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DEVELOPMENT OF THE ALBANIAN ECONOMY

By L. V. Tyagunenko

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FOREWORD

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## DEVELOPMENT OF THE ALBANIAN ECONOMY

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## PREFACE

The greatest achievement of our epoch is the extension of socialism beyond the framework of a single country and its transformation into a world socialist system. The People's Republic of Albania, which is confidently and steadily proceeding along the path of building socialism, occupies a worthy place in the commonwealth of socialist countries.

In this work, which is based on an analysis of factual material, the author was striving to point out the achievements made by the workers of Albania over the 15 years of people's democratic system.

The author believes that the following material will aid the readers in becoming more familiar with the successes attained by the free Albanian people in economic and cultural construction under the leadership of the Albanian Labor Party.

## CHAPTER I

### THE ESTABLISHMENT OF A PEOPLE'S DEMOCRATIC SYSTEM AND THE CONDUCT OF SOCIAL-ECONOMIC REORGANIZATIONS

The People's Republic of Albania recently celebrated its 15th anniversary. Over this short period of time the Albanian people achieved considerable success through the selfless aid of the Soviet Union and of the People's Democracies. The country's economy, which in the past was the most backward one in Europe, is developing at an exceptionally fast rate. Now the NRA (Narodnaya Respublika Albanii --People's Republic of Albania) is transformed from a backward agrarian country into an agrarian-industrial country and is progressing at a rapid tempo towards a transformation into an industrial-agrarian country. Albania, a member of the comradely family of countries of the world socialist system is successfully building socialism.

The People's Republic of Albania underwent a prolonged and difficult period before it was free to create a new life. Before the Second World War Albania was one of the most backward countries of Europe. The century long Turkish domination and the subsequent predatory control by foreign imperialists prevented a development of the productive forces in Albania. The most powerful feudal remnants were preserved in the country as well as remnants of the patriarchal-ancestral system. The reactionary Albanian government headed by King Ahmed Zogu conducted an anti-nationalist policy, which subjugated itself to foreign capitalist interests and concluded a number of one-sided agreements predominantly with Italy as a result of which the country was transformed into a semi-colony and an agrarian-raw material appendage to fascist Italy.

Industry was almost non-existent in landowner-bourgeois Albania: the country had only small oil fields and mines, small semi-handicraft enterprises of the cement, textile, tobacco, and leather-footwear industry, which utilized predominantly hand labor. The value of almost half of the industrial product was accounted for by handicraft goods. The population was not provided with objects of the greatest necessity. Albanian industry during the pre-war period may be judged by the following table:

Gross Industrial Production During 1938<sup>1</sup>.

Branch of Industry	Overall value of production in million leks	Percent of the total
Petroleum industry	79	9.3
Ore mining industry	44	5.4
Power supply industry	11	1.3
Building materials industry	21	2.6
Textile industry	36	4.3
Food industry	194	23.5
Handicraft production	386	48.6
Other branches	<u>55</u>	<u>6.8</u>
TOTAL	826	100.0

In 1938 the capacity of 13 small electric power plants amounted to only 3.2 thousand kilowatts, they were capable of producing 9.3 million kilowatt-hours per year. The mining industry had development somewhat during the prewar period. Rich deposits of useful minerals (oil, bitumen, chromium and copper ores) attracted the attention of Italian capitalists who began mining operations before the Second World War. In 1938 the production of oil reached 108 thousand tons, approximately seven thousand tons of chromium ore, and 3.7 thousand tons of coal<sup>2</sup>. The raw material was exported to Italy. A characteristic peculiarity of Albanian foreign trade was its chronic passive balance. The value of exports did not exceed 50-60% of the value of imports. Credit and loans, which were extended to Albania by imperialist Italy, led to a further enslavement of the country.

The gross industrial production in 1938 comprised only 9.8% of the value of industrial and agricultural production. The slow and feeble development of industry brought about a limited working class. Some 87.9% of the population were engaged in agriculture. The level of agriculture production was low: the Albanian peasantry knew nothing of mineral fertilizers, agricultural technology or tractors. Agriculture was able to satisfy only one-half of the

country's requirement for bread. The leading branch of agriculture in the country--animal breeding, was of low productivity.

One of the principal reasons for the backward nature of the country's agriculture were the remnants of feudal relationships which were preserved in the agriculture of Albania until 1945. The best land, draft animals and agricultural equipment belonged to the land owners, kulaks, the church and to the state.

Distribution of Land before the Second World War<sup>3</sup>.

Owners	Households		Size of the Property		Average Share per Household in Hectares
	Number	%	Thousand Hectares	%	
Land owners	7	0.006	14.5	3.7	2,079.0
Kulaks	4,713	3	91.0	23.6	19.0
State farms	--	--	50.0	12.7	--
Middle and petty owners	128,961	83	237.7	60.4	1.8
Landless peasants	21,544	13.680	--	--	--

From the above table it is evident that 21.5 thousand peasant households had no land at all, and that 128.9 thousand property owners controlled a share of 1.8 hectares each, while an average of over 2,000 hectares of land belonged to every landowner household.

The metayer system was the most common method of land utilization in Albania. The peasant gave away not less than one third of the harvest for the use of the land. In addition to that the tenant peasants were obligated to work on the landowners' land for a period of up to 50 days each year. The feudal system of land utilization was characterized by poor productivity and a low ratio of commodity production to the total output. The land was cultivated in a primitive manner, most frequently by means of a plow, hoe, and a shovel, and the crop yields were poor. Development of productive forces in the country were in every way hindered by the power of the fascist Zogu clique, which was a heavy burden on the Albanian people. Some 45% of the state budget was spent on the "imperial" army and

gendarmarie, 31% for the "imperial" administrative bureaucratic machine, 3.7%<sup>4</sup> for the luxurious life of the "imperial court." Poverty and cultural backwardness were the lot of all workers: approximately 80% of the population were illiterate, and the death rate was very high, especially among the children.

The economic enslavement of Albania was culminated in 1939 by a military occupation of the country by Italian-German fascists who regarded the country as a bridgehead for a subsequent attack on the Balkans. The government of Zogu did not resist the fascist occupation. The freedom loving Albanian armed with weapons, arose to struggle for their liberation. The National War of Liberation of the Soviet Union against fascist Germany was conducive to an upsurge of the national liberation movement in Albania. The struggle of the Albanian patriots acquired not only a national liberation and anti-fascist character but an anti-feudal and anti-imperialist character as well, inasmuch as it was directed against the occupation as well as against the local feudal landlords and the big merchant-bourgeoisie group which collaborated with the enemy. Widespread segments of the Albanian people: workers, peasants, the petty bourgeoisie and the intelligentsia who participated in the war of national liberation, created a national liberation front which was directed by the Communist Party of Albania (at the present time the Albanian Labor Party), created in November of 1941.

The foundation for a new revolutionary government in the form of national liberation councils was laid at a conference in Peza, organized on the initiative of the Communist Party of Albania. The creation of the national liberation front is also attributed to this period, which welcomed the participation of everyone who was ready to fight against the occupation and its servants.

By the end of 1942 the country was encompassed by a conflagration of the partisan war. The liberation of the countries of Central and Southeastern Europe by the Soviet Army established conditions that were necessary for a general armed uprising by the Albanian people against the fascist occupation. As a result of prolonged and bloody battles Albania was liberated and the bourgeois machinery of oppression was broken; a people's democratic government became established in the country. The Albanian Labor Party received national recognition, it became the leading political force.

The liberation of Albania set complex tasks before the party and the government: it was necessary to consolidate the people's government, to conduct basic social-economic reorganizations, to restore the country's economy and to lay a foundation for the building of socialism.

During the course of the struggle for national liberation the Communist Party of Albania promoted a program which expressed the hopes of all the Albanian people: the banishment of foreign occupants, liquidation of the old government and the substitution of a people's government, liquidation of the landowner form of land



ownership and the transfer of land to the peasants as well as the implementation of other social-economic reorganizations.

The people's democratic revolution in Albania had to resolve extensive anti-feudal and general democratic problems during its first stage of development. During the period of liberation of the various regions from the occupation forces the land belonging to the feudal landowners was confiscated and distributed by the people's councils among the peasantry. In August of 1945 the agrarian reform by legislative means sanctioned the liquidation of feudal relationships and with special legislative acts culminated it in May of 1946. The agrarian reform, which in essence was an agrarian revolution, liquidated the landlord form of land ownership in the Albanian village and transferred the principal means of production in agriculture--the land, into the hands of the toiling peasantry.

As a result of the land reform 172.7 thousand hectares of arable land were expropriated from the kulaks and landlords and distributed among 70,211 landless peasant families and those with small land holdings, who comprised 46% of the entire Albanian peasantry. The land was distributed in such a manner as to assure each family with not less than five hectares. According to the land reform law the sale or rental of land was prohibited.

In addition to that the people's government passed a number of other important measures. Some 238.7 thousand olive trees belonging to large landowners were distributed among the working peasantry; a portion of the confiscated land was kept for the organization of state farms; mortgages and other types of financial obligations of the peasants to the landowners were voided. Despite the fact that 5,587 horses, bulls and oxen as well as 800 cows<sup>5</sup> and various agricultural implements (plows, thrashing machines, etc.) were distributed among the landless peasants and those with small land holdings, part of the working peasantry remained short on implements and draft animals. Therefore the people's government offered to extend credit at very favorable terms to those peasants who had no equipment.

As a result of the agrarian reforms the reactionary class of feudal landlords was destroyed and the kulak's position was considerably weakened. The central figure in the Albanian village was the middle peasant who worked on his own land. The land reform consolidated the alliance between the workers' class and the toiling peasantry, which was moulded during the years of struggle for national liberation, and thereby created favorable conditions for the development of productive relationships in the Albanian village. The revolutionary agrarian reforms, which destroyed feudalism, provided the opportunity for converting from petty individual peasant farms to large collective farms, i.e., created a premise for the socialist reorganization of the village.

In addition to the agrarian reform, other important social-economic reforms were also conducted in Albania. After liberation

of the country the people's government nationalized property belonging to fascist countries without compensation--property belonging to Italy and Germany as well as property belong to foreign capital and concessions in general. All mortgage agreements concluded by the Zogu government with imperialist states were nullified. The people's government confiscated property belonging to war criminals and traitors to the Homeland.

The nationalization of the country's electric power plants, mining enterprises, forests and meadows was completed in 1947. By the end of 1946 and the beginning of 1947 the capitalist basis of production in industry were completely liquidated.

In Albania the nationalization of industrial enterprises was conducted not in two stages as in the European people's democratic countries, but in a single stage. This is first of all explained by the feebleness and the small size of the national bourgeoisie, and the ownership of a majority of the industrial enterprises by foreign capitalists. These enterprises passed into the hands of the people as the Army of National Liberation advanced into the country.

One of the first measures introduced by the people's government was the Law of Nationalization of the "national bank," which in reality was nothing other than a bank of the Italian government in Albania, as well as the nationalization of other banks belonging to foreign capital.

The State Bank of Albania was established on the basis of the "national bank," which became the basic credit and accounting institution, a cash accounting and issue center of the country and an organ for foreign trade accounting. The State Bank extended credit for capital construction through its branches in all parts of the country.

In 1946 the Presidium of the Albanian People's Assembly adopted a Currency Reform Law. The old currency was replaced with the new currency at a rate of five Albanian francs to one franc of the new issue. Private individuals were able to exchange no more than five thousand Albanian francs per family. The currency reform struck a ruinous blow at the speculators and reactionaries who were engaged in activities detrimental to the young republic. A subsequent important measure, which consolidated the Albanian currency, was the introduction of a new unit of currency on 7 July 1947--the lek (100 leks = 8 rubles).

During the same period of time the government established control over foreign trade and assumed control of wholesale trade.

Other important measures introduced during the postwar period were the very high rates of taxation on incomes earned during the war, the establishment of a progressive system of taxation and so on, these measures struck a blow at the speculators and other persons who became rich during the war. Therefore as a result of the social-economic reorganizations the entire industry, banks, transportation

and foreign and domestic wholesale trade passed to the control of the government. The people's government eliminated the domination of the economy by landlords and capitalists and gained commanding heights in the national economic structure.

Elections to the Constituent Assembly held on 2 December 1945 served as a manifestation of the complete approval by the broad toiling masses of the policy conducted by the Albanian Labor Party, at which time the national liberation front won an overwhelming victory. Albania was declared a People's Republic on 11 January 1946.

The social-economic and political reorganizations that were conducted in Albania were made secure by the constitution of the new Albanian government adopted in March of 1946.

The possibility of progressing from the pre-capitalist forms of economy to the socialist form and bypassing the capitalist stage of development was demonstrated by Marxist-Leninist teachings and was now practically substantiated by the experience of many countries. V.I. Lenin pointed out that the capitalist stage of development of the national economy is not unavoidable for those retarded peoples who are liberated from colonial oppression and take the progressive path. "If the victorious revolutionary proletariat will conduct systematic propaganda among them, and the soviet governments will come to their aid with all means available to them, then it is not correct to assume that the capitalist stage of development is inevitable for the backward peoples."<sup>6</sup>

Albania, which before the war was a retarded, semi-feudal country enslaved by foreign capitalism, after the establishment of the people's democratic government, is successfully building socialism, actually bypassing the capitalist stage, with the multilateral aid of the countries of the socialist camp. This is the peculiar feature of the process of the building of socialism in Albania.

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1. Mirovaya Sotsialisticheskaya Sistema Khozyzystva (The World Socialist System of Economy), Moscow, Publishing House of the State Planning Commission, USSR, 1958, page 434.
  2. Annuari Statistikor i R.P. Sh. (Statistical Handbook of the Albanian People's Republic?), Tirana, 1958, f. 44.
  3. "Agriculture in the People's Republic of Albania," Tirana, 1952, page 3.
  4. Voprosy Ekonomiki (Economic Problems), 1955, No. 3, page 72.
  5. "Agriculture in the People's Republic of Albania," Tirana, 1952, page 7.
  6. Lenin, V.I., Collected Works, Vol. 31, page 219.

## CHAPTER II

### THE DEVELOPMENT OF INDUSTRY AND TRANSPORTATION

#### 1. Basic Features in the Industrialization of Albania.

The socialization of the basic means of production in Albania after the Second World War was the most important and decisive economic premise for socialist industrialization. The old production relationships were destroyed and replaced with socialist production relationships. The new production relationships formed a basis for the occurrence and a rapid expansion for the sphere of influence of the economic laws of socialism and in particular of the basic economic law and the law of even, proportional development of the national economy. The greatest advantage of the socialist method of production as compared with the capitalist system is the possibility of state leadership of the national economy on a basis of common plans.

As a result of the fascist occupation Albanian industry was destroyed. Just before liberation not a single mine or factory was functioning, there was no raw material or electric power.

Surmounting great difficulties during the period of restoration, and relying on the advantages of the socialist system of economy and the heroic labor of the Albanian workers as well as the multilateral aid by the Soviet Union the NRA was able to exceed its prewar level of industrial production by the end of 1947. Conditions permitting a shift of the national economy onto a path of more rapid economic development were gradually created in the country. This was dictated by a necessity to eliminate the conflict which arose between the most advanced type of political government established in the course of the revolution in the form of a dictatorship of the proletariat and its backward material-technical basis. It is possible to resolve this problem only by a socialist industrialization of the country, the establishment of peasant producers' cooperatives and the conduct of a cultural revolution. The process of a socialist industrialization of the country as a general law of socialist construction, is conducted in the historically concrete conditions of every country.

In determining the forms, method and tempos of socialist industrialization the Albanian Labor Party considered the structural peculiarities of the national economy of their country and the existence of the world socialist system. The peculiarities of industrialization of Albania are that under the conditions of international distribution of labor, with the specialization and

cooperativization of labor, with the coordination of plans for the development of national economy among the socialist countries the Albanian Labor Party did not consider it necessary to develop all branches of industry, but only those for whose development the conditions were most favorable. At the present time such branches in Albania are: the mining industry (chromium mines, copper, natural bitumen and nickel mines); oil extracting and oil processing, the coal industries, the building material, timber, the light and food industries. This trend in the development of Albanian industry facilitates the tasks of the socialist industrialization and creates the necessary premises for the liberation of considerable means for utilization in other branches of the national economy and on that basis to satisfy the growing material and cultural requirements of the people to a greater extent. Another peculiarity of the socialist industrialization of Albania is the exceedingly high rate of development of the socialist industry attained due to the advantages of socialist production and the multilateral support of the Soviet Union and of other countries of the socialist camp, the friendly relations with which are growing with every year.

