The demographic and economic development of Albania during and after the decline of Communist regime (1945-2010)

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Abstract

During the communist regime Albania was very close to the foreigner’s. The reality was totally different of what it was proclaimed by the government. The collapse of communist regime in 1990 opened Albania and its people to a new reality. The first who migrated were shocked to witness the prosperity of the Western Europe, while they had spent their lives believing to live in the most developed country in the world. This paper is focused on the development of population and economy during and after the collapse of communist regime in 1990. The changes are evident in number of population, age and sex structure, number of marriages and divorces etc. About the economy the paper analyzes the influence of soviet model in Albanian economy during the communism and the main changes that transformed a central controlled economy to a free market economy.

Keywords: Albania, demography, economy.

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1. La professora Sonila Papathimiu va impartir la seva conferència a la Societat Catalana de Geografia el 16 de febrer de 2012.
**Resumen: El crecimiento demográfico y económico de Albania durante y después del régimen comunista (1945-2010)**

Durante el régimen comunista Albania era un país vedado a los extranjeros. La realidad era muy diferente de la que proclamaba el Gobierno. El colapso del régimen comunista en 1990 abrió Albania y su gente a una nueva realidad. Los primeros emigrantes quedaron sorprendidos al descubrir la prosperidad de la Europa occidental, después de haber creído toda la vida que vivían en el país más desarrollado del mundo. Este trabajo presenta el crecimiento de la población y el desarrollo económico durante el régimen comunista y tras su colapso en 1990. Los cambios son evidentes en número de habitantes, edad y estructura de sexos, número de matrimonios y divorcios, etc. En relación a la economía, se analiza la influencia del modelo soviético en la economía albanesa durante el comunismo y los principales cambios que han transformado una economía rígidamente planificada en una economía libre de mercado.

**Palabras clave:** Albania, demografía, economía.

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### 1. Locational advantages of Albania

Albania is a small country in the south western part of Balkan Peninsula (Eastern Europe region), and has a long coastline to the Adriatic and Ionian Seas (476 km long). The Republic of Albania lies in the Northern Hemisphere, between the geographical coordinates of 39° 38’ in the south in the town of Konispol (small town) and 42° 39’ in north in the village of Vermosh (northern latitude) and from 19° 16’ in Sazani isle and 21° 4’ in the village of Vërnik (eastern longitude).
Albania’s total area is 28,748 km², its maximal extension from north to south is 340 km and from west to east is 150 km.

Albania has outstanding locational advantages. Its absolute location is very favourable for the development of many economic and human activities. Albania’s climate is subtropical with characteristics of Mediterranean climate in the west coast, while in the middle and east of the state the characteristics of the climate are more affected by the continental air masses. The absolute location affects also the rivers regime, the biodiversity and the types of soils.

Albania’s relative location is very advantageous because creates maximum efficiency for contact with much of Balkan Peninsula states and what is most important with the Western Europe. Albania lies in front of Italian coast and the shortest distance between them it is only 75 km (Otranto channel). Many researchers have definite Albania “the key to Adriatic”, as the imaginary border between Adriatic and Ionian Sea goes from Karaburun (Albanian’s peninsula) to Brindisi (city in Italy) and for many others Albania is a “gateway” between East and West. The location of Albania in relation with other states of the region has not been so advantageous. The history of Albania is full of wars and occupations from the great empires (Roman, Byzantine and Ottoman) and from the neighbourhood states (Greece, Serbia and ex-Yugoslavia).

2. A short History of the country

Although a small country, Albania and Albanians has been important participants and actors in the geopolitical developments of the Balkan Peninsula. The History of Albania has been strongly connected and influenced by the events and changes that have occurred in Balkan region and far away. Prof. Çabej\(^2\) emphasizes that “Albania is the territory, where the long contest between Western Roman Empire and Balkanic Byzantine Empire is more evidently imported. The Western conquistadors (Roma, Veneto, Normans and Anzhuins) aimed to occupy the Peninsula with the final focus on Constantinople, while the conquistadors from the East (Byzantines, Goths, Bulgarians, Serbians and Ottomans) want to reach the Adriatic sea and to use Albania as a jumping board to Italy”.

