

**A STUDY ON THE WEAK RULE OF LAW IN ALBANIA:
WITH MAIN EMPHASIS ON THE HISTORICAL, SOCIAL AND
POLITICAL DEVELOPMENTS**

March 2012

**NIIGATA UNIVERSITY GRADUATE SCHOOL OF
MODERN SOCIETY AND CULTURE**

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Abstract

In present days, there are many discussions between academics, policy makers and researchers related to Albania's candidacy to join EU membership. Because of the past influence of Turks, some of them consider Albania to be a Muslim country. On other hand, based on historical and geographical borders, facts and proof lead us to the conclusion that Albania is certainly an European country.

However, from a geographical viewpoint, Albanian people consider their country to be European country because it is a part of European continent. Referring to the historical, cultural and political developments, we can understand that Albania has been isolated two times from the Western Europe.

The first isolation occurred six hundred years ago by the Turkish Empire, which turned it into an Ottoman region for about five hundred years.

The second isolation is the period after the Second World War II when Albania become part of communist block for about forty five years.

Despite their long separation from Western Europe the Albanian people of today, consider themselves as Europeans. Therefore, they consider the accessions to the European Union as their final destination. At the same time the European integration is well recognized and is considered as very important factor to achieve the prosperity and development in Albania.

However, an experience indicates that historic, cultural, religious and geographical factors are not enough for a country to be e member of EU. The basis to enter the EU is liberal democracy, which means that EU will accept countries that for certain perform the universal and impartial criteria in their domestic and international implementation. These are called "Copenhagen Criteria" and these criteria require the ensuring and preserving political and government stability, development of good governance, rule of law, developing civil society, fostering human rights, minority protection and fighting corruption, organized traffic and organized crime. In addition, these criteria require an improvement of the public administration structure and function, as well as acquiring the approximation of Albanian legislation to the EU laws.

Acknowledgment

I would like to express my sincere thanks to my dissertation committee members: Kasumi Sawada, Takeshi Baba and Yasuki Masui. Professor Sawada guided me throughout this effort as chair and advisor with his great support especially aiding my academic and intellectual development. With his patient guidance and generous advice Professor Sawada provided me during the Doctoral Program. He helped me feel a part of his *kenkyushitsu* and gave me a deep understanding of scholar idea.

Professor Baba and Professor Masui offered a depth of knowledge and insight about strategy and pushed me to make this research more relevant with their productive advice. I am also indebted to Professor Masayuki Yoshida for its assistance during my fieldwork.

Niigata University and Graduate School of Modern Society and Culture provided me with a much needed working environment and office space. I thank Junko Ishida and Atsushi Yamamoto for their technical assistance.

This research would not have been completed without the support of many people during my stay in Japan. I am indebted to the Professor Toshikatsu Tomizawa of Kobe Gakuin University Graduate School of Law Practices and Professor Koji Takahashi of Yamagata University for their generous advice on various aspect of life in Japan. I also want to thank Daniel Smiley and Sukumaran Sathish Kumar for proofreading of my English.

I thank my family for their unquestionable support and patience that also greatly contributed to have this research written. I thank and apologies to my two sons Blearb (9 years old) and Rian (2 years old), especially eldest son Blearb for his understanding and hours spend only with his mother without complaint.(this would be hard to except from a child, especially boy), he proved to be unusually mature despite his young age. Finally I thank my wife for her generous encouragement and support.

I dedicate this research to my parents and my family whose love, diligence and courage have always been my lights.

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Introduction

The end of the Cold War and the breaking of the Soviet Union led the most countries of the communist block to a process of opening up. This process, described by Samuel Huntington as part of a “third wave of democracy”¹, introduced the concept of democracy: it moves from a break up of an authoritarian regime, through transition, and towards democratic consolidation.

Like other former communist countries in Eastern Europe, Albania was involved in this wave. While most of these countries have successfully achieved the consolidation of democracy and are presently members of European Union, this has not happened in Albania, where an endless number of issues continues to hold the nation back and hampers the consolidation of democracy.

In December 2007 the European Council² reconfirmed the EU’s commitment³ that the future of the Western Balkans lies in the European Union. It repeated that:

“Each country’s progress towards the European Union depends on its individual

¹ Huntington, Samuel., *“THE THIRD WAVE: Democratization in the Late Twentieth Century”*, University of Oklahoma Press, 1992, p. 28.

² The European Council defines the general political direction and priorities of the European Union. With the entry into force of the Treaty of Lisbon on 1 December 2009, it became an institution. The European Council provides the Union with the necessary impetus for its development and defines the general political directions and priorities thereof. It does not exercise legislative functions. The European Council was created in 1974 with the intention of establishing an informal forum for discussion between Heads of State or Government. It rapidly developed into the body which fixed goals for the Union and set the course for achieving them, in all fields of EU activity. It acquired a formal status in the 1992 Treaty of Maastricht, which defined its function as providing the impetus and general political guidelines for the Union's development. On 1 December 2009, with the entry into force of the Treaty of Lisbon, it became one of the seven institutions of the Union.

<http://www.european-council.europa.eu/the-institution?lang=en>, <last accessed on 11/01/2012>.

³ EU– Western Balkans Summit Declaration: We the Heads of State or Government of the member States of the European Union...1. We all share the values of democracy, the rule of law...to which we are all committed. 2. ...The future of the Balkans is within the European Union...

http://ec.europa.eu/enlargement/enlargement_process/accesion_process/how_does_a_country_join_the_eu/sap/thessaloniki_summit_en.htm, <last accessed on 28/12/2011>.

efforts to comply with the Copenhagen criteria⁴ and the conditionality of the Stabilization and Association Process (SAP)⁵. A country's satisfactory track-record in implementing its obligations under a Stabilization and Association Agreement (SAA)⁶ is

⁴ 1993 Copenhagen European Council Accession Criteria hereinafter called Copenhagen criteria are the rules that define whether a country is eligible to join the European Union. The criteria require that a state has the institutions to preserve democratic governance and human rights, has a functioning market economy, and accepts the obligations and intent of the EU. These membership criteria were laid down at the June 1993 European Council in Copenhagen, Denmark, from which they take their name and strengthened by the Madrid European Council in 1995.

http://www.europarl.europa.eu/enlargement/ec/pdf/cop_en.pdf, p.1, <last accessed on 18/11/2011>.

⁵ The Stability Pact for the South Eastern Europe (SEE) was the first serious attempt by the international community to replace the previous, reactive crisis intervention policy in South Eastern Europe with a comprehensive, long-term conflict prevention strategy. On 10 June 1999, at the EU's initiative, the Stability Pact for South Eastern Europe was adopted in Cologne. In the founding document, more than 40 partner countries and organizations undertook to strengthen the countries of South Eastern Europe "in their efforts to foster peace, democracy, respect for human rights and economic prosperity in order to achieve stability in the whole region". At a summit meeting in Sarajevo on 30 July 1999, the Pact was reaffirmed. The countries of the region are Albania, Bosnia-Herzegovina, Bulgaria, Croatia, Moldova, Montenegro, Romania, Serbia and The Former Yugoslav Republic of Macedonia.

<http://www.stabilitypact.org/about/default.asp>, <last accessed on 11/11/2011>.

The Stabilization and Association Process (SAP), is the framework for EU negotiations with the Western Balkan countries, all the way to their eventual accession. It has three aims: 1) stabilizing the countries and encouraging their swift transition to a market economy; 2) promoting regional cooperation; 3) eventual membership of the EU. Freedom House has opposed tyranny around the world, including dictatorships in Latin America, apartheid in South Africa, Soviet domination of Central and Eastern Europe, and religiously-based totalitarian regimes such as those governing Sudan, Iran and Saudi Arabia. Freedom House has promoted the growth of freedom by encouraging U.S. policymakers, international institutions, and the governments of established democracies to adopt policies that advance human rights and democracy around the world. At the same time, Freedom House provides support to individuals working in the world's young democracies to overcome debilitating legacies of tyranny, dictatorship and political repression; as well as to activists working in repressive societies to bring about greater freedom and openness.

<http://ec.europa.eu/enlargement>, <last accessed on 11/11/2011>.