The socialist industrialization of Albania, i.e. the gigantic and multilateral process of transformation of the country from a backward agrarian country into a leading industrial state is estimated to last for a long period of time. The basic stages of industrialization are the five year plans. With the conversion of the basic means of production into common property new premises for the even development of the country's economy were created. The national economy of Albania started to develop on the basis of a single state plan. At first they were one year plans (1947 and 1948) and a two year plan (1949-1950). Considerable difficulties were encountered in the economy of the country during the first years after liberation: the slow rate of development of agricultural production, the absence of trained personnel, a lack of equipment, materials, etc. After restoration of the country's industrial enterprises the Albanian Labor Party established a most important task of creating a domestic, modern socialist industry as a mandatory condition for the liquidation of the century old economic and cultural backwardness of the country. Of great significance in the solution of this problem was the fulfillment of the First Five Year Plan for the development of the Albanian economy (1951-1955) adopted by the II Congress of the Albanian Labor Party in 1952. One of the basic tasks stipulated by this plan was the transformation of the country from an agrarian into an agrarian-industrial country. In order to accomplish that it was necessary to create a domestic industrial basis. The volume of capital investments in industry amounted to 48.4% of the overall volume of capital investments in the national economy.

Capital Investments in the National Economy<sup>1</sup>  
(in 1955 prices)

Type of Capital Investment	First Five Year Plan '1951-1955)		Second Five Year Plan (1956-1960)	
	Capital Invest- ments, million leks	%	Capital Invest- ments, million leks	%
Industry	8,357	48.4	9,690	44.1
Agriculture	2,746	15.9	4,010	18.3
Transportation	1,901	11.0	2,110	9.6
Social-cultural construction	2,155	12.5	3,210	14.6
Other branches	<u>2,087</u>	<u>12.2</u>	<u>2,932</u>	<u>13.4</u>
	17.246	100.0	21,952	100.0

During the First Five Year Plan the Albanian people basically surmounted the century old economic and cultural backwardness. As a result of the fulfillment of the First Five Year Plan for the development of the national economy its principal problem was resolved: the NRA changed from a backward agrarian country into an agrarian-industrial country. Approximately 150 state and cooperative enterprises were constructed and placed into operation over the five year period in addition to that the mining, metal processing, oil producing, ship building, food, footwear and other branches of industry were either rebuilt or considerably expanded.

The gross volume of industrial production for 1955 (in 1956 prices) amounted to 16,152 million leks. The volume of the basic types of industrial production in 1955 as compared with 1950, increased to the following levels: raw oil--158%, oil products--149%, refined bitumen--84%, coal--474%, chromium ore--234%, blister copper--100%, electric power--392%, timber--207%, cement--281%, brick--409%, soap--296%.<sup>2</sup>

A number of branches of the Albanian national economy: metal-working, woodworking, the local industries and marketing-supply cooperatives, all overfulfilled the Five Year Plan assignments.

Certain amendments to the plan were made in the course of fulfilling the Five Year Plan, since the first version of the Five Year Plan stipulated a considerable growth in industrial production without taking into consideration the existing possibilities. In 1953 the Central Committee of the Albanian Labor Party was forced to amend the plan for capital investments for the First Five Year Plan: to exclude the construction of certain industrial projects from the plan, such as the construction of a steel mill, a paper mill, a plant for the briquetting of coal; to postpone the completion dates for the construction of an oil refinery, and the construction of a hydroelectric power plant imeni E. Hoxha. The First Five Year Plan was incompletely fulfilled by the oil, copper and coal industries, as well as by the natural bitumen industry mainly due to the absence of surveyed geological deposits. The food industry also failed to fulfill its plan due to an insufficient supply of agricultural raw material, particularly during 1951 and 1952 which were dry years. Comrade E. Hoxha, in pointing out certain difficulties and inadequacies, that appeared in the course of the First Five Year Plan, remarked that they were caused by an improper consideration of the conditions and possibilities existing in Albania during the completion of the plan for a number of the branches of national economy as well as inadequacies in economic direction on behalf of the economic, state and party organizations.

Nevertheless the production level that was attained substantiated the fact that the basic tasks of the Five Year Plan were on the whole resolved.

The First Five Year Plan was an important stage in the life of the Albanian people, in the development of their socialist economy and culture, in the consolidation of the alliance between the workers and the toiling peasantry, in the reinforcement of the young country's position in the international family of nations. The III Congress of the Albanian Labor Party which took place in 1956 summarized the achievements of the First Five Year Plan and adopted directives regarding the Second Five Year Plan (1956-1960). Chairman of the Councils of Ministers of the NRA, Comrade M. Shekku stated: "We created our new industry, which is now capable of assuming a leading role in the entire national economy and which is a firm basis not only for the assurance of a further development of industry, but it also effectively collaborates with all of the other branches of industry in their development in harmony with industry as a whole."<sup>3</sup>

In resolving the basic tasks of the First Five Year Plan the Albanian people undertook the fulfillment of the Second Five Year Plan for 1956-1960. The basic task in the development of industry was formulated in the following manner: the further development of industry, especially of the mining industry, essentially on a basis of the full utilization of the existing production capacities and the mobilization of domestic resources. Considerable

attention is devoted to the development of the oil industry and to the construction of electric power plants. A sharp increase in the output of the light industry is also stipulated on a basis of locally available raw material.

The decisions of the Third Congress of the Albanian Labor Party brought about an unprecedented upsurge among the workers, workers in mines, shafts, factories and cooperatives who assumed obligations to fulfill and overfulfill the Second Five Year Plan on the basis of directives. The first years of the Five Year Plan were characterized by successful fulfillment of the state plan in all areas of the national economy, an accelerated collectivization of the village and a further rise in the workers' material and cultural levels. The Second Five Year Plan for the development of the national economy of the NRA was amended at the Plenum of the Central Committee of the Albanian Labor Party which took place in February of 1958, in order to accelerate the tempo of development of the economy for 1958-1960. (See table below.) The general rise in gross industrial production will increase in 1960 to 224% as compared with 1955 instead of 192% as planned earlier. The average annual increase in gross industrial production will be raised to 17.5% instead of 14%.

It is planned to increase agricultural production to 176% in 1960 by comparison with 1955 instead of the 150% as initially planned, the average annual increase in production will amount to 12% instead of 8.5% as outlined earlier.

With relation to these problems much importance will be gained by the increase in the productivity of labor and a drop in the cost of industrial and agricultural production.

The volume of gross industrial production in 1959 exceeded the prewar level more than 22 times, which is corroborated by the following data:<sup>4</sup>.

1938	1950	1952	1953	1954	1955	1956	1957	1958	1959
100	415	816	954	1023	1146	1243	1565	1878	2247



Amendments to the Second Five Year Plan for the Individual  
Branches of Industry

Branches of Industry	Gross Industrial Production in 1960. In million leks		1960 in % Compared to 1955		Average Annual Increase of Gross Industrial Production, in %	
	According to Plan	After Amendment	According to Plan	After Amendment	According to Plan	After Amendment
Oil	1639	3429	290	606	28.7	43.4
Bitumen	183	199	121	132	3.9	5.7
Copper	243	372	191	278	12.6	22.7
Electric Power	986	1046	192	204	14.0	15.3
Metalworking	479	497	347	360	28.3	29.2
Light	4756	4926	206	214	15.6	16.4
Food	3957	4955	210	264	16.0	21.4
Producers' Cooperatives	6651	7661	181	208	12.6	15.8

Industry developed most rapidly during the early years of the First Five Year Plan and during the last years of the Second Five Year Plan: in 1957, 1958, and 1959.

The proportion of industrial production to the total gross product of the national economy is growing from year to year: in 1938--9.8%, in 1950--27.5%, in 1955--43.5% and in 1958--55.7%.<sup>6</sup>

The growth of industrial production in Albania is taking place both because of an increase in the manufacture of the means of production and of consumer goods, whereas group "B" has a greater share, which is evident from the following table.

The manufacture of the means of production amounted to only approximately 41% of the gross volume of industrial production by the end of the First Five Year Plan, whereas the manufacture of consumer commodities amounted to over 59%.

A peculiarity of the industrial development in Albania by

Rates of Growth of the Gross Industrial Production<sup>7</sup>.

	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
Gross Production, Million Leks	5750.0	8262.7	11316.5	13231.8	14190.5	15900.0	17245.3	21712.3	26047.6	31170.0
Increase in % over Preceding Year		44	37	17	7	12	9	26	20	19.7

The Proportion of Group "A" and Group "B" in Gross Industrial Production<sup>8</sup>.

	1938	1950	1951	1952	1953	1954	1955	1956	1957	1958	1960 (Plan)
Gross Production	100	100	100	100	100	100	100	100	100	100	100
Group "A"	43.8	45.4	42.5	43.1	41.6	39.5	40.7	43.0	42.8	42.6	45.0
Group "B"	56.2	54.6	57.5	56.9	58.4	60.5	59.3	57.0	57.2	57.4	55.0

An Index of the Growth of Group "A" and Group "B" (1938 -- 100)<sup>9</sup>.

	1950	1951	1952	1953	1954	1955	1956	1957	1958
Gross Production	415	596	816	954	1023	1146	1243	1565	1878
Group "A"	430	579	804	907	923	1066	1222	1532	1830
Group "B"	402	609	825	990	1101	1209	1260	1591	1920

comparison with other countries of the socialist camp is that the tempo of the production of consumer goods was somewhat higher than that in the manufacture of the means of production.

It must be noted that the basis of group "A" in Albania consists of: oil, chromium and copper ores, coal and bitumen, whereas the modern tools of production, which are the basis of industry and agriculture are almost not produced at all by the country. A predominant growth of the manufacture of means of production, which is a general law of socialist industrialization, is being conducted in Albania in all of its concrete and specific forms. The more rapid growth of group "B" by comparison with group "A" which was heretofore noticed in industrial development is a temporary phenomenon and does not predetermine the general course of industrial development for the entire period of the country's industrialization.

The industrial growth of Albania is aided by its rational distribution through the country. During the first period of the republic's existence enterprises of nationwide significance were built in the west of Albania, which was necessitated by the presence of large mineral and agricultural resources in those regions; the proximity to the ocean was also taken into consideration. New enterprises are built in the cities and workers' villages close to electric power and mineral resources: in the cities of Patos, Stalin, Cerrik, in areas close to oil fields and oil refineries, in the city of Selenice--close to bitumen deposits, in the city of Rubik--close to copper ore deposits. An important center of light industry is growing in the southeast, in the Korce region, where conditions are favorable for the processing of agricultural production. An important timber manufacturing center is located in the center of the country in the city of Elbasan.

During the years of fulfilling the Five Year Plans the Albanian people achieved significant success in the industrialization of the country. Albania, which before it was liberated was the most backward country in Europe, has recently surpassed the neighboring countries in the tempo of its industrial production. The increase in industrial production in Albania from 1950 to 1956 was 94.6% higher than such an increase in Yugoslavia, 84% greater than that in Italy, 70.4% than that in Greece and 80.7% than that in Turkey.<sup>10</sup> Data on the production of the most important types of industrial objects that are of great importance to the national economy of Albania are cited in the table below.

Industrial Production<sup>11</sup>

Types of Production	1938	1952	1953	1954	1955	1956	1957	1958
Electric Power million kilowatt-hours	9.3	39.4	49.8	61.7	85.2	103.9	125.0	149.7
Oil, thousand tons	108.0	149.0	149.0	175.0	208.0	265.0	490.0	403.0
Gasoline, thousand tons	--	5.0	5.8	6.7	5.9	8.8	21.0	31.2
Bitumen, thousand tons	17.1	36.0	25.0	17.0	22.0	23.0	24.0	32.2
Coal, thousand tons	3.7	79.0	105.0	149.0	195.0	224.0	235.0	255.7
Chromium ore, thousand tons	7.0	60.0	47.0	100.0	122.0	132.0	167.0	201.3
Copper ore, thousand tons	--	24.0	22.0	21.0	24.0	28.0	56.0	87.5
Cement, thousand tons	9.0	19.0	13.0	15.0	44.0	65.0	70.0	77.6
Timber, thousand cubic m.	3.2	72.7	90.2	95.3	106.0	106.0	124.5	147.0
Cotton fabric, million meters	0.4	7.2	13.6	16.0	18.6	16.4	19.2	22.3
Woolen fabric, thousand meters	--	--	--	312.0	501.0	353.0	451.0	738.0
Sugar, thousand tons	--	7.5	8.0	6.1	7.0	12.0	8.9	10.3
Macaroni, thousand tons	0.5	5.2	6.9	8.4	8.2	7.3	8.2	4.8

By comparison with 1938 in 1958 the production of electric power increased 19 fold, oil fourfold, coal by 64 times, chromium by 28 times, and cotton fiber by 55 times.

In 1959 the gross industrial production increased by 19.7% by comparison with 1958; and individual types of production also increased as follows: electric power by 18%, the mining of coal by 12.6%, chromium ore by 23.1%, copper ore by 20.4%, iron ore by 99.8%, oil by 18.9%, gasoline by 52.3%.<sup>12</sup> The production of plywood, furniture, cement, wool cotton fabrics, footwear and macaroni also increased.

On the basis of a general increase in industrial production the amount of per capita output increased as follows:

The Per Capita Production of Individual Types of Industrial Output<sup>13</sup>.

	1938	1950	1958
Electric Power, kilowatt-hours	8.9	17.4	95.6
Oil, kilograms	103.9	108.4	267.6
Coal, kilograms	3.5	33.6	169.7
Chromium Ore, kilograms	6.7	42.9	133.6
Cement, kilograms	8.7	13.1	51.5
Cotton Fabrics, meters	0.3	0.9	14.8
Sugar, kilograms	--	0.5	6.8

At the present time Albania mines coal, extracts oil, copper and chromium ore, manufactures cotton fabric at a higher per capita rate than Italy, Greece and Turkey.

During his visit to Albania in May of 1950 N.S. Khrushchev defined the development of Albanian industry over the past 15 years as follows: "At the present time Albania accomplished a rapid leap from semi-feudal backwardness and middle age development--essentially circumventing the capitalist stage of development--to the building of socialism.

A domestic industry has been created in the country, tens of large industrial enterprises equipped with the latest technology were constructed. Industrial production comprises almost half of the overall volume of national economic production. The Albanian people are successfully solving the problem of transforming their homeland into an industrial-agrarian country."<sup>14</sup>

The socialist sector predominates in Albanian industry--97.8%; the private sector, represented by petty workshops account for only 2.2%.

The Third Five Year Plan opens new perspectives. During the next several years the metalworking, chemical and other branches of the heavy industry will be developed. Over a seven year period (to 1965) industrial production in Albania will increase 2.2 times and agricultural production will expand almost twofold. The Third Five Year Plan for the economic and cultural development of the country, as underlined by the Central Committee of the Albanian Labor Party will mark a decisive stage in the course of the transformation of Albania from an agrarian-industrial into an industrial-

agrarian country.

## 2. Development of the Various Types of Industries.

### Power Supply

A general law for all countries in conducting socialist industrialization is the creation of a fuel-power basis and various types of machine building which serve as a basis for the development of agriculture and industry.

The most important power basis for the national economy will in the near future be electric power. A study of power resources indicated that Albania is rich in oil, coal and hydroelectric power. The larger Albanian rivers--Drin, Shkumbi, Semeni with its tributaries Devoli and Mati contain considerable sources of hydroelectric power; they have a capacity of approximately 2 million kilowatts.

Under the bourgeois feudal Zogu regime only small power plants with diesel engines were constructed in certain zones of Albania. In 1951 there were only approximately 14 small city thermal electric power plants operating on oil fuel or coal. The electric power was used principally for the illumination of cities and for the daily needs of the people, a part of the power was used in industry. The country's oil industry was supplied with electricity for only several hours a day, and during the remainder of the time the pumps were at a standstill, the extraction of oil was not carried on.

The principal problem in the development of the national economy is the electrification of the country. The Soviet Union and countries of the socialist camp are extending considerable aid in this respect to the Albanian people.

An agreement with the USSR was concluded in 1947 in which the USSR obligated itself to deliver equipment to Albania for the construction of a large hydroelectric power plant, the first such plant in the country, situated several kilometers from Tirana on the slope of the Dajti mountain. Construction of the first hydroelectric plant, imeni V.I. Lenina, and which has a capacity of 5 thousand kilowatts, continued through 1947-1951. Water from mountain rivers of the Selita mountain reaches the plant's turbines through seven tunnels with a combined length of six kilometers from an altitude of 900 meters. The hydroelectric power plant provided not only electric power to the capital of Albania, Tirana, and the port of Durres, but drinking water as well. Due to the operation of the hydroelectric power plant, Tirana will receive 10 times more electric power and four times more water than in 1949.

