of the workers burst out exactly by this time. There were 6000 proposals for rationalizations from 1966-1967 and only 4000 were realized with just 10.5 million lek¹³³. The Ministry of Mines became more active and most of the mines were opened during this time as now by that time Albania had succeeded in producing the necessary machinery as until now the mines were maintained with imported machinery. The leader himself stressed the importance of the mines. He asserted that:

...The mines occupy an important place in our economy and its good use creates a good source of incomes for the people. We are all aware about their conditions from the war. We are all aware about the stealth of the Yugoslav Trockists

¹³¹ Anthim Konomi, Irfan Veteriku, Egon Gjadri, Stavri Naço, Dhori Guri, Agim Shehu, Riza Minarolli, Kosta Goga, *Ndërtimet në Shqipërinë Socialiste*, (Construction in Socialist Albania),(Tiranë: 8 Nëntori, 1980), 28.

¹³² Ibid.33-36.

¹³³ Ibid. 37.

especially in the industry of petrol, when they attempted to track petrol and its derivatives with anti-scientific and capitalist methods, simultaneously damaging the construction yard and to sabotage its use in the future.¹³⁴

Surely it is needed to emphasize that the Albanian government had to be careful with the expanses because it was losing quite all the allies.

Various scholars claim that the fifth five-year plan delineates the culmination of industry, as most of the heavy industry works started to work with their full capacity. The case of the Metallurgical Plant in Elbasan and the power plant called Vau i Dejës, the plant for the processing of petrol in other cities were clear examples of this period. Additionally the refineries of petrol in Ballsh, Fier commenced functioning during this period. As a result of the hard work of the workers the results were to be praised. Thus the yield of the work was 28 per cent higher; the degree of the mechanization of the work was higher as well¹³⁵.

The next phase was denoted by the sixth five –year plan, which would open great perspectives in the construction aspect. Except the concluding of the previous five-year plan's constructions it commenced other important ones like the cement factories, in Elbasan, Fier and Vlorë.

The five-year plans for Albanian industry continued to progress but the Albanian economy commenced to decline by 1978. The situation was becoming worse every year. The years 1982-1983 would mark, as Mr. Alia confessed, the final shot of the

¹³⁴ Enver Hoxha, *Vëllimi 8, (Volume 8)*, (Tiranë: Naim Frashëri, 197), 318.

Enver Hoxha: “Minierat zënë një vend të rëndësishëm në ekonominë tonë dhe shfrytëzimi sa më shumë i tyre krijon një burim të mirë të ardhurash për popullin . Dihet se në çgjendje të mjerueshme i trashëguam nga lufta këto miniera, dihen dëmet e mëdha dhe grabitjet që na shkaktuan në këtë sector trockistët jugosllavë, të cilët veçanërisht në industrinë e naftës, u përpoqën të thithin sa më tepër e sa më shpejt naftën dhe nënproduktet e saj me metoda antishkencore e kapitaliste dhe njëkohësisht të dëmtonin kantjeret dhe të sabotonin shfrytëzimin që do të bëhej në të ardhmen.”

Albanian economy. Albania was completely isolated from the communist block as such it could not rely on the help or export in these countries. Mr. Alia admitted:

There was a decline of the economy, industry included, which came from the breakdown with China, that is a mistake we have done. We became somehow quarrelsome and we wanted to dictate to China what kind of economic policy to follow, it followed the policy that was in accordance to its interests, we raged, and we suffered the consequences, as the breakdown with China interrupted the aid that China granted to us and by that time 1978 the economic circumstances of Albania began to deteriorate, but our economy could keep up with its fat until 1982-1983. Then by 1983 it deteriorated more...¹³⁶

The situation continued to be the same until 1985 but the leader of the country never revealed it how it was in reality. Only after Mr. Enver Hoxha's passing away Mr. Ramiz Alia took the position of the president of People's Republic of Albania. He surely had to follow an economic policy to keep on with Albanian economy.

How much did the economic policies of Mr. Alia differ from the existing ones?

Mr. Alia in his interview proclaimed that his economic policies did not fluctuate radically but he attempted to make some corrections. Thus he settled on to make some alterations in the economic field as in the political one, such as the redistribution of a specific area of land to the farmers, some livestock, but unfortunately he acknowledged that in the field of industry he did nothing because he had no budget in

¹³⁵ Anthim Konomi, Irfan Veteriku, Egon Gjadri, Stavri Naço, Dhori Guri, Agim Shehu, Riza Minarolli, Kosta Goga, *Ndërtimet në Shqipërinë Socialiste*, (Construction in Socialist Albania),(Tiranë: 8 Nëntori, 1980), 43-44

¹³⁶ Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë "Sepse kishte rënie që erdhi nga prishja me Kinën, një gabim tjetër që kemi bërë neve, ne u bëmë një çikë zevzekë, ne deshëm t'i diktojmë Kinës ç'politikë të ndiqte, ajo ndoqi politikën për interesat e veta, ne u zemëruam pse ajo e ndoqi, u zemëruam ne, ne e hëngrëm, sepse prishja e marrëdhënieve me Kinën dobësoi ndihmën që na jepte Kina neve, dhe në atë kohën kur Kina ndërpeu ndihmën, nga '78 filloi të keqësohej, por deri në 1982-'83 mbaheshe ekonomia jonë me dhjamin e vet, e pastaj pas 1983 u dobësua..."

his disposal. They had “no particular objective as they had no power”¹³⁷ as Mr. Alia asserted himself during the interview. The constructions remained in stagnation and part of industry could not support itself anymore due to the deterioration of the circumstances. There was need for raw material and it could only be imported, the same view was for light industry as well. Nature did not help us as well. The year 1987 was drought, the hardest one ever and “I passed through these circumstances, especially in 1987”¹³⁸, Mr. Alia imparted, but this drought did not deprive the Albanians from electricity as we had water reserves but it deprived Albania from exporting.

Those years were a little sinister—Mr. Ramiz Alia¹³⁹

At that time, according to Mr. Alia, President of the Republic of Albania, they used part of the energy to fulfill the necessities of the country, and they exported very little, in consistent with some contracts they had. Hence the economic conditions of Albania continued to be in stagnation and sometimes even becoming worse until the collapse of communism.

The hydroelectric power of Albania was very much important in terms of the incomes that it brought to Albania. The development stages of hydroelectric power of Albania are shorter than the entire industrial works.

Albania has got important hydroelectric reserves and the possible energy that can be produced from the Albanian rivers is 20 milliards kWh¹⁴⁰. The hydroelectric development in Albania passed though some important stages.

¹³⁷ Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë “S’kishim asnjë objektiv të veçantë se s’kishim fuqi”

¹³⁸ Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë “Unë i kam hequr vetë në kurriz këto”

¹³⁹ Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë “Ato vite ishin pak të mbrapshta”

¹⁴⁰ Vladimir Misja, *Krijimi dhe Zhvillimi i Industrisë në RPSH* (The Creation and the Development of Industry in RPSH), (Tiranë: N. Frashëri, 1963), 321

The first stage was the one of the reconstruction of the existing hydroelectric sources. This period was from 1949-1950 and its characteristic is the reconstruction of the destroyed power plants during the war. Consequently the electric production in 1950 grew 21.4 million kWh from 4.4 million kWh that was in 1945¹⁴¹.

The second stage started in 1951-1955 and it was characterized from further enlargement and empowering of the hydroelectric sources. It was crowned with the construction of the hydroelectric plant "Lenin". The third phase started in 1955-1960 and one of the main works was the hydroelectric plant "Karl Marx" in 1957. The years 1963-1965 would mark the full functioning of the most important hydroelectric plants in Albania and in a low cost compared to what had been dictated to them by the Soviet leaders.

What was distinctive of Albanian industrialization was its distributive character, meaning that the government decided to industrialize the entire country. As such they relied on some principles when building up a new industrial enterprise or plant. These principles according to Mr. Alia were the subsequent ones:

Mainly the reasons were, the exploitation of resources, but also the ideological spectrum that was primary, heavy industry. Additionally the working force and the situation of the city were effective, not mentioning even the distribution of industry in the entire country.¹⁴²

The distribution of industry in all the cities meant "a territorial distribution of the volume of the industrial production of the productive main funds and of the working force

¹⁴¹ Anthim Konomi, Irfan Veteriku, Egon Gjadri, Stavri Naço, Dhori Guri, Agim Shehu, Riza Minarolli, Kosta Goga, *Ndërtimet në Shqipërinë Socialiste*, (Construction in Socialist Albania),(Tiranë: 8 Nëntori, 1980), 51

¹⁴² Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë Kryesisht ishte kjo shfrytëzimi i burimeve, por ishte dhe spektri ideologjik që primare, industria e rëndë. Por edhe fuqia punëtore e vendndodhja e qytetit, plus pastaj dhe shpërndarja e industrisë në të gjithë vendin"

engaged with the industrial activity in among the cities”¹⁴³. The state decided to implement to distribute industry in a rational way, as the primary task of the socialist government was the development of every each district¹⁴⁴. The territorial distribution of industry required technical training and supply as well. As a result of this distribution various cities like Shkodër, Durrës, Tiranë, Korçë, Elbasan, Vlorë, Fier and Brerat improved in terms of economic development as diverse branches of industry were settled in these cities. Obviously progress was more visible in the cities which before were at a low level of economy, worth mentioning Pukë, Mat, Peshkopi, Sarandë, when in 1960 the industrial output of these cities overfill the industrial output of Vlora and Korçë in 1950¹⁴⁵.

Regarding that the communist regime was leading to the total transformation, it had to control the process through various regulations. These regulations were even reflected in the Albanian Constitution and in the media as well.

¹⁴³ Grup Autorësh, *Ekonomia dhe Organizimi i Industrisë*, (The Economy and Organization of Industry) (Tiranë: Shtypshkronja Revista Dispenca, 1973), 449.

¹⁴⁴ P. Xhuvani, H. Papajorgji, V. Misja, A. Pano, *Ekonomia e Industrisë në RPSH*, (The Economy of Industry in People’s Republic of Albania), (Tiranë 1963, N.I.Sh, Mihal Duri), 169.

I use the term district to indicate the administrative division of Albania. Apart from town, there was the division in districts. A district was composed of a main city that was more developed and bigger in terms of territory and various other small ones surrounding the main city.

¹⁴⁵ *Ibid.* 178-179.

2.5. Legal and Political Aspects of Industrialization of Albania during Communism

The Albanian economic development especially the process of industrialization was very much reflected in all the existing media and at the same time it was part of the political propaganda as well. Hence each industrial work finished was inaugurated by the leader of the country and the speech of the leader emphasized the role of the people, the role of the leader but also the role of ideology, the leading one, as the Marxist-Leninist ideology was regarded by that time.

Actually as a dictatorial regime the one of Albania from 1944—1991, all the processes and the procedures about the enterprises' functioning was specified in the code of work in the constitution of Albania, as such there were no ways of escaping the normal judging or of sabotage. The codes of the constitution of People's Republic of Albania specified the rationalization cases, the number of the workers in an enterprise and the role of the staff, including the director and the engineers. Thus the entire process of industrialization had to go in accordance to the acts of the constitution.

For instance in the case of rationalizations the specific acts settled all the work process focusing thus from the creation of a rationalization, to the process of being given the patent for it to the creator, and then the entire procedure of giving life to it.