Albania’s population is one of the most ancient in Europe and Balkan. The archaeological remains testimonies that Albania’s territory has been populated almost 100,000 years ago. Albanians are descendents of Illyrians tribes, which occupied a large territory of Europe from river Danube in north to the ancient Greece in south, in east the rivers Morava and Vardar divided them from Thracians and Macedonian tribes. The most important Illyrian tribes

\(^2\) Albanian linguist and researcher.
such as: Liburns, Dalmatians, Ardians, Dardans, Taulanthians, Albans, etc, constituted in v-iv century B.C, the first Illyrian states (or kingdoms): Illyria (which extended in most of actual Albanian’s territory), Dardania (most of actual Kosova and north Macedonia territory), Epir (south of actual Albania and north western part of actual Greece). In these area were also founded some city-states such as Dyrrahu, Apollonia, Ambrachia, etc.

The Roman Empire could conquest the kingdom of Illyria, after three great wars (231-168 B.C). During the Roman Empire the Illyrians were distinguished as great warriors and also three great Emperors of the Byzantine (in the period 491-565) were of Illyrian origin (Anastasi I, Justini I and the well known Justiniani I). When the Roman Empire was divided in two parts in 395, the territories of modern Albania became part of Byzantine Empire.

The name Illyria was used until vii to xi century. After it the territory was named after the tribe of Albanoi which extended in the center of modern Albania. The linguists have defined that the name Shqipëria (what Albanians call their country) comes from the adverb shqip that means ‘clearly’ or ‘speak clearly’. The hypothesis that the name comes from the noun shqipe (eagle) or the Land of Eagles, is a romantic hypothesis.

The first Albanian states were organized during xiv-xv century. They were called ‘Princedoms’ and the most powerful ones in that time were the Princedom of Zenebishtëve, Topiajve, Muzakajve, Balshajt, Kastriotëve, etc. In their efforts to unite all Albanian’s territories in a state the Albanian princes many times fought against each other. The Princedom of Balshaj (the modern day Shkodra was its center) was the only one which could unite most of the modern day Albanian’s territories. The Princedom of Topiaj (modern day Durrës) became a serious obstacle for their final objective of Balshaj princes and for this reason they asked help from the ottoman army to fight against them. In the fall 1385 the ottoman army came for the first time in Albania to help Balshaj, but they returned after it to occupy the whole Albanian’s Princedoms. The Balshaj regretted that they asked help from the ottoman army and began to collaborate with other Princedoms to protect Albanian’s territory, but they were not successful and soon the Ottoman Army had occupied all the territory.

Another important Princedom in these centuries was the Princedom of Kastriotëve. The Prince Gjon Kastrioti was the father of our national hero Gjergj Kastrioti called Skënderbeu. In 1415 the ottomans could conquest the Princedom of Kastriotëve and Prince Gjon was obligated to give his sons as hostage as a guaranty that he would not organize any riots against Ottoman Empire in the future. His little son Gjergj Kastrioti was raised and educated in Turkey and was distinguished for his military abilities.

Gjergj Kastrioti got the title ‘Skënderbej’ in Turkey, but as he fought and lead the Ottomans army he planned to turn in his country and to free it from the Ottoman Empire. In 28 November 1943 Skënderbeu with some
other Albanian’s princes and warriors he freed Kruja known at that time as the capital center of Albanian’s territory. In 2 March 1944 he organized the Lezha League where for the first time the Albanian Princes agreed to unite their territories, their armies and to contribute financially for it. Skënderbej was elected the leader of the League and Commander of the Military forces. Skënderbeu and his allies fought the Ottoman Empire for 25 years in almost 14 battles. After the death of Skënderbeu in 1468 the League made some other efforts to continue the fight against ottomans but could not. Many Albanians among them the wife and the only son of Skënderbej migrated to southern part of Italy in Calabria, where still lives a community known as arbëresh. Albania and its territory remained occupied by the Ottoman Empire for 500 years.