During the First Five Year Plan (1950-1955) a firm power basis was created in the NRA, which serves as a foundation for the further industrialization of the country. In addition to the V.I. Lenin hydroelectric power plant, other electric power plants have also been constructed; the thermal electric power plant at the

textile combine imeni J.V. Stalina, at the Vlerskii cement and Maliksk sugar refinery. A new thermal electric power plant also began operation at the oil refinery in the city of Cerrik. Much attention is devoted to the construction of electric power plants in the villages of Albania. During the postwar years tens of rural hydroelectric and thermal power plants were constructed in the country, which now illuminate several thousand homes. The state encourages peasants who build electric power plants. It supplies the necessary building materials and technical aid.

At the beginning of 1958 the largest hydroelectric power plant in the country imeni K. Marksa on the Mati river was put into operation. This plant produces 120 million kilowatt hours per year.

As a result of this hydroelectric plant the production of electric power increased twelvefold by comparison with 1938 and fivefold as compared with 1950. The electric power plants constructed during the past few years furnish electric power to enterprises and satisfy the requirements of the people of Tirana, Durres, Vlora, Elbasan and other cities. At the present time over a period of less than a single month Albania produces as much electric power as was produced during all of 1938. A new unified power system is under construction in Albania. The combination of a high-voltage hydroelectric power network imeni K. Marksa reaching the cities of Tirana--Cerrik--Stalin--Selenice--Vlora. In 1958 a new high voltage power transmission line was erected supplying power to a new industrial city which is under construction close to copper ore deposits. The establishment of a single power supply system will assure a more rational utilization of electric power throughout the year and will also improve the operation of electric power plants.

At the present time the construction of two hydroelectric power plants is taking place in the NRA--on the Bistritsa river (southern Albania) and on the Mati river (northern Albania). These two hydroelectric plants will have a capacity of 38 thousand kilowatts.<sup>15</sup>

In 1959 the country was producing 10 times more electric power than it did in 1938. Demand of the national economy for electric power is fully satisfied.

### Mining Industry

The mining industry performs a most important role in the development of the national economy. Albania is rich in useful minerals: oil, bitumen, chromium and copper ores. A rapid growth of the Albanian mining industry is conducive to the development of the country's productive powers; it satisfies part of the requirements of other people's democratic countries for chromium ore, oil and other important products. 4.4 times more oil, 35 times more chromium ore, 78 times more coal and 7.8 times more copper ore were produced in 1959 by comparison with 1938.<sup>16</sup>

The output of the mining industry occupies an important position among the commodities designated for export. In 1959 some 52% of the overall export volume consisted of the products of the mining and oil industries.

The state annual appropriates considerable sums for the development of the mining industry.

The Extraction and Refining of Oil

Oil occupies a position of first importance among the useful minerals of Albania. Oil deposits, concentrated in the southwestern part of the country are capable of fully satisfying the growing needs of the national economy of Albania and partially the needs for export. The extraction of oil and natural bitumen is being conducted since ancient times. During the period of time between the two world wars foreign companies--American, Italian and English, were struggling for a monopolistic control of the Albanian oil. Italian capital assumed the dominant position. A predatory pumping of oil from Albania to Italy began through the Patos (port)--Viera oil pipeline. The production of oil increased with every year and in 1939 it reached 108 thousand tons. During 1943-1944 the production of oil decreased since in retreating the Italian-German occupation forces destroyed a large part of the equipment belonging to the oil industry.

After the war the Albanian oil industry was restored and reconstructed with the aid of Soviet specialists.

Under the people's system of government the oil industry became one of the principal sources of the country's national wealth. The production of oil is growing at a tumultuous tempo over the past several years, which is evident from the following data:<sup>17</sup>

1951	1952	1954	1955	1956	1957	1958	1959
100.0	123.7	145.3	173.3	22	404.8	380	479.3

The principal deposits of oil in Albania are found in: Patos, in the vicinity of the cities of Stalin and Marinza. Patos is the main oil producing region, the oil produced in this region comprises 83% of the entire volume of oil production in Albania. Increase in the production of oil is basically taking place because of the operation of new oil wells. In order to prospect for deposits of oil the drilling of test wells was started in 1956, they were drilled to a depth of 3 to 3.5 thousand meters. Oil refineries are introducing accelerated methods for transferring the oil to the refineries.



Oil well No. 542 was placed into operation in the summer of 1957, and at the present time is the most fertile one (the daily output is approximately 1,200 tons of oil).

Today the oil industry of Albania is equipped with the latest in technology: heavy drilling rigs, mobile rigs, rotary turbine drills, deep well pumps, dynamometers, depth gauges, sounding devices, etc. The oil industry is supplied with the latest and most modern equipment every year. In 1958 the importation of industrial oil equipment was twice as great as during 1957. The Albanian oilmen are doing everything possible to master the new techniques. In this respect they are greatly aided by the Soviet specialists. In the spring of 1958, for instance, four Soviet brigades arrived in the NRA and shared their deep drilling experience.

Until recently only a small share of the oil extracted in Albania was refined within the country, the majority of it was exported, and petroleum products were imported into the country (gasoline, lubricating oils, etc.). In order to cease the exportation of oil and the importation of petroleum products it was decided to construct an oil refinery. An oil refinery was placed into operation in the autumn of 1956 in the city of Cerrik not far from the oil fields, this oil refinery had a capacity of 150 thousand tons per year, and was equipped with the latest machinery. This plant could actually be called a large combine as it includes a number of industrial enterprises. Its basic designation is to refine oil, which is used to produce gasoline, kerosene, refined oil, asphalt and other petroleum products. An important part of the construction was an oil pipeline that connected the plant with oilfields in the city of Stalin. An electric power plant was constructed to supply the refinery with electricity. The plant's workshops manufacture consumer goods which serve to satisfy the requirements of the population of this region.<sup>18</sup> The introduction of a second oil refinery in the NRA took place in the city of Stalin in March of 1957, which has an annual capacity of 150,000 tons of raw oil.<sup>19</sup>

At the present time all the oil is refined by domestic plants. The country manufactures one of the best types of bitumen, tractor kerosene for agriculture, diesel fuel, gasoline and oil, lubricating oil and other petroleum products.

In order to satisfy the growing demands of the country for raw material and fuel, the technical reconstruction of an oil refinery was started in Cerrik, which will provide a possibility to increase its capacity to approximately 300 thousand tons of crude petroleum per year.<sup>20</sup>

During the Second Five Year Plan the oil industry is progressing along a path of expanding the extraction and refining of oil at the existing oil fields and discovering new oil fields. In 1958 deep drilling was started at three new oil bearing areas. During the last several years the extraction and collection of petroleum gas, along with the extraction of oil has been taking place, the

petroleum gas is used by the Albanian oilmen for industrial and general purposes.

Possibilities for the creation and development of the chemical industry, especially for the production of synthetic materials through the utilization of oil and gas have appeared along with the development of the oil industry. A factory for the production of mineral fertilizers, which will utilize petroleum gas as raw material, will be built in the near future.

#### The Production of Bitumen.

The production of natural bitumen is of significance to Albanian economy. Albanian bitumen is distinguished by its purity (it contains over 85% pure bitumen), it is used to produce liquid fuel and industrial oils. Albanian natural bitumen was produced for a long period of time in the city of Selenice. Before the war 17,000 tons of it were produced per year; such production was controlled by French, English and Italian capital.

During the years of the people's government a smelting furnace was built for the production of petroleum asphalt. In 1958 the country produced 32,000 tons of natural bitumen and 182.7 thousand tons<sup>21</sup> of petroleum asphalt. At the present time the production of bitumen is almost entirely mechanized. From the city of Selenice the bitumen is shipped by narrow gauge railway to the port of Vlora for export.

During the Second Five Year Plan it is stipulated to increase the production of natural bitumen by 32% as compared with 1955. Surveys are now being conducted for new bitumen deposits and for an increase in industrial reserves of the existing mines.

#### The Production of Coal.

Many areas in Albania contain deposits of lignite coal. Deposits of anthracite coal have also been found. The presence of coal close to industrial cities is a significant source of energy which is utilized in the country's economy. The coal industry started to develop only during the postwar period, in 1938 the production of coal in Albania did not attain even four thousand tons. After liberation the mines were reconstructed at Mbor'ja-Drenova, Krabbe and at Dajti. A large new mine at Memaliaj was placed into operation. In 1958 the national economy received 64 times more coal than in 1938. Modern technology is practiced in the mines of the NRA--pick hammers, electric compression pumps, the mines at Memaliaj and Krabbe operate coal cutters. Recently a cyclic organization of labor was in the process of introduction in pits and preliminary stopes in many sectors. The mining of coal will increase 1.5 times during the Second Five Year Plan by comparison with the First Year Plan which should fully satisfy the national requirements. An important prerequisite for fulfilling the plan for the

coal industry is the mechanization of mines and the provision of electric power. In 1959 the production of coal increased to 288 thousand tons compared with 255 thousand tons mined during 1958. This achievement was made possible as a result of the expanded mechanization of mines and an increase in the number of coal cutters. A new mine went into operation in 1959, which will provide the national economy with a significant additional amount of coal in 1960.

#### The Mining of Copper and Chromium Ores.

Albania contains considerable mineral deposits, it is particularly rich in copper and chromium ores. The principal chromium mining centers are Pogradec, Bulkicza and Martanesh.

After the war the chromium ore mines were reconstructed and provided with the latest equipment. The mines utilize new techniques; effective systems of processing such as sub-drift and brow caving. Stope boring is done primarily pneumatically with steel bits. The production of chromium ore is growing very rapidly. At the present time Albania occupies a first place in the world in the per capita production of chromium ore. Some 201 thousand tons of ore were mined during 1958, i.e. one tenth of the world production.<sup>22</sup>

By 1960 the mining of chromium ore will increase 2.5 times as compared with 1955.<sup>23</sup> An increase in the extraction of ore is assured by the rational exploitation of the mine in Bulkicza and the exploitation of four new deposits in the Tropoja-Kukes region. In order to assure a fulfillment of the Five Year Plan assignments in the mining of chromium ore, measures are being introduced for the processing of not only ore that is rich in chromium but of ore that has a low content of chromium, as well as measures for the mechanization of all processes involved in the mining and transportation of ore and for the implementation of the most advanced methods of labor.

Chromium ore is highly valued on the international market: it contains up to 56% of chromium oxide. It is one of the biggest export items in Albania and amounts to 27% of the export trade. During the Second Five Year Plan special importance is acquired by the organization and transportation of chromium ore for export. The mines are located in difficult mountain areas of the country, from where the ore is transported by cable up to the highways, and from there it is moved by truck to the port cities--Durrës and Shengjin.

The principal deposits of copper ore are concentrated in the Mati river basin--close to the villages of Rubik and Puka; its processing and extraction are mechanized. The village of Rubik contains a copper smelting plant that is equipped with the latest technological innovations. During the 15 years of people's government the mining of copper increased almost eightfold. Albania does

not yet contain large industrial deposits of copper ore, therefore much attention is devoted to prospecting for new copper deposits. During the Second Five Year Plan most of the copper ore is mined from the Kurbneshi deposits by the open pit method, from the surface. Ore that is mined in this manner is processed by the industry without beneficiation.

The construction of an ore beneficiation plant with a production capacity of 100 thousand tons of enriched ore was started in the Kurbneshi region in 1958. 120 million leks were appropriated for the construction of this plant and the equipment will be furnished by the German Democratic Republic. Construction projects in the Kurbneshi region, which contains rich deposits of copper ore, will help to improve the quality of blister copper which at the present time does not satisfy the requirements of metallurgical industry and will also considerably curtail the expenses associated with the production of copper.<sup>24</sup>

A new deposit of iron-nickel ore was discovered with the aid of Czechoslovak specialists in Albania in a place called Pishkashi (central Albania). In one year this deposit yielded over 80 thousand tons of ore. The workers assumed an obligation to mine 175 thousand tons of ore in 1959 and 200 thousand tons in 1960.<sup>25</sup>

The mining of iron-nickel ore faces excellent perspectives in Albania. The exploitation of an iron-nickel mine at Chervenyak will begin in the near future, prospecting for new deposits of this ore are being conducted.

The people's government and the party manifest considerable concern for the miners. A new city for the miners is presently under construction at Pishkashi.

The technical-economic indices for Albanian mining industry indicate that in the future it will be possible to create a metallurgical industry for the smelting of iron-nickel, copper and chromium ores, which will represent considerable additional wealth into the national economy.

#### The Metalworking Industry.

The industrial basis of Albania similar to that of any other people's democracy is not isolated and autocratic. Developing in accordance with the interests and requirements of the national economy it represents one of the links of a unified industrial basis of the entire socialist camp.

With the existing specialization and cooperativization among socialist countries the establishment of a nucleus of heavy industry in Albania, that of machine building, is deemed to be unfeasible and economically disadvantageous at the present time from a viewpoint of the international distribution of labor. All the necessary machinery is received from other countries of the socialist camp. At the same time the metalworking industry, that was established

under the people's government, is extending valuable aid to the other branches. Metalworking plants conduct general maintenance of equipment and of spare parts. On the other hand these plants produce simple agricultural machinery, equipment for the timber, food industries, which were formerly imported. The largest metalworking enterprise is the mechanical plant imeni Hoxha at Tirana constructed in 1948. This plant repairs motor vehicles, motors and manufactures agricultural machinery. "Partisan," the second metalworking plant was constructed in 1953 in the vicinity of Tirana; it manufactures various consumer goods, agricultural equipment, etc.

Small maintenance and mechanical workshop and wharves were constructed in the cities of Durres and Shkoder, where small vessels and motor and fishing boats are built and repaired.

The output of the metalworking industry during the Second Five Year Plan (1956-1960), which is one of the youngest branches of Albanian industry, will increase 3.6 times.<sup>26</sup> The variety and quality of the manufactures products are growing and improving with every year. The metalworking industry will attain an even higher degree of development during the Third Five Year Plan. It is planned to construct new plants and to specialize the existing enterprises.

#### The Building Material Industry.

The extensive building that is taking place in Albania in recent years requires a considerable volume of building material: cement, brick, shingles, glass, timber and other items. Brick factories were constructed or reconstructed at Tirana, Shkoder, Korce, and Lushnja. They produce over 20 million bricks per year. In 1959 118 million bricks and 35 million shingles were produced as compared with 77 million bricks and 18 million shingles produced in 1955.<sup>27</sup> In order to satisfy the requirements of the building enterprises new brick plants were placed into operation in 1959. Each one of these plants will produce up to 20 million bricks as a result of which the production capacity of these plants will increase 1.5 times.<sup>28</sup> In addition to that a technical reconstruction of the existing plants will be conducted which will permit a considerable increase in the production of brick and shingle during the Third Five Year Plan.

Two large Albanian cement factories in the cities of Vlora and Shkoder, not only completely satisfy the country's requirements for cement, but also permit the exportation of cement to other countries.

The construction of a plant for the production of component materials was started early in 1958 not far from Tirana. Ten million leks were appropriated for the construction of this plant in addition to the cost of the equipment which will be received from the USSR and Czechoslovakia. This plant will manufacture concrete

--20 thousand cubic meters, which will fully satisfy the needs of the building industry.

#### The Woodworking Industry.

Significant success has been attained by the timber industry which faces considerable perspectives for development in Albania. 47% of the country's territory is covered with forests, their combined area amounts to 1,356 thousand hectares. Deciduous varieties predominate (65.4%). Approximately 466 thousand cubic meters of building timber is produced annually in addition to 2.5 million cubic meters of firewood.<sup>29</sup>

The country has several sawmills, the largest one is located in the city of Fuka region.

The woodworking industry of the NRA was started during the postwar years. The Elbasan woodproducts combine, equipped with the latest machinery, began operating in 1951. The combine was designed in the Soviet Union and constructed with the assistance of Soviet specialists. Elbasan is favorably situated in an economic-geographic sense. It is located in a foothill area abundant with high grade timber (beech, oak, walnut, pine), on the left bank of the Shkumbi river. The timber is floated downriver to the combine. The finished products are shipped by railway and by road to construction sites in Albania and a part of them is delivered for export to the port of Durres.

The timber combine at Elbasan provides all the material necessary for the manufacture of furniture, for railroad construction, as well as for the production of paper, matches and wood chemistry. Timber areas are assigned to the combine and include an area of approximately 45 thousand hectares with a total reserve of approximately 63 thousand cubic meters of industrial timber. The combine contains drying chambers.

The construction of a furniture plant was started at Elbasan in 1959; this plant will have a production capacity of 60 thousand pieces of furniture per year,<sup>30</sup> and will be equipped with Soviet machinery. It is proposed to construct carpentry shops in the cities of Fier and Skrapori; the raw material for them will be supplied by the existing saw mills. In the near future a wood pressing plant will start operating at Tirana. A new timber combine is planned for construction during the Third Five Year Plan.

The Albanian timber industry is developing at a rapid tempo. In 1950 it produced as much in a single day as it did during all of 1938. It was planned to increase the output of the timber industry sevenfold in 1959 by comparison with 1950. The enterprises of this branch of industry produced 157.4 thousand cubic meters of timber that year and 147 thousand cubic meters in 1958. The production of furniture also increased considerably.