The definition for a rationalization according to the Act 330 to cite it:

Rationalization is any solution that improves the technique of production, increases the volume of production, its variety, gives new output, and increases the yield and the cost of production. Rationalization is called the solution that improves the organization of the work and the administration of economy that has leads to high profits of the economy as well. It is not called rationalization the solution of the specified tasks

on basis of the indorsed plans or orders given from the enterprise, institution or organization.¹⁴⁶

As seen from the act the government had specified a definition about rationalization and controlled the situation perfectly well. At least this did not mean that the government deprived the authors of the rationalization from the recognition of these rationalizations or from the opportunity of putting them into life. Thus in accordance to the Article 331, which reads as follows, the inventor gets the patent of his rationalization:

The authors of the invention and of the rationalizations are supplied with a patent of authorship and for the rationalization with a patent of rationalization.¹⁴⁷

The role of the state as a controller of every phenomenon then as indicated by the constitution, the state had the right of exploiting the rationalization. The article 332 states:

The right of exploiting the invention or the rationalization belongs to the state. In similar cases to the state, the agricultural cooperatives have the right to exploit the inventions and rationalizations that have to do with their activity.¹⁴⁸

The same ability of the state is noticed in the process of selling the invention. Accordingly the Act 333 specifies the conditions of selling the rationalization to another country.

¹⁴⁶ Byroja Politike pranë Këshillit të Ministrave, Kodet e Republikës Popullore Socialiste të Shqipërisë, (Codes of the Socialist People's Republic of Albania), (Tiranë: Mihal Duri, 1982).

Neni 330: Racionalizim quhet zgjidhja që përmirëson teknikën e teknologjinë e prodhimit, që shton vëllimin e prodhimit, të llojshmërisë, nxjerr prodhime të reja, rrit rendimentin e ul koston e prodhimit. Racionalizim quhet gjithashtu, zgjidhja që përmirëson organizimin e punës dhe administrimin e ekonomisë, kur ka sjellë dobi të madhe ekonomike. Nuk quhet racionalizim zgjidhja e detyrave të caktuara në bazë të planeve të miratuara ose porosive të dhëna nga ndërrmarja , institucioni ose organizata

¹⁴⁷ Ibid.

Neni 331: Autorët e shpikjeve dhe të racionalizimeve pajisen për shpikje me dëshmi autori dhe për racionalizime me dëshmi racionalizimi.

¹⁴⁸ Ibid.

The giving abroad from the author the invention or rationalization completed in the territory of People's Republic of Albania, is done only with the permission of the corresponding organisms.¹⁴⁹

The other specified aspect of industrialization in Albania during communism was the organization of enterprises. As far as this is concerned the constitution had exclusive articles on the number of the workers in an enterprise. Article 7 in the Principles of the Work Legislation stipulated that:

Work stands on the foundation of the social socialist stratum and it is the main source of securing the means of living for the workers and clerks.¹⁵⁰

Furthermore, the legislation specified the age of the citizen allowed to work in the state enterprises or factories. Consequently according to Article 22, which reads as follows:

The citizen who is 15 years old can be employed. His/her employment is done according to the profession, abilities and personal inclinations to be on conformity to the necessities of the society.¹⁵¹

The number of the employers was generally specified but in order to have many people employed the government allowed the enterprises to be opened though they did not have the exact number appointed to them. Thus according to the Article 4.

The enterprises, institutions and army units are allowed to accept and keep as employees until the average number assigned in the plan.¹⁵²

Neni 332: E drejta e shfrytëzimit të shpikjes ose të racionalizimit I takon shtetit. Në kushtet e njëjta me shtetin, kooperativat bujqësore kanë të drejtë të shfrytëzojnë shpikjet dhe racionalizimet që kanë të bëjnë më veprimtarinë e tyre.

¹⁴⁹ Byroja Politike pranë Këshillit të Ministrave, Kodet e Republikës Popullore Socialiste të Shqipërisë, (Codes of the Socialist People's Republic of Albania), (Tiranë: Mihal Duri, 1982)

Neni 333: Dhënia e shpikjes dhe e racionalizimit nga autori jashtë shtetit e një shpikjeve ose e një racionalizimi, që është bërë në territorin e Republikës Popullore të Shqipërisë, behen vetëm me lejen e organeve shtetërore përkatëse.

¹⁵⁰ Ibid.

Neni 7: Puna qëndron në themelin e rendit shoqëror socialist dhe është burim kryesor i sigurimit të mjeteve të jetesës për punëtorët dhe nëpunësit.

¹⁵¹ Ibid.

Neni 22: Shtetasi që ka mbushur moshën 15 vjeç merret në punë. Merrja në punë bëhet sipas profesionit, aftësisë e prirjeve personale dhe në pajtim me nevojat e shoqërisë.

¹⁵² *Përmbledhëse e Përgjithshme e Legjislacionit në Fuqi të Republikës Popullore Socialiste të Shqipërisë 1945-1979*, (Collection of the on Power General Legislation of Socialist People's

Moreover there were acts established in the constitution of Albania, no matter which of the communist constitutions it was the acts about the enterprises, industrialization and the development of the country remained stable. There was a definition of the state enterprise and simultaneously acts that regulated their functioning. According to Act 2, of the law number 7582 for the state enterprises in People's Republic of Albania:

State enterprises were classified the national and local ones. The national enterprises are created with the order of the Minister or of the director of the other central institution, whereas the local enterprises are created with the verdict of the corresponding local power, where the enterprise is settled.¹⁵³

Furthermore, the party and the state had established that as first provision for the well functioning of the enterprises the state would look after the continuous elevation of the workers in various terms. Accordingly Act 62 stated:

The state looks after the continuous ideo-political, educational, cultural and technical level elevation of the workers and clerks. The workers' or clerks' training and their continuous elevation is done in accordance with the necessities that growth of production requires on basis of continuous depth of the technical-scientific revolution, and in accordance with their participation in the direction of economy and the governing of the country.¹⁵⁴

Republic of Albania 1945-1979), Volume I, (Tiranë 1979 Mihal Duri).

Neni 4: Ndërmarrjet, institucionet dhe repartet ushtarake kanë të drejtë të pranojnë dhe të mbajnë në punë punëtorë vetëm gjer në numrin mesatar që u është caktuar në plan.

¹⁵³ *Vendime të Këshillit të Ministrave në Zbatim të Reformës Ekonomike*, (Decisions of the Ministers' Council in the Application of the Economic Reform), (Tiranë: Botim i Aparatit të Këshillit të Ministrave, December 1992).

Law No. 7582 for the state enterprise, Act 2: Ndërmarrjet shtetërore klasifikohen në kombëtare dhe lokale. Ndërmarrjet kombëtare krijohen me urdhër të ministrit ose drejtuesit të institucionit tjetër qëndror, kurse ndërmarrjet lokale krijohen me vendim të organeve të pushtetit lokal përkatës, ku ka vendndodhjen (selinë) ndërmarrja.

¹⁵⁴ *Përmbledhëse e Përgjithshme e Legjislacionit në Fuqi të Republikës Popullore Socialiste të Shqipërisë 1945-1979*, (Collection of the on Power General Legislation of Socialist People's Republic of Albania 1945-1979), Volume II, (Tiranë 1979 Mihal Duri).

Neni 62: Shteti kujdeset për ngritjen e vazhdueshme të nivelit ideopolitik, arsimor, kulturor e teknik të punëtorëve dhe të nëpunësve. Përgatitja e punëtorëve ose e nëpunësve dhe rritja e vazhdueshme e kualifikimit të tyre kryhet në përputhje me kërkesat që shtrën rritja e prodhimit shoqëror në bazë të thellimit të pandërprerë të revolucionit tekniko-shkencor, si dhe në përputhje me pjesëmarrjen e tyre në drejtimin e ekonomisë e në qeverisjen e vendit.

Apart from the laws regulating the well-functioning of the enterprises especially the state and local ones, there were laws and acts specified in the constitution, especially the one of 1976 in particular for the industrial aspect. In accordance to Article 25 of the Constitution of 1976:

The state organizes, directs and develops the entire economic and social life with a unique plan concentrated on our people's industry in order that it fulfills our people's needs and strengthens the independence of the country on basis of an improved technique.¹⁵⁵

Various other decisions taken on specific were in the field of mines, railways and communication. Thus the Ministers' Council decided to:

Create volunteer groups that would help in sorting out any breakdown and to avoid it before hand. The group has to be composed of qualified workers and engineers¹⁵⁶.

The enterprises that have in administration the railway lines have to make them visible for the means of transport in order that there is no breakdown¹⁵⁷.

The electric lines should pass on the telegraphic lines and the radiophone lines as well¹⁵⁸.

¹⁵⁵ Zëri i Popullit Newspaper, 21 January 1976 – (The constitution that was ratified by the Ministers' Council was published in parts in the Newspaper called Zëri i Popullit as it was an organ of the Albanian People's Party. This was in order that the entire Albanian population could be in current with the changes of the laws and the decisions taken for them, as it was always claimed from the party and its leaders.)

Neni 25: Shteti organizon, drejton e zhvillon të tërë jetën ekonomike e shoqërore me plan unik të përqëndruar tek industria jonë popullore me qëllim që të plotësojë nevojat e popullit tonë e të forcohet pavarësia e vendit mbi bazën e teknikës së përparuar.

¹⁵⁶ Përmbledhëse e Përgjithshme e Legjislacionit në Fuqi të Republikës Popullore Socialiste të Shqipërisë 1945-1979, (Collection of the on Power General Legislation of Socialist People's Republic of Albania 1945-1979), Volume II, (Tiranë 1979 Mihal Duri).

Neni 7: Të krijohen grupe vullnetare për mirëmbajtjen e minierave që kanë si qëllim të shmangin avaritë.

¹⁵⁷ Përmbledhëse e Përgjithshme e Legjislacionit në Fuqi të Republikës Popullore Socialiste të Shqipërisë 1945-1979, (Collection of the on Power General Legislation of Socialist People's Republic of Albania 1945-1979), Volume II, (Tiranë 1979 Mihal Duri).

Neni 2: Ndërrmarjet që kanë nën administrim vija hekurudhore duhet që t'i bëjnë ato të dukshme pë mjetet e transportit në mënyrë që të shmangen avaritë.

¹⁵⁸ Ibid.

Neni 24: Vijat dhe vendosjet (instalimet) elektrike duhet të kalojnë mbi vijat dhe vendosjet telegrafonike dhe radiofonike.

As perceived from the upper acts of laws the result is that the state had a pretty centralized economy, which depended on the legislation and that every decision was reflected in the constitution leaving no space of misunderstanding.

What was the industrial development reflected in the political arena of Albania? The entire process of industrialization was made known to the population through various ways, starting from the works of the leader of the country, Mr. Enver Hoxha and then Mr. Ramiz Alia after 1985, but also during Hoxha's rule, to the newspaper articles and then to the media means as well.

Searching for the plans of the government and the achievements in the field of industry, there is one special place that depicts them one by one. They are the works of the leader of the country. In all the works the leader displayed the achievements the means and the factors that influenced in the successful accomplishment of a particular plan. In his Work 8 the leader stated the coming objective of the government and of the people. Thus he stated:

A special care needs to be dedicated the textile industry in our country. The plant named "Stalin" must start functioning.¹⁵⁹

Apart from plans of industrialization, the works of Hoxha were a relevant source of the factors that influenced in the completion of this process. Thus in accordance to the leader's directives in order that the completion of the Five-Year Plan of industry could be achieved there was a need for the organization of the work in all the branches of "our people's economy"¹⁶⁰ and the other need was the solution of various tasks. The tasks deliberately were concerned with the relation Albania had with Soviet Union until

¹⁵⁹ Enver Hoxha, *Vëllimi 8*, (Work 8), (Tiranë: Naim Frashëri, 1971), 321

Enver Hoxha: Kujdes i veçantë duhet t'i kushtohet industrisë tekstile. Kombinati "Stalin" i tekstileve duhet të vihet në funksionim.