On 28th November 1912 after the Balkan wars Albania could proclaim its independence from the Ottoman Empire and Ismail Bej Vlora was elected the Prime Minister of the Albanian’s Government. In 1913 the Conference of Ambassadors in London decided to leave outside the Albanian State almost half of its territories where Albanians had lived and worked for centuries. Among them where the territory of Kosova, some territories in the western part of Macedonia, territories in the southern part of Montenegro and the whole region of Çamëria in the northwestern part of Greece.

In January 1925 after many forms of regime the National Assembly approved the form of regime Republic and elected Ahmet Zogu the President of Albania. In 1928 he declared himself King and the form of regime Kingdom. In the beginning of the World War II, Albania was invaded by the Italian army and the King with his family escaped. He lived in exile for the rest of his life and could not return anymore in Albania, as the communist regime declared him “enemy of the country”. His son Leka Zogu I, could return in Albania in 1997 with his son Prince Leka Zogu II and other relatives, where he lived until his death in 2011.

Albanian communists and nationalists actively fought a partisan war against the Italian and German invasions during World War II. On 29th November 1944 the communists gained control of the government under the leader of the resistance, Enver Hoxha. The regime of Enver Hoxha and Party of Labor that he leaded lasted from 1945-1990. The communist regime in Albania was the most repressive in Europe. The country suffered the long isolation from the World until 1990, five years after the death of Enver Hoxha, when the students and other disappointed people organized the Democratic Revolution.
and obligated Ramiz Alia (the leader of Party of Labor in that time), to allow pluralism and democracy in Albania.

Since 1990 Albania has had many democratic elections which have been won either by the Democratic Party or the Socialist Party. Actually Albania is a Parliamentary Republic with 140 deputies elected every 4-year. The President of Albania is elected every 5 year and is elected with 82 votes from the Parliament.

3. Albania’s Physical Geography

Albania’s physiography is dominated by hills and mountains in the eastern and northern part and plains in the west. The most important and wide plain of Albania called “Western Lowland” extends along the coastal area from Lake of Shkodër in the north to city of Vlorë in the south. After emerging from the sea this Lowland was modeled by the activity of the main Albanian rivers, which generally flow from east to the west. The Western Albanian Lowland is 200 km long and almost 50 km wide and it is very important for the human and economic life of Albania. Albanian coastline is 476 km long, and the Adriatic and Ionian Seas have a great impact on the climate, flora and fauna of the country. The North of Albania is mountainous with the Mediterranean Alps in the line of Dinarido-Albanido-Helenid, and is characterized by a diversity of rock formations since Paleozoic time. The altitude declines moving from the east to the west of the country, and this determines the conditions of the climate, land and vegetation.

The territory of Albania is divided in four main physiographic regions: The Mountainous North Region, the Mountainous Central Region, the Mountainous South Region and the Western Lowland.

The Mountainous North Region is located in the north of Drini i Bardhë (White Drini) and Drini rivers till the state border. This region is composed mostly by limestone and partly by magmatic rocks. In this region there are high mountains and deep valleys very suitable for the development of alpine Tourism, Farming and Forestry.
The climate of this region is the coldest in Albania due to great altitude from the sea and the impact of continental climate from the interior of Balkan Peninsula. The average temperature of January is 0-1°C and 19-20°C in July. This region offers good conditions for the cultivation of nuts, chestnuts, apples, plums, blueberries etc. The mountainous north region has different types of soils with high percentage of humus and it is very rich in mineral resources. In the region there are many flat leaf and pine forests. The villages are very rare and the architecture of the houses is very interesting. The population settles mainly in the valleys, but it is decreasing due to the continuing of emigration: District of Tropoja had -37.5%, Puka -29.7%, Mirdita -26.5% inhabitants in 2001 comparing with 1989. Agriculture is limited in valleys and mountains, but the main activity is Farming. Mountainous North Region is divided in two big parts: Albanian Alps and the Upland of Gjakova.