⁶ In talks with countries who have expressed the wish to join the European Union (EU), the EU typically concludes Association Agreements (SAAs) in exchange for commitments to political, economic, trade, or human rights reform in a country. SAAs are part of the EU Stabilization and Association Process (SAP).

an essential element for the EU to consider any membership application"⁷.

According to Article 49 of the Treaty on European Union⁸, any European country may apply for membership if it respects the principles of liberty, democracy, respect for human rights and fundamental freedoms, and the rule of law. Accession, however, can only follow if the given European country fulfils all criteria of accession which were fixed by the 1992 Treaty of Maastricht⁹ that sets the geographical criteria and the general policy criteria, the 1993 European Council in Copenhagen which was reinforced by the 1995 European Council in Madrid and set political, economic and legislative criteria.

The first political criterion is democracy. Functional democratic governance requires that all citizens of the country should be able to participate, on an equal basis, in the political decision making at every single governing level, from local municipalities up to the highest, national, level. This also requires free elections with a secret voting process and the right to establish political parties without any interference from the state; fair and equal access to a free press¹⁰.

SAAs are based mostly on the EU's Acquis communautaire and predicated on its promulgation in the cooperating states legislation.

<http://www.stabilitypact.org/about/default.asp>, <last accessed on 11/5/2011>.

⁷ "European Commission Staff Working Document Analytical Report", Brussels, 09 November 2010, p.3.

⁸ Article 49 of Treaty on European Union states that: Any European State which respects the principles set out in Article 6(1) may apply to become a member of the Union. Article 6(1) states: The Union is founded on the principles of liberty, democracy, respect for human rights and fundamental freedoms, and the rule of law, principles which are common to the Member States. For more details see: Official Journal of the European Union, "EUROPEAN UNION, CONSOLIDATED VERSIONS OF THE TREATY ON EUROPEAN UNION AND OF THE TREATY ESTABLISHING THE EUROPEAN COMMUNITY", 29/12/2006, p. 6 and p. 34.

⁹ The Maastricht Treaty (formally, the Treaty on European Union or TEU) was signed on 7 February 1992 by the members of the European Community in Maastricht, Netherlands. On 9–10 December 1991, the same city hosted the European Council which drafted the treaty. Upon its entry into force on 1 November 1993 during the Delors Commission, it created the European Union and led to the creation of the single European currency, the euro. The Maastricht Treaty has been amended to a degree by later treaties.

<http://www.eurotreaties.com/maastrichttext.html>, <last accessed on 29/11/2011>.

¹⁰ "EUROPEAN COUNCIL IN COPENHAGEN 21-22 JUNE 1993 CONCLUSIONS OF THE PRESIDENCY", p. 5, Copenhagen European Council

<http://europa.eu/rapid/pressReleasesAction.do?reference=DOC/93/3&format=HTML&aged=1&language>

The second political criterion is the Rule of Law. The European Union does not have any specific definition for the Rule of Law. The European Union considers the Rule of Law as a principle of governance in which all persons, institutions, public and private entities including the government itself, are accountable to laws¹¹. Laws are publicly proclaimed, equally enforced and independently determined, and which are consistent with international human rights standards¹². It requires, as well, equality before the law, accountability to the law, fairness in the application of the law, separation of powers, participation in decision-making, legal certainty, avoidance of arbitrariness and procedural and legal transparency¹³. The rule of law implies that government authority may only be exercised in accordance with documented laws, which were adopted through an established procedure. The principle is intended to be a safeguard against arbitrary rulings in individual cases¹⁴.

Although there are many interpretations and concepts of the rule of law, for the purpose of this study we will treat only the two following features. Firstly, all people (including the politicians and government) should be ruled by the law and obey it. Secondly, the law should be such that people should be able to be guided by it¹⁵.

From these two features we can discern some basic principles. One of these is the value of certainty, which requires that all laws should be prospective, open, clear and stable so as to maximize the autonomy of the individual. Another principle is that of generality which requires that in addressing the control of the conduct of people from different classes, law must be impersonal and non-particularized¹⁶. Equality is the final principle. It embodies the idea that all people should be equally subject to the law. Traditionally this has been seen to encompass a formal conception of equality, meaning that everyone will be treated the same regardless of the differences between them. It requires that all have the same negative liberties (freedoms from interference). It also requires that these liberties should be protected in the same manner¹⁷.

=EN&guiLanguage=en <last accessed on 21/08/2011>.

¹¹ Samuels, Kirsti "Rule of Law Reform in Post-Conflict Countries: Operational Initiatives and Lessons Learnt", World Bank Social Development Papers, Conflict Prevention & Reconstruction, Paper No. 37, October 2006, p. 3.

http://siteresources.worldbank.org/INTCPR/Resources/WP37_web.pdf

¹² United Nations "Report of the Secretary-General on the Rule of Law and Transitional Justice in Conflict and Post-Conflict Societies", 23/08/2004, p.4.

¹³ EC in Copenhagen, *supra* note 10.

¹⁴ *Ibid.*

¹⁵ Raz, Joseph, "The Rule of Law and its Virtue" (1977) 93 Law Quarterly Review, p. 198.

¹⁶ *Ibid.* p. 197.

¹⁷ *Ibid.* p. 198.

The third political criterion is the human rights. Human rights are those rights which every person holds because of his quality as a human being; human rights are “inalienable” and belonging to all humans¹⁸.

The basis to enter the EU is liberal democracy, which means that EU will accept countries that satisfy universal and impartial criteria in their domestic and international implementation.

Unfortunately, statistics show that Albania is still very far from meeting these criteria which are essential requirements for EU membership. Albania is very far even from having a basic system of democratic institutions¹⁹. At the same time its attempts to hold free and fair elections have ended with failure every time²⁰. Political parties are not responsible for their duty, and an independent media as well as a vigorous society are not free to perform their activities. More detailed information for the above mentioned statistics is presented in Chapter I.

In order to satisfy this set of requirements, several of the central European states that recently joined the EU had to drastically improve their judicial procedures, make them more transparent, introduce accessible procedures for appeal and take measures against certain communist-party nominees in judicial ranks²¹.

Although all of these problems and challenges cannot be treated in this paper, this study is focused on the rule of law, why its enforcement is a very difficult process, its development and the factors that have influenced its weakness.

As all of us live under a legal system we must be in touch with the law in many aspects of our daily lives. The law sometimes presents itself to us in an unattractive way when it requires that we do things we would prefer not to do or that we believe are evil to do. At other times the law can appear almost beautiful when it protects us from harm or helps us to do something that we very much want to do²².

According to *John Locke*²³, the end of the law is, not to abolish or restrain, but to

¹⁸ *Ibid.* p.3.

¹⁹ European Council, Parliamentary Assembly, “*The functioning of democratic institutions in Albania Report*”, Doc. 12113, 11/01/ 2010, p. 4.

²⁰ Joint statement by EU High Representative Catherine Ashton and Commissioner Stefan Fule on Albanian 2011 elections.

<http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/11/526&format=HTML&aged=0&language=EN&guiLanguage=en>. <last accessed on 29/12/2011>.

²¹ European Council Parliamentary Assembly *supra* note 19, at. 7

²² Raz, *supra* note 14, at 200.

²³ The British philosopher John Locke (1632-1704), was especially known for his liberal, anti-authoritarian theory of the state, his empirical theory of knowledge, his advocacy of religious toleration, and his theory of personal identity. In his own time, he was famous for arguing that the divine right of kings is supported neither by scripture nor by the use of reason. In developing his theory of our

preserve and enlarge freedom. For in all the states of created beings capable of laws, where there is no law there is no freedom²⁴.

One thing that we cannot do is to avoid the law. Whether we like it or not, it is a constant feature of our lives and is likely to remain so in any life that would hope to be social, civilized and predictable. However, it is true that most of us are unclear about the principles that are used in evaluating law and human conduct generally. On the one hand, we like equality and freedom, and common goods. On the other hand, we are not clear about what these ideas mean and how these principles may be formulated.

The issues of normative jurisprudence that may be exemplified in legal process are often defining the rule of law. Also, the idea of obedience to law is another important requirement associated with the rule of law.