¹⁶⁰ Ibid.

the breakdown. As a result a high technical level of the people's economy was to be built, and this could be done through the implementation of the Soviet experience and of our prospered workers with their rationalizations in various branches of industry. A strict discipline was preached in terms of the expenses. The workers had to fulfill the plan but at a low cost possible¹⁶¹. The experience of Soviet Union was not the only preached thing in the works of Enver Hoxha, but also the Soviet State. Thus he acknowledges in front of the people in a speech that:

The Albanian people saw in the Soviet State his great, faithful
and strong friend.¹⁶²

The internal factors were very much appreciated by the Albanian State and the Albanian leader. The people were the first to be glorified. All the speeches of Enver Hoxha ended with the same lines eulogizing the people and the country, always enforcing the cult of fatherland, never disrupting history:

Long life to our heroic people!
Long life to the glorified People's Party, the inspiration and
organization of all our people's victories!
Long life and Strength to our People's Republic!¹⁶³

What was academically interesting about the communist era was the fact that all the achievements were made public and the people had access in the development of economy despite the totalitarian regime existing in Albania and the centralized economy. Thus the leader informed in the collection of reports that:

¹⁶¹ Ibid. 320

¹⁶² Ibid. 350

Enver Hoxha: Populli ynë pa tre shteti Sovjetik mikun e tij më të madh, besnik dhe të fortë

¹⁶³ Enver Hoxha, *Raporte e Fjalime (shtator 1970- dhjetor 1971)*, *Mbi Revolucionisimin e mëtejshëm të Partisë dhe të gjithë Jetës së Vendit*, (Reports and Speeches (September 1970-December 1971) on the Further Revolution of the Party and the Entire Country's Life), (Tiranë: Shtëpia Botuese e Librit Politik, 1972), 15

Enver Hoxha: Rroftë Populli ynë heroik!

Rroftë Partia e Lavdishme e Punës, frymëzuesja dhe organizatorja e të gjitha fitoreve të popullit tonë!
Rroftë dhe u forcoftë Republika jonë Popullore!

the production of energy increased twice compared to the previous legislature and 2.4 times compared to 1965. The mechanical industry is in the right track as it facilitates the development of the entire economy. New mines were built, the chemical industry is improving and becoming modern and all this constitutes $\frac{1}{3}$ of the entire industrial production. New underground resources were discovered due to the technical socialist development and as such they are being made good use and other are expected to be discovered during this five-year plan.¹⁶⁴

We have progressed very much in the field of electricity. The big and small cities today use electricity including the villages as well, which before used the pine for illumination. Quite the entire of our industry functions by means of electricity, we have built the power plant “Lenin” and a new one is being built on Mati River.¹⁶⁵

“Zëri i Popullit” being the organ of PPSH aimed at revealing the success as well. Thus the success of 1963 published in edition number 6 was the following:

Industry	Percentage
Electricity	101.70%
Coal	100.80%
Chrome	100%
Copper	100%
Clothes	101.80%
Alimentary	101.90%

Table 5: Balance of Industrial Production of 1963¹⁶⁶

Emphasis need to be put on the fact that the process of industrialization, its progress and its stages were very much reflected in the political life as well and moreover they were made known to the people in order that they can be in current with them. Furthermore the process of industrialization and the people who had a position had a specific schemata on how to act when facing various events. The constitution of Albania with its acts and laws was a very clear basis of judgment.

¹⁶⁴ Ibid. 17-18.

¹⁶⁵ Council of Ministers, File P019, Archives of PPSH

Dimensions and Conclusions

But which was the outcome of the Albanian industrial development during communism? It needs to be stressed the fact that during the communist regime the Albanian economy underwent a total transformation that helped Albania overcome the difficult economic circumstances of after-war and made it develop to such extent that it could support its necessities and export industrial products to other countries. Albania became powerful potential o import for various countries. Zickel argues that Albania mostly exported energy due to the high water potential and as a result it could supply the entire industry, family consumption and import energy as well¹⁶⁷. Mr. Alia himself gives figures of the production of energy in Albania. He maintains that Albania produced 13 million kWh electric energy in a day and this was sufficient to keep industry, which was not easy as 1 million kWh per day was consumed from the Metallurgical Plant in Elbasan¹⁶⁸. The incomes from the import of electricity were very significant for the country and consequently in the crisis of 1987 Albania faced hardships due to the drought and this limited the abilities of Albania to export electricity¹⁶⁹.

Minerals and related products have accounted three quarters of its total exports. Albania boasts of producing 23 minerals commercially, but in reality everything except the producing of chrome, copper, nickel, and oil is uneconomic by market criteria if labor and other costs were properly calculated. Since the late 1970s Albania has been

¹⁶⁶ Zëri i Popullit, No. 6, January 8, 1963, 2.

¹⁶⁷ Raymond Zickel, *Albania, a Country Study: Area Handbook Series*, (Washington DC: Library of Congress Press, 1994), 85

¹⁶⁸ Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë. Ne prodhohim 13 milion kwhorë në ditë dhe Kombinati Metalurgjik i Elbasanit neve na merrte 1 milion kilovatorë energji

¹⁶⁹ Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë

the world's third largest producer of chrome. Its 14 mines clustered along the Yugoslav border have supplied about 10% of the total world output. It has been able to produce chrome, nickel, and cobalt as by-products relatively cheap thanks to the ample supply of power from the hydroelectric stations. After the break with Soviet Union in 1961 China stepped in not least because it needed an alternative source of chrome previously purchased by Soviet Union and financed the building of new power stations. This allowed a rapid increase in the production of chrome and copper. A copper wire and cable factory was built in Shkodër in the North of Albania¹⁷⁰.

Obviously despite the negative sides of communism it is important to admit that in terms of economy the regime led to the development of the country. Still nowadays a range of people acknowledge the positive side of economy. Many declare "people did not suffer from the socialist regime, because they had a job, they had food and their children could attend school without paying, furthermore they are nostalgic as far as safety is concerned"¹⁷¹. As far as the economy of the country, the established regime transformed the country and its economy, but as a totalitarian regime everything was calculated and very well organized in terms of laws or acts that controlled the process of industrialization and the way the related people to industrialization acted.

Despite the positive side of the industrialization of the country, which is acceptable there is one more side of the regime that counterbalances the analysis of the communist rule. That is the negative aspect. These changes were all attributed to the development of the country and this was very much admired from the people. But

¹⁷⁰ Christopher Cviic, *Remaking the Balkans*, (London: Pinter Publishers, c1991), 138.

all this process was characterized from the destruction of the peasantry, ruin of agriculture, in terms of economic aspect and in terms of political price paid, political repression, one party state, lack of civil rights and liberties, confiscation of private property. Taking them all would sort out the negative effect of the regime.

The destruction of peasantry was obvious during the collectivization stage, 1945-1961, although it is very much stressed the volunteer character of collectivization. This period was characterized from the nationalization of property, beginnings of the purges for the gulags and the stripping off of private property¹⁷². The resistance was punished with various forms practiced from the regime, starting with imprisonment to the persecution of the entire family. The stripping off the property especially the livestock and pasturelands from the peasants would also result in impoverishing them. Alia in his interview admits this point, saying that we were mistaken in this as this left the peasants in poor conditions, despite the fact that it was preached that they would get it from the cooperatives. In fact the problem stood in the urge to fulfill the plan and the warden of the cooperatives sold everything to the city¹⁷³.

The ruining of agriculture was very much visible in terms of dedicating attention to industry and the fact that the national incomes coming from agriculture were always lower. Thus agriculture in 1960 gave 37.6 per cent of the national incomes, whereas in 1970 it was lowered to 34.2 per cent and in 1985 it increased a small percentage reaching 34.6 per cent.¹⁷⁴.

¹⁷¹ H. Ç. Secretary of the Party and Director of the Metallurgical Plant in Elbasan. Interview by the author, April 25, 2007, Tiranë, Transcript.

¹⁷² Ramadan Marmullaku, *Albania and the Albanians*. (London: C. Hurst & Company, 1975), 125-130.

¹⁷³ Ramiz Alia, ex-President of Albania, Interview by the author, April 27, 2007, Tiranë, tape recording

¹⁷⁴ Bardhyl Golemi, Vladimir Misja. *Zhvillimi i Arsimit të lartë në Shqipëri* (The Development of High Education in Albania). (Tiranë: 8 Nëntori, 1987), 180.

When considering the political aspect it is visible the fact that lack of political pluralism, political repression and the lack of human rights were suffocating as the leader through other people was controlling the situation. O' Donnell states in his book that Enver hoxha knew his ends and the means to achieve them. As such the purges enabled Hoxha to liquidate any real or imagined opposition to him or to PPSH¹⁷⁵. Consequently no one would dare contradict the regime fearing the purges.

To sum up the industrialization process was profitable for Albania but simultaneously the way it was processed led to the negative aspect of communism.

¹⁷⁵ James O'Donnell, *A Coming of Age: Albania under Enver Hoxha*, (New York, Columbia University Press, 1999), 197.

Chapter 3: The Transformation of Elbasan during Communism

As I referred to the industrialization process in Albania during communism in a national level, this chapter focuses on the local level. Thus it is here that Elbasan comes into the limelight. This due to the fact that Elbasan underwent a total transformation during communism, thereby becoming the most industrialized city. A contribution to this was surely heavy industry that the former leaders decided to settle there. Elbasan was chosen by authorities as a pilot project of modernization due to its location, population and natural resources.

First, the soil of Elbasan and the other small towns pertaining to it was rich with various natural resources, and especially coal, chrome and iron in Elbasan¹⁷⁶, oil in Cërrik¹⁷⁷, water potentials in Banjë, etc. Second, the its geographical position was strategically linked to all the other cities of Albania from where it imported some of the raw materials needed in the Metallurgical Plant. For instance, as Mr. Alia explained, Elbasan was linked through railway to Pogradec from where it imported pyrites, then to Durrës from where it imported chemicals and as such the transportation was made possible at a low cost.

We chose Elbasan because of the working force, the natural resources, but also due to the strategic perspective. Elbasan was the one which needed construction, as it had the raw material, or the raw material was near, so for instance we sent pyrites from Pishkash, Pogradec, the chemicals were sent from Durrës to Elbasan by train and we did not spend much¹⁷⁸.

¹⁷⁶ Ramadan Marmullaku. *Albania and the Albanians*, (London: C. Hurst, 1975), 130.

¹⁷⁷ Miranda Vickers, *The Albanians*, (London: Printer Publishers, 1995), 195.

¹⁷⁸ Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë. Ramiz Alia: E zgjodhëm Elbasanin sepse kishte dhe fuqi punëtore, pra kishte vendin dhe fuqinë puntore, dhe nga pikëpamja strategjike ishte Elbasani që kishte nevojë pasi lëndën e parë e kishte afër piritin nga Pishkashi, por kishte nevojë dhe për një lëndë kimikate, nga Durrësi në Elbasan silleshin me tren e nuk shpenzonim shumë.