The Mountainous Central Region locates in the interior, eastern and southeastern part of Albania and extends from Drini Valley in the north till the lower part of Devolli River in the south and in the west goes till the Skënderbeu ranges. The relief of this region is very regular and diversified with some parallel mountainous ranges and valleys in between, some plains, hollows and valleys. The amplitude of altitude in this region is almost 2,500 m from 50-150 m to 2,751 m (Korabi, the highest mountain of Albania). This region is mostly composed by magmatic (ultra basic, basic and acid), limy, etc. The climate of the region is Mediterranean and mountainous with the impact of continental climate. The temperature decreases moving from west to the east of the region while the precipitation is highest in the eastern mountains. The average annual temperatures go from 10°C in the east to 13°C in the west. The frost and snow are very usual in this region. The greatest rivers of Albania begin in this region (Drini, Mati, Ishmi, Erzeni, etc.) and also there are two great lakes Ohër and Prespa very important for the development of tourism. The Mountains Central Region has many natural resources (minerals, climatic, water resources, high biodiversity etc.). Korça and Pogradeci are two important cities for the economic development of the region.

The Mountainous South Region lies from Devolli River in the north till the national border in the south, from Leskoviku in the east to the Adriatic Sea in the west (100 km). The geological construction of the region is very simple and is composed by carbonates of Mesozoic. The relief is simple and regular with some mountains ranges and valleys. The climate of the region is mostly Mediterranean with some features of the mountainous climate. The average annual temperatures go from 17°C (Saranda) to 11°C (Leskovik) and the average annual precipitation is 1,300 mm. The South region is rich with water flows and sources. The most important rivers of the region are Vjosa, Osumi, Vokopola, Kalasa, Bistrica, etc. The soils are very fertile and are mostly cultivated with cereals, vegetables and fruit trees. The region is not very rich in natural vegetation and it doesn’t have many forests. This region has good opportunities.
to develop the tourism mostly in the south coasts. The geographical position in the south border of Albania has influenced the large immigration of the population of the region to Greece.

The Western Lowland is an important region for the economic development of Albania. It has the best locational advantages: long seacoast, many beautiful beaches (sandy and rocky), fertile soils, some important coastal wetlands, the leading cities of Albania (Tirana, Durrës, Shkodër, Fier, Vlorë, etc.) are located in this region etc. The Western Lowland lies from Lake of Shkodra in north to the city of Vlora in south. After 1990 this region has experienced in large number inner and outer migration. While its population moved mostly from the rural areas to the urban ones or to the Western countries, the population from other regions of the country (especially from the north region) settled in the villages or cities of the region. This region has the highest percentage of highroads, railroads, the only airport of Albania (Mother Theresa airport) and some important sea ports (Durrës, Vlora, Shëngjin).

The relief of the region is mostly plain with some areas under the sea level and some low hills in the eastern part. Most of the region’s plains (coastal wetlands) were drained during the communist regime (1960-1970) to become agriculture land. The climate of the region is Mediterranean with annual average temperatures 15-16ºC and precipitation from 900 mm to 1.700 mm concentrated in the cold seasons. The region is also very rich in hydrographic resources with many rivers, lakes and the sea. The soils are very fertile for the cultivation of wheat, grain, forages, vegetables, fruit trees, etc, but there are also many salty soils near the coast. The natural vegetation of the region is represented by the Mediterranean bushes, pine forests (the largest one Divjak Pine Forest) etc. This region will continue to be the core area of Albania, as it offers good advantages for almost every economic activity: agriculture, livestock, tourism, agro industry etc.