Lon Fuller²⁵ found that there are eight requisites that comprise a procedural morality of law. They are:

1. *that law is sufficiently general (there must be rules);*
2. *it is publicly promulgated;*
3. *prospective;*
4. *clear and intelligible;*
5. *it is free of contradictions;*
6. *sufficiently constant to enable people to order their relations;*
7. *not impossible to obey; and*
8. *it must be administered in a way sufficiently congruent with the wording of its written rules so that people can abide by them*²⁶.

According to Fuller these requisites are the minimum set of standards that law had to follow and, if the proposed law substantially failed to satisfy the standards it would lose

duty to obey the state, he attacked the idea that might makes right: Starting from an initial state of nature with no government, police or private property, we humans could discover by careful reasoning that there are natural laws which suggest that we have natural rights to our own persons and to our own labor. Eventually we could discover that we should create a social contract with others, and out of this contract emerges our political obligations and the institution of private property. This is how reasoning places limits on the proper use of power by government authorities.

<http://www.iep.utm.edu/locke/>, <last accessed on 29/12/2011>.

²⁴ "THE WORKS OF JOHN LOCKE IN TEN VOLUMES: A NEW EDITION, CORRECTED", VOL. II, CHAPTER XXVIII, p. 104.

²⁵ Fuller, Lon (June 15, 1902 – April 8, 1978) was a noted legal philosopher, who wrote The Morality of Law in 1964, discussing the connection between law and morality.

²⁶ *Ibid.*

its status as a law.

In defining the rule of law, liberals have often relied on two different conceptions of law, one procedural and rule-based, the other more substantive and rights-based²⁷. These theories differ in the way that they emphasize particular principles of the rule of law over others, such as generality over equality or *vice versa*²⁸.

In contrast, rights-based theories are more concerned with the recognition and formulation of the rule of law as a form of political morality. According to Ronald Dworkin²⁹, a rights-based conception of the rule of law:

*“The Rule of Law assumes that citizens have moral rights and duties with respect to one another, and political rights against the state as a whole. It insists that these moral and political rights be recognized in positive law, so that they may be enforced upon the demand of individual citizens through courts or other judicial institutions. ... The rule of law on this conception is the ideal of rule by an accurate public conception of individual rights. It does not distinguish, as the rule-book conception does, between the rule of law and substantive justice; on the contrary it requires, as part of the ideal of law, that the rules in the rule book capture and enforce moral rights”*³⁰.

Dworkin’s model requires that judges not only follow and apply rules in their judgments but expand upon them so that they are adjusted in accordance with their purposes to show the practice of interpretation in its best light³¹. This model of integrity is driven by the moral force of equality³². The place of the rule of law in this context is in the first stage of judicial interpretation.

Once again, according to Dworkin:

²⁷ Dworkin, Ronald, *“A Matter of Principle”* 1985, Harvard University Press, p. 11.

²⁸ Gleeson, Murray, *“The Rule of Law and The Constitution”*, 2000, Sydney ABC Books, p. 62.

²⁹ Dworkin, Ronald (1931-) American philosopher of law. Dworkin was educated at Harvard and Oxford. He was Professor of Jurisprudence at Oxford (1969-98), at New York University since 1975, and Quain Professor of Jurisprudence at University College, London (1998-).
<http://philosophy.fas.nyu.edu/object/ronalddworkin>

³⁰ Dworkin, *supra* note 27, at 93.

³¹ Stewart, Cameron, *“THE RULE OF LAW AND THE TINKERBELL EFFECT: THEORETICAL CONSIDERATIONS, CRITICISMS AND JUSTIFICATIONS FOR THE RULE OF LAW”*, Macquarie Law Journal (2004) Vol. 4, p. 139.

³² *Ibid.* p. 140.

*"The most abstract and fundamental point of legal practice is to guide and constrain power of government ... law insists that force not be used or withheld ... except as licensed or required by individual rights and responsibilities flowing from past decisions. This characterization of the concept of law sets out, in suitably airy form, what is sometimes called the rule of law"*³³.

As a conclusion, we can say that the rule of law is the basis for the liberties and for the order. The rule of law treats the people fairly. It permits the people to plan their future and their lives, and to settle conflicts in a reasonable way. When the state behaviors are based on these principles, the citizens have more faith in authorities and to work with each other as members of one society. The rule of law pre-supposes a functioning legal sector that provides guidance on the basic rules governing social organization and helps to ensure their application. In summary, we can state that the rule of law principle requires that the legal system comply with minimum standards of certainty, generality and equality. Finally, the rule of law and the rights it protects are the products of the traditions and customs of the ordinary law, not a written constitutional document³⁴.

Experience indicates that there are many barriers for the enforcement of the rule of law. But for the purpose of this paper we will analyze two of them. The first is that in Albania, the rule of law violation starts from politicians, government and public administration officials³⁵. The second is that the laws in Albania are either not observed at all or are only applied selectively³⁶.

But why is it necessary to write another paper on the rule of law in Albania?

In present days, there are many discussions between academics, policy-makers and researchers related to Albania's candidacy to join EU membership. Because of the past influence of the Turks, some of them consider Albania to be a Muslim country³⁷. On the other hand, based on historical and geographical borders, facts and evidences lead us to the conclusion that Albania is certainly a European country.

From a geographical viewpoint, Albanian people consider their country to be an European country, because it is a part of European Continent.

³³ Dworkin, *supra* note 27, at 94.

³⁴ Stewart, *supra* note 31, at 142.

³⁵ Bogdani, Mirela and Loughlin, John, "Albanian and the European Union: The Tumultuous Journey towards Integration and Accession", I.B. TAURIS, 2006, p. 31.

³⁶ *Ibid.*

³⁷ *Ibid.*

Referring to the historical, cultural and political developments, we can understand that Albania has been isolated twice from the Western Europe. The first isolation occurred six hundred years ago by the Turkish Empire, which turned it into an Ottoman region for about five hundred years. The second is the period after the Second World War II when Albania became part of the communist block for about forty five years³⁸.

These two big historical separations from West Europe had the deepest influence on the nature of political, administrative and social conditions of the country. Even a country such as Greece, which won independence from the Ottoman Empire almost one hundred years before Albania and has been part of the Western Europe since the end of World War II, displays remnants of its Turkish past and still suffers from an Ottoman administrative heritage³⁹.

Despite their long separation from Western Europe, the Albanian people of today consider themselves Europeans. Therefore, they consider accession to the European Union as their final destination. At the same time European integration is well recognized and is considered a very important factor in achieving the prosperity and development in Albania. Since 1992, all Albanian governments have considered European integration as the main priority of their political program. The EU integration of Albania and other Western Balkan countries was concretized by a special regional policy, the (SAP).

However, experience indicates that historical, cultural, religious and geographical factors are not enough for a country to be a member of EU.

But how does the current political, legal and judicial situation, and the rule of law, in Albania measure up to these criteria? What are the main factors that influence to these criteria?

In 2010 European Commission noted that:

*“The rule of law in Albania remains deficient, which is notably due to weak law enforcement institutions, limited administrative capacity and widespread corruption and organized crime”*⁴⁰.

³⁸ *Ibid.*

³⁹ *Ibid.* p. 32.

⁴⁰ “Albania 2010 Progress Report”, Commission of the European Communities, Brussels, 14.10.2010, p. 6. http://ec.europa.eu/enlargement/pdf/key_documents/2010/al_rapport_2009_en.pdf, <last accessed on 02/12/2011>.

In Albania, the main features of weak rule of law are strongly determined by political and social components. These components are placed in a unique course with features that reflect the past and the present of the country. Albanian's respect for the rule of law is lagging behind other post-communist countries of the region⁴¹.

While local and international sources suggest that legal standards have improved significantly over the years, especially on paper; there is concern over the ability of legislation to create a system based on the principles of order and predictability and on the protection of its citizens from the arbitrary use of power. The laws in Albania are often not observed or are applied selectively and ineffective and inappropriate implementation of laws has also undermined the rule of law in Albania⁴².

This study aims to explain at the same time why the establishment of the rule of law in Albania is a very difficult process. We will also analyze the rule of law in Albania focusing on the present situation of the separation of power and the respect of Albanian people for the rule of law. At the same time, this study highlights the geographical, political historical and social issues that influence the Albanian rule of law making its enforcement difficult and unique.

The methodology consists of a four-factor explanatory model which includes the following factors:

1. Geographic position and the western influence;
2. Communist period influence;
3. Choices of the elite in the early transition and;
4. Historical and social factors influence.