By 1962, as Mr. Alia asserts, they had built all the railways. Whereas Pipa stresses that public roads had been added to the existing network along with a fragment of railroad connecting the capital with the city of Elbasan.¹⁷⁹ This made Elbasan approachable from many cities, where there was the raw material and the transportation was easy due to the state enterprises, which covered it. Thus the cost of the product was low and the profit was guaranteed for many industrial state enterprises and factories. Consequently the geographical position of Elbasan strategically linked with the other cities through various means of transportation was the other reason Elbasan was chosen for the settlement of heavy industry.

Third, Elbasan disposed a potential of work force for industrialization. Just talking about urban population in Elbasan city we can realize that it was increasing considerably. Thus Derek Hall points out that in 1960 the population number of the city of Elbasan was 29.800 and in 1970 it increased to 41.700, this only applies the urban population only¹⁸⁰. This is what in the municipality of Elbasan is recognized as being within the yellow line, that demarcates the city boundary from the village. But these numbers do not exclude the fact that people living in the villages in the outskirts of Elbasan did not work in the industrial building, as the cement factory workers were mostly from the village situated next to it. As seen from the figures, industrialization led to an increase of the city population. Consequently Elbasan became a clear example of the impact of communist plans, the most industrial settlement of Albania due to the working force and the other reasons mentioned previously.

¹⁷⁹ Arshi Pipa, *Albanian Stalinism: Ideo-Political Aspects*, (New York: Columbia University Press, New York, 1990), 130

¹⁸⁰ Derek Hall, *Albania and the Albanians*, (London: Printer Publisher LTD, 1994), 143

On the basis of the materials gathered I have argued in this chapter that Elbasan underwent a total transformation thanks to the dedication of attention on heavy industry and the settlement of all the heavy industrial branches of industry. I have divided this chapter into three sub-chapters aiming at demonstrating the economic transformation of Elbasan.

Consequently the first sub-chapter deals with the economic circumstances of Elbasan before the communist takeover, where I have introduced the city, revealed the stratification of the society and the economic circumstances. The second sub-chapter is concerned with the communist period and the transformation of the city. The main industrial enterprises and plants in Elbasan during communism are a part of the focus for this sub-chapter. Additionally, I have concentrated on the outcome of the communist economic policies implemented in Elbasan. The last sub-chapter is related to the ways all these transformations were linked to politics and reflected in the media. Concluding I have sorted out the destiny of the state-enterprises or plants after the collapse of communism aiming at highlighting the economic improvement Elbasan reached during the communist period.

3.1. The Economic Circumstances of Elbasan before the Communist Takeover

Elbasan is situated in the center of Albania, and dates back to antiquity, when it was known as Scampini, one of the first fortresses built by the Romans. On the course time, the city overcame different invasions of Bulgarians, Ostrogoths and Slavs. Various historical events took place in Elbasan, but it was always known for the educational aspect since earlier times, when several congresses attempting to settle the Albanian language were held. It became the center of political resistance as well, starting from 1914 against the decision to position Prince Wilhelm zu Wied on the throne of Albania, and during the World War



Figure 2: Source: Map in the Documents in the Municipality of Elbasan

as well. But the relevant period for my research is the Anti-Fascist Liberation War, 1942-1945, when Elbasan became the center of resistance due to the forces led by Enver Hoxha¹⁸¹.

As I will deal with the economic aspect of life, it is of relevant importance to consider the economic circumstances of Elbasan during the interwar period. What

¹⁸¹ Petro Kito, *Elbasani në Luftën për Çlirim*, (Elbasan in the War for Liberation), (Tiranë: Mihal Duri, 1971), 12

needs to be stressed about the economic specter is the fact that the Elbasani people were well known for trading during the interwar period. Anyway the economic circumstances of Elbasan as in the case of entire Albania before liberation were desperate. Despite the fact that its objective conditions were very favorable, such as the naturally prosperous land and a hardworking population, factors that explained its cultural development since the ancient times, the district of Elbasan, as far as its economic, social and political circumstances on the verge of the National Liberation War, was characterized from important feudal debris¹⁸². The decay of the latter had advanced in other Albanian regions faster than in Elbasan where the debris were more profound¹⁸³.

During the interwar period, the population was divided into strata in Elbasan in accordance to their wealth. Thus the ruling class was the estate owners and the beylers. The beylers would be hit gravely from Zogist regime, but they were still strong to resist at the time, as they would resurrect during the invasion. The other stratum of the population of Elbasan before the establishment of communism was the rich bourgeoisie, composed of the traders who actually had their small establishments. Middle bourgeoisie mainly engaged in craftsmanship, tailoring and shoemaking predominated the society and social life in Elbasan¹⁸⁴. They played an important role in employing people in their own private establishments like apprentices, employees, or as servants as well. The employed in these establishments came from the poor stratum or from mid-bourgeoisie as well.¹⁸⁵

¹⁸² Petro Kito, *Elbasani në Luftën për Çlirim* (Elbasan in the War for Liberation), (Tiranë: Mihal Duri, 1971), 15.

¹⁸³ Ibid. 12.

¹⁸⁴ Ibid.12-23.

¹⁸⁵ Ibid.

But what were the beginnings of industrialization in Elbasan? The industrial development began in the Zogist period when tobacco and alcohol beverage factories were built and went on in the communist period.¹⁸⁶ The period of Zog was the first step of industrialization for Elbasan due to the fact that in 1913-1914 corn was the main crop production of the zone and industrialized goods were mainly imported from other countries. From 1914-1924 the process of partition of the land properties of the Elbasani beylers giving the first signs of industrialization and controlled economy¹⁸⁷. Before the communist takeover Elbasan had progressed to some extent in hydro-energy as well. Thus Edwin E. Jacques argues in his book that one of the testimonies of this last event claims that they would:

never forget the screams of delight rising and falling all over the city of Elbasan as the electric street lights were turned on and off while being tested for the first time one evening in 1934¹⁸⁸.

It would be of relevant importance to emphasize the fact that Elbasan was a war field and consequently most of the factories stopped working and the industrial output was menial.

Taking into account the economic circumstances of Elbasan as the entire Albania's ones, the communist government implemented various economic policies, characterized from the distributive character. These policies were mostly focused in the construction of heavy industry and the decision taken for Elbasan aimed at specializing the city mainly in heavy industrial aspect. The reason for the development of heavy industry as it was claimed in the media from the leaders was as Schnytzer

¹⁸⁶ Petro Kito, *Elbasani në Luftën për Çlirim*, (Elbasan in the War for Liberation), (Tiranë: Mihal Duri, 1971), 55.

¹⁸⁷ Ibid. 14.

¹⁸⁸ Edwin E. Jacques, *The Albanians: An Ethnic History from Prehistoric Times to the Present*,

argues that in reality the urge of heavy industry was related to the economic independence of the country¹⁸⁹. Adding to this the desires of the leaders to exploit the Albanian minerals and the hope in the progress of Albania. That is what the party members always claimed when discussing industrialization. The development of Elbasan was attributable to this reason.

After the establishment of the communist regime in Albania its political direction would lead to the transformation of the city and the entire district as well, meaning a conglomerate of small cities, depending upon Elbasan economically and administratively and being classified as constituents of Elbasan.

(London: McFarm, 1995), 220-250.

¹⁸⁹ Adi Schnytzer, *Stalinist Economic Strategy in Practice, The Case of Albania*, (London: Oxford University Press, 1982), 89.

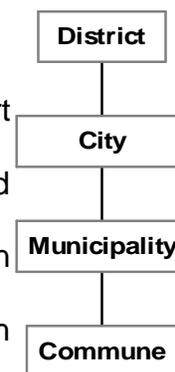
3.2. The Case of Elbasan after the Communist Takeover

Enver Hoxha: In this Five- Year our industry will be empowered more. The Metallurgical Plant of Elbasan will start in a wide range the production, which by melting our minerals, will give to the fatherland apart from cast-iron and steel of high quality, nickel and cobalt, which have a great value in the world's market as well.¹⁹⁰

In the report to the seventh congress of PPSH (Partia e Punës së Shqipërisë-Albanian Labor Party) Enver Hoxha launched a comprehensive plan for the industrialization of Elbasan. In the following, I argue that Elbasan underwent a total transformation and from an agricultural city it became the most industrialized Albanian city, encompassing almost all types of industry. Elbasan is a clear example of a flourishing economy under communism thanks to the particular attention dedicated to the development of heavy industry and a declining economy under the transition period to democracy and it is still undergoing the same decline. This was due to the fact that the state sponsored the establishment and development of state plants, factories and enterprises. They were vital as they supplied the entire Albania with goods, but they ceased acting as such after 1991, as a result of the collapse of communism.

¹⁹⁰ Enver Hoxha. *Raport në Kongresin VII të PPSH*, (Report in the Seventh Congress of PPSH), (Tiranë: Shtëpia Botuese "8 Nëntori", 1976), 49.

Enver Hoxha: Në këtë pesëvjeçar industria jonë do të fuqizohet shumë. Do të fillojë në shkallë të gjerë nga prodhimi kombinati metalurgjik i Elbasanit, i cili duke shkrirë mineralin tonë, do t'i japë atdheut, përvec gizës e çeliqueve të cilësive të larta, edhe nikel e kobalt, që kanë vlerë shumë të madhe dhe në tregun botëror.



The administrative division of Albania is reflected in the chart below. Thus, in accordance to the division of that time, it was named District of Elbasan (Qarku i Elbasanit) and it included the city of Elbasan (Rrethi i Elbasanit) and the other small towns like Peqin, Cërrik, Gramsh and Librazhd respectively named as Rrethi i Peqinit, Rrethi i Cërrikut, Rrethi i Gramshit, Rrethi i Librazhdit). But each of the cities consisted of the main town and the villages in its outskirts. The governing unit of the villages was the commune and in the case of the towns it was the municipality. The Municipality of Elbasan was the coordinator for all the other cities including their villages. Hence all the small towns surrounding Elbasan and the respective villages were regarded by the socialist government as part of Elbasan. Consequently the decisions taken were for all the constituents of Elbasan.¹⁹¹

¹⁹¹ Municipality Documents, Elbasan.

As all the other cities of Albania, Elbasan was an agricultural city as well. Thus the industrialization process started with collectivization. In a report the secretary of the Party for Elbasan, Mr. Azen Kërkhaliu, asserted:

Collectivization opens the way to the entrance of the new and development. The beginnings of collectivization in the villages of Elbasan has been one of the most marked events in their entire life¹⁹²

By the term development, he meant industrialization as the Albanian government was attempting to copy the same models of economic development of Soviet Union.

The outcome of the regime's plans was the creation of an industrialized town, Elbasan whose climate and mineral resources facilitated the plans of the communist regime to concentrate the majority of industrial branches in it and in its surrounding regions. The desire of the leading forces was proclaimed in national newspaper, organ of PPSH. But in reality the progress of Elbasan did not imply just its development, meanwhile the entire district, including the villages. Thus referring to two villages of Elbasan the leaders announced:

Balëza and Bradashesh will be well-known and Elbasan will be the center of industry...The subject of the talk of people in the bars will not be about wheat, but about iron, petrol and people's horizon is growing.¹⁹³

But when did the process of industrialization begin for Elbasan?