In order to further develop the timber industry of Albania, the workers in this branch are confronted with the following task:

to increase the variety of products, to continue the mechanization of labor, of domestic transportation and of timber, to eliminate production losses and to improve the technical status of the saw-mills.

#### The Textile and Leather-Footwear Industry.

The NRA has an adequate basis of raw material for the development of the leather-footwear industry. Animal husbandry is well developed in the country; cotton, hemp and flax are also grown.

The textile and leather-footwear industries were poorly developed in prewar Albania. Several spinning-weaving factories-shops and small leather enterprises were unable to satisfy the country's requirements.

During the postwar years a number of enterprises were constructed that fully satisfy the demands of the population for textile and leather-footwear products. In addition to that the old textile enterprises were reconstructed. In the city of Shkoder, for instance, a spinning mill was re-equipped and expanded by five thousand weretens. A knitting plant was reconstructed in the city of Korche. Gin mills with a combined production capacity of 21,000 tons of raw cotton per year were constructed in the cities of Fier and Rogozhin, in regions where cotton growing is well developed.

A leading enterprise of the textile industry is the textile combine imeni Stalina which was constructed not far from Tirana, in the Izberish region and began production in 1951. The combine consists of spinning and weaving mills and a dye plant as well as auxiliary workshops; it is equipped with modern machinery; all the production processes are fully mechanized. The combine is capable of producing 20 million meters of fabric per year. That combine manufactures several dozen varieties of cloth of different colors. A plant producing woolen fabric was constructed at Tirana with a production capacity of 900 thousand meters of fabric per year. The variety of the commodities that are produced increases every year. The production of many varieties of baize fabric, satin, fancy twilled woolen cloth, cotton velvet, and taffeta was implemented at the textile combine at Tirana.

Albania is aided by the sister socialist countries in the construction of new light industrial plants and factories. One of the enterprises of the Second Five Year Plan was placed into operation in 1957 at the combine imeni Stalina--a plant for the production of velvet and velveteen which was a gift of the USSR to the Albanian people. This plant, which is equipped with Soviet frames, will produce 1 million meters of velvet per year.<sup>31</sup> A knitting plant was constructed in the city of Korce in 1958; the equipment for this plant was received from the German Democratic Republic.

It would have taken Albania 32 years to obtain the 1958

level of production of its textile industry at its 1938 rate of development. In 1938 the per capita production of cotton fabric was 30 centimeters while in 1959 it was 15 meters.<sup>32</sup> Albania overtook its neighbors, Yugoslavia, Italy, Greece and Turkey, in the per capita production of cotton fabric.

Albanian light industry not only satisfies the constantly growing demands of the population but provides its products for export. The NRA began exporting cotton fabric and semi-finished leather products.

The Albanian leather-footwear production consists of eight tanneries in Vlora, Shkoder, Durres, Gjinokaster and in other cities and of 34 footwear factories, two of which are well equipped and produce up to 700,000 pairs of shoes per year; the other factories are small with a combined production of 300,000 to 400,000 pairs of shoes per year.

Tirana and Durres contain small enterprises that produce rubber footwear. Raw material for the manufacture of rubber footwear is imported from abroad. The technical reconstruction of a shoe factory at Tirana was completed in 1958, the new machinery for it was purchased in Czechoslovakia. As a result of the reconstruction the production and technological process was completely altered, all operations were mechanized, production was shifted from piece to serial production. After reconstruction of the Tirana shoe factory with the aid of Czechoslovak specialists the production of fashionable men's and women's shoes was organized.

A tanning extract plant was constructed at Vlora in 1950 in order to service the needs of the leather footwear industry; it produces one thousand tons of tannin per year. The tanning extract plant will satisfy not only domestic requirements for the tanning extract but will yield a sufficient amount for export. Measures are being undertaken to expand the variety of leather, to improve its quality and to perfect the technological processes at the tanneries.

By the end of 1960 enterprises of the light industry will increase their production twofold as compared with 1955.

#### The Food Industry.

The multilateral development of Albanian agriculture provides various raw materials for the food industry in Albania.

A foundation for the present food industry that is based on the latest technology was established during the First Five Year Plan (1950-1955). A number of large food industry enterprises were constructed during the postwar years: a sugar mill in the city of Korca, a rice mill in the city of Vlora, several vegetable, fruit and fish canneries, a plant for the manufacture of starch and others.

The sugar industry is a leading branch of the food industry. The main region for the production of sugar is the Korchin valley.



For a long time this valley was covered with swamps and was a source of malaria. During the postwar period the region was dried as a result of which a considerable area of land became available, 5,000 hectares of which were used to plant sugar beets--a crop that was formerly unknown in Albania. In 1949 a sugar mill equipped with modern machinery that came from the USSR was constructed there. Another, larger sugar mill with an annual production capacity of 10,000 tons of sugar was constructed 18 kilometers from Korce. With the introduction of this plant Albania was able to cease the importation of sugar, having completely satisfied the requirements of the population with sugar of domestic production.

At the present time new branches are in the process of construction: the production of canned vegetables, fruit, fish, etc. A leading enterprise of the food industry is the fish and fruit canning combine imeni E. Tel'mana. The fruit canning industry consists of small enterprises that dry and can the fruit. One of the young branches of the food industry of Albania is the liqueur industry which began producing liqueur in 1949. At the present time the production of liqueur utilizes the orange, tangerine, lemon and other extract of domestic origin. Albanian liqueur is of high quality and is therefore in great demand on the foreign market.

In 1959 the building of ten wineries was started in Albania. The majority of these wineries will contain distilleries for the manufacture of cognac. The equipment for these wineries is supplied by the Soviet Union. The industry for the processing of oil crops will become multilaterally developed. The old semi-handicraft oil mills were re-equipped and supplied with the most modern machinery. The largest oil mills are located in the cities of Tirana, Berat and Vlora.

Albanian food industry is developing rapidly. By comparison with 1938 its output increased 6.5 times. By the end of the Second Five Year Plan the food industry will double its output by comparison with 1955.<sup>33</sup> This expansion is taking place due to the operation of new plants and a more efficient operation of the existing enterprises.

In order to provide the enterprises of the food industry with china, the production of glass was established at Tirana. The variety of products manufactured by the china factory is expanding with every day. 90% of the entire output of the plant are products designed for the packaging of various items produced by the food industry.

The tobacco industry in Albania was developed considerably. The old tobacco factories are in the process of reconstruction and new ones are under construction. A plant for the fermentation of tobacco with a seasonal capacity of 500 thousand kilograms of tobacco was constructed at Shkoder, which is located in a region famous for its tobacco plantations. Due to the latest modern

equipment the fermentation of tobacco lasts not one or two years as formerly, but only 12 days. A new tobacco fermentation plant was placed into operation at Elbasan in 1957 with a production capacity of 2.5 thousand tons. A cigarette factory was constructed at Gjinokaster which, along with the existing tobacco fermentation plant comprises the basis of the tobacco industry in the Gjinokaster region. The land area planted with tobacco crops in this region will expand from 1,800 to 3,500 hectares by the end of the Second Five Year Plan.<sup>34</sup>

### 3. Expansion of the Working Class and an Increase in the Productivity of Labor in Industry.

The number of industrial, office and professional workers in Albania is rapidly expanding along with the development of industry. The lack of personnel was most acute during the early postwar years. The country had only several thousand workers, skilled engineering-technical personnel were almost non-existent. There were only 32 engineers in the entire country before the war.

The government of Albania and the Albanian Labor Party devote considerable attention to the matter of training skilled workers and engineering-technical workers. Various courses, plant-factory schools and technical schools have been started in the country. A law creating state labor reserves was adopted. The cultural and skill levels of the working class as well as their political awareness is growing due to the political-educational activities of the Albanian Labor Party. During the past seven years over 80,000 workers completed courses designed to raise their level of skill, thousands of workers study in night schools without interrupting production. There were 56 engineering-technical workers for every one thousand Albanian workers.<sup>35</sup>

The number of industrial, office and profession workers engaged in the national economy is increasing with every year.(see the following table.)

In 1945 there were 25,000 industrial , office and professional workers in the country whereas in 1950 there were 83.2 thousand of them, in 1955 there were 138 thousand, in 1957 150.8 thousand and in 1958 there were 169.5 such workers.

Despite that the considerable expansion of the labor force and the rates of construction of new enterprises are beyond the capabilities of the manpower pool. As a result many enterprises are not producing at full capacity.

Due to the implementation of advanced technology, the organization and training of new personnel, the productivity in industry of labor is growing steadily. During the First Five Year Plan the productivity of labor increased 42% in the petroleum industry, 29% in the production of bitumen, 8% in the mining of copper, 48% in

The Number of Industrial, Office and Professional Workers  
Engaged in the Socialist Sector of the National Economy<sup>36</sup>.  
(in thousands)

Year	Total number of industrial, office and professional workers engaged in the national economy.	Number of workers engaged in the national economy.	The number of industrial, office and professional workers engaged in industry.
1950	83.2	52.4	22.1
1951	98.7	62.7	27.6
1952	124.1	78.1	38.1
1953	138.7	92.4	43.1
1954	129.7	87.7	46.6
1955	138.3	93.8	49.0
1956	138.2	93.9	50.4
1957	150.8	103.6	53.4
1958	169.5	--	61.0

the mining of lignite, 204% in the metalworking industry, 28% in the power supply industry, 24% in the building materials industry, 125% in the woodworking industry, 45% in the light industry, 38%<sup>37</sup> in the food industry and 396% in the producers' cooperative industry.

The productivity of labor during the Second Five Year Plan (1956-1960) is the most important factor in the growth in industrial production: 2% of the increase in industrial production will be achieved as a result of an increase in the productivity of labor. By 1960--the end of the Second Five Year Plan, the productivity of labor in the mining industry will increase 77% and 66% in the building industry<sup>38</sup>. as a result of the implementation of technology, an increase in the workers' skills and a further expansion of socialist competition in industrial labor.

The innovators' and rationalizers' movement is widespread among the Albanian workers; it mobilizes Albanian workers for an upsurge in their creative initiative in order to successfully fulfill the assignments of the Five Year Plan. From January until July of 1959 the innovators and rationalizers at industrial

enterprises were conducive to bringing about a saving of 55.6 million lek. with their suggestions, i.e. three times more than was saved throughout 1957.<sup>39</sup>

At the present time the principal efforts of the workers are directed at successfully fulfilling the program for 1959--a decisive year of the Second Five Year Plan of Albania. Socialist competition is now taking place in all parts of the country. Prior to the celebration of the 15th anniversary of the liberation of the country 50 industrial enterprises reported the fulfillment of the fourth year plan of the Five Year Plan ahead of schedule. Hundreds of brigades are struggling for the honored title of "A Brigade of the 15th Anniversary." A movement under the slogan "Let us use every centimeter, every gram of the by-product," is becoming widespread in the footwear industry. The initiators of this movement were the personnel of the Tirana shoe factory who proposed that not a single gram of thread, nails, not an extra centimeter of leather is to be wasted. This movement will result in a saving of tens of million leks.

The competition for a rhythmic and even increase in the mining of coal, ore and the extraction of oil is constantly developing at the coal mines, oil fields and shafts. "To produce more today than yesterday!" that is the motto of the miners. The growth in the initiative and activity of the workers brought about a number of new patriotic undertakings by workers, agricultural cooperatives and the youth.

#### 4. Transportation.

Before the war Albania was the only European country without railroads. The highways connected only the largest cities. The number of motor vehicles was most insignificant and consisted of vehicles of the most varied makes which complicated their use. The population of urban regions (particularly in the north) maintained contact with other parts of the country by means of pack trails. Despite a large seacoast Albania did not have a merchant marine.

During the years of the people's democratic government transportation construction was developing in the NRA. Old highways were reconstructed and new ones built. The principal automobile highways reach from sea ports to the major cities. The coastal regions of the country are joined by a highway that goes through Shkoder, Durres, Vlora and Sarande.

125 kilometers of railroad was constructed during the postwar period: Durres-Elbasan--77 kilometers and Durres-Tirana--37 kilometers with railroad spurs to industrial enterprises amounting to 11 kilometers.

Motor vehicle transportation performs a decisive role in domestic transportation, it accounts for 78% of the country's cargo

turnover. Marine transportation plays an important role for foreign transportation. The most important ports are Vlora and Durres.

Dozens of engineers, machinists, dispatchers, conductors and other specialists have been trained in the Soviet Union and the People's Democracies for the needs of the railway and motor vehicle transportation in Albania.

Railroad equipment, the rolling stock and automobiles are received by Albania from the USSR, Czechoslovakia and Poland. Despite certain success in the development of transportation there are still concrete inadequacies, in part due to the incomplete utilization of the existing means of transportation.

A conference of leaders in transportation took place in May of 1958 at Tirana, where problems involved in the improvement of motor vehicle transportation were discussed. During recent years a movement for 100 thousand kilometers of operation of vehicles without major overhaul as well as for economy of gas and an increase in cargo transportation became widespread. The initiator of this movement was driver Nasho Bad'yavan, who was the first one to drive 100 thousand kilometers in his vehicle without a major overhaul. At the present time this movement was joined by 800 drivers from all motor pools in the capital. Over a six year period this undertaking by members of the 100 thousand kilometer group resulted in a saving of 46 million leks.<sup>40</sup>

The III Congress of the Albanian Labor Party confronted the transportation workers with extensive tasks. In 1960 the total volume of cargo transported by motor vehicles will amount to 281 million tons per kilometer, or more than twice as much as in 1955, the railroads will move 34 million tons per kilometer (an increase of 81%), and marine transportation will ship 21 million tons per kilometer (an increase of 119%). The transportation of passengers by motor vehicles will increase 55% during the Five Year Plan and the transportation of passengers by railroad will increase 34%. 70 kilometers of new automobile highways will also be constructed.<sup>41</sup>

Considerable success was attained in the development of communication. The total length of telegraph lines increased approximately twofold and that of the telephone lines almost 50 times as compared with the prewar period.

New modern types of transportation and communication are therefore being successfully established in Albania, which is conducive to the development of the national economy.

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## CHAPTER III

### AGRICULTURE

In guiding itself by the Marxist-Leninist principles for building socialism the Albanian Labor Party is accomplishing the task of conversion to socialism. Such a conversion is impossible without an elimination of the different social strata, or without the liquidation of the exploiting classes.

Albanian agriculture is characterized by the existence of various sectors: the socialist sector (cooperatives and state farms), petty property sector (farms of the working peasantry) and private capitalist (kulak farms). The socialist sector is constantly growing with the socialist reorganization of the Albanian village, the petty property sector is becoming considerably smaller and the private capitalist sector is being limited.

The agrarian reform conducted by the people's government of Albania, transferred the land to the toiling peasantry, destroyed the landlord class and struck a blow at the kulaks. The internal political significance of the agrarian reform was that it strengthened the alliance of the working class with the peasantry, which forms the basis for success in a people's democracy. The agrarian reform, however, satisfied the peasant's requirements for land only partially. The individual, petty property, unproductive system of agriculture still existed in the Albanian village. A transfer from the century old backwardness to the building of a new life of prosperity is possible through a reorganization of agriculture on the basis of the Lenin cooperative plan. In guiding itself by this plan and by relying on the experience of the Soviet Union in establishing state farms the Albanian Labor Party is consistently conducting a policy of cooperativization of agriculture.

#### 1. The Socialist Reorganization of Agriculture in Albania.

##### The Cooperatives.

In Albania, as in other socialist countries cooperativization became the basic form of drawing the toiling peasantry into large socialist farms. The first mass cooperative organization was the marketing and supply cooperative, which amalgamated the peasants' work in the field of marketing. As they expanded their economic significance the marketing and supply cooperatives began to force the private traders out of the sphere of commodity exchange. By establishing contact with the basic mass of the rural population the marketing and supply cooperatives are systematically expanding



the commodity turnover, accounting for a large share of the national turnover in commodities. In attributing the proper significance to marketing cooperativization in the general commodity turnover of the country the Albanian Labor Party has always pointed out the necessity for the development, strengthening and a full support of producer cooperativization as the highest step in the socialist relationships in agriculture.

Cooperativization in the People's Democracies was conducted with a preservation of the private ownership of land. It started with the socialization of labor and of the use of the means of production and completed with the socialization of the land. These stages in the development of cooperatives are determined by the various degrees of the socialization of the means of production and by the peculiarities in the distribution of a portion of the income as personal income.