The hypothesis of this study is that in the above mentioned four factors, Albania has presented its unique specifics. Therefore, these specifics have influenced and

⁴¹ FRIDE (Fundacion para las Relaciones Internacionales y el Dialogo Exterior), "Democracy Monitoring Report; Albania", 2009, p. 1.

<http://www.fride.org/page/5/about-fride>, <last accessed on 28/09/2011>.

⁴² *Ibid.*

determined the negative performance of institutions and rule of law in Albania. The post-communist influence, the particularly severe character of the Albanian communist regime, the choices of the elite during the transition and the external influence is thought to be important factors that explain the difficulties that Albania is experiencing in the transition period. However, there are many arguments that can explain that the historical and social influence is the most important factor in determining the trajectory of the institutional framework in Albania.

This study consists of five chapters:

The first chapter presents the institutional and political situation in Albania and its legal and judicial system. At the same time the current situation of the rule of law and its enforcement are empirically analyzed.

The second chapter analyzes how the geographical position and western influence as well as Yugoslavia Wars affected the development of the Albanian rule of law. The geographical and social constraints are also analyzed briefly.

The third chapter examines the social and political conditions as well as the rule of law during the communist period. It presents the socialist legacy and the development of the rule of law during the forty five year period.

The fourth chapter seeks to highlight some important aspects of the Albanian post-communist elite choices. Here we analyze the political and social conditions, reform of institutions, the development of the legal system and the growth of the new elite as well as the Pyramid schemes phenomenon. At the end, the choice of the wrong course by the elite is presented.

The fifth chapter analyzes the historical and political situation of Albania during the Ottoman regime, Albanian's social and cultural legacies of the past and the old mentality barriers. Finally, the present situation of the rule of law is emphasized.

Chapter I. Institutional and Political situation, Judicial System and the Rule of Law

The rule of law is the backbone of democracy and it is considered the main pillar of a democratic system⁴³. Politicians, lawyers, economists and policy-makers often use the term rule of law to characterize a certain type of legal-political regime. In the most basic sense, the rule of law is a system that attempts to protect the rights of citizens from arbitrary and abusive use of government power⁴⁴. The rule of law does not have a precise definition. Generally, however, it can be understood as a legal-political regime under which the law restrains the government by promoting certain liberties and creating order and predictability regarding how a country functions⁴⁵.

The rule of law implies that government authority may only be exercised in accordance with documented laws, which were adopted through an established procedure⁴⁶. The principle is intended to be a safeguard against arbitrary rulings in individual cases.

The rule of law is a term that is often used but difficult to define. As the rule of law is an ambiguous term and has a broad meaning it can mean different things in different contexts⁴⁷. A strong rule of law means that no person can be ordered by the government to pay civil damages or suffer criminal punishment except in accordance with defined laws and procedures.

It means also that no branch of government is above the law, and no public official may act arbitrarily or unilaterally outside the law. This is sometimes referred to as the separation of powers. And this ensures that no one person is able to gain absolute power and stand above the law⁴⁸.

When discussing on the rule of law and judiciary Fuller commented:

“Surely the very essence of the Rule of Law is that in acting upon the citizen (by

⁴³ OSCE, (Organization for Security and Co-operation in Europe). “*Legal Sector Report for Albania*”, 2004, p. ii.

⁴⁴ Yu, Helen and Guernsey, Alison, “*The Rule of Law as a Goal of Development Policy*”, World Bank, The Rule of Law as a Goal of Development Policy, 2006, p. 2.

⁴⁵ *Ibid.*

⁴⁶ EC in Copenhagen, *supra* note 10, at 5

⁴⁷ <http://www.abanet.org/features/FinalDialogueROLPDF.pdf>, p. 3, <last accessed on 12/07/2011>.

⁴⁸ *Ibid.*

putting him in jail, for example, or declaring invalid a deed under which he claims title to property) a government will faithfully apply rules previously declared as those to be followed by the citizen and as being determinative of his rights and duties. If the Rule of Law does not mean this, it means nothing. Applying rules faithfully implies, in turn, that rules will take the form of general declarations”⁴⁹.

The equality before the law and law enforcement is not something negotiable, but obligatory under a strong rule of law. It is very difficult for a nation to maintain the rule of law if its people do not respect the law. The rule of law functions because most of the people agree that it is important to observe the law. The agreement of citizens to obey the law to maintain the social order is sometimes described as an essential part of the social contract⁵⁰. This means that, in return for the benefits of social order people live according to certain laws and rules.

In addition, real democracy can function properly only if there is a strong and healthy multi-party system and the party in power is elected through regular elections. This is the only legitimate means through which power should change hands⁵¹. Therefore, free and fair elections are considered one of the basic foundations of democracy.

⁴⁹ Fuller, *supra* note 25, at 209.

⁵⁰ abanet, *supra* note 47.

⁵¹ Bogdani and Louglin, *supra* note 35, at 32.

1. Institutional and Political Situation

A famous Albanian academic, Rexhep Qosja says that: "In this world, everything is temporary, but the most temporary thing is political power"⁵².

Albania is a country which shows two faces nowadays. On the one hand, the country is modernizing reasonably fast. The conclusion of the Stabilization and Association Agreement with the EU in 2006 showed that, Albania is willing to move to Brussels⁵³. On the other hand, the country shows many severe internal problems that are slowing down the process of democratization. Corruption is still a big problem and is damaging the country's economic potential in a serious way. The economic and financial programs of the international institutions such as World Bank, IMF, and the EU for building and consolidating democratic institutions, have not been successful in Albania. This is because the standard schemes, which they possess and apply, have not been appropriate for Albanian society, the lack of qualified and professional administrators in Albanian institutions and the corruption that is present everywhere where public money is used.

The Albanian public administration suffers from a total lack of experience in the conduct of a public institution for a democratic state. Moreover, the psychological inertia of the effective institutions of the Albanian communist anti-state continues to stand on strong foundation⁵⁴: The almost-total lack of a free press, including electronic media, which are without exception totally dependent either on different political parties or different economic lobbies, leaves them in many cases unreliable, excessively vulnerable even to the smallest pressure and to the interests of their possessors. This has had a negative influence and has obstructed the rapid orientation and the proper direction of the Albanian civil opinion, as well⁵⁵.

⁵² Qosja, Rexhep "Ceshtja Shqiptare: Historia Dhe Politika", p. 13.

⁵³ European Forum for Democracy and Solidarity, "Albania" 2010, p. 1.

<http://www.europeanforum.net/uploads/countries/pdf/albania.pdf>

⁵⁴ Buxhuku, Gjergj "THE ANALYSES OF INSTITUTIONAL AND POLITICAL SITUATION IN ALBANIA", p. 2.

⁵⁵ *Ibid.*

Institutional Situation

• Legislative branch

Albania is a Parliamentary Republic. The Constitution which was adopted by popular referendum on November 28, 1998 is the highest law in the Republic of Albania⁵⁶.

The system of government is based on the separation and balancing of the legislative, executive and judicial powers. Elections are now held every four years to a unicameral 140-seat chamber, the People's Assembly.

The Assembly of the Republic of Albania is the lawmaking body in Albania. There are 140 deputies in the Assembly, which are elected through a party-list proportional representation system. The President of the Assembly has two deputies and chairs the Assembly.

There are 15 permanent commissions, or committees. Parliamentary elections are held at least every four years⁵⁷.

The Assembly has the power to decide the direction of domestic and foreign policy; approve or amend the constitution; declare war on another state; ratify or annul international treaties; elect the President of the Republic, the High court, and the Attorney General and his or her deputies; and control the activity of state radio and television, state news agency, and other official information media.

• Executive branch

The head of state in Albania is the President of the Republic. The President is elected to a 5-year term by the Assembly of the Republic of Albania by secret ballot. The next President election will run in 2012. The President of the Republic is the Head of State and represents the unity of the people. He has no legislative or executive power, but represents the state in foreign relations and is chief commander of the army. Since July 2007, the President of Albania is Bamir Topi, a researcher who once served as agriculture minister and leader of the Democratic Party⁵⁸.

The candidate for President is proposed to the Assembly by a group of not less than

⁵⁶ Albanian Council of Ministers homepage: <http://www.keshilliministrave.al/?gj=gj>, <last accessed on 21/09/2011>.