4. Albania’s population

4.1. Albania’s population during communist regime (1945-1990)

The Second World War was fatal for Albania and its population. Its territory was occupied by Italian, Greek and German soldiers. The young people of Albania fought against them and organized the so called “The National War of Liberation” where almost 28.000 people (official claim) were killed. The population of Albania in 1945 was almost 1.2 million people and in 45 years of communist regime it continued to increase reaching 3 million in 1990. The average percentage growth rate of population during the communist regime was 1.8% per year, reaching the highest level in the period 1955-1975 with the average of 3.7% per year. The population of Albania continued to have
positive growth rate until 1990 (fig. 3) influenced by many factors, among which as the most important are classified: First, the positive rate of natural population growth. During the communist regime the natural growth was the only factor that influenced the changes in population number. The number of birth for a woman has been very high until 1960 (in average seven births per woman). This number decreased after 1960’s and in 1980 every woman in average gave birth to 3-4 children. Although Albanian population is defined as very fertile there were many other factors that influenced the high number of births in the period 1945-1990 such as: the high number of marriages in young age (for women was 20 years and for men was 26 years); the Albanian tradition of having many children; the improvement of hygienic conditions and of mother and children care; the low number of divorces etc. The low number of divorces it was not strongly connected with the happy marriages. In the communist regime it was very difficult to divorce. The propaganda in that period was very negative for the divorced people. Many of them would lose their job, would be no able to have a good career in the future and for the women would be more and more difficult.

Secondly is the decrease of death rate especially of infantile death rate. The death rate has decreased from 150/00 in 1950 to 5,40/00 in 2000. The economic and healthy reforms taken from the communist regime in the first years after the Second World War had their impact on the decrease of death rate and raise of life expectancy, which was 51.6 years in 1950 and reached 74.6 years in 2000 (fig. 4). The decrease in infantile death rate (from 105.30/00 in 1950 to 15.50/00 in 1990) and extinction of some deathly diseases (malaria, tuberculosis etc), were two important factors with great impact on population growth rate.

Thirdly we can identify the role of pronatalist policy in the communist period which had impact especially in the rural areas. The women were encouraged to have more than three children and if they had 6 or more they would get the title “heroic mother” and would profit a free cow from the state. After the collectivization of the land and everything that the villagers possessed (year 1960’), it was very difficult for them to provide milk and other dairy products for daily use (the law prohibited the raise of animals by the villagers in their houses). The number of births in the villages was very high and many women had more than six children. In support of this policy the communist regime invested for the building of many health centers (almost in every town and village of the country) to take care for mothers and children, the women were trained how to raise their children in healthy way etc.

The fourth factor is the positive migration rate until 1990. During the communist regime the people were not free to choose be themselves where to live or work. The inner migration was strongly controlled by the communist government. The only way someone could move from one town to another or from the village to town it was through marriage, especially for women who after marriage, according to the tradition, went to live in the husband’s house, but the men could not follow the same way. For them it was very difficult to move from the place where they were born. The outer migration was totally prohibited and punished by the law (the policy of isolation). Many young people in that period tried to pass illegally the Albanian borders to seek political exile to ex-Yugoslavia, Greece and Italy. The consequences for the person who was caught in the tentative to leave illegally Albania were very bad and not only for him, who was called “enemy of the country”, but also for his family and close or far relatives. The person himself would be killed (many young people were killed in the borders by Albanian soldiers) or would...
go to prison for almost 20-25 years, his family would be obligated to move from the place where they lived to a far and poor village. His relatives would have it very difficult to develop good career or to have the opportunity to study in University, etc.

4.2. The changes in Albanian population after decline of communist regime (1990-2010)

Albania was under the communist regime for 45 long years. During this period the people had believed to live in the most beautiful and prosperous country in the world. They were indoctrinated and believed only what the Party of Labor (the only political Party during the communism) proclaimed. Although the great propaganda and slogans used by the Party of Labor and communist regime, in the early 1980’s the economic development of Albania began to decline. In the road of building the communism as an isolated country, Albania had broken off the economic and politic relations with two great allied; Russia (in 1960’s) and China (in 1973). The motivation of Albania to provide everything inside the country and to continue alone in the communist road without the help of foreigner countries resulted unsuccessful and the people were getting poorer.