The various stages in the development of the cooperatives in Albania may be observed by the basic stipulations of the cooperative statutes. Before 15 February 1949 the following system of distribution of income was used at the producers' cooperatives: 40% of the personal income based on the amount of land contributed and 60% according to the amount of labor performed. The amount of cattle and land remaining in the personal possession of the agricultural cooperative members was not limited, there was no minimum required number of work-days that each cooperative member would be required to complete and proper attention was not devoted to the social composition of the cooperative. The kulaks who penetrated into the cooperative used all possible means to thwart the building of cooperatives.

A new statute pertaining to the agricultural producers' cooperatives was adopted in February, 1949, which was formulated on the basis of Soviet agricultural artels. The basic provisions of the statute were: that a minimum of 25-30 families and 20 hectares of land were necessary for the organization of an agricultural producers' cooperative; kulaks could not join a cooperative; income to be distributed according to the amount of labor performed, and minimum number of workdays was established; the dimensions of the private land plots were limited (up to 0.3 hectares) as well as the number of cattle per family.

Two stages may be noted in the development of the cooperativization of agriculture in Albania: the first one was from 1946 to 1955 when the process of cooperativization was proceeding at an even pace; the second stage began in 1956 and proceeded at a rapid tempo. At first the country did not have the means to proceed with the cooperativization of agriculture at a rapid tempo: the great number of individual peasant farms (in 1952 there were over 145,000 individual farms<sup>1</sup>), the primitive methods of labor and primitive production equipment used by the Albanian peasantry and

inadequate aid on behalf of the government.

During the First Five Year Plan (1951-1955) the problem of the necessity to accelerate the growth in agricultural production was most acute. A rapid development of the Albanian industry, the expanded requirements of the population in agricultural products, the growing urban population all persistently demanded a greater increase in the output of the agricultural production. Agricultural production was lagging behind industrial production, agriculture did not provide industry with raw material or the growing urban population with food.

A solution to the existing situation was more rapid development of agriculture, which required an organizational and economic strengthening of the cooperatives and an expansion of the state farms and of the Machine Tractor Stations, the provision of agriculture with modern technology and, finally, a considerable increase in state aid to the toiling peasantry.

The government began to extend increasingly more aid of a more variegated nature to agriculture. It lowered the size of mandatory deliveries to the state, cancelled the overdue deliveries and decreased the size of the agricultural tax. During the First Five Year Plan the peasantry received over one billion leks in agricultural credit from the government.<sup>2</sup> In addition to that the government supplies the peasants with high quality seed, agricultural equipment, chemical fertilizers, pedigree cattle, building material and extends aid in the construction of irrigation and drainage canals.

As a result of this the First Five Year Plan was marked with significant successes in the field of agricultural production. Agricultural production amounted to 137% compared with the level attained in 1950. Areas under crops increased by 13%, including a 10% increase in the area under grain crops, 20% in the area under industrial crops, 24% under vegetable and potato crops and 81% in the area under forage crops.<sup>3</sup>

The Second Five Year Plan was a turning point in the development of animal husbandry, the livestock numbers increased, measures for preventing the destruction of cattle by kulaks were undertaken, as a result the prewar level was on the whole exceeded. Compared with 1938 the number of whole-hoofed cattle in 1955 increased by 105%, the number of large horned cattle increased by 108%, sheep by 110%, goats by 109%, hogs by 562% and poultry by 116%.<sup>4</sup>

During the First Five Year Plan the mechanization of agriculture expanded considerably, which established a material-technical basis for a socialist reorganization of agriculture. There were only 38 tractors in 1938 while in 1956 just the Machine Tractor Stations had approximately 1,200 tractors.

As a result of the educational work conducted by the party among the toiling masses in the villages, as well as work accomplished in the economic-organizational consolidation of the cooperatives

and measures of encouragement, the cooperatives became economically and organizationally strengthened.

V.I. Lenin more than once stressed that a most convincing argument for the amalgamation of the peasantry into cooperatives is a practical demonstration of the advantages of cooperativization to the peasants. The individual peasant will engage in collectivized production only after he becomes convinced that it is much better than the individual method of production.

The mass of the Albanian peasantry is constantly becoming more convinced of the advantages of a collectivized economy. The agricultural cooperatives, which utilize advanced agricultural technology obtain more abundant harvests as compared with individual farms. (See table below.)

At the present time the socialist sector predominates in agricultural production, and its share in the overall gross harvest of agricultural crops is steadily expanding every year (see appropriate table).

In December of 1955 the Plenum of the Albanian Labor Party pointed out that an expansion of cooperativization must be conducted in two directions: on the one hand it is necessary to create new agricultural cooperatives, and on the other to draw individual peasant households into the existing agricultural cooperatives. In order to create a cooperative it is not necessary for the larger part of a village to join it, which was formerly considered mandatory, a small portion of the village may unite, subsequently directing its efforts at expanding the membership of the cooperative by drawing in individual farmers.

Decisions of the December Plenum of the Central Committee of the Albanian Labor Party considerably accelerated the rate of cooperativization. The Albanian Labor Party estimated the turning point of this historical development in time. 1956 was considered the turning point, and the beginning of the second period of cooperativization of agriculture. By the end of 1955 there were 318 agricultural cooperatives while by the end of May 1956 their number, excluding the agricultural collectives grew to 694, i.e. it increased more than two fold.<sup>5</sup>

The Level of Production of the Socialist Sector in Agriculture<sup>6</sup>  
(in %)

<u>Agricultural Production</u>	<u>1950</u>	<u>1958</u>
Grains <sup>7</sup> .	3.7	66.4
Rice	6.3	94.8
Cotton	6.0	91.7
Tobacco	1.9	81.1
Sugar beets	28.0	96.5
Vegetables	13.9	73.6
Potatoes	15.0	66.7

The Crop Yield in the Socialist and Private Sectors<sup>8</sup>.  
(Centners per Hectare)

Agricultural Crop	1950		1955		1957		1958				
	Socialist Sector	Socialist Sector	Socialist Sector	Socialist Sector	Socialist Sector	Socialist Sector	Socialist Sector	Socialist Sector			
	State	Cooperative	State	Cooperative	State	Cooperative	State	Cooperative			
		active		active		active		active			
Wheat	10.0	9.8	9.7	10.8	12.9	10.0	16.2	12.5	11.0	9.5	7.9
Barley	8.0	8.0	7.4	5.2	10.6	9.0	9.6	9.3	9.1	--	--
Corn	3.6	9.8	8.8	8.7	16.5	14.3	10.4	13.4	13.9	9.0	9.0
Tobacco	5.7	4.5	3.6	6.6	7.9	7.6	6.8	6.7	7.4	5.0	5.0
Sugar Beets	80.0	60.9	43.1	269.2	240.8	118.8	343.8	169.8	99.8	109.5	92.0
Cotton	3.8	4.2	5.0	10.6	9.2	5.8	15.1	8.5	5.4	7.1	5.6

The strengthening of the working class and of the toiling peasantry, the restriction of the kulak class and a growth in political cognizance of the peasantry made it practicable to conduct collectivization of agriculture at a more rapid pace.

The III Congress of the Party summarized the results of the First Five Year Plan for the development of the national economy of Albania and adopted the Second Five Year Plan (1956-1960), formulated the tasks involved in the cooperativization of agriculture, pointed out the possibility of cooperativizing 70% of the land under crops prior to 1960 and together with the agricultural "collectives,"<sup>9</sup> 85% of the land under crops, which will alter the relationship between the socialist and private sectors in agriculture in a conclusive manner in favor of the socialist sector. In its directives pertaining to the Second Five Year Plan the III Congress of the Albanian Labor Party pointed out that the Second Five Year Plan must be a Five Year Plan of complete cooperativization of agriculture and of extensive ameliorative projects on a broad scale; it must be a Five Year Plan of expanding mechanization in agriculture, of an upsurge in agricultural technology as well as of the complete satisfaction of the population's demand for bread of domestic production, and of a considerable growth in the output of other types of production by agricultural and animal husbandry industries.

The decisions of the III Congress were met with great enthusiasm by the entire Albanian people. The cooperativization movement became a mass movement.

Success in the development of socialist reorganization of agriculture may be judged by data on the share of the socialist sector in the overall area under crops, %:<sup>10</sup>

1950	1954	1955	1957	1958	1959
5	15	18	57	76.2	83.2

Therefore the task promulgated by the III Congress of the Albanian Labor Party regarding the amalgamation of 70% of the land under crops into cooperatives by the end of 1960 was fulfilled and overfulfilled by 1958.

At the present time the cooperatives of the country are constantly joined by new peasant households, not only by the poverty stricken peasants, which was the case earlier, but by the middle peasants as well, who comprise approximately 42.2% of all the cooperativized peasants.<sup>11</sup> Guiding intself by V.I. Lenin's instructions on the need ". . .to be able to reach an agreement with

the middle peasant---without ceasing the struggle against the kulak for one second and to firmly rely only on the poor,"<sup>12</sup>. the Albanian Labor Party in conducting the cooperativization constantly strengthened its union with the middle peasantry. 1957 and 1958 are characterized by a mass entry of the poor into cooperativization in many regions. The tempo of collectivization of agriculture is seen in the following table:

The Development of the Agricultural Producers' Cooperatives<sup>13</sup>.

	1946	1950	1955	1956 May	1956 Dec.	1957 Dec.	1958 Dec.
Number of agricultural cooperatives	7	90	318	694	881	1,700	1,935
Number of households amalgamated into cooperatives	211	4,517	15,313	29,478	37,267	74,764	100,766
In percent to all peasant households	--	3	9.8	18.9	24.3	46.4	63.2

The rapid collectivization of agriculture is primarily explained by the proper policy of the Albanian Labor Party regarding the problems of building socialism in the village, which receives full support of the toiling peasantry.

Work for the further organizational-economic reinforcement of the cooperatives by unifying the small cooperatives into larger ones and by assigning responsible and experienced workers to the posts of cooperative chairmen was conducted during 1959. As a result of such unification of the cooperatives their number decreased, according to data as of 1 July 1959, and amounted to 1,915 as compared with 1,935 at the end of 1958. At the present time the cooperative movement in Albania is entering into its last culminating phase. The unification of individual peasant farms into cooperatives is already completed in many regions.

The basic form of organization at the agricultural cooperatives is the producers' brigade, which is assigned a sowing area, agricultural implements, draft cattle and farm buildings. Each brigade consists of separate links. According to the organization of the agricultural artel the production norms are examined and adopted by a general meeting at the beginning of the agricultural year. Every member of the cooperative is paid at the end of the

year in accordance with the number of workdays completed.

In accordance with the resolution of the Council of Ministers of the NRA of July 1958 the cooperatives are advised to pay for labor not only on a basis of the number of workdays worked, but also on a basis of the level of attained production, and to provide premiums in the form of credit for additional workdays or cash, or just additional cash for those brigades that overfulfill the planned crop yield for a given type of crop.

The III Congress of the Albanian Labor Party recommended that the animal husbandry cooperatives examine possibilities for establishing a certain minimum limit for the distribution of grain, milk, wool and other products according to the number of workdays completed in order to increase the collective fund of these products for sale to the government. At the present time work is being done to increase the cash share of the cooperative members' income per work-day in order to increase the ratio of commodity to the total agricultural output.

The example established by the Soviet Union in the organization of kolkhozes is of great significance for a successful cooperativization of agriculture in Albania. In order to familiarize themselves with the experience in organizing kolkhozes in the USSR delegations of Albanian peasants were and are studying the work of the leading kolkhozes and sovkhoses in the USSR. Due to a lack of qualified agricultural workers in Albania the Soviet government sends specialists in socialist agricultural production in order to assist the Albanian peasants.

#### State Farms.

In Albania considerable significance is attributed to the development of state farms--the highest form of socialist agricultural organization. The state farms perform a big role in the development of agricultural production for use by the cities. The first state farms were organized in Albania in 1957 on the basis of large nationalized landowners' estates. Subsequently forest and bush covered areas were cleared and swamps were dried for use as state farms. The "Maliq" state farm was organized on land which became available after a swamp was dried in the Korce region.

The country contains 23 animal husbandry, olive growing and seed production state farms, whose share of the overall output of agricultural production is increased with every year. The state farms conduct extensive work in supplying the newly organized cooperatives, as well as individual farms with quality seed, olive, citrus and fruit tree seedlings.

According to data for March of 1959 the state farms of Albania had the use of 824 tractors (rated at 15 horsepower). At the present time the latest technology is practiced at these farms, which have the possibilities to utilize the latest achievements

of the agronomical science. Progressive agricultural measures are being implemented on a wide scale, such as the square-nest sowing of corn, narrow-row and crossed row sowing of grain crops, the growing of vegetable crop sprouts in peat compost brick and other measures. As a result of this the average crop yields of the agricultural crops are high at the individual state farms. At the Maliq Mucho state farm (Dzhavzotaj region), for instance, the wheat crop yields are 28 to 30 centners per hectare, at the Chlirimi state farm (Fier region) 2.5 times more cotton is picked per hectare than the average for the entire country.<sup>14</sup> Most of the state farms obtain two harvests of corn in its milky-wax stage of ripeness.

The animal husbandry state farms in Albania contain the best breeds of cattle in the country. These farms raise thoroughbred cattle. In order to improve the quality of wool the sheep breeding state farms, which contain 6% of the entire number of sheep in the country, cross-breed the "tsygay" and "ruda" species of ram, imported from the USSR and Rumania with local varieties of rough-wooled sheep.

The state farms are staffed with qualified agronomists and mechanics who are establishing an agricultural institute at Tirana. Directors, as a rule, are experienced organizers and specialists. In 1938 there were only 25 agronomists in Albania, whereas at the present time there are eight specialists with a higher education working at the "Liyushnya" state farm alone.

The state farms, especially the sheep breeding farms, are profit making enterprises. They annually earn millions of leks of profit for the government. According to data for the first six months of 1959 the state farms fulfilled the plan for vegetable deliveries by 103.1%, that for the delivery of fruit by 573.3%, milk by 109.9% meat by 185.8% and eggs by 115.6%.

The state farms are confronted with the task of expanding the sowing area and of supplying the government with the products of agriculture and animal husbandry. Within the immediate future they will become model farms which will extend considerable assistance to the agricultural cooperatives and will serve as a link between the city and the village.

#### The Machine Tractor Stations.

The Machine Tractor Stations are a basic industrial and material-technical foundation for a socialist reorganization of agriculture in Albania. They are equipped with modern agricultural machinery, which is supplied by the Soviet Union and by the People's Democracies in an ever increasing volume. The number of tractors and other agricultural machinery operating on Albanian fields is increasing with every year. In 1938 there were only 38 tractors in the country whereas in 1956 the Machine Tractor Stations alone had 1,200 tractors and many other agricultural machines; by the end of



1957 they had 2,000 tractors and 140 combines while in 1958 they had 2,700 tractors, 218 combines and auto-combines.<sup>15</sup> (See table below.)

The Machine Tractor Stations in addition to servicing the agricultural cooperatives also service individual peasant and subsidiary farms and a small part of the state farms, which are not yet fully equipped with machinery. Some 60% of the Machine Tractor Station tractor services are done for agricultural cooperatives, 30% for the individual farms and 10% for the state farms.<sup>16</sup>

Albania surpassed Greece, Turkey and Yugoslavia in the degree of mechanization of its agriculture. In 1957 for every 1,000 hectares of cultivated land there were: 3.5 tractors in Albania, 1.8 tractors in Turkey; 2.5 tractors in Yugoslavia and 2.8 tractors in Greece.<sup>17</sup> The availability of a tractor pool in agriculture of the NRA is expanding very rapidly.

Development of the Machine Tractor Stations in Albania

	1947	1949	1950	1952	1954	1955	1957	1958	1959
Number of MTS	4.0	7	10	11	13	21	21	21	25
Number of tractors rated at 15 h.p.	60	216	248	313	570	1254	2000	2700	3800
Size of completed projects in thousand hectares of soft plowing	7.1	34.9	50.5	79.6	162.8	225	525	775	1056 (plan)

In 1957 there were 202 hectares of plowed land per 15 horse-power tractor while in 1959 there were 122 hectares of plowed land per tractor or almost half as much. In accordance with the expansion of the tractor pool the volume of work done increases each year. In 1957 the Machine Tractor Stations cultivated 525 thousand hectares of plowed land, 43% more than in 1956, 755 thousand hectares in 1958 and 807 thousand hectares in 1959.

The mechanization of various agricultural projects was accomplished in 1958: in deep plowing by 80.8%, in spring plowing by 70%, in autumn plowing by 38.2%, in the harvesting of winter crops by 23.4%, and in thrashing by 77.4%.<sup>18</sup> The Machine Tractor stations in Albania engage in approximately 25 varieties of agricultural work. During the recent years success has been attained in improving the quality of work, which reflected favorably on an

increase in the crop yields. As a rule those cooperatives and individual farms that are located within the zone of a Machine Tractor Station obtain higher crop yields than the farms that are not yet serviced by the Machine Tractor Stations.