Whenever discussing industry in Elbasan, the common association is with the Metallurgical Plant. The third five-year plan denotes the beginning of heavy industry. The special credentials given to heavy industry led to the construction of the heavy

¹⁹² Azen Kërkhaliu, "Elbasani në Vite" (Elbasan in the course of Years) in Shkumbini, July 4, 1967, 2. Azen Kërkhaliu: "Kolektivizimi hap rrugën për futjen e së resë përparimtare. Futja në rrugën e kolektivizimit të fshatarësisë të fshatrave Elbasanase ka qenë një nga ngjarjet më të shënuara gjatë gjithë jetës së saj."

¹⁹³ Zëri i Popullit, "Ndryshime që nuk do t'i bënin as Shekujt" (Changes that neither Centuries could do), February 25, 1950, 1-3

industry plants during this period. The construction plans for this period grew 16 per cent compared to the first five-year plan, the yield increased 44 per cent, the cost decreased of 16 per cent¹⁹⁴. The construction of the Metallurgical Plant commenced by this time and it was supposed that it would end up in 1962.

Actually it did end up in 1962 but it could not function in its full potential by 1962,



Figure 4: Metallurgical Plant in Elbasan (incomplete)

Source: Municipality of Elbasan Documents

due to the political split with the Soviet Union. The realization of this plant was made possible by Albania's new privileged economic and political relations with China. The aid from China consisted in technical help and expertise: "the Chinese specialists were hand in hand with the Albanians for the construction of the metallurgical plant, sharing the responsibilities of the work with the Albanian workers. This was a testimony of the great friendship of the two peoples and our parties."¹⁹⁵ Heavy industry was very much reflected on the metallurgical plants and the one of Elbasan is the most well-known one named as the "Steel of Party"¹⁹⁶. Thus the leader of the country declared the plan of construction in the Congress as it further on follows:

The Metallurgical Plant that will be built in Elbasan is a gigantic work that will strengthen the independence and

¹⁹⁴ Anthim Konomi, Irfan Veteriku, Egon Gjadri, Stavri Naço, Dhori Guri, Agim Shehu, Riza Minarolli, Kosta Goga, *Ndërtimet në Shqipërinë Socialiste*, (Construction in Socialist Albania),(Tiranë: 8 Nëntori, 1980), 27

¹⁹⁵ Aleko Hysi, "Elbasani i Ri në Marshimin e madh Socialist", (The new Elbasan in the big Socialist March), *Zëri i Popullit*, June 9, 1966, p. 2-3

¹⁹⁶ Enver Hoxha, *Raport në Kongresin e VI të PPSH*, (Report in the Sixth Congress of PPSH), (Tiranë: 8 Nëntori), 67

the self-action of our economy, will provide the necessary raw material for the development of mechanic industry and for the progress in the future towards the production of the machinery, will enforce very much the material basis of the construction¹⁹⁷.

Actually the construction of the Metallurgical plant was interrupted due to lack of funds and

it was finished with the cooperation of the Albanian government and China. The plant was built according to the “Stalinist heavy industrialization and dogmatic notions of self-reliance”¹⁹⁸. The Metallurgical Plant in Elbasan was regarded as the “grandiose deed,” attributed to “people’s work.”



Figure 5: Metallurgical Plant (completed)
Source: Documents in the Metallurgical Plant

Subsequently Mr. Enver Hoxha declared in order to praise in this way the workers’ outcome:

Thanks to the golden hands, to the decisive will and cleverness of our workers, the biggest metallurgical plant of Elbasan started to give the first steel in the history of Albania.¹⁹⁹

The outcome of this plant for Elbasan would be its economic growth as well apart from the entire country’s profits.

¹⁹⁷ Ibid.

Enver Hoxha: Kombinati Metalurgjik që do të ngrihet në Elbasan është një vepër gjigante, e cila do të fuqizojë pavarësinë e vetveprimin e ekonomisë sonë do të sigurojë në vend lëndën e parë të domosdoshme për zhvillimin e industrisë mekanike dhe për kalimin në të ardhmen në atë të prodhimit të makinave, do të forcojë shumë bazën materiale të ndërtimeve.

¹⁹⁸ Derek Hall, *Albania and the Albanians*. (London: Printer Publisher LTD, 1994), 405.

¹⁹⁹ Enver Hoxha. *Raport në Kongresin VII të PPSH*, (Report in the Seventh Congress of PPSH), (Tiranë: Shtëpia Botuese “8 Nëntori”, 1976), 4

Enver Hoxha: Me duart e arta, me vullnetin këmbëngulës e mendjen e mprehtë të punëtorëve, kombinati i madh metalurgjik i Elbasanit filloi të derdhë çelikun e parë në historinë e Shqipërisë.

The population of Elbasan continued to increase in accordance to the economic development of the city. The Metallurgical Plant started to attract most of the people, who settled as well in Elbasan, without forgetting the ones who lived in the outskirts of Elbasan, especially in the villages next to the Metallurgical Plant. Thus during this period the population of the city grew 38.3 per cent.²⁰⁰ Derek Hall gives further accounts as far as the population number is concerned.

Year	Population
1938	12.700
1945	34.300
1960	29.800
1970	41.700
1979	61.100
1990	83.300

Table 6: Population of Elbasan²⁰¹

Furthermore it employed a great number of people and the majority of the plants depended on it completely. People from other cities were deported to Elbasan from the regime to work in the Metallurgical Plant and just in 1974 there were 859 workers from other cities and they were engaged as simple worker, mechanics, plumber, solders, and engineers²⁰². The entire plant was composed of various yards. In 1966-1967 the following yards had the respective number of workers:

Yard	Number of Workers
Construction Yard No. 1	1,113
Construction Yard No. 2	3,202
Cement Factory	1,617
External Yard	701
Black Metallurgy Yard	723

Table 7: Number of Workers in the Metallurgical Plant in 1966-1967²⁰³

²⁰⁰ Ramadan Marmullaku. *Albania and the Albanians*, (London: C. Hurst, 1975), 130

²⁰¹ Derek Hall, *Albania and the Albanians*. (London: Printer Publisher LTD, 1994), 405.

²⁰² Documents in the Municipality of Elbasan about Metallurgical Plant, 1974

²⁰³ Documents in the Metallurgical Plant in the Municipality of Elbasan, 1966-1967

As seen from the table this plant employed a big part of the population of Elbasan. Whereas according to Mr. Biba, who worked in the Metallurgical Plant from 1970, there were 12,000 people working in this plant²⁰⁴.

As always there was evident one main problem, that of the technical training of the workers. Consequently as in the other cases the party would project the training of workers. Various professional schools were opened for the young generation to develop their professional skills, in order that when everyone who would see a worker of metallurgy and his friends in uniforms everybody could think that they were the future of the industry of black metallurgy²⁰⁵. The 1970 would mark the completion of the specialization in a high degree of all the workers²⁰⁶. The second phase of this production in this plant was related to the embezzlement of the processes of work²⁰⁷. Due to this specialization of the workers the yard of the steel forging was completed. This yard was composed of two assembly lines, which would also get engaged in steel rolling in thin strands planning imported to add some more steel products, such as round rods, previously imported²⁰⁸. Thus the productions of this plant would discontinue the importing of these elements²⁰⁹.

A special role in the development of the Metallurgical Plant played the inventors of the rationalizations. As the main aim was the improvement of the work and moreover the enlargement of the production, the workers and the engineers got

²⁰⁴ Mr. Kozma Biba, Director of the Metallurgical Plant, for the correspondent of BBC, May 19, 2005

²⁰⁵ Aleko Hysi, "Elbasani I Ri në Marshimin e madh Socialist", (The new Elbasan in the big Socialist March), *Zëri i Popullit*, (Tiranë: June 9, 1966), 2-3

²⁰⁶ Anthim Konomi, Irfan Veteriku, Egon Gjadri, Stavri Naço, Dhori Guri, Agim Shehu, Riza Minarolli, Kosta Goga, *Ndërtimet në Shqipërinë Socialiste*, (Construction in Socialist Albania),(Tiranë: 8 Nëntori, 1980), 43-44

²⁰⁷ Aleko Hysi, "Elbasani i Ri në Marshimin e madh Socialist", (The new Elbasan in the big Socialist March), *Zëri i Popullit*, (Tiranë: June 9, 1966), 2-3

²⁰⁸ *Ibid.*

engaged in inventing rationalizations. In accordance to the Act 330 of Albanian Constitution:

Rationalization is the solution that improves the technique of production, increases the volume of production, its variety, produces new output, increases the yield and decreases the cost of the product. Rationalization is also the solution that improves the organization of the work and the administration of economy, when it led to a great economic outcome. It is not called rationalization the fulfilling of the appointed tasks on basis of the approved plans or of the tasks given from the enterprise, institution or organization²¹⁰.

In order that the incomes of the Metallurgical Plant increased its workers and engineers attempted to improve the processes of work through various rationalizations. It is worth mentioning that in the third year plan there were 8,869 proposals for rationalizations from them tens of spare parts, which were previously imported, had the nation seal saving to the people 5 million leks²¹¹. Whereas during the fourth five year plan there were 1632 proposals from which just 1632 were valuable for effectuation²¹². By 1980s Albania was processing most of its minerals and producing its own machinery and industrial equipment including factories and plants²¹³.

This plant provided steel and nickel for the entire Albania and thus it was the main provider for many other factories and many people were employed in this plant

²⁰⁹ Ibid.

²¹⁰ Byroja Politike pranë Këshillit të Ministrave, Kodet e Republikës Popullore Socialiste të Shqipërisë, (Codes of the Socialist People's Republic of Albania), (Tiranë: Mihal Duri, 1982)

Neni 330: Racionalizim quhet zgjidhja që përmirëson teknikën e teknologjinë e prodhimit, që shton vëllimin e prodhimit, të llojshmërisë, nxjerr prodhime të reja, rrit rendimentin e ul koston e prodhimit. Racionalizim quhet gjithashtu, zgjidhja që përmirëson organizimin e punës dhe administrimin e ekonomisë, kur ka sjellë dobi të madhe ekonomike. Nuk quhet racionalizim zgjidhja e detyrave të caktuara në bazë të planeve të miratuara ose porosive të dhëna nga ndërrmarja , institucioni ose organizata

²¹¹ Aleko Hysi, "Elbasani i Ri në Marshimin e madh Socialist", (The new Elbasan in the big Socialist March), Zëri i Popullit, (Tiranë: June 9, 1966), 2-3

²¹² Ibid.

²¹³ Elez Biberaj, *Albania, A Socialist Maverick*, San Francisco: Westview Press, 1990, p.135

controlling the domestic production. “Annual output of nickel outraged 7200-9000 tons in the 1980”²¹⁴.

As all the state owned, the metallurgical plant had its own administrative structure approved from the government. One of the directors of the Metallurgical Plant, I interviewed asserted:

...the structure was approved from up, the personnel was appointed from up well and we had to look after the plan, the methods, the expenditure of the plant, and to fulfill the plans we were sent from the State Planning Commission. We would be evaluated when overfilling the plan and that was our target²¹⁵.

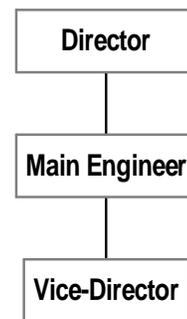
Thus the administrative structure was the following:

Depending on this, there were other organisms that controlled each of the processes of work. These were the other administrative organism according to the

Council of Ministers²¹⁶:

1. Technical Branch
2. Planning and Organizational Branch
3. Financial Branch
4. Cadres Branch
5. Administrative Branch
6. Secretary

Administrative Structure of Metalurgical Plant



All these actors cooperated together for one aim, the fulfilling and overfilling of the plans in order that the incomes of the plant could increase.