The collapse of communist regime came after the student’s riots in December 1990’s. The leader of Albania’s Party of Labor in that time Ramiz Alia after several meetings with the students agreed to allow the pluralism in Albania. In December 1990 was created the first Democratic Party of Albania and in the other years many other Parties.

The collapse of communist regime and the changes that followed the social and economic development of the country had their great impact on the population number (fig. 3) and structure. The main factors of these changes were:

4.2.1 The outer and inner migration in the period 1990-2010

In July 1990, around 5,000 Albanians entered by force and sought political exile to the Embassies of some European Countries in Tirana (Italian, German, Spain, UK, etc.). This was the first big exodus of Albanians to the Western Europe that was followed by at least two other ‘waves’ of massive emigration toward Italy. In March 1991, almost 25,000 Albanians took boats and ships and went to Apulia (Italy), where stayed for many days in military accommodations, until the Italian government decided to accept them (King and Mai, 2002, p. 164-167). A second exodus of 20,000 Albanian “boat people” was allowed to land to Italy in August 1991, but many of them were repatriated as they could not be considered anymore as political refugees, because Albania had already had its democratic elections. The Albanians continued their illegal migration toward Italy and Greece and in the mid-1990’s almost 20 percent of working population (mostly young men) had emigrated.
The illegal migration of Albanians affected not only the number of the population, which declined, but also the age and sex structure of it. After the three exoduses the outer migration of Albanian was very selective in age and sex (see *Albania in Figures*). In the early 1990’s the majority of emigrants were male of young ages (15-35 years old). The decrease of male population in these ages affected the number of marriages and the decline of birth rate. The outer migration of women happened in small number and most of them were married and migrated to join their husbands. It was very difficult for a young single girl to decide and migrate outside Albania, because they would be judged by the society as immoral girls and many times their families would refuse to contact or welcome them again in the house if they returned. During the early years of 1990, especially in 1997 many young girls were kidnapped and forced to prostitute in Italy, UK, Greece, etc.

After 1990 many changes happened also in the number and direction of inner migration, which was even more massive than the outer migration. The policy for the distribution of population during the communist regime obligated them mostly to live in places they didn’t like or couldn’t find the right job for them. The movement of population inside the country had these main directions: from the mountainous villages to the villages in the western lowland, from rural areas to the nearest urban areas and from one urban area to the capital city Tirana or other important cities. This massive and uncontrolled movement of the population toward the capital city (Tirana’s population in the last twenty years has almost triple) had its impact in the spatial spread of the city in every direction and the transformation of the ex-industrial areas in residential ones.

The abandonment of the north mountainous villages and many other villages in the south is one of the most evident consequences of the inner and outer migration. In many far villages almost the whole population has left and there continue to live only a few families or old people. The projects for the development of these problematic areas have not been always successful. The young population who goes to other cities for higher education hardly returns to the origin village or town.

**Figure 5.** Pyramid of population

![Pyramid of population](image)
4.2.2 The changes in number of marriages, divorces and natural growth (1990-2010)

The political changes in 1990 influenced the number of marriages and divorces and also the natural growth rate of Albanian population. The opening of the country to the western culture and style of life was soon evident in the choices of young people about marriage, divorce and number of children. The marriages after 1990 decreased constantly, while the number of divorces for 100 marriages increased, especially after 2000 (from 8% in 2000 to 27% in 2009). The main factors that influenced the decrease of marriages in this period are: the outer migration of male population in young age (18-40 years), the increase of average age of entering the marriage for females and males, the increase of the number of females who choose to have a good professional career before marriage, the increase of young people who did not turn to their original towns after graduated (especially the ones who have studied abroad), the breakup of the taboo of choosing singleness instead of marriage, etc. During the communism time many marriages were arranged by the parents and the couple had to obey. After 1990, the higher percentage of divorces was from these marriages. Other factors that affected the increase of divorces were the long separation that some couples had to go through when one of the partners, usually the man, had migrated illegally and could not come back very soon, the impact of foreigner style of life to the young couples and the urbanization process of Albania.