Individual outstanding tractor operators strive for a high productivity of labor on tractors. There are deficiencies in the work of the Machine Tractor Stations, however, as pointed out on more than one occasion by the Albanian press: breakdowns and accidents occur not infrequently, modern machines are used insufficiently, agricultural work takes too long, agrotechnical deadlines are violated. Difficulties arise in the work of the Machine Tractor Stations with regard to the maintenance of agricultural machinery, and sometimes it is impossible to perform the necessary maintenance work due to a lack of spare parts. The personnel of the Machine Tractor Stations are still insufficiently experienced.

The Central Committee of the Albanian Labor Party and the Council of Ministers of the NRA adopted a number of resolutions pertaining to an expansion of the Machine Tractor Station network, supplying them with modern technology and strengthening them in an organizational-economic sense. The III Congress of the Albanian Labor Party, attributing considerable significance to the expanded mechanization of agriculture during the Second Five Year Plan, which is mandatory in order to resolve the grain problem, the problem of raw material for industry and the problem of assuring the population with food in sufficient amounts, established the task for a multilateral growth of the Machine Tractor Stations. In 1960 the tractor pool of the Machine Tractor Stations will increase by 212% by comparison with 1955, and the tractor workload will increase by 38%. 80% of the plowing in the zones serviced by the Machine Tractor Stations will be mechanized, as well as 42% of the spring sowing work, 60% of the autumn sowing will be mechanized, while 60% of the harvesting and 70% of the thrashing will also be mechanized.<sup>19</sup>

The development of new land, land management in the cooperatives, the elimination of boundary strips, unnecessary roads and canals, the reinforcement of land massifs, a decrease in harvest losses, a decrease of up to 10 days in the time allowed for harvesting and 15 days for thrashing--this is only a small part of the tasks set by the party before agricultural workers during the Second Five Year Plan, which may not be resolved without the Machine Tractor Stations.

## 2. An Increase in Agricultural Production.

### Plant Growing.

Despite the fact that the industry of Albania is assuming a place of growing importance in the economy of the country, agriculture remains a basic branch of the national economy. The

important social-economic reorganizations conducted by the people's government during the first years after the war (the land reform, the nationalization of the irrigation systems, transfer of the draft cattle, of the olive orchards and of agricultural equipment formerly belonging to the landowners and to the village bourgeoisie over to the peasants, as well as the cancellation of debts) were conducive to a multilateral development of the production forces in agriculture. During the postwar years agricultural production more than doubled in Albania. (See the next table.)

Growth of gross agricultural production rose to 161% in 1958 as compared with the prewar level. Regardless of that agricultural production still lags behind the tempo of industrial development.

Increase in Gross Agricultural Production<sup>20</sup> (in 1956 prices)

	1938	1950	1955	1956	1957	1958
Million leks	12,826	15,279	20,950	20,278	22,655	20,723
Index of growth	100	115	163	153	176	161

The overall area of agricultural land, which is one of the most important factors for increasing the production of agricultural crops and that of animal husbandry, increased considerably by comparison with the prewar period due to the development of previously unused or swampy land. (See the following table.)

Expansion of the Area under Crops in Albania<sup>21</sup>.

	1938	1946	1950	1955	1956	1958	1960(plan)
Thousand hectares	221	263	330	375	393	420	452
In percent	100	119	149	165	177	190	204

In 1959 50% more new land was developed in Albania than during 1958. At the present time much attention is being devoted to the plowing of virgin land.

The NRA has favorable climatic conditions for the cultivation of various agricultural crops, from tropical crops to plants of the mid-continental strip. Grain crops, tobacco, cotton, sugar beets, fruit (citrus, grape, fig, apricots, etc.) grow well on the rich

soil covering the hills and plains. The country abounds with excellent forests, grazing land and pastures, that perform an important role in the development of animal husbandry.

The following table illustrates the distribution of the area under crops in Albania.

Distribution of Land Under Crops<sup>22.</sup>

	1946		1955		1960 (plan)	
	Thousand hectares	%	Thousand hectares	%	Thousand hectares	%
Total:	263	100	375	100	452	100
Including:						
Grain crops	250	95.0	305	81.3	312	70.0
Industrial crops	4	1.5	38	10.1	52	11.5
Vegetable crops	6	2.3	15	4.0	--	--
Forage crops	3	1.1	16	4.2	--	--

Grain crops are cultivated in all parts of the country. Up to 80% of the overall area under crops is planted with grain crops each year. It must be noted that in 1938 grain crops were principally planted, which accounted for 95% of the overall area under crops whereas after the victory of the people's democratic system industrial crops were implemented on a wide scale. One of the leading grain crops is corn. It occupies the first place among grain crops both in area planted with it (almost 45%) and in the volume of production. It is of particular importance due to the well developed system of animal husbandry in Albania. The local variety of corn is crossed with a high grade Georgian, Hungarian and Yugoslav corn, which yields 30 to 35 centners per hectare. Wheat, an ancient grain crop is also widely distributed over the overall area under crops and the area planted with that crop is constantly expanding. Rice is planted on lowland irrigated plots. In recent years a system was started in a number of southern regions of the country where it is planted after the wheat harvest, thereby obtaining two harvest of rice per year. Other grain crops such as rye, barley, and millet are rare. The less fertile land in high mountain regions is usually designated for these crops. The grain crop yield may be seen from the table given below.

Even though 1958 may not be considered as an agriculturally favorable year, the gross harvest of the basic grain crops during that year surpassed the prewar level. The gross harvest of wheat

more than doubled, the rice harvest was 11 times greater, and that of corn was 1.5 times greater. This increase was attained as a result of an increase in the area under crops and growth in the grain crop yield.

Before the war Albania was one of the smallest per capita producers of bread in Europe. At the present time the agricultural industry is still unable to fully satisfy the country's requirement for bread. The Second Five Year Plan outlines a task designed to attain a gross harvest of 310-320 thousand tons per year in 1960 in order to satisfy the population's requirements for bread.

The Yield of Grain<sup>23</sup>.  
(Centners per hectare)

Crop	1938	1950	1953	1954	1955	1956	1957	1958	1959
Wheat	7.0	9.7	12.6	10.1	10.3	10.0	11.6	9.8	9
Rice	16.0	17.6	22.3	27.0	27.8	22.2	23.0	25.0	28
Corn	11.5	8.8	13.4	10.1	14.3	11.1	13.6	11.0	16

The development of industrial crops is of great significance for the development of agriculture and the provision of raw material for the light industry, such as sugar beets, tobacco, and cotton. Many industrial crops increased more than 13 times in 1958 by comparison with 1938. The Albanian Labor Party and the government show special concern for the cultivation of industrial crops. After surmounting a number of difficulties and becoming convinced of the great economic feasibility of cultivating industrial plants the Albanian peasants achieved considerable success in the production of industrial crops with the multilateral aid of the government in the form of seed, chemical fertilizers and machinery. The following table illustrates the crop yields.

The Yield of Industrial Crops<sup>24</sup>.

Crop	1938	1950	1953	1954	1955	1956	1957	1958	1959
Cotton	5.0	4.4	4.8	4.0	6.5	4.5	7.4	7	10.5
Tobacco	7.5	3.6	6.5	4.7	7.6	6.5	7.0	7	8.5
Sugar beets	--	45.1	127.0	81.4	197.9	116.4	178.7	109	230.0

The gross yield of cotton increased 11 times by comparison with the prewar level, that of tobacco increased more than fourfold and that of sugar beets increased tens of times.

Cotton became the most widespread crop and is cultivated in six areas, the principal cotton growing regions are Berat, Vlora, and Durres. 20% of the land area under crops there is devoted to cotton.

The agricultural cooperatives account for 22% of the overall production of raw cotton. All planting of cotton at cooperatives and individual farms is done on a contract basis. In accordance with the contractual conditions the government supplies the farms in time with high grade seed and mineral fertilizers, for which the farms requiring it are extended short term credit. Receiving points are organized in the cotton producing regions. A textile combine imeni Stalina was established in Albania on the basis of domestic cotton in addition to several knitted goods factories. By the end of the Second Five Year Plan the yield of cotton will attain a level that will satisfy a considerable portion of the requirements of the country's textile industry.

Sugar beets are a new industrial crop for Albania. At the present time it is sown in the Korchansk region. The "Maliq" state farm established on land that was made available by draining Lake Maliq is the largest sugar beet production center.

Fields of sugar beets are concentrated in the socialist sector: in the state farms and cooperatives; they are contracted for the entire crop of sugar beets; a domestic sugar industry was established on the basis of sugar beet cultivation.

One of the most important crops that is of great significance for Albanian export trade is tobacco, which is highly valued on the international market. The area planted with tobacco increased fourfold by comparison with the prewar level. The tobacco crops are primarily grown in only one sector. The country has many master tobacco growers, experts on high crop yields. During the recent years the Albanian tobacco growers started to cultivate Bulgarian and Soviet varieties of tobacco. The cigarette factories were constructed in Albania on the basis of domestic raw material (Shkoder, Durres and Gjinokaster) and three of the largest tobacco fermentation plants were constructed at Shkoder and Elbasan.

Citrus and olive trees perform an important role in the agricultural economy of Albania. They yield extensive profits for the national economy. In view of the fact that the other People's Democracies in Europe do not have favorable conditions for the cultivation of citrus trees such as those that grow in Albania, the Albanian Labor Party considers the cultivation of citrus crops in the country an obligation of Albania within the framework of its participation in the distribution of labor among countries of the world socialist system. Considerable work has been done during the postwar period in the establishment of government nurseries

in each area and in a number of regions for the growing of planting material for supplying the agricultural cooperatives, state farms and individual farmers, as well as for establishing regions of high grade berry-fruit crops. Measures for increasing the material interest of agricultural cooperatives and individual peasants in the development of these branches were conducted. The government extends material and technical aid to those who engage in the cultivation of citrus crops.

The number of citrus trees increased during the period of the people's government more than threefold as compared with 1938. The number of orchard plants will increase in Albania by the end of the Second Five Year Plan. (See the following table.)

The Number of Plants in 1960<sup>25</sup>.

	Total	Including fruit bearing plants
Fruit trees, millions	18.0	3.60
Olive trees, millions	3.8	1.34
Citrus trees, thousands	760.0	154.00
Grapevines, millions	21.0	2.70
Vineyards, thousand hectares	16.5	2.90

One of the leading branches of agriculture is the cultivation of olive trees. Over one third of the peasant farms have olive trees, while 2,500 farms engaged exclusively in the cultivation of olive trees.

A considerable number of olive trees were destroyed or damaged during the fascist occupation, and by 1958 there were 2,612 thousand trees in the country.

A prospective plan of development for 1956-1975 stipulates the planting of 6,800 thousand olive trees and to raise their number to 8,368 thousand by 1975. The per capita production of olives for 1975 will amount to 25 kilograms as compared with seven kilograms for 1956.<sup>26</sup> According to the prospective plans for the development of the cultivation of citrus and olive crops Albania must gain first place in Europe in the production of olives, tangerines, oranges and lemons. It will become the principal supplier of olive oil for many European countries.

Viticulture is also quite well developed in Albania--vineyards are found in many regions of the country, primarily in the southern and western regions. Excellent table wines are made out

of the Albanian grape.

According to the plan for the development of viticulture for 1956-1975 it is stipulated to plant new vineyards on an area of up to 9,300 hectares. In order to expand the variety of grapes the seedlings and cuttings of the best grade will be imported from the People's Democracies. With fresh planting of vineyards it is proposed to extensively mechanize the work involved in the cultivation and care of these plants. Viticulture and wine making have great prospectives in Albania. By the end of 1957 it is planned to increase the gross harvest of grapes fivefold by comparison with 1956.<sup>27</sup>

The plains and mountain regions of Elbasan, Berat and Korce are renowned for their apples, figs and mazzard cherries. 18 million fruit trees were planted during the Second Five Year Plan.

The area planted with vegetables increased 2.5 times during the postwar period, at the present time a task of expanding that area is being established in order to obtain more food products for the population. Considerable aid is extended by personnel at industrial enterprises and institutions in the resolution of this task who organize suburban farms and conduct collective planting of vegetables.

#### Animal Husbandry.

Animal husbandry is one of the principal branches of agriculture. In old Albania animal husbandry comprised the majority of the gross product of the entire economy of the country, and pasture-grazing type of animal husbandry was predominantly practiced. During the Second World War the number of cattle decreased considerably. After the war special attention was devoted to the development of animal husbandry. The people's government and the party adopted a resolution regarding the confiscation of cattle from the feudal landlords and kulaks. The law on the nationalization of large herds of cattle permitted the creation of large state livestock breeding farms, which in 1950 contained over 100,000 head of cattle. The table given below cites data on the number of cattle.

During the first years after the war the kulaks started a mass slaughtering of cattle as a result of the transfer of large herds of cattle to the state farms and partially to the peasants, the kulaks were striving to attract the middle peasantry to their side which reflected on the rate of increase in the head of cattle. In addition to that Albania does not have an adequate forage basis for the normal maintenance of cattle; there is an inadequate amount of roughage and concentrated food as well. This situation was brought about as a result of overloading which in turn caused the winter pastures to become unproductive, while the amount of forage crops in the total area under crop is insignificant. Another reason for the slow increase in the head of cattle is that over



one-half of the large horned cattle belong to individual peasants. In 1957 there were 116.9 thousand cows in Albania of which only 6.3 thousand belonged to the agricultural cooperatives and state farms, 41 thousand belonged to cooperative members and 65 thousand belonged to individual peasant households.<sup>28</sup> It must be noted that in 1958 and 1959 a steady increase in the number of cattle in the cooperatives and the state farms is noted.

Numbers of Cattle<sup>29</sup>.  
(Thousand Head)

	1938	1950	1956	1957	1958
Large horned cattle	391.2	419.2	415.7	405.4	422.0
Including:					
Cows:	113.2	114.0	114.2	116.9	129.4
Horses	54.4	50.5	49.2	49.5	49.1
Mules and donkeys	55.0	67.0	47.0	68.4	69.2
Sheep	1574.0	1707.0	1627.0	1612.0	1649.8
Goats	932.0	830.0	967.0	1029.0	1094.7
Hogs	15.3	46.7	75.6	96.2	108.5

The productivity of cattle is still rather low. Only at the cooperatives is it possible to establish the conditions necessary for increasing their productivity: the mechanization of various processes of labor, a rational utilization of the labor force, and a struggle against livestock diseases. It is characteristic that during 1957 an average of 440 kilograms of milk were obtained per cow in the country, in the agricultural cooperatives 480 kilograms per cow were obtained, and at the state farms each cow yielded 1,930 kilograms of milk.

The per capita number of small and large horned cattle in Albania is the largest among the People's Democracies, whereas their average productivity is still rather low and the amount of livestock products that are prepared and purchased is still insufficient to satisfy the growing demands of the population. It is therefore proposed to cross breed 540 thousand sheep of the local breed (30% of the total number of sheep) with sheep of the "tsygay" and "ruda" breeds by 1960. The agricultural cooperatives are faced with a task of improving the breed of cows, and to achieve a goal by 1960 where there would be 40-50 dairy cows for every 100 head of large

horned cattle.<sup>30</sup>

Much attention is being devoted to the creation and development of a stable forage supply. The clearing of pastures is conducted throughout the country; artificial water holes are constructed on summer mountain pastures which do not have natural sources of water. By 1960 it is proposed to plant forage crops over an area of not less than 25 thousand hectares and an area of approximately 75 thousand hectares with corn for silage.<sup>31</sup>

Silage making is conducted on a wide scale, by using not only the forage crops but potato and sugar beet and other byproducts.

The November Plenum of the Central Committee of the Albanian Labor Party (1958) examined the problem pertaining to animal husbandry. The Plenum pointed out that the production of meat, milk and animal fat is still lagging behind the country's requirements. The Albanian Labor Party appealed to the village workers to raise livestock production: to increase the production of meat from 33.6 thousand tons of live weight in 1957 to 78 thousand tons in 1965, to increase the production of milk from 160 thousand tons to 384 thousand tons. The following table indicates the development attained in the production of milk and meat.

Increase in the Production of Meat and Milk<sup>32</sup>.

	1957	1960	1965
<u>Per capita</u>			
Meat (dressed weight), kilograms	12.0	18.7	24.0
Milk, liters	95.0	136.2	191.0
<u>Per 100 hectares of farm land</u>			
Meat (live weight), centners	26.4	42.5	57.3
Milk, liters	125.9	181.4	281.8

In order to fulfill these tasks it is stipulated to increase the number of large horned cattle to 500 thousand head by 1965, including 200 thousand cows, to increase the number of sheep to 2.1 million and female sheep to 1.5 million, the number of goats to be increased to 1.5 million and the number of sows to 50 thousand. It is planned to increase the milk yield to an average of 1,250 kilograms per cow for 1965, up to 3,000 kilograms at state farms and to 1,560 kilograms per cow at agricultural cooperatives.