⁵⁷ Albanian Parliament homepage: <http://parlamenti.al/tirana.com/>, <last accessed on 12/10/2011>.

⁵⁸ *Ibid.*

20 of its members. The President of the Republic is elected by secret vote and without debate by the Assembly by a majority of three-fifths of all its members. When this majority is not reached in the first voting, a second voting takes place within 7 days from the day of the first voting. When this majority is not reached even in the second voting, a third voting takes place within 7 days. When there is more than one candidate and none of them has received the required majority, within 7 days, a fourth voting takes place between the two candidates who have received the greatest number of votes. If even in the fourth voting neither of the two candidates has received the required majority, a fifth one takes place. If even in the fifth voting neither of the two candidates has received the required majority, the Assembly is dissolved and new general elections take place within 60 days. If even the new Assembly does not elect the President, the Assembly is dissolved and new general elections take place within 60 days⁵⁹.

The President of the Republic may be discharged for serious violations of the Constitution and for the commission of a serious crime. In these cases, a proposal for the discharge of the President may be made by not less than one-fourth of the members of the Assembly and must be supported by not less than two-thirds of all its members.

The decision of the Assembly is sent to the Constitutional Court, which, when it verifies the guilt of the President of the Republic, declares his discharge from duty⁶⁰.

The President also exercises these powers:

- a. addresses messages to the Assembly;
- b. exercises the right of pardon according to the law;
- c. grants Albanian citizenship and permits it to be given up according to the law;
- d. gives decorations and titles of honor according to the law;
- e. accords the highest military ranks according to the law;
- f. on the proposal of the Prime Minister, he appoints and withdraws plenipotentiary representatives of the Republic of Albania to other states and international organizations;
- g. accepts letters of credentials and the withdrawal of diplomatic representatives of other states and international organizations accredited to the Republic of Albania;
- h. signs international agreements according to the law;

⁵⁹ Albanian President official homepage: <http://president.al/english/pub/default.asp>, <last accessed on 12/09/2011>.

⁶⁰ *Ibid.*

- i. upon proposal of the Prime Minister, he appoints the director of the intelligence service of the state;
- j. nominates the Chairman of the Academy of Sciences and the rectors of universities pursuant to law;
- k. sets the date of the elections for the Assembly, for the organs of local power and for the conduct of referenda;
- l. requests opinions and information in writing from the directors of state institutions for issues that have to do with their duties.

The President has the power to guarantee observation of the constitution and all laws, act as commander in chief of the armed forces, exercise the duties of the Assembly of the Republic of Albania when the Assembly is not in session, and appoint the Chairman of the Council of Ministers (Prime Minister)⁶¹. Executive power rests with the Council of Ministers. The Prime Minister is appointed by the President; ministers are nominated by the President on the basis of the Prime Minister's recommendation. The People's Assembly must give final approval of the composition of the Council. The Council is responsible for carrying out both foreign and domestic policies. It directs and controls the activities of the ministries and other state organs. The Council of Ministers consists of the Prime Minister, deputy prime minister, and ministers. The Council of Ministers exercises every state function that is not given to other organs of state power or to local government⁶².

The President of the Republic, at the beginning of a legislature, as well as when the position of Prime Minister remains vacant, appoints the Prime Minister on the proposal of the party or coalition of parties that has the majority of seats in the Assembly. If the Prime Minister appointed is not approved by the Assembly, the President appoints a new Prime Minister within 10 days. If even the newly appointed Prime Minister is not approved by the Assembly, the Assembly elects another Prime Minister within 10 days. In this case, the President appoints the new Prime Minister. A minister is appointed and dismissed by the President of the Republic, on the proposal of the Prime Minister, within 7 days. The Council of Ministers defines the principal directions of the general state policy⁶³.

⁶¹ *Ibid.*

⁶² Albanian Council of Ministers, *supra* note 56.

⁶³ *Ibid.*

Political Situation

Putnam has stated that: "The quality of democracy depends on the quality of its citizens, so that every people get the government they deserve"⁶⁴.

As is mentioned in the Introduction, The Copenhagen criteria require that the countries wishing to join EU should first guarantee democracy through stability of institutions. How does the recent political situation in Albania perform *vis-a-vis* these criteria? The Albanian political democratization at the level of substantive democracy is progressing very slowly. The main reason for this is the unstable and verdant political environment which is characterized by political and conflict crises.

The political feasibility and credibility of reform, has a very active endogenous factor, the interplay between initial conditions, institutional structure and stabilization programs. A politically sustainable reform package can be defined, as one for which there is sufficient political support to carry out the reforms to their implementation⁶⁵. This political support can take various forms:

1. Number of re-elections and changes in government in a certain period;
2. Parliamentary support for reforms, especially in creating the necessary legal framework and proper institutions,
3. Large degree of social acceptability and credibility⁶⁶

How do these work in the case of Albanian politics?

Political instability reflects dramatically in the consolidation of democracy. Reform programs initiated by the government ceased because of conflicts between political parties. Differently from some other countries of Eastern Europe that are passing through comparable processes, theoretical discussions about the roads of reform,

⁶⁴ Putnam, Robert., Leonardi, Robert., and Nanetti, Raffaella; *"Making Democracy Work: Civic Traditions in Modern Italy"*, Princeton University Press, 1993, p. 3

⁶⁵ Asilis Carlos M. and Milesi-Ferreti Gian Maria, 1994, *"On the Political sustainability of Economic Reform"*, IMF Paper on Policy Analysis and Assessment, 94/3, January.

⁶⁶ Muco, Marta, *"Economic Transition in Albania"*, 1997, p. 57.

strategies and separated elements of it, appeared only recently in the Albanian press, both belonging to the political parties and independent. These discussions, when there was one, remained mainly behind closed doors, and at high hierarchy levels of government or political parties⁶⁷. On the eve of reform, following the 45 years old totalitarian tradition, Albanian politicians showed a propagandistic character, and to some extends a populist one⁶⁸. There existed neither a theoretical nor a debatable rationale for politicizing unnecessarily technical and economic aspects of reform. For instance, in the Albanian case which inherited a total vacuum on property rights and their regulation, at the beginning elements that separated political and economic considerations on the subject, were few in number. They all agreed to privatize completely but when the process threatened the interest of certain social groups their representative political parties, taking advantage of the lack of transparency, discord to prolong the discussion. Initial general agreement and support in the main points of economic reform shows also the urgent need of the country for recovery and for a better standard of living that was evident for all political parliamentary forces and Albanian electorate⁶⁹.

The degree of social acceptability, political support and credibility of democratic transformation, especially the overthrow of large dimensions of it, as it was the case in Albania, is an important factor to contributing the success of it. This is of particular concern to the political force that makes transformations, represented by the government, as the opposition has always favored the role of the criticizer. It is already accepted by the literature and researchers that the level of public support for democratic reforms of transition could not be uniform⁷⁰.

Pragmatic solutions imposed by different political circumstances accompanied traditional political transformation that was applied in Albania. They reflect the inevitable social adjustments applied on concepts and standard democratic programs of transition, in a small country like Albania, underdeveloped and extremely poor, just passing from a full totalitarian and self isolated economy to a liberal market one. They also show the large importance and determination that public acceptability and political support have for the reform implementation⁷¹. Albania lacks the political options and at

⁶⁷ *Ibid.* p. 60.

⁶⁸ *Ibid.*

⁶⁹ *Ibid.*

⁷⁰ *Ibid.*

⁷¹ *Ibid.*, p. 63.

the same time suffers from conflicts in politics and incapability of political parties to engage in dialogue, low quality skills of the political class, thinking of politics as a means for profit rather than as a service to the people. Changing the political class and increasing its quality need a long time. Albanian political parties manifest conflict behaviors, which causes other conflicts in Albania⁷². The political parties are non-professional and unqualified class. They mostly promote demagogy and show destructive, corrupt and negative attitudes. The public administration is unconsolidated and respect toward individuals is absent. The civil servants are poorly paid, hardly motivated and corrupted. There is no continuity of the administrative institutions because of the high frequency of staff motivated by political reasons.