The changes in number of marriages and divorces were reflected in the decrease of birth rate, especially in urban areas, but also in rural areas. The average number of children per couple after 1990 decreased from 3-4 children to 1-2 per couple. The economical and political situation of Albania after the crash of the pyramidal financial schemes made the population more pessimists about the future, finances, properties and security of life. The raise of a child after 1997 became more difficult as the services, transport and many products more expensive and also the allowance of abortion (till 12 weeks of pregnancy) by the law and the campaigns for the information of women about the methods for family planning were important factors that influenced the decline of birth rate. As the consequence the natural growth rate of Albanian population declined. The natural growth was the only factor for the population growth rate during the communist regime, but after 1990 the influence on population growth is divided between natural growth and migration rate.

4.2.3 The urban-rural population after 1990

Historically, Albania has been a rural country, with the highest percentage of its population living in villages. The urbanization process during communist regime was very controlled and slow. Only a few people could have the chance to leave the village for living in the city. This process was accelerated after 1960 when many small industrial towns were built. The industrialization of the economy according the Russian model transformed many rural areas to
urban ones. The ‘new’ created towns were populated with workers from the nearest villages, specialists of different industries (depending on the town), engineers, and administrative staff. In this period became industrial small towns, Vora (near Tirana), Burrel, Kruma, Memaliaj, etc. The urban population from 15.4% in 1938, has almost doubled in 1960 and in 1989 was 36%. After 1990 the inner migration raised the percentage of urban population and according to preliminary census 2011 results for the first time in Albanian History the urban population is more than the rural one of only 1%. The uncontrolled movement of the people to the city and towns has had negative impact on the spatial organization of these cities, the spread of the population in every direction (even in the areas which are not suitable for buildings), destruction of heritage historical areas, the raise of criminalization (especially in Tirana), etc.

5. The economic development of Albania 1945-2010

The economic development of Albania after 1945 was centrally planned—the communist leadership in Tirana would make all decisions regarding economic planning and development. Following the footsteps of Soviet planners the principal objectives of Albania were: to accelerate industrialization and to collectivize agriculture. The entire country was organized to work (mostly voluntaries) to fulfill the national goals prescribed by the central government. The collectivization of agriculture was considered and proclaimed as the best way for the maximization of productivity.

The Agrarian Reform in 1946 took the land from the large landowners and divided it to the poor villagers. The happiness of the villagers (small farmers) who finally had a piece of land in their property didn’t last for much. The scholars think that the Agrarian Reform of the 1946 was only a tactic in the strategy of Communist Party to the collectivization of the agriculture, which began the same time the reform finished. The collectivization in Albania was organized and fulfilled in three main phases and lasted 20 years. The first phase was from 1946-1954 began in the coastal and plain villages (150 cooperatives were created in this period), the second phase until 1965 was concentrated in the hilly villages (in 1959 were created 1,800 cooperatives) and the third phase lasted only two years in the mountainous villages of Albania. The collectivization process was successful in the early years, but the sabotage from the farmers did not delay to come. The agriculture production began to decline and the villagers were getting poorer. After some years of free agriculture market the farmers were not allowed anymore to sell their products and the government decided to decrease the garden area they had in property, so they would not spend much of the time working for themselves but for the cooperatives. The absence of the free market, lack of competitiveness, increase of the number of
unsatisfied farmers and many other reasons made unsuccessful the collectivization of the agriculture and livestock.