### 3. Government Aid to Agriculture.

The government extends considerable aid of all types to agriculture in order to increase agricultural production and to achieve a rise in the material and cultural level of the toiling peasantry. The conduct of the agrarian reform which provided the peasantry with land and liquidated the exploitation by landlords and kulaks, was a considerable gain for the peasantry, which the peasantry obtained as a result of the victory of the People's Revolution. Both the party and the government, taking into consideration the great technical backwardness of Albanian agricultural production are manifesting considerable concern for the mechanization and modernization of agricultural production. Much aid is extended to the peasantry through credits, chemical fertilizers, high grade seed, etc. (See the following table.)

Government Aid to Agriculture<sup>33.</sup>

Year	Credit, thousand leks	Including credit to cooperatives, thousand leks	High grade seed, tons	Chemical fertilizers, tons	Means for combatting pests, tons
1946	6,123	4	3,000	511	---
1947	19,551	3,382	8,129	3,596	---
1948	22,234	9,065	6,913	4,192	---
1949	24,265	13,344	2,842	4,981	217
1950	83,501	28,985	4,306	5,201	138
1951	113,440	58,600	7,022	2,331	182
1952	120,831	42,300	5,978	6,781	145
1953	135,571	58,300	5,889	8,784	170
1954	150,185	81,600	4,920	6,031	235
1955	338,560	243,000	5,158	8,949	279
1956	596,715	574,422	5,742	10,894	294
1957	559,200	547,613	6,436	16,260	328

Of great significance in the strengthening of the alliance between the working class and the peasantry is an establishment of a proper relationship among the prices for industrial and agricultural production. During the past several years the government increased the fixed prices for agricultural and livestock prices several times. The last decision regarding an increase in the fixed prices for certain types of agricultural products was made in April of 1959. In accordance with this decision the fixed prices for wheat and wool doubled, those for rye and corn more than doubled, and the fixed prices for meat increased threefold.<sup>34</sup> Unified purchase prices were established for a number of agricultural products, and the mandatory deliveries of beans, rice and eggs were cancelled. Those peasants who entered a cooperative prior to May of 1959 are freed from all outstanding debts resulting from mandatory deliveries and taxes.

The resolution of the Central Committee of the Albanian Labor Party and of the Council of Ministers of the NRA is directed at the creation of favorable conditions for increasing the production of agricultural crops, especially that of grain crops in accordance with the decision of the III Congress of the Albanian Labor Party regarding the provision of the country with domestic bread in adequate quantities, as well as the provision of livestock products in sufficient quantities.

The government spends considerable sums (over 40% of overall capital investments appropriated for agriculture) for the construction of irrigation and drainage canals. During the years of the people's government 3.3 billion leks were spent for ameliorative projects in Albania. Only 13.2% of arable land was irrigated in 1938 while in 1958 24.2% of arable land was irrigated. The irrigated area increased threefold by comparison with 1938.

The drainage of land in Albania has a decisive significance for the achievement of high yield and stable harvests in the lowland areas, where as a result of abundant precipitation during the autumn, winter and spring seasons, the tumultuous mountain rivers overflow and flood the fields, causing great losses to agriculture.

During the years of the people's government the Maliq, Videni and Rushkula swampy plains were dried, ameliorative work was done at Laparditsa and Mifoli. A swamp drying project was initiated in the Mjuzeke plain, which will soon be transformed from a breeding ground for malaria into a granary of Albania. In the immediate future all of the swamps in Albania will be dried. The local population, especially that of the Vlora, Berat, Durres and Shkodra regions actively participate in the accomplishment of the drying projects.

Many large, average and small canals were constructed during the postwar period: the Naum-Pancho canal (34 kilometers) irrigates 2.2 thousand hectares planted area; the Ura-Kuchit canal (24 kilometers) irrigates an area of 2.5 thousand hectares; the Myuzeke canal

(38 kilometers) irrigates six thousand hectares; the Peqin-Kavaje canal (43 kilometers) irrigates seven thousand hectares and the canal from the Malaja Prespa lake that irrigates an area of two thousand hectares of planted land and many others aid the Albanian peasants to obtain abundant harvests.<sup>35</sup> It must be noted that under the conditions existing in Albania, the agricultural crop yield from irrigated plots is many times higher than that obtained from unirrigated land.

Soil erosion which is well developed both in hilly and plain zones is disastrous for the Albanian agriculture. 45.8% of the country's agricultural area yield poor harvests as a result of the constant soil degradation. Erosion brings losses not only to agriculture but threatens large ameliorative structures in the plains such as roads, bridges, reservoirs, hydraulic plants, and villages. The people's government has accomplished in the past and is presently accomplishing extensive work for the protection of the soil from erosion. Such projects amount to a correction of rivers by means of technical construction, the planting of trees along water reservoirs and the improvement of degraded forests.

Qualified personnel are needed in order to conduct such ameliorative projects. Each year Albanian agriculture receives hundreds of new specialists in agronomy, veterinarians, zootechnicians and ameliorative engineers.

An agricultural institute with three departments: agronomical, zoological and veterinary was established at Tirana in 1951 in order to train qualified personnel for work in agriculture. The institute is attended by approximately 300 students, the first class graduated in 1955. In addition to that, after the establishment of the people's government, a two year agricultural school was established for the training of brigade leaders in plant growing and for directors of animal husbandry farms. The country contains schools for the mechanizers of agriculture, for accountants and bookkeepers, these are short term agrozootechnical courses for training without an interruption of the student's regular job. Within the near future these courses will be completed by no less than 1,250 persons. The following numbers of specialists were trained by the end of 1957: 750 agronomists and agricultural technicians and 230 zootechnicians, 220 veterinarians and veterinary assistants, 140 agricultural specialists received their education in the USSR and People's Democracies.

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32. Zeri i popullit, 5 November 1958.
33. Anuari statistikor i R.P. Sh., Tirana, f. 94-95.
34. Zeri i popullit, 28 April 1959.
35. Dogonadze R.I., Sel'skoye Khozyaystvo Albanii, State Publishing House for Agricultural Literature, pages 203-204.

## CHAPTER IV

### A RISE IN THE MATERIAL WELFARE AND THE CULTURAL LEVEL OF THE WORKERS OF ALBANIA

The development of Albanian economy led to a considerable rise in the workers' standard of living. One of the most important indices of the improvement in their welfare is the increase in national income. The national income almost doubled by comparison with 1950. A major portion of it (76%) is utilized to satisfy the growing needs of the population. The growth in national income in percent (in terms of 1956 prices) is illustrated by the following data:<sup>1</sup>.

1950	1955	1956	1957	1958
100	170	173	198	200

Computed on a per capita basis the national income increased as follows:

	1950	1955	1958
In leks (in terms of 1956 prices)	15,468	23,291	27,190
In percent (1938 = 100)	144	217	253

The socialist sector's share in the national income of the country is increasing with every year, which is clearly evident from the table given below.

The government spends considerable sums for social-cultural measures. For this purpose the government spent 977.5 million leks in 1950, 2,080 million leks in 1955 and 3,055.7 million leks in 1957.<sup>2</sup>

The real wages of workers and employees increased over the past years, the peasants' incomes increased as well. During 1955 the real wages of workers and employees increased 20%, while the peasants' incomes increased 35%. By comparison with 1950 the real



wages of workers and employees increased 43% in 1958 and 54% in 1959. The peasants' income increased 60% in 1959 as compared with 1950.<sup>3.</sup>

The National Income by Sectors<sup>4.</sup>

National Income	1955	1956	1957
Total	100	100	100
Including:			
Share of the socialist sector	51.7	58.2	67.7
Share of the private sector	48.3	41.8	32.3

In accordance with a decision of the Central Committee of the Albanian Labor Party and of the Council of Ministers the wages and pensions for the low salaried workers were increased in January of 1957; a minimum monthly wage of 2,500 leks was established; effective January 1957 the pension paid to families of those who perished in the national-liberation struggle was increased, as well as the pension paid to military personnel, workers and employees.

An important factor for improving the welfare of the workers is social insurance. They receive pensions and grants from the social insurance fund. In case of sickness workers and employees receive compensation, the amount of which is determined on the basis of the particular individual's regular salary. In cases of complete or partial disablement workers and employees receive pensions. Old age pensions are also paid: to women at the age of 55, and to men after the age of 60.

Women receive pregnancy and delivery allowances and have a right to take a three month leave of absence with pay.

The state also pays an allowance to families with many children, on the basis of a certain amount per child less one. In 1950 the overall allowances for children amounted to 78.2 million leks while in 1957 it came to 169.5 million leks.<sup>5.</sup> In 1958 the kindergartens were attended by 6,472 children, while in 1938 there were no kindergartens at all.

The country devotes much attention to medical care of the population. All workers and their families receive free medical care. A whole series network of medical institutions were created in Albania for the preservation of public health: hospitals and outpatient clinics, maternity hospitals and women's wards were established. In 1957 there were 51 hospitals in the country, 11 tuberculosis dispensaries, 44 maternity hospitals,<sup>6.</sup> and 7,200 hospital beds (830 hospital beds in 1938). In 1958 there were 537 physicians while in 1938 there were only 102 physicians.

In 1959 the Council of Ministers of the People's Republic of Albania adopted a resolution directed at the preservation of the health of young children, according to which children up to one year of age receive free drugs and children of up to four years of age receive free hospitalization, regardless of whether their parents are employed or not. At the present time such diseases as tuberculosis, malaria and other diseases which destroyed entire villages in old Albania are now encountered with increasing rarity.

The result of such concern for public health is a rapid increase in the population of Albania. In accordance with the latest data, the population of Albania in April of 1958 was 1.5 million. By comparison with the last census in October of 1955 the population of Albania increased by 108,000, i.e. at a rate of 30,000 per year. This rate of growth is greater than in any other European country.<sup>7</sup> The birth rate increases constantly during the years of the people's government, while the death rate decreases. In 1955 the birth rate per thousand persons increased by 26% as compared with 1955, and the death rate decreased by 17%. In 1938 natural growth of the population per thousand persons was 16.9% while in 1950 it was 24.5%, in 1953 it was 27.1%, and in 1955 it was 20%.<sup>8</sup>

In the old Albania one of the most difficult problems was that of housing. The number of dwellings was very small, the workers were freezing in hovels and slums. At the present time the government spends extensive sums for the construction of housing. 480 thousand square meters of housing was constructed in the course of the First Five Year Plan in cities and workers' settlements. Some 17,000 new dwellings were constructed in the villages during that period of time.<sup>9</sup> During 1959 the workers will receive 220 thousand square meters of housing, 39% more than during 1958.<sup>10</sup> New cities and settlements appeared as a result of the extensive construction of housing such as Maliq, Cerrik, Patos and others.

The government extends long term low interest credit for housing construction by the population of cities and villages. In 1950 the amount of long range credit, extended to the inhabitants of the villages amounted to 63.7 million leks, and in 1957 it amounted to 319 million leks. 33.8 million leks of low interest credits were extended to the cities and 31.2 million leks for the villages in 1957.

An index of the improvement in the welfare of the people is the increase in the amount of the deposits into savings accounts and an increase in the commodity turnover. The amount of deposits in 1950 came to 38.8 million leks and in 1957 it was 485.2 million leks,<sup>11</sup> while the commodity turnover achieved the following levels: 7.298 million leks in 1950, 13,953 million leks in 1955 and 19,863 million leks in 1958.<sup>12</sup>

The commodity turnover is growing mainly on account of the socialist sector in trade, whose share of the overall turnover of commodities in Albania is increasing with every year. In 1948 the

socialist sector accounted for 57% of the commodity turnover, in 1950 --76.7%, in 1955 -- 81%, in 1957 -- 82.7%,<sup>13</sup> and in 1958 it accounted for 87.5%. The index of the socialist volume of trade shows the following growth:<sup>14</sup>

1950	1951	1952	1953	1954	1955	1956	1957	1958
100	116	140	170	185	204	220	270	272

During 1959 the population bought commodities at the following increased rates as compared with 1958: 29.8% more bread, 19.3% more sugar, 12.2% more milk, 4.8% more cotton fabrics, 11.5% more woolen fabrics, and 5.7% more footwear.<sup>15</sup>

The trading network of the socialist sector at the present time consists of up to 4,202 trading points many of which have several departments. The number of large specialty stores is increasing. A large clothing store opened at Tirana in 1959, a food store opened at Elbasan, etc.

Consumer cooperatives perform a big role in the commodity turnover in Albania, which were established after the liberation of the country. Its membership is increasing with every year. In 1956 over 80% of the peasant households became customers of the consumer cooperatives. In establishing rather extensive ties with the basic mass of the rural population the marketing and supply cooperatives, by systematically expanding their commodity turnover, acquired a large share of the overall national commodity turnover. (See the following table.)

Growth in the Commodity Turnover of the Consumer Cooperatives<sup>16</sup>  
(Million Leks)

	1950	1951	1952	1953	1954	1955	1956	1957	1958
Overall retail commodity turnover	7928	8056	9220	11032	12775	13953	15421	18306	19863
Consumer cooperative commodity turnover	3300	3792	4046	4423	4693	4898	5285	6163	--

Consumer cooperatives account for over one third of the overall commodity turnover in the socialist sector. It includes over two thousand stores and storage points, which supply the peasants with agricultural implements, building materials and other goods.

The purchasing power and cultural demands of the Albanian peasants have increased considerably. The toilers of the fields purchase radio receivers, bicycles, automobiles and other items. The amount of goods on the market in 1959 increased in the various categories as follows (compared with 1958): radio sets--five times more, automobiles--three times more, and a considerably greater selection of electrical appliances.<sup>17</sup>

The elimination of ration cards in 1956 and 1957 had considerable significance to the commodity turnover in Albania. In order to achieve a proper relationship between prices for industrial and agricultural goods and to stimulate a rapid growth in agricultural crop and livestock production, prices for mandatory deliveries were raised while prices on the surplus deliveries were lowered. As a result of this the real wages of the workers increased by 4% compared to the level that existed before the elimination of the ration card system.

The Albanian government lowers the state retail prices for food and industrial commodities almost every year. From 1950 to 1959 the prices were lowered eight times as a result of which the population received an additional income amounting to seven billion leks.

A regular decrease in industrial and food prices was made in April of 1959. Food prices were lowered as follows: bread -- by 18.5%, macaroni -- by 12%, pot butter -- by 6.7% and powdered sugar -- by 9.1%. Prices for certain widely used consumer goods were also lowered, including footwear prices which were lowered by 5 to 15%. The annual gain for the population as a result of a new drop in prices amounts to 1 billion 515 leks.<sup>18</sup>

During the course of the Second Five Year Plan the commodity turnover in the socialist sector of trade must increase by no less than 42% in comparison with the First Five Year Plan. The sale of sugar to the population during the five year period will increase by almost 40%, that of meat and fish will increase by 81%, that of woolen fabrics by 35% and 79% more footwear will be sold to the population during that period.<sup>19</sup> There will also be an improvement in the supplying of the peasants with building materials. The sale of radio receivers will increase, as well as that of bicycles, furniture, ready-made clothing and other widely used consumer goods. The network of stores will be expanded and the assortment of goods will be increased.

A veritable revolution occurred during the years of the people's government in the cultural sphere, the political and social cognizance of the Albanian people increased immeasurably.

The population of Albania lagged behind many other peoples of Europe in their cultural development. Before the Second World War more than 80 persons out of a hundred were illiterate. The country did not only not have a single institution of higher learning but it did not even have any secondary technical educational institutions.

An educational reform was conducted in Albania in 1946 and a law for mandatory elementary education was adopted. General education was made mandatory as of 1953. The table below illustrates the increase in educational institutions and in the number of students attending them.

Albania contains six higher educational institutions which include a politechnical, agricultural, pedagogical, economic planning, medical and law institutes. Recently the first university in the history of the country was founded there. Many instructors working at the above institutes were educated in the Soviet Union. 852 students are studying in the USSR and the People's Democracies. Evening and correspondence courses occupy a place of importance in the educational system. These courses are now being taken by over 19 thousand persons.<sup>20.</sup>

The Central Committee of the Communist Party of the Soviet Union adopted a resolution in honor of the 15th anniversary since the liberation of the Albanian people, on the construction of a Palace of Culture at Tirana--a gift of the Soviet Union to the Albanian people. The useful area of the Palace of Culture will amount to approximately eight thousand square meters, the volume of the building will be approximately 55 thousand cubic meters. Albanian workers heartily thank the Soviet people for such a generous gift.