Almost all the Albanian people think that parliaments consist of unqualified individuals and its quality is negatively evaluated. They think that the parliamentarians do not have professional background and are easily corrupted. They, therefore, are not playing the expected role. The code of conducts and ethics should be applied to Albanian parliamentarians first⁷³.

The oligarchic structure of parties and the roots of party-state legacy have developed another negative phenomenon that characterizes the Albanian political elites during the democratic transition: the boycott of institutions. After every contested election, the opposition has demonstrated out of the parliament, leaving institutions unable to perform as forums for political debate and democratic dialogue. One of the reasons for boycotting the parliament is to influence the result of political elections; in times of crisis, poll results have sometimes produced majorities that exceed two thirds of votes in parliament, leaving the opposition parties ineffective. A boycott is seen as the only way to remove legitimacy from acts perceived as unconstitutional and directly harming the losing side⁷⁴.

Boycotts are not a thing of the past. With the exception of the 1992 parliamentary elections, which brought about a change in regimes and not simply governments, all the other parliamentary elections have been contested by the losing party. This phenomenon is disturbing since the irregularities have not simply been of a technical nature but have stemmed from a lack of political will to conduct free and fair elections. Therefore a political culture is being developed in which manipulation of the elections has become the norm, and as such the unwritten law of the Albanian electoral system. Under these circumstances it can no longer be claimed that election fraud is a transition phenomenon

⁷² Institute for Contemporary Studies, Tirana, "*Balkan Public Agenda*", 2010, p. 4.

⁷³ *Ibid.* p. 5.

⁷⁴ Muco, *supra* note 66, at 57.

since now it has created a tradition of its own that is likely to continue, in one way or another, in the future. Fraudulent elections have meant legitimacy crises for most Albanian governments during the last decade. The only government that did not suffer from legitimacy crises due to fraudulent elections was that of 1992⁷⁵. Yet even in this case a legitimacy challenge became pertinent due to other more structural handicaps that have beset democratic governance in Albania, regardless of the political party in power.

In 1998, the Democratic Party refused to sit in Parliament for over a year. Also, the decision of the Socialist Party to boycott two meetings of the Parliament in November 2006 demonstrated how easily Albania could relapse into extra-institutional politics during which the opposition often takes the political struggle outside of Parliament and into the streets⁷⁶.

In January 2011, shots rang out when protests against a bribery affair involving the finance minister got heated. The Albanian Republican Guard opened fire on protesters outside Berisha's⁷⁷ office, killing four Edi Rama⁷⁸ supporters. When the head public

⁷⁵ *Ibid.*

⁷⁶ International Crisis Group, "The Dangers of Albania's Disputed Election, 20 May 2011". <http://www.crisisgroup.org/en/regions/europe/balkans/albania/op-eds/the-dangers-of-albanias-disputed-election.aspx>, <last accessed on 15/12/2011>.

⁷⁷ Sali Berisha, born 15 October 1944 is an Albanian politician and cardiologist, currently the Prime Minister of Albania and the leader of Democratic Party of Albania (PD). A former secretary of the committee of the Party of Labor in the Faculty of Medicine, University of Tirana, he abandoned his career as a cardiologist and university professor to become the leader of the Democratic Party in the 1990s. From 1992, after the fall of communism, he served as the President of Albania until his government collapsed in 1997 in the wake of the collapse of pyramid schemes. From 1997 to 2005, Albania was governed by the Socialist Party (PS) for two mandates, while he stayed in opposition. In 2005, the Democratic Party won the general elections, and he became the Prime Minister after his coalition formed the new government. In 2009, he was re-elected Prime Minister, after the Democrats declared a narrow win of general elections but were forced into a coalition with the Socialist Movement for Integration (LSI) through not winning enough seats on its own for the first time since the start of multi-party democracy in 1991.

⁷⁸ Edi Rama born on 4 July 1964 is an Albanian politician, painter, publicist, professor, and former athlete. Currently he is the leader of the Socialist Party of Albania, the biggest party in Albania, by winning the most of votes as a party in the last eight elections. He has served as board member at the local Soros Open Society Foundation of Albania, president of the Association of Mayors of Albania, and as Minister of Culture, Youth, and Sports of Albania. Edi Rama was born to Kristaq Rama, a native of Durres and very famous sculptor and a senior member of communist leadership, and Aneta Rama (nee Koleka), a graduate in medicine and sister of Spiro Koleka, a close collaborator of the communist dictator Enver Hoxha. As a teenager Rama got involved in sports by becoming a player of a leading basketball team. Following the collapse of Communism in Albania, he became involved with the first democratic movements. He entered the newly formed Democratic Party (DP) but soon left after a quarrel over ideological matters with the party leader, Sali Berisha. After suffering severe injuries from a brutal physical assault, he decided to emigrate abroad. In 1998, he was convened by then Prime Minister Fatos Nano and asked to become Minister of Culture of Albania. He accepted and immediately became known for his extravagance in a variety of ways. In October 2000, he entered and won the race for the Tirana

prosecutor wanted to arrest six officers, Berisha called her a “street whore” and the arrest warrants went unenforced for weeks⁷⁹.

The most recent is the case of local government elections on May 8th 2011. The elections were some competitive and transparent, but took place in an environment of high polarization and mistrust between parties in government and opposition. As in previous elections the two largest political parties (Democratic Party and Socialist Party) did not discharge their electoral duties in a responsible manner, negatively affecting the administration of the entire process⁸⁰. On election day, voting proceeded relatively well, albeit with procedural difficulties, but counting was delayed in many areas. Despite repeated appeals for calm from the President and the Prime Minister, the campaign was marred by election-related violence in many municipalities and communes. Nevertheless, there were positive aspects of the elections which lay the groundwork for future progress⁸¹. These included improvements to the voter lists, the work of the Electoral College in deciding pre-election day appeals, and the pluralistic media environment. The Central Election Commission (CEC) functioned transparently and, despite evident division, completed the technical preparations for the elections. Nevertheless, the polarization affected the work of the CEC, where discussions were at times acrimonious and of a political nature⁸².

In most regions of the country, the counting of ballots in the 66 Ballot Counting Centers (BCCs) proceeded to its conclusion in a generally transparent manner, albeit at a slow pace. In several cases, defeated mayoral candidates congratulated their victorious opponents. However, the counting process was affected by a high level of mistrust among political parties, which led to disputes, delays and blockages in some BCCs. Political parties frequently intervened in the counting process, directing the activities of

mayor ship as Socialist Party candidate against writer Besnik Mustafaj. After taking office, he undertook a radical campaign to return many portions of Tirana's center and Lana River into their original forms by demolishing hundreds of illegal buildings. In 2003, he won a second term by defeating lawyer Spartak Ngjela, and a third consecutive term by beating DP candidate Sokol Oldashi. In October 2005, Rama became the leader of the Socialist Party of Albania following the resignation of Fatos Nano. As mayor he compiled the Tirana City Master Plan including the Skanderbeg Square project. In the 2011 local elections he lost by a small margin to a young charismatic candidate of the Coalition of the Citizen, Lulzim Basha.

⁷⁹ <http://www.spiegel.de/international/europe/0,1518,767175,00.html> <last accessed on 25/09/2011>.

⁸⁰ OSCE, ODHIR: “STATEMENT OF PRELIMINARY FINDINGS AND CONCLUSIONS”, INTERNATIONAL ELECTION OBSERVATION, Republic of Albania – Local Government Elections, 8 May 2011, p.1.

⁸¹ *Ibid.*

⁸² OSCE, Office for Democratic Institutions and Human Rights: “Election Observation Mission, 2011 Local Government Elections, Republic of Albania”, p.1.

their members in election commissions. The media informed the public extensively on the counting process, especially the Tirana mayoral race between former Minister of Interior Lulzim Basha⁸³ of the Democratic Party (DP) and the incumbent mayor Edi Rama, the leader of the Socialist Party (SP). As it became apparent that the Tirana mayoral race would be decided by a narrow margin, national attention focused on the counting of votes in the 11 BCCs in Tirana⁸⁴. The counting in these BCCs was frequently delayed by unscheduled breaks, non-appearance of counting team members and other reasons, often politically motivated. The delays increased tension in Tirana, especially given the closeness of the preliminary results. Following the end of counting at BCCs for mayor of Tirana on 14 May, the preliminary, unofficial results as provided by the CEC to the OSCE/ODIHR EOM gave Rama 10 more votes than Basha (124,623 and 124,613 votes, respectively). Rama declared victory soon after, while Basha said that he would wait for the official results from the CEC⁸⁵. DP officials, including Prime Minister Sali Berisha, subsequently called on the CEC to consider as valid ballots for the Tirana mayoral race that were found during the counting of ballots for the borough elections. The SP demanded that the CEC tabulate the results already determined by the Tirana BCCs. At the time of writing, the CEC had not announced official results for the Tirana mayoral race. On 18 May, the CEC began opening some of the ballot boxes for borough elections from some of the Commissions of Electoral Administration Zone (CEAZ) of Tirana to count miscast mayoral ballots. Tensions have increased as the SP protested the CEC's actions. SP supporters, including many MPs, gathered at the CEC and attempted to force their way into the CEC building but they were held back by police⁸⁶.