In 1991, a year after the collapse of communist regime the approved “The Law of the Land”, which distributed the land and everything that was in possession of the Socialist Cooperatives to the farmers living in the village until 31st July, 1991. Implementation of “The Law of the Land” although resolved many problems for the farmers living in the village, etc, had also some negative consequences. First, the land was distributed to the farmers living in the village that time, but the state ignored completely the former owners of the land, who were expropriated by force. This conflict between the new and the old owners of the land is an obstacle for the future investments and development and is a problem that has affected also the urban areas of Albania. Second, the distribution of the land per capita created a big fragmentation of the land that is still continuing (the sons and daughters after marriage use their land separated from the family). The fragmentation of the land is an obstacle for the further mechanization of the agricultural production, conflicts between farmers about the land etc. Third, after the implementation of “The Law of the Land” has changed the structure of the agriculture and in many villages is market orientated. The positive impact of this change is the reduction of the land used for wheat and corn and increase of the area plant with forages, vegetables, fruit trees, etc. The free market economy has raised the interest of the farmers to take care of their land and to produce in good quality, choosing the best seeds, planting new crops not known before in Albania such as: broccoli, artichokes, kiwi, etc. The negative impact of the changes in the structure of crops is that in some villages is disappearing the cultivation of some crops that where traditionally planted (cotton, olives, tobacco, etc.), and the uncontrolled use of pesticides, chemicals, etc.

Another important change after 1990 was the increase of the greenhouses area. During the riots of 1989 the people destroyed everything that was of state properties and in villages they destroyed even the greenhouses and stole everything. After many years of working they realized that this action was a big mistake and they had to buy and build the greenhouses on their expenses.

The other sectors of economy also experienced big changes after the decline of communist regime.

The heavy industry, on which the central government of Albania had spent a lot of money during the communism, is almost inexistent and doesn’t provide much income for the state. Many coal, chrome and other mines are closed or working in half of their capacity. The big industry of oil and gas in Kucova town is almost closed and also in Patos, Ballsh (near Fier) etc.

The light industry for the production of paper, plastics, chemicals, textiles etc, had almost the same fate as the heavy industry. Many small fabrics and big industrial plants for the processing of agriculture crops are not working anymore. The inner production of the processed food and textiles is very limited
and in many cases can’t survive to the competition of the foreigner products, especially Italian food and clothes industry. Albania’s industry should transform from a family based economy to a larger extend and to hire the best specialist for the maximization of production and quality. The state should implement development projects for the production of traditional products for the markets outside Albania.

The tourism and service is a sector that has experienced big changes in Albania. During the communist regime this sector was controlled by the central government and was not allowed the free initiative. The hotels, shops, markets were state property and offered only what the state was in grade to offer. The conditions in the hotels designated for the foreigners who would visit Albania were very good comparing with the economic situation of the inhabitants. After 1980, when the economic crisis in Albania was more evident and getting stronger the shops began to have lack of products and many of them stayed almost empty all over the year (clothes, food, vegetables etc.). After 1980, Albanians had to stay in long rows for many hours to buy something.

The changes in 1990 have made this sector very important for Albanian economy and the governments are emphasizing the role of tourism and services for the national incomes. The tourism sector in Albania has improved and adapted according the foreigners requests. The quality of service and conditions in the hotels sometimes is very luxurious comparing with the life of people living in the area. The quality and variety of food offered in the hotels and restaurants has improved after the 1990. Very successful in this period are also the restaurants which promote the traditional gastronomy of Albania. Many foreigners coming from the Western countries like the Albanian food and the way of serving. The negative impact of the development of the service and tourism sector in Albania after 1990 is the uncontrolled (sometimes crowded) spread and build of hotels, restaurants, shops etc. This situation has influenced the raise of criminal execution of the rivals, destroying of some beautiful places of historical heritage, pollution in beaches and sea, transformation of natural landscapes to residential and touristic areas (the pine forest of Golemi is replaced with buildings very near the coast) etc.

The changes that Albania experienced after 1990 have influenced the development of the country and the changing role of each economic sector. The agriculture continues to be the prior sector of Albanian economy and also the third sector is experiencing an economic boom, but the heavy industry it’s not as important as it was during the communism. The government should see the possibility for the investments in the exploitation of some important natural resources of Albania, especially of chrome, coal, oil and gas etc. Albania has many water resources for production of water energy and also for the building of wind power plants. The average number of sunny days and sunny hours/day is very high, so good investments on solar systems for the energy would be a good investment in Albania.
Resources