²¹⁴ Raymond Zickel, *Albania, a Country Study: Area Handbook Series*. (Washington DC.: Library of Congress Press, 1994), 200-220

²¹⁵ F.H. ex-Director of the Metallurgical Plant in Elbasan, interview by the author, April 15, 2007, transcript, Tiranë.

²¹⁶ Council of Ministers, File I01965, Archives of PPSH

On one hand this plant led to the development of Albania and especially of Elbasan; on the other hand it had some side effects in terms of expenditure to keep it functioning and the atmospheric pollution. As far as state expenditure is concerned for the functioning of the Metallurgical Plant the most important one was related to the electricity used from the “13 million kWh that Albania produced per day the metallurgical plant of Elbasan exhausted 1 million kWh per day, that was a huge expenditure”²¹⁷, as Mr. Alia confirms. Nowadays Alia regards the construction of the Metallurgic Plant and also the development of heavy industry as a mistake of the regime.

Thus as I can say, we have made mistakes in industry, the mistake is the heavy industry as it was not essential for us. We could have developed more light industry, as we did not need heavy industry, but no at that time it was a mania to have heavy industry. Why did we need heavy industry, we were a small country, we did not produce cars or tractors, but we hoped we could. Our mistake was heavy industry, as the industrialization of Albania was right²¹⁸.

The other negative side of the metallurgical plant is related to the extent of air pollution in Elbasan and in the areas next to it. Especially in the surrounding Bradashesh valley the air pollution degree is pretty high, as it was denied access to the original plans and to the pollution control technology to the majority of the people and to the workers as well²¹⁹.

²¹⁷ Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë.

“ai kombinat neve na merrte 1 milion kilovatorë energji elektrike nga 13 milion këorë në ditë që ne prodhohim, edhe sot, se ajo sasi që ne prodhojmë në hidroçentralet tona është e vogël, pra nga 13 milion që ne prodhohim 1 milion na e merrte vetëm kombinati metalurgjik”

²¹⁸ Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë.
“pra si të thuash, kemi bërë gabime në industri, aty e kemi bërë gabimin te industria e rëndë se ne sna duhej, mund të kishim zhvilluar më shumë industrinë e vogël, se sna duhej e ne skishim atëherë, ç’na duhej neve industria e rëndë, po ajo atëherë ishte si mani të kishim një industri të rëndë, po can duhej ne ajo ne ishim një vend i vogël se ne sprodhohim makina, traktorë jo, po hë se i prodhojmë dhe ne po ç’prodhohim ne? Gabimi jonë ishte vetën industria e rëndë se industrializimi i Shqipërisë ishte i drejtë”

²¹⁹ Derek Hall. *Albania and the Albanians*. (London: Printer Publisher LTD, 1994), 410

Elbasan did not become one of the most industrialized cities only due to the Metallurgical Plant but also thanks to other branches of industry, such as heavy industry, hydro-energy, refineries, brick kilns and cement factory. “The regime’s rapid industrialization policy had led to the creation of the relatively modern multi-branched industry, which by 1985 was generating more than 40 per cent of national income”²²⁰ and quite all the branches of industry had their basis in Elbasan as well.

Which were the main factories and enterprises in Elbasan functioning during communism and what was their potential? Elbasan’s soil was rich of chromites and this gave rise to the Ferrochrome Plant, which struggled to walk on the same footprints of the Metallurgical plant and it succeeded during communism. It employed a considerable number of Albanians and the workforce controlled the domestic production. The beginnings of this plant’s functioning date one year after the metallurgical ones, as due to the practice that the Albanian personnel gained from the Chinese. First it commenced as a yard of the Metallurgical Plant but one year later it had its own building. The first examinations of the ovens in the Ferrochrome plant were completed in a few days and the deed was successfully put exploitation²²¹.

The other example of prosperity in the field of industry was the Cement Factory in Elbasan, which produced the highest amount of cement in the entire Albania and it became a source for the other cities. The Cement factory was the product of the fourth five-year plan. In 1979 the cement factory in Elbasan started functioning in full

²²⁰ Elez Biberaj, *Albania, A Socialist Maverick*, (San Francisco: Westview Press, 1990), 180

²²¹ Anthim Konomi, Irfan Veteriku, Egon Gjadri, Stavri Naço, Dhori Guri, Agim Shehu, Riza Minarolli, Kosta Goga, *Ndërtimet në Shqipërinë Socialiste*, (Construction in Socialist Albania),(Tiranë: 8 Nëntori, 1980), 47

capacity²²². As the other factories of the time its number of workers was growing and just in 1966 there were 1617 workers²²³.

The Brick Kiln Factory was an important budget-raising unit in the period of communism. It employed a wide range of people,²²⁴ and supplied various plants and cities, as there were very few brick kiln factories in Albania during communism. In reality the development of industry revealed the necessity of developing construction industry²²⁵. Thus the necessary was supplied from the factories within Albania.

The other contributive plant to the constructive industry was the wood factory “Nako Spiru” in Elbasan built in the third five-year plan. To this, a new factory of fiber slates was added in 1976, which was supplied with modern technology for the time. Additionally all the processes of work were automatic²²⁶. The appointed structure of the Wood Plant was the following:

1. The Branch of Wood Delivery
2. Mechanic branch
3. The Metallic Production Branch²²⁷.

Elbasan became the center of industry and as such the Albanian Electric Enterprise (KESH-Korporata Elektro-energjetike Shqiptare). For Elbasan, the communist period meant economic growth and increasing importance in Albania, as the city was the most industrialized one KESH was supposed to provide electricity for the developing

²²² Anthim Konomi, Irfan Veteriku, Egon Gjadri, Stavri Naço, Dhori Guri, Agim Shehu, Riza Minarolli, Kosta Goga, *Ndërtimet në Shqipërinë Socialiste*, (Construction in Socialist Albania),(Tiranë: 8 Nëntori, 1980), 45

²²³ Documents in the Cement Factory, Essential Register of Workers, 1966

²²⁴ *ibid.*

²²⁵ Vladimir Misja, Krijimi dhe Zhvillimi i Industrisë në RPSH (The Creation and Development of industry in People's Republic of Albania),(Tiranë: N. Frashëri, 1963), 55

²²⁶ Bashkimi, April 25, 1976

²²⁷ J.B. ex-Minister of Industry of Albania, interview by the author, April 20, 2007, transcript, Tiranë.

industry in Elbasan, and the regime did not want to have losses during the transportation of the electricity from other cities. Hydro energy became important and developed thanks to the water potential, high-tension transmission lines from Elbasan to all Albania²²⁸. It was built in 1950 and it remained important for the period of communism. Its importance was much visible in terms of the electricians working in KESH for any necessities from the power plant in Banjë, in the surroundings of Elbasan²²⁹. The administrative structure was composed of the director, the main engineer and the other branches as juridical, economic, division of delivery, division of production and division of controlling²³⁰.

Another progressive branch of industry during communism was the Oil Refinery Factory. It was one of the most important potential natural resources of Albania and it helped in making good use of these resources. The main oil refinery was situated in Cërrik. As some industrial works the refinery as well was an outcome of the fourth five-year plan. In the first years the country mainly imported or used to buy the equipment to use in the refinery, thus the expenses were high, until Albania started producing some by itself²³¹. The Albanian government did not hide this fact, especially when booking a probe, where the leader of the country did ask from the specialists to think about the importance of this equipment before booking it²³². Surprisingly, he always used to praise the workers and in this time as well. Mr. Hoxha always showed respect

²²⁸ Documents in KESH

²²⁹ Council of Ministers, File E0581, Archives of PPSH.

²³⁰ KESH, 1966.

²³¹ Anthim Konomi, Irfan Veteriku, Egon Gjadri, Stavri Naço, Dhori Guri, Agim Shehu, Riza Minarolli, Kosta Goga, *Ndërtimet në Shqipërinë Socialiste*, (Construction in Socialist Albania), (Tiranë: 8 Nëntori, 1980), 45.

²³² V. Misja, *Baza Materialo-Teknike dhe Efektiviteti i Investimeve në Indutri* (The Material-Technical Basis and the Affectivity of Investments in Industry), (Tiranë: Shtypshkronja e re, 1983), 22

towards workers, in a carefully orchestrated propaganda. In this meeting held in 1970, he sends his congratulations and best regards to the workers of the refinery²³³.

Përrenjas, situated in the surroundings of Elbasan was the center of mines and railways. Thus mines developed to some extent but they were never at the same degree of the other mines of the country. The railways of Elbasan-Përrenjas were mostly built through volunteer work in order to make the connection of Elbasan to the other cities, especially Pogradec from where the import of pyrites would be done²³⁴.

The other direction of the Albanian State in terms of the development of industry was also focused on the armament industry and Elbasan could not escape without one being constructed in its territory. In accordance with the ideology part of which was the protection of the country from the enemies, various armament factory. One of the most important was settled in Mjekës,



Figure 7: Armament Factory in Mjekës.

Source: Documents in the Municipality of Elbasan

a village in the outskirts of Elbasan. It functioned in full capacity supplying with arms the military unit of Mjekës and the other ones in republic level²³⁵. The existence of this factory was essential during communism. As seen it was equipped with modern

²³³ Enver Hoxha, *Vepra 66* (Work 66), (Tiranë: Shtëpia Botuese "8 Nëntori", 1978), 78.

²³⁴ Enver Hoxha, *Raportet e Fjalimeve 1974-1975, Mbi Revolucionarizmin e Mëtejshëm të Partisë dhe të Gjithë Jetës së Vendit* (Report and Speeches 1974-1975, on the Further Revolution of the Party and the Entire Life of the Country), (Tiranë: Shtëpia Botuese "8 Nëntori", 1977), 7.

²³⁵ Anthim Konomi, Irfan Veteriku, Egon Gjadri, Stavri Naço, Dhori Guri, Agim Shehu, Riza Minarolli, Kosta Goga, *Ndërtimet në Shqipërinë Socialiste*, (Construction in Socialist Albania), (Tiranë: 8 Nëntori, 1980), 27.

machinery and the work was divided in accordance to the specialization of the workers²³⁶.

In line with the industrialization plan for the city, Elbasan was well connected to the other areas that were economically related.

²³⁶ Ibid.

3.3. The Political Reflection of Elbasan's Industrialization

The process of industrialization of Elbasan was amply reported in the communist media. The beginnings of the industrialization project for Elbasan would be notified as “a big socialist march” or “the bright perspectives.”²³⁷ The same happened in all the other enterprises or plants. Apart from this, the dedication of the people who helped in the construction and the beginning of these plants. The First Secretary of the Party Committee of the city asserted that:

The Elbasani intelligentsia has always answered to the call of the party to serve to the people where the interests of the fatherland have requested them.

Simultaneously the role of the party is overestimated. Thus the party played the role of the mobilizer of the people and simultaneously the role of the educator of the people.

The claim that:

The party has pasted with special consciousness, who prioritize the interests of the fatherland and socialism²³⁸.

The case of the metallurgical plant was specially heralded as the “never heard industry.”²³⁹ Furthermore the information given to the ordinary people about the economic development of Elbasan was always present in the media including even the production range and the new plans for the metallurgical plant. Surely even the metallurgical plant could not be separated from the political development of Albania as it was preached by the leaders. Consequently the development of Elbasan and the metallurgical plant would be contextualized in the framework of the “political revolution of Albania.”²⁴⁰

²³⁷ Aleko Hysi, “Elbasani i Ri në Marshimin e madh Socialist” (The new Elbasan in the big Socialist March), (Tiranë: Zëri i Popullit, June 9, 1966), 2-3.