⁸³ Lulzim Basha is an Albanian politician. In 2005, he was appointed Minister of Public Works, Transport and Telecommunications in the government of Sali Berisha where he served for two years. Then, during the period 2007-2009, he served as Minister of Foreign Affairs and later in the period 2009-2011 Basha served as Minister of Interior. In 2011, Basha candidated for the post of mayor of Tirana for the Democratic Party and the Coalition of the Citizen, challenging Edi Rama, incumbent mayor and leader of the Socialist Party of Albania. After a long process of votes counting, Basha was elected the new mayor of Tirana and his election was certified by the CEC. He is the new mayor of the largest and capital city of Albania.

⁸⁴ OSCE, *supra* note 82, at 1.

⁸⁵ *Ibid.*

⁸⁶ *Ibid.*

2. Judicial System

The primary significance of the rule of law in a democratic system is the emphasis it places on certainty, generality and equality in the legal and judicial system, and on the fundamental idea of reciprocity between the citizen and state.

For a prosperous rule of law, the judiciary must be independent and other government organs should function within the limits prescribed by the constitution and other specific laws of the country. The judiciary is one of the institutions on which rests the sublime temple of democracy and the rule of law. To the judiciary is entrusted the mission of keeping every organ of the country within the limits of power established by the constitution and the laws. It thereby makes the rule of law meaningful and effective. The Judiciary stands between the citizen and the state as a barrier against the exclusive excesses of misuse or abuse of constitutional or legal limitations by the executive as well as the legislative⁸⁷.

These checks on state lawlessness are necessary tools required to ensure effective enforcement of the rule of law so that the people will really be able to assert their rights. This presupposes that there must exist a judiciary that is eligibly accessible with upright and knowledgeable judges, capable of enforcing its judicial decisions⁸⁸.

Albanian judiciary system includes District Courts, six Courts of Appeal and the High Court. The district courts are trial level courts from which appeal can be taken to the Court of Appeals and then to the High Court. At each of the three levels, the courts are divided into civil, criminal and military chambers.

Albania has also a Constitutional Court with jurisdiction to resolve questions of constitutional interpretation that arise during the course of any case on appeal.

• *The Constitutional Court*

Albania set up a Constitutional Court for the first time in its history as a state under Constitutional Law no. 7561 of 29 April 1992 "On an addendum to Law no. 7491 of 29 April 1991 "On the main constitutional provisions". Articles 17 to 28 of this Law institute the Constitutional Court and establish its status, powers, structure, composition, operation and jurisdiction, as well as laying down the principles it must

⁸⁷ Mahmud Abdul Raheem Esq, "RULE OF LAW AND JUDICIARY: IT'S IMPLICATION ON POLITICAL DEVELOPMENT", p. 12.

⁸⁸ *Ibid.*

follow when deciding constitutional issues⁸⁹.

The Constitutional Court of Albania is not part of the ordinary judicial system; it is a separate court responsible for monitoring the compatibility with the Constitution of laws and other normative instruments. When the Constitution of Albania entered into force on 28 November 1998, the Constitutional Court acquired an important institutional role. It guarantees compliance with the Constitution and decides in last instance on its interpretation (Article 124 of the Constitution). Articles 124-134 of the Constitution stipulate that the Constitutional Court is an independent constitutional tribunal⁹⁰. In its activity, the Constitutional Court is subject solely to the Constitution. These provisions deal with the composition of the Court, appointment and status of its President and judges, the type and scope of its powers for monitoring constitutionality, the persons and bodies by which cases may be referred to the Court and the binding force and application of its decisions.

Legal framework

- The Constitution of Albania;
- Constitutional Law no. 7561 of 29 April 1992 “On an addendum to Law no. 7491 of 29 April 1991 ‘On the main constitutional provisions’”;
- Law no. 8373 of 15 July 1998 “On the organization and functioning of the Constitutional Court of Albania”;
- Law no. 8577 of 10 February 2000 “On the organization and functioning of the Constitutional Court of Albania”.

Composition

The Constitutional Court is the highest authority, upholding and guaranteeing compliance with the Constitution, which it has ultimate power to interpret. It functions independently and is subject only to the Constitution (Article 124 of the Constitution).

⁸⁹ Council of Europe, EUROPEAN COMMISSION FOR DEMOCRACY THROUGH LAW, “Description of the Constitutional Court of Albania as well as précis published in the Bulletin on Constitutional Case-Law”, Strasbourg, 2 October 2000, CDL-JU (2000) 32, p. 2.

⁹⁰ *Ibid.* p. 3.

The Constitutional Court is composed of nine members, who are appointed by the President of the Republic with the consent of the National Assembly. Judges are appointed for nine years; they may not be re-appointed⁹¹. One third of the members of the Court are replaced every three years. The President of the Constitutional Court is appointed from the ranks of its members by the President of the Republic with the consent of the Assembly for a three-year term. Judges are appointed from among lawyers with a diploma in higher legal studies and at least 15 years' professional experience (Article 125 of the Constitution). The office of judge is incompatible with any other public office or private occupation (Article 130 of the Constitution). Constitutional judges may not be criminally prosecuted without the prior consent of the Constitutional Court. They can be detained or arrested only if apprehended in the commission of a crime or immediately thereafter⁹². If the Constitutional Court does not give its consent within 24 hours for the arrested judge to be prosecuted, the competent body must release him (Article 126 of the Constitution).

The term of office of a judge of the Constitutional Court ends when he:

- a. is sentenced in a final decision for commission of a crime;
- b. fails without reason to perform his duties as judge for more than six months;
- c. reaches the age of 70;
- d. resigns;
- e. is declared incompetent to act in a final judicial decision.

The term of office of a judge is terminated by decision of the Constitutional Court. If the seat of a judge falls vacant, the President of the Republic, with the consent of the National Assembly, appoints a new judge, who completes the term of office of his predecessor (Article 127 of the Constitution)⁹³.

Referral

1. The following may refer a case to the Constitutional Court:

- a. the President of the Republic;
- b. the Prime Minister;

⁹¹ The Constitutional Court of Albania homepage. <http://www.gjk.gov.al/>, <last accessed on 15/10/2011>.

⁹² *Ibid.*

⁹³ *Ibid.*

- c. one fifth of the deputies of the Assembly;
- d. the Chairman of the State Audit Office;
- e. any court, as provided for in Article 145, paragraph 2, of the Constitution;
- f. the People's Advocate;
- g. local government bodies;
- h. bodies representing religious communities;
- i. political parties and other organizations;
- j. individuals.

The bodies referred to in f, g, h, i and j may initiate an action only for issues involving their interests⁹⁴.

2. Each application to the Court is submitted to the President of the Court, who appoints a judge to prepare a report on the case for preliminary consideration (Article 27 of the Law on the organization and functioning of the Constitutional Court). A chamber composed of three judges, including the reporter, considers the admissibility of the application. Where the decision on admissibility has not been rendered unanimously, the case is laid before the plenary court, which takes a majority decision (Article 31 of the Law). An application is declared inadmissible when its subject-matter does not fall within the jurisdiction of the Court or when the person making the application does not have the right to do so⁹⁵.

3. The Court is convened by its President. It meets in plenary session and is chaired by its President. The provisions of the Constitution as well as those of Law no. 8577 of 10 February 2000 on the organization and functioning of the Constitutional Court set out the guarantees needed to ensure the independence of the judges and the Court. The activity of the Court conforms to the basic principles of constitutional law and fair trial. Proceedings are usually conducted in public in the presence of both parties. The parties may be legally represented (Articles 20-27 of the Law on the organization and functioning of the Court). There is no charge for the proceedings⁹⁶.