Considerable successes were attained in artistic and cultural development. There are approximately 16 houses of culture, 534 reading rooms, 12 museums, and 72 permanent motion picture theaters, a symphony orchestra was created, as well as motion picture studios, five theaters, 13 libraries with approximately 550 thousand books. Eight newspapers and 19 magazines and bulletins are published in modern Albania. The number of publication of books after the liberation of Albania came to over 2,416 thousand copies.<sup>21.</sup> The number of motion picture theater seats in Albania increased fourfold and the number of readers in the libraries increased eightfold by comparison with the prewar period.

Albanian art is blossoming. Plays by young Albanian play writers are being performed on the stage of the national theater. Such play writers as Kol' Yakov, Besim Levon', and Fatmir G'yat. Plays based on world literary classics as well as plays by Soviet dramatists are also performed. The motion picture studio "New Albania" built in 1952 is now producing documentary and artistic films for the first time in the history of Albania.

Increase in Educational Institutions and in the Number of Pupils and Students<sup>22</sup>.

	1938-39	1950-51	1954-54	1955-56	1957-58
	sch. yr.	sch. yr.	sch. yr.	sch. yr.	sch. yr.
General education schools	649	2,222	2,430	2,522	2,678
Number of students	55,404	172,276	183,219	196,800	219,893
Pedagogical technical schools	3	8	9	9	10
Number of students	675	1,935	2,443	2,077	2,301
Departments of education by correspondence (lower category)	11	8	21	15	17
Number of students	204	1,918	4,301	4,964	5,234
Departments of higher educational institutions	--	5	19	22	22
Number of students	--	130	1,147	2,301	3,351

One of the important achievements of the people's government of Albania is the emancipation of women, their active participation in production and social-political life of the country. Tens of thousands of women are engaged at the enterprises and institutions of Albania. Before the war 90% of the women were illiterate. During the years of the people's government most of the women learned how to read and write. Hundreds of women completed higher education institutions, they became doctors, engineers and agronomists.

Achievements in the development of the material and cultural levels of the Albanian people became possible due to the successful development of the national economy, to the great labor enthusiasm of the workers of Albania and to the multilateral and selfless aid extended by the countries of the socialist camp.

1. Anuari statistikor i R.P. Sh., (Statistical Handbook of the Albanian People's Republic), Tirana, 1958, f. 133.

2. Ibid., page 137.
3. Materialy III S"yezda APT (Material on the III Congress of the Albanian Labor Party), State Publishing House for Political Literature, Moscow, page 254; Pravda, 29 November 1959.
4. Anuari statistikor i R.P. Sh., Tirana, 1958, f. 133.
5. Ibid., page 136.
6. Ibid., page 169.
7. Informatsionnyy Byulleten' Albanii (The Information Bulletin of Albania, 1958, No. 15, page 6.
8. Materialy III S"yezda APT, Moscow, State Publishing House for Political Literature, 1957, pages 199-200.
9. Informatsionnyy Byulleten' Albanii, 1958, No. 2, page 3.
10. Ibid., 1959, No. 2, page 8.
11. Anuari statistikor i R.P. Sh., Tirana, 1958, f. 136.
12. Ibid., page 123.
13. Ibid., page 130.
14. Ibid., page 124.
15. Zeri i popullit, 31 January 1960.
16. Anuari statistikor i R.P. Sh., Tirana, 1958, f. 123.
17. Informatsionnyy Byulleten' Albanii, 1959, No. 3, page 3.
18. Zeri i popullit, 28 April 1959.
19. Materialy III S"yezda APT, Moscow, State Publishing House for Political Literature, 1957, page 384.
20. Ibid., page 199.
21. Anuari statistikor i R.P. Sh., Tirana, 1958, f. 161-165.
22. Ibid., pages 140-141.

## CHAPTER V

### THE ECONOMIC COOPERATION OF ALBANIA WITH COUNTRIES OF THE SOCIALIST CAMP

Economic cooperation among socialist countries is a hitherto unheard of sample of brotherly mutual aid, a coordinated development of national economy of a number of countries, by a practical realization of the principles of proletarian internationalism. It allows a maximum utilization of the great advantages of the socialist methods of production; it also consolidates the economic might of every country and strengthens the international positions of the entire socialist camp. Various forms of cooperation and mutual aid among the socialist countries are: an equalitarian and mutually advantageous foreign trade, the extension of loans and credit, the supplying of sets of equipment for industrial enterprises, scientific-technical cooperation and coordination of national economic plans for the cooperativization and specialization of industry were developed and perfected along with the development of the world socialist system.

The People's Republic of Albania is an inalienable part of the unified world socialist system of economy; the development of its entire economy is in close contact with the economy of the socialist camp and primarily with that of the Soviet Union. Coordination in the development of the national economy within the socialist camp facilitates and accelerates the industrialization of the country and permits the appropriation of considerable sums for a proportional development of all branches of the economy. Foreign trade performs a significant role in the sphere of economic cooperation among the socialist countries. In prewar Albania foreign trade was serving the interests of large imperialist powers. Italian, French and German monopolies exported livestock, livestock products, oil, bitumen and timber out of Albania at low prices. Exporting oil, Albania was forced to import gasoline, kerosene and other petroleum products as it did not have a domestic oil refining industry; exporting wool it imported woolen fabrics, for the textile industry was not developed in the country. The imperialist countries sold finished products of the light and food industry in Albania and provided almost no machinery or equipment, as they were striving to subjugate the country to a greater degree in their interests, and to immortalize its economic backwardness. The share of machinery and equipment in the import trade of Albania comprised only 4.4% of the total imports.



A state monopoly of foreign trade was established in the NRA in 1946. All export-import operations are conducted by two state foreign trade enterprises: "The State Import Enterprise" and "The State Export Enterprise." Private trading with foreign firms is prohibited in Albania. All trade is conducted on a basis of inter-governmental agreements, concluded with other countries.

The People's Republic of Albania is a permanent member of the Council of Mutual Economic Assistance. It conducts trade with the USSR and with People's Democracies on the basis of long term and one year agreements, as well as on the basis of protocols that are signed on the basis of long term agreements. The exchange of goods between the NRA and the USSR and with other socialist countries is growing with every year.

During the last several years Albania's commercial ties with capitalist countries such as Italy, Finland, Switzerland and Germany have expanded. Italy accounted for the largest share of the trading. In 1958 Albania traded with 22 countries. The foreign trade turnover increases from year to year between 1950 to 1959:

1950	1951	1953	1956	1957	1958	1959
100	170	178	203	290	377	422

During recent years the commodity structure of the country's foreign trade changed considerably. Formerly up to 60% of Albanian exports were comprised by agricultural and livestock products, 20% were oil and bitumen while in 1959 52% of all exports were mineral raw materials, and 19.5% were finished products.<sup>1</sup>

Changes occurred in the import structure of the country. In 1939 the importation of machinery and equipment into Albania comprised 4.4%, that of raw materials and other materials amounted to 48.5%, consumer goods -- 34.8%, grain --12.3% while in 1950, the imports were as follows (in the same order): 47%, 36.9%, 14%, 2.1%.<sup>2</sup> A decrease in the volume of consumer goods is primarily due to a curtailment in the importation of sugar, cotton fabrics, a decrease in the importation of woolen fabrics and of other consumer goods, as these commodities are now manufactured in large quantities by the Albanian industry.

Hundreds of merchant vessels annually call on the ports of Durres and Vlora, that deliver the most varied selection of cargo from Odessa, Varna, Constanza and other cities that are needed for the country's national economy. On return runs the boats carry Albanian export goods. The variety of Albanian exports is expanding with every year. At the present time Albania exports at least 80 different varieties of goods, including oil, chromium

ore, copper, cement, tanning extract, tobacco, plywood, hides, medicinal herbs, etc. During years the selection of exported goods included one more commodity -- cloth. The trade name of the combine Stalina began to figure in trade agreements. Dyed cotton fabrics found a widespread demand in the new China, and the Albanian coarse wool blankets -- in the European People's Democracies. The Soviet Union receives 95% of the Albanian petroleum exports, 76% of petroleum asphalt, 38% of the natural bitumen, 12% of the blister copper, and 76% of the tobacco.<sup>3</sup>

Albania imports ferrous and non-ferrous metals, chemicals, dyes, equipment, spare parts for automobiles as well as cotton, wheat and other goods from the USSR, in addition to equipment and materials for the petroleum industry, agriculture and for conducting ameliorative work.

Czechoslovakia occupies the second most important position in Albania's foreign trade turnover next to the USSR, followed by the Chinese People's Republic and the German Democratic Republic. Albania's trade with Czechoslovakia, the German Democratic Republic, Poland and Hungary is conducted on a basis of long term agreements on commodity turnover and payments extending through 1958-1960.

In the future Albania's export of livestock products, canned goods, citrus crops, as well as of bitumen and petroleum products must be considerably increased, which will be conducive to an increase in the import of equipment and metals that are needed to liquidate the technical-economical backwardness of the country.

In order to even out the trade balance of the country, whose deficit is at the present time covered with credit extended by the USSR and by other socialist countries, the February Plenum of the Central Committee of the Albanian Labor Party (1958) adopted a resolution regarding the development of exports at a more rapid tempo with relation to the imports. It is stipulated to attain an expansion of exports on the basis of a development of the mining industry and primarily on the basis of an expansion of the petroleum industry. It is planned to considerably increase the export of chromium ore, tobacco and other goods with a simultaneous curtailment in the import of commodities, the production of which is being organized domestically. Such goods would include petroleum products, spare parts, fertilizers and other commodities.

Albania's economic ties with other socialist countries is not limited by an exchange of commodities. Of important significance in a successful development of the national economy of Albania is its scientific-engineering cooperation with the Soviet Union and with the People's Democracies. The Soviet Union provided Albania free of charge with 17 plans in capital construction, component blueprints on various machinery and equipment, the description of technological processes as well as various production samples. Albanian specialists were offered the opportunity to familiarize themselves with the scientific-engineering achievements and

with the advanced production experience directly at Soviet enterprises and at scientific-engineering institutions, which is of great significance in the training of national cadres. 61 Albanian specialists underwent technical-production training in the USSR at enterprises of the petroleum industry, spinning mills, etc.

Rumania provides Albania with various types of technical data regarding the extraction of oil, as well as on the chemical and metalworking industry. Czechoslovakia extended considerable positive influence on the development of the shoe and ceramic industry, in the maintenance of motor vehicles and in the mining of iron-nickel ore.

Scientific-technical cooperation provides Albania with the possibility of implementing advanced production technology with a minimum expenditure of energy, funds and time, as well as to utilize raw material and power resources in a full and more rational manner, and to accelerate the tempo of high quality production. Due to the economic cooperation and the multilateral and selfless aid extended to Albania, the formerly backward country is now steadily proceeding along a path of scientific and engineering progress.

The assistance provided by the Soviet Union performs a great role in the development of the Albanian economy. The USSR extended considerable credits to the NRA at a low rate. A great number of enterprises were constructed on the basis of these credits according to plans drawn by Soviet organizations and with the assistance of Soviet specialists, such as the textile combine imeni Stalina, the "Selita" hydroelectric power plant, a sugar mill, a woodworking combine, gin mills, equipment for a hydroelectric power plant imeni K. Marksa, an oil refinery, oil pipelines Stalin-Cerrik, a cement factory and many other enterprises. Taking into consideration that despite the success that has been achieved, the difficult heritage of economic backwardness of the past is still not completely liquidated, the government of the Soviet Union decided to provide the Albanian people with these enterprises as a gift from the Soviet people. As result the NRA will not be required to repay the debt of 422 million rubles.

In 1957 an expedition was sent from the USSR to Albania for conducting planning-survey work in amelioration and irrigation, along with geological prospecting specialists. Soviet economists extended considerable aid in the compilation of a prospective plan for development of the national economy of Albania for 1961-1975.

Of great importance is the Agreement of 22 November 1957 regarding aid by the USSR to the NRA in the development of its national economy during 1957-1960, as a result of which long range credit in the amount of 160 million rubles at low interest was extended to Albania, and by the end of 1958 she received long range credit in the amount of 300 million rubles for 1961-1965. The credit was designated for paying for technical aid, the supply

of equipment and materials for enterprises which will be constructed in Albania with the aid of the Soviet Union. In addition to that the Soviet Union extended 35 million rubles in credit to Albania for payment on equipment for the petroleum industry, which will be delivered from the USSR to Albania during 1959-1960.<sup>4</sup> The extended credit includes the USSR's aid to Albania in planning and construction of power transmission lines, a nitrogenous fertilizer plant, a cement plant, the reconstruction and expansion of the port of Durres, of the accomplishment of geological-survey projects prospecting for oil deposits, etc., during the Second and Third Five Year Plans.

An agreement was signed in March of 1959 regarding the turnover of goods and economic cooperation for 1960-1965; an agreement was also reached on the extension of technical and economic aid by the Soviet Union to the People's Republic of Albania for the construction and expansion of a number of industrial enterprises through the development of designs and plans and a delivery of component equipment and materials as well as of machinery and equipment, the rolling of non-ferrous metals, pipes, coke, chemicals and other goods. The People's Republic of Albania will supply the USSR with blister copper, oil, bitumen, tobacco, cigarettes, plywood, sardines, fruit and other goods.

Such types of economic cooperation between Albania and other countries of the socialist camp as the delivery of sets of equipment for industrial enterprises, which is important for the development of the productive forces of the NRA, are developing with every year. The German Democratic Republic imports sets of equipment for the food and textile industries into Albania, Rumania imports equipment for the petroleum industry, Hungary imports electrical equipment, Czechoslovakia imports equipment for the footwear, textile and the ceramic industry.

Specialists from the People's Democracies extend considerable technical aid to Albania. Czechoslovak technicians assisted Albania in the manufacture of a new type of production (likus) at the woodworking combine in the city of Elbasan, in the perfection of cold and hot processing of metals, and in the exploitation of chromium mines. Polish specialists extended their aid in the construction of a glass works at Tirana and are continuing surveys for coal deposits at Alyarup. The German Democratic Republic provided the equipment for an automatic telephone exchange, and equipment for a machine-tractor station. German geologists conducted surveys for phosphorites. Bulgarian specialists constructed an earthenware plant and a plant for the manufacture of starch. The Bulgarian specialists extend considerable aid in the development of tobacco growing and amelioration.

Albania also shares its experience with friendly countries. Albania, for instance, provides Bulgaria with planting material

and valuable species of fish for breeding; to Hungary it extended its experience in the technology of carpet making as well as high grade seed; China received technical manuals on the production of ceramic tiles from Albania; Czechoslovakia received grapevine plantlings and samples of medicinal and aromatic herbs.

A new stage in the development of economic cooperation of Albania with the socialist countries is coordination of the Five Year Plans and agreements for mutual deliveries of commodities for 1961-1965. An agreement for the exchange of commodities between Poland and Albania for 1961-1965 was signed at Warsaw in 1959. Poland will supply Albania with ocean vessels, railway cars, various machinery and equipment, coke, steel products, textile and pharmaceutical items. Albania will import chromium ore, asphalt, copper, cotton, et. into Poland. An agreement for an exchange of commodities and economic cooperation in the sphere of heavy and food industries was signed between government delegations of the German Democratic Republic and Albania. This agreement stipulates a considerable increase in the mutual exchange of commodities. The People's Republic of Albania will import oil, chromium ore, copper, plywood, canned fish, tobacco and fruit into the German Democratic Republic, while the German Democratic Republic will supply Albania with industrial equipment, mineral fertilizers and consumer goods.

The significance of the various forms of economic cooperation to the development of the productive capabilities of Albania is very great. It made a big leap from the century old semi-feudal backwardness, basically circumventing the capitalist stage, to the building of socialism.

Comrade N.S. Khrushchev at a meeting in Tirana stated in his speech that "Your country serves as an example of how countries formerly economically backward, leaning on the experience, aid and support of other socialist countries are able to rapidly develop their economies and cultures. The gradual levelling of all of the cultures of the socialist countries is a law of the development of the world socialist system. Which, in turn, establishes premises for all socialist countries to enter into the highest phase of the communist society."<sup>5</sup> The great successes attained by the Albanian people during the 15 years of life under freedom are closely associated with the leading role of the Albanian Labor Party, and with its Leninist Central Committee headed by comrade E. Hoxha.

The workers of the People's Republic of Albania know that the time is not far when their country will become a pearl among the People's Democracies. The example set by the small socialist Albania will be a lesson to all countries of the Mediterranean basin, who see the successes being attained by the people when they take the power into their own hands and build their country on a socialist basis, guiding themselves with the immortal Marxist-Leninist doctrines.

1. Voprosy Ekonomiki (Economic Problems), 1959, No. 11, page 129.
2. Ibid.
3. Vneshnyaya Torgovlya (Foreign Trade), 1958, No. 10, page 11.
4. Pravda, 26 May 1959 and 1 June 1959.
5. Pravda, 2 June 1959.