²³⁸ Ibid.

²³⁹ Ibid.

²⁴⁰ Aleko Hysi, “Elbasani i Ri në Marshimin e madh Socialist” (The new Elbasan in the big Socialist March), (Tiranë: Zëri i Popullit, June 9, 1966), 2-3

This is the big socialist march of new Elbasan in this revolutionary pulse when our party goes to the elections with great victories...²⁴¹

The rationalizations were the other topic to be revealed to the people in order to testify the economic transformation of the city and its areas. Special attention was paid to the volunteer work of students or high school children who were volunteering in the construction of the cement factory. The young students who came just to observe the process of building an enterprise or a factory was not left aside, because this demonstrated the importance that the country for the future generation²⁴²

The most important news to be revealed remained always the capital gained in one specific period of time. This was encouraging for the Albanians. The completion and overfilling of the norms was very much discussed about. For instance “the norms were completed 112 per cent and the yield was 107 per cent”²⁴³ in the case of the cement factory.

The regime was always pretty much concerned in controlling how the process went. Thus the meetings of the directors and engineers in order that they could report about the achievements of the enterprise. Furthermore the praising of some of the workers was also evident in such meetings where stimuli were delivered to them.

The most striking were the comparisons done Elbasan every each anniversaries. The contrast was pretty clear and the leaders also the directors of the plants and factories were very much appreciated for this change. Despite, as one of

²⁴¹ Ibid.

²⁴² Ibid

²⁴³ Zëri i Popullit, 1964

the directors of the metallurgical plants affirms, the directors were very passive in the processing of the work²⁴⁴.

The premises of the metallurgical plant were to such wide extent that the profiles of the products were completely published in the media and in the reports in schools or at work in order that people could have accessibility in all the projects implemented²⁴⁵.

The city was supposed to develop every year and as such various other initiatives were taken and published in all the media. In reality there was a wide range of economic progress in quite all the areas falling under the district of Elbasan²⁴⁶.

Simultaneously with the economic progress of Elbasan, it became the example of the other cities, and it was prioritized as far as budget sharing per year. Thus this prosperity in economic terms led to the increase of the role and image of Elbasan as well, breaking the stereotype of an agricultural city, or as a museum city. At the same time, it traced back in the history of Elbasan as it was always very well-known in trading. This period was also preached as a return in identity, an identity lost during the invasions, as the secretary of the party asserted²⁴⁷. It is pretty clear that the development of Elbasan was always related to the political aspect of the entire country and the plans taken for it in order that it could develop.

²⁴⁴ H.F. ex-Director in the Metallurgical Plant in Elbasan, interview by the author, April 25, 2007, transcript, Elbasan.

²⁴⁵ Bashkimi, 1978.

²⁴⁶ Ibid.

²⁴⁷ Zeri i Popullit, 1980.

Conclusions:

An integral part of the Soviet-dominated communist block, implemented the same type of economic policies as the Soviet Union, transforming the Albanian economy into a “copy” of the Soviet one. Following the example of Magnitogorsks in Soviet Union, Elbasan was transformed economically into the most industrialized city of Albania. As a result, Elbasan developed all branches of industry, including heavy industry, energy, mines, railways and constructive industry. State directed plants and state enterprises were spread all over Elbasan. Surely, the socialist industry benefited the economic development of Elbasan. Yet, at the same time, the rapid and forced industrialization of the city had numerous negative sides, manifest at national level as well as at local level. The national one was related to expenditures, whereas the local one to environment and health.

The collapse of communism in late 1990 beginning of 1991 led to the change of the political system, which brought a completely different view of Elbasan. It led to economic decline and a high rate of unemployment. This conclusion comes out of empirical facts. The new regime’s motto was “Let’s destroy the old.” For the new leaders, the old meant everything including industrial works, as a result increasing unemployment in Albania.

But what happened to the main industrial works in Elbasan? Opening up its borders after a period of unprecedented isolation, post-communist Albania launched an ambitious program of economic development attracting foreign capital.²⁴⁸ In this context, the industry of Elbasan was either privatized by foreign capital and private

²⁴⁸ Biberaj, Elez. *Shqipëria në Tranzicion*, (Albania in Transition), (Tiranë, Ora, 1998), 291

individuals or completely closed down, with hard social consequences for the survival of the local population.

The Metallurgical Plant was privatized in 1991 by a Turkish company, which reduced the number of workforce; moreover, although it promised to apply some filters to reduce the air-pollution, the new owners did not deliver on their promise.²⁴⁹ The same happened to the Wood Factory, which was quite efficient during communism, when wood was the most used energy resource. After 1991, the population used preponderantly electricity and gas, and they abandoned the use of wood. The factory was completely destroyed, while workers became unemployed after its destruction and authorities did not pay attention to it.²⁵⁰

The cut off of the energy and the economic chaos in 1990 led to the closing of ferrochrome enterprises in Elbasan and Burrel. The outcome was similar to that of the Metallurgical Plant: privatization and a reduction of the workforce, which led to the increase of unemployment in Elbasan after 1991.²⁵¹ The cement factory was privatized by a Lebanese company, which led to unemployment due to the policies implemented by the new owners. The state collects taxes and treats it as the other business enterprises.²⁵²

The Brick Kiln Factory is at present managed by an Albanian entrepreneur. He has employed a small number of workers and they work more but the payment is lower. Mainly the workers are his acquaintances.²⁵³

²⁴⁹ Documents in the Municipality of Elbasan

²⁵⁰ Ibid.

²⁵¹ Ibid

²⁵² Ibid.

²⁵³ Ibid.

KESH underwent the same changes as all the other industrial state enterprises. As a conclusion it was privatized and in the present days it is an anonymous company, privatized in shares by a wide number of people, mainly workers who were previously employed in the enterprise. The only difference between KESH and other state owned factories and plants; the Electric Enterprise is still functioning; though in a poorer state compared to the period of communism²⁵⁴. The refinery of Cërrik ceased to exist, the same happened to the power plant in Banjë²⁵⁵. The same happened to the armament factory in Mjekës, which ceased to exist as well and the equipments or the arms that remained were spoilt and in 1997 due to the crisis various International Organizations sent representatives to help the Albanian leaders to destroy their arms²⁵⁶.

The speeches of the governments have always claimed an economic and political development of Albania but in reality something else has happened during these years of political pluralism. Mr. Stefani, a political analyst, actually sees no change in terms of the political issues related to economy as well. Thus he states:

The dictatorship established from Enver was flipped but the order "The party is me" survived infiltrating in the Albanian pluralism²⁵⁷.

The Albanian politician Pëllumbi conducted research on the case of a city, Laç and he applies this pattern approximately to the other cities as well. His data about 1992 are: "21.700 unemployed people, from 26 enterprises 18 do not function at all, over 400.000 active forces in the entire country, cannot work, 350.000 people are immigrants in the world and over 300 people knock on the doors of the Directory of

²⁵⁴ Documents in KESH.

²⁵⁵ Andrea Stefani. *Albanistan*. (Tiranë: Toena, 2005), 250-260.

²⁵⁶ Koha Jonë, 1997.

²⁵⁷ Ibid., p. 133.

Diktatura enveriane u përmbys por urdhëri "Partia jam unë" mbijetoi duke u infiltruar në pluralizmin shqiptar.

Immigration”²⁵⁸. Çupi in his book claims that every year that passes returns back in the past. He does not see any development from the establishment of the new regime, as the economic circumstances are growing worse and the intellectuals stay away from the parliament²⁵⁹. Mr. Alia himself in the interview I conducted with him evaluated the achievements of the communist government in the 17 years after the communist take over (1945-1962) and compared them to what the democratic governments accomplished since the communist collapse (1990-2007).²⁶⁰ Until 1962 the achievements of Hoxha’s government were pretty high, there was electrification of the entire country, various heavy industrial works had started work in full or partial capacities, eradication of illiteracy, railway construction was finished, mining was developing and they could not speak about unemployment as the government did not allow this. Nowadays according to him nothing new has been achieved.²⁶¹ The post-communism Albanian governments are still working with what the regime left them. He still considers the necessity of the previous works, such as the power plant in Banjë as a profitable one due to the low loss of energy.

It needs to be pointed out that Albania was not ready for the democratic regime to be established, as the Albanians themselves were not prepared for such change. Thus Gramoz Pashko, a deputy of the Democratic Party in Albania, also the formulator of the new economic system, observing the Polish models which as characterized according to him from privatization. Thus a total privatization of the enterprises would be pursued. The result was that the country’s 2000 small enterprises were sold to their

²⁵⁸ Servet Pëllumbi, *Dritëhije të Tranzicionit* (Gloomy Light of Transition), (Elbasan: Seiko, 2000), 149

²⁵⁹ Frrok Çupi, *Kthim në Vitin '91* (Return in the Year '91), (Tiranë, Dita, 2000), 136

²⁶⁰ Ramiz Alia, ex-President of Albania, interview by the author, April 27, 2007, tape recording, Tiranë.

²⁶¹ Ibid.

employees by 1991²⁶². These employees in reality were not trained at all to manage a business as a result they failed increasing the number of unemployment. The other plans coming from the democratic leaders to be accomplished were the following:

1. cause fast reform towards market economy
2. discontinue the pension payment of 80% to the unemployed
3. assure emergency food, electricity, and water supply to people
4. privatize the enterprises now owned by the state
5. complete the distribution of collective land
6. encourage the creation of new private firms and foreign investments and joint ventures
7. lift controls on retail prices, excepting only electricity, oil production and telecommunication
8. liberalize foreign trade
9. integrate Albania into European political and economic structures²⁶³

But in reality they did not succeed in fulfilling all these plans consequently, the pension payment of the unemployed stopped being distributed in 1993, food, electricity, water is still a current issues, when the electricity and the water enterprises are privatized, thus the state has no say. Albania is supplied with electricity just from three power plants, Fierza, Koman and Vau I Dejës, and the three of them are under the level as far as the level of water is concerned. As a result Albania undergoes still limitations of electricity supply²⁶⁴. The only stratum that profited from this were the peasants, although they are facing the high prices of cultivating the land. Nevertheless they started to profit since the rule of Alia.

Furthermore a quick balance of what happened to entire Albania that is applicable for Elbasan as well after the communist regime would be as Champseix admits in her book, the exode of Albanians would make 200000 –350000 Albanians

²⁶² Derek Hall, *Albania and the Albanians*, (London: Printer Publisher LTD, 1994), 222.

²⁶³ Edwin E. Jacques, *The Albanians: An Ethnic History from Prehistoric Times to the Present*, (London: McFarm, 1995), 699.

²⁶⁴ “Kufizimet e thella të Energjisë Elektrike”, in <http://www.lajme.net>, (last visited June, 2, 2007)

fledding from Albania from 1991-1992 from 3 million and a half of the entire population²⁶⁵. The fact numbers of these people fledding from Albania do not demonstrate amelioration of the economic circumstances of Albania.

David Vaughan-Whitehead gives some data in his book concerning the economic development of Albania during these years. Despite the change the data are not that promising. According to him Albania did not have success in establishing macroeconomic condition revealing everything in the table²⁶⁶:

Main Economic Indicators (1990-1996)							
	1990	1991	1992	1993	1994	1995	1996
Economy							
GDP	-10.0%	-28.0%	-7.2%	9.6%	9.4%	8.9%	8.2%
Industrial Output	-14.2%	-42.0%	-51.2%	-10.0%	-2.0%	1.0%	13.6%
Agricultural Output	-5.4%	-17.4%	18.5%	10.4%	10.3%	10.6%	3.0%

Table 8: Economic development of Albania (1990-1996)

²⁶⁵ Elisabeth et Jean-Paul Champseix, *L'Albanie ou la Logique Désespoir*, (Albania, the place of the Desperate Logique), (Paris : Édition la Découverte, 1992), 118.

²⁶⁶ David Vaughan-Whitehead, *Albania in Crisis* (UK: Northampton, 1999), 6.

Conclusions

The communist regime in Albania was established in 1945 and lasted until 1991, when it collapsed under the pressure of student movements aiming at democratic transformation. Despite the obvious ruptures and discontinuities between the communist regime and the new democratic post-communist regime, there are also numerous continuities and similarities. Both regimes derived their legitimization from a founding event: the communist regime with the liberation of Albania from the Italian and then Nazi forces, and the democratic regime with the collapse of communism. The communist leaders punished the members of the National Front (*Balli Kombëtar*), in order to rule Albania by themselves; the democratic leaders imprisoned some of the post-holders of communism when they took power. Beyond political features, which of the two systems was more profitable for the Albanian state in terms of economic development?

A common guess would be that the democratic government favored economic development. On the contrary the communist regime had rather remarkable progress in the industrialization of the country despite the high cost that the process of industrialization had. This led to stability in contrast to turmoil and recession of transition. The Albanian communist regime is mostly known for its negative sides, such as purges, lack of human rights, and total control of people's life. These reasons impeded further research on economic development, in particular the industrialization aspect, which is the focus of my thesis. My analysis explores the national and local level of the industrialization process, tracking the models implemented, asking to what

extent they were copied from the Soviet Union, evaluating the outcome of these models' implementation

Post-war Albanian leaders adopted the Soviet political model and established a totalitarian regime. This option was however forced by the outcome of World War II. The new leaders of the communist regime in the making aimed at ameliorating the economic circumstances of Albania. But as they inherited a poor country, there was the necessity of obtaining external economic support. The only available assistance came from the Soviet Union, but it was conditioned on the adoption of the communist political regime. Thus, the Western decision that Eastern countries would be abandoned to the Soviet Union's sphere of influence, and the lack of Western funds to improve the economic circumstances of Albania made the Enver Hoxha rely on Soviet aid and emulate the Soviet model of development.

Consequently, Albanian communist leaders commenced a campaign for the transformation of Albania into an industrial country. As documented in the thesis, the models they used to fulfill their aims were copied from the Soviet Union. Mr. Ramiz Alia, in his interview, acknowledged this fact. Before considering the case of Albania, it is of academic importance to trace the origins of these models. These models in reality were not just being applied for the first time in Soviet Union as the Soviet leaders observed them in USA and then they attempted to adapt them in accordance to the Soviet circumstances. After Soviet Union succeeded in transferring this model of industrial development, and adapted it to the communist centralized system, placing them under the control of the supreme leader, using the five-year plans, concentrating on heavy industry, Soviet Union became the example of the fastest growing economy in the world.

Albanian leaders decided to implement the same models, and they assisted by the Soviet Union with engineers, apart from the economic aid. Thus collectivization, the five-year plans, controlled economy and heavy industry became the characteristics of the Albanian economy during communism. But to what degree were these plans implemented? What was the outcome for the Albanian economy? These are disputable topics. I will analyze the factors that led to the economic flourishing of Albania thanks to the industrialization process.

Like all regimes, the communist regime or as it was called the “Dictatorship of the Proletariat” was based on controlled economy and central planning. The common paradigm known about totalitarian regimes and then applied to all the others is the leader who controls every aspect and who takes all the decisions. But one of the ministers of Industry in his interview asserted that Mr. Hoxha did not dictate any decisions, the decisions were just in accordance with the ideology. Mr. Alia specified the role of Mr. Hoxha in terms of the ideology to be followed. Subsequently Mr. Alia came up with the State Planning Commission, as formulator of the five-year plans and as controller in terms of fulfilling these plans. Thus the formulation of the five year plans was done from the State Planning Commission and these plans passed just for approval in the Politburo. These plans that were approved were submitted to the directors who after filling the plans had some autonomy to put into practice their initiatives. This demonstrates that the economy of Albania during communism was not that centralized as is thought.

The process industrialization proceeded in stages. The first stage that led to industrialization is marked by collectivization, a campaign copied from Soviet Union. The aim of the communist regime was the unification of all productive forces; yet,

Albanian leaders made some mistakes in implementing the model of socialist agriculture, mistakes acknowledged today by Mr. Ramiz Alia. According to his testimony, communists decided to collectivize all lands, including the mountainous northern part of Albania, a land improper for agriculture. Another mistake was related to the enlargement of the cooperatives that were composed from these lands. He admits that they acted wrong by enlarging them when these cooperatives were not to be enlarged at all. The third mistake, Mr. Alia admitted was the collectivization of private land in their entirety, not leaving farmers a small private property for their personal use.

The other means used for the industrialization of the country were the five-year plans. This plan was assigned to state enterprises and plants, as all economic units became state property under communism. These five-year plans correspond to stages of industrialization as well, aiming at one specific direction. As industry became the main concern of the Albanian government, the regime invested in all industrial branches.

Special emphasis was exercised on heavy industry. The main reasons for the development of heavy industry were the achievement of economic independence and an increase in military capabilities. Heavy industry led to the development of constructive industry, as well. In the late 60s and the beginnings of the 70s the process of industrial development reached its peak, concentrated on the development of heavy industry.

A main characteristic of the industrialization of Albania is the distributive character attempting to develop all the cities of Albania. It is interesting to note that communist legislation regulated every aspect of life at work and the construction of the

industrial works was reflected in the contribution of Albania. In spite of this, the political aspect was central, since the construction of socialist Albania and the industrialization project was reflected in the newspapers and congresses, and later on published as books glorifying the achievements of the country.

Apart from focusing on the national level of industrialization, I have concentrated on one case study, Elbasan, the most industrialized city in Albania during communism. Comparing the economic circumstances of Elbasan before the establishment of communism and after, we can clearly observe its total transformation from an agricultural city into an industrialized one. Elbasan became the settlement for all industrial branches, thus becoming an Albanian counterpart of Magnitogorsk in the Soviet Union. The reasons of Elbasan being the chosen city to be industrialized were: its geographical position strategically linked with other cities, from where the raw material was imported and the cost was low. The other reasons were the working force potential and the raw material that it possessed.

Although numerous branches of industry were developed in Elbasan, the city became well-known mainly for its Metallurgical plant, the most important in the country. Mr. Alia admits that the construction of the Metallurgical Plant was a gross mistake, due to the high costs that burdened the state budget. According to Mr. Alia, the aims of the Metallurgical Plant construction were to develop the country, to exploit the minerals and to make Albania economically independent, and to rely on Albania's own forces for internal development. The plant was not viable economically: while Albania produced 13 million kWh energy per day, the Metallurgical Plant consumed 1 million kWh per day. That was an expenditure in vain, according to Mr. Alia, because Albania was not

producing any cars or tractors. Consequently, he believes that they would have done better to develop light industry instead.

As part of the industrial development of Albania, Elbasan came to the limelight and its development was very much discussed in the media and especially in relation to the political development as well. The entire process of its transformation, the successes of every year and every plan became the object of various newspaper articles and TV programs as well, where all the glory went to the people and the party.

How much did Albania and Elbasan profit from this industrialization process? In figures, the achievements of the regime were impressive. Minerals and related products accounted for three quarters of its total exports. Albania boasts of producing 23 minerals commercially, but in reality everything except the production of chrome, copper, nickel, and oil is uneconomic by market criteria if labor and other costs were properly calculated. Since the late 1970s Albania has been the world's third largest producer of chrome. Its 14 mines clustered along the Yugoslav border have supplied about 10% of the total world output. It has been able to produce chrome, nickel, and cobalt as by-products relatively cheaply thanks to the ample supply of power from the hydroelectric stations. After the break with the Soviet Union in 1961, China stepped in not least because it needed an alternative source of chrome previously purchased from the Soviet Union and financed the building of new power stations. This allowed a rapid increase in the production of chrome and copper. A copper wire and cable factory was built in Shkodër in the North of Albania. Not just this, but Albania exported energy, the imported products were lowered during the communist era and moreover, the economic circumstances of Albania developed. As far as Elbasan is concerned, it

became an important city, the number of population grew, the incomes augmented and moreover, it had a highly employed population.

As in the other ex-communist countries, the communist regime collapsed in Albania, even if with a two year delay (1991). This delay is due to the peculiarities of the Albanian economic policy: Albania continued to preserve the Stalinist models and did not switch to the Khrushchevite models of governing. What happened with the establishment of the democratic government in Albania? What was the fate of the industrial enterprises built during communism, and as such what was the outcome of the new political direction? Inspired by democratic ideals, the new leaders decided to break completely with the communist period during the takeover moments. The motto for them was “Let’s destroy the old”²⁶⁷, meaning everything built during communism. Most of communist enterprises and plants were ruined, including the ones in Elbasan. What remained was later on privatized and treated as a business, which pays taxes to the municipality of Elbasan and nothing more. Heavy industrial units ceased to exist as there was no raw material, no one took care of them and the government did not reconstruct them. The outcome of this new democratic regime thus directly contradicted the policy of the communist regime. Social consequences are dramatic: unemployed is growing, the country became dependent on imports, the GDP is at a very low level, and the standards of living decreased. While during the communist rule Albania exported energy, supplied enterprises, the plants and individual consumers, nowadays Albania imports energy and it is always in an energy crisis, making even the individual consumers lack energy by graphing the time as well.

²⁶⁷ Rilindja Demokratike Newspaper, 1991

As a final conclusion I can say, not by romanticizing the period but by trying to evaluate it from the point of view of a historian, that communist Albania underwent a complete economic development and the Soviet models were implemented to a high extent. Although mistakes were made, which cost Albania much at that time, the country had a stable economy and social system. In this sense, I would like to reiterate the hope of the leader of Albania, Mr. Enver Hoxha, for the amelioration of Albanian economic situation, which until now did not become true:

Let's highly protect what we have succeeded, to develop it consequently and to leave to the future generations a stronger than ever Albania, ... an Albania to live and develops in the centuries...I am convinced that the people will know how to host our glorified flag, how to honor and raise the prestige of Albania in the world...²⁶⁸-
Enver Hoxha

The communist legacy still hunts Albania and the process of transformation proved to be long and arduous, consequently it is visible a slight nostalgia of people for communism, although they never want it back as a regime.

²⁶⁸ Ramiz Alia, Enver Hoxha, 1908-1985, Tiranë: Botim i institutit të Studimeve Marksiste – Leniniste pranë KQ së PPSH, 1988. Enver Hoxha “Ta ruajmë si sytë e ballit gjithçka kemi aritur, ta zhvillojmë me konsekuencë më tej, t’u lëmë brezave të ardhshëm një Shqipëri kurdoherë më të fortë...një Shqipëri që të rrojë e të përparojë në shekuj. Jam I bindur se populli dhe partia lart e më lart do ta mbajnë flamurin tonë fitimtar, lart e më lart do ta ngrënë nderin, prestigjin dhe emrin e Shqipërisë në botë”

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