Main powers

In pursuance of Article 131 of the Constitution, the Constitutional Court decides on:

⁹⁴ *Ibid.*

⁹⁵ *Ibid.*

⁹⁶ *Ibid.*

- a. the compatibility of the law with the Constitution or with international agreements within the meaning of Article 122 of the Constitution;
- b. the compatibility of international agreements with the Constitution prior to their ratification;
- c. the compatibility of normative acts of central or local bodies with the Constitution and international agreements;
- d. conflicts of jurisdiction between branches of power and between central and local government;
- e. the constitutionality, pursuant to Article 9 of the Constitution, of parties and other political organizations and of their activities;
- f. removal of the President of the Republic from office and verification of his incapacity to exercise his functions;
- g. disputes relating to the right to stand for election and the incompatibility of the functions of the President and deputies as well as verification of the lawfulness of their election;
- h. the constitutionality of a referendum and verification of its results;
- i. the final adjudication of complaints by individuals alleging violation of their constitutional rights to a fair trial after all legal means for the protection of those rights have been exhausted.

Nature and effects of decisions

1. The decisions of the Court are taken by a majority. Judgments must give reasons in writing and must be signed by all the Court's members who took part in the sitting. Only the Constitutional Court has the right to invalidate the acts it reviews⁹⁷.
2. The decisions of the Court are final; they are binding and of general application, and

⁹⁷ *Ibid.*

they usually enter into force on the day of their publication in the Official Gazette (Article 132 of the Constitution). The Court may decide that the invalidated law or act is to enter into force on another date. The decisions are usually not retroactive. However, a decision may be retroactive when it invalidates a judicial ruling on a criminal matter either in the course of enforcement or relating to the last application of the normative act invalidated by the decision of the Constitutional Court (Article 76 of the Law)⁹⁸. When a decision invalidates a judicial ruling, the latter loses its judicial force as from the date of its being taken, and the case is returned to the same court to be heard again (Article 77 of the Constitution)⁹⁹. The decision of the Constitutional Court is retroactive when it interprets the Constitution (Article 79 of the Law on the organization and functioning of the Constitutional Court).

3. The decisions of the Constitutional Court are binding and enforceable. The Council of Ministers enforces decisions through the relevant administrative bodies. The Court may appoint another body to enforce its decision and may specify the enforcement procedure. For exceptional cases, the law provides for sanctions to be imposed when a person does not execute the decision or interferes with its execution¹⁰⁰.

• *The High Council of Justice*

The High Council of Justice is composed of 15 members. The President of the Republic, who chairs the High Council of Justice, the Chief Justice of the High court, the Minister of Justice, three members elected by the Assembly, and nine judges from any level in the court system who are elected by the National Judicial Conference¹⁰¹.

The High Council of Justice proposes to the President of the Republic the appointment of judges of the courts of first instance and the courts of appeal, decides on the dismissal of judges of the courts of first instance and the courts of appeal, decides on the transfer of judges, decides on the disciplinary measures taken against judges, and appoints and dismisses the Chiefs and the Deputy Chiefs of the courts of first instance and the courts of appeal.

The High Council of Justice consists of the President of the Republic, the Chairman

⁹⁸ *Ibid.*

⁹⁹ *Ibid.*

¹⁰⁰ *Ibid.*

¹⁰¹ Mari-Ann Roos, "ANALYSIS OF THE CRIMINAL JUSTICE SYSTEM OF ALBANIA", Report by the Fair Trial Development Project, OSCE Presence in Albania, 2006, p. 31.

of the High Court, the Minister of Justice, 3 members elected by the Assembly, and 9 judges of all levels who are elected by the National Judicial Conference¹⁰². Elected members stay in office for 5 years, without the right of immediate reelection. The President of the Republic is the Chairman of the High Council of Justice.

The High Council of Justice decides on the transfer of the judges as well as their disciplinary responsibility pursuant to law. The transfer of judges may not be done without their consent, except when the needs of reorganization of the judicial system dictate this. A judge may be removed from office by the High Council of Justice for commission of a crime, mental or physical incapacity, acts and behavior that seriously discredit the position and image of a judge, or professional insufficiency. The judge has the right to complain against this decision to the High Court, which decides by joint colleges¹⁰³.

• *The High Court*

The High Court is organized and operates in compliance with law no. 8588, date 15.3.2000 "On the organization and operation of the High court of the Republic of Albania".

The High Court is the highest court of appeal and is composed of 17 judges appointed for a nine-year term by the President with the consent of Parliament. The High Court is organized in civil and criminal panels. The criminal panel tries military and criminal cases and the civil panel tries commercial, administrative, family, labor cases and the like. The Chief Judge of the High Court, after taking the opinion of the judges, can move cases from one panel to the other¹⁰⁴. The High Court panels try cases on a bench of five judges. The Joint Panels of the High Court issue the unification and amendment of court practices. Decisions of the High Court are proclaimed, along with the reasoning behind the decision, no later than 30 days from the date of the termination of the judicial examination. Decisions of the Joint Panels, along with their reasoning, are published in the Periodical Bulletin of the High court. Decisions that serve the unification or amendment of the court practice are published immediately in the next issue of the Official Gazette¹⁰⁵.

¹⁰² <http://www.ipls.org/services/judicial/index.html>, <last accessed on 08/10/2011>.

¹⁰³ *Ibid.*

¹⁰⁴ *Ibid.*

¹⁰⁵ The High Court of Albania homepage <http://www.gjykataelarte.gov.al/english/ligji.htm>, <last accessed on 13/4/2011>.

The judicial power is exercised by the High Court, as well as the courts of appeal and courts of first instance, which are established by law.

The Assembly may establish by law courts for particular fields, but in no case an extraordinary court.

The members of the High Court are appointed by the President of the Republic with the consent of the Assembly. The members of the High Court hold the office for 9 years without the right of re-appointment. The other judges are appointed by the President of the Republic upon the proposal of the High Council of Justice. Judges may only be citizens with higher legal education. The conditions and procedures for selection are defined by law¹⁰⁶.

The time a judge stays on duty cannot be limited; their pay and other benefits cannot be lowered.

The term of a High Court judge ends when he/she:

- a. is convicted of a crime with a final judicial decision;
- b. does not appear for duty without reason for more than 6 months;
- c. reaches the age of 65;
- d. resigns;
- e. is declared incompetent to act with a final judicial decision.

A judge of the High Court may be discharged by the Assembly with two-thirds of all its members for violation of the Constitution, commission of a crime, mental or physical incapacity, or acts and behavior that seriously discredit the position and image of a judge. The decision of the Assembly is reviewed by the Constitutional Court, which, upon verification of the existence of one of these grounds, declares his discharge from duty¹⁰⁷.

The organs of the state are obliged to execute judicial decisions.

Judges are independent and subject only to the Constitution and the laws. If judges find that a law comes into conflict with the Constitution, they do not apply it. In this case, they suspend the proceedings and send the issue to the Constitutional Court. Decisions of the Constitutional Court are obligatory for all courts¹⁰⁸.

¹⁰⁶ *Ibid.*

¹⁰⁷ *Ibid.*

¹⁰⁸ *Ibid.*

• *Courts of Appeal*

Courts of Appeal sit in six different regions of the country and review complaints against decisions of Courts of First Instance. These courts sit in three judge panels. The Courts of Appeal function in regions defined by the President of the Republic, based on a proposal of the Minister of Justice after consulting the High Council of Justice¹⁰⁹.

The assignment of cases to judicial panels at all levels of the judicial system is done by lottery according to procedures provided by law. Judges of the Courts of Appeal are nominated by the High Council of Justice and appointed by the President of the Republic.

• *Courts of First Instance*

The Courts of First Instance try according to rules provided in the Codes of Civil Procedure and Criminal Procedure, where the composition of the judges' panel is also defined. Courts of First Instance are organized and function in thirty-six judicial districts throughout the country. The territorial jurisdiction of each one is defined by a Decree of the President of the Republic, based on a proposal from the Minister of Justice after consulting the opinion of the High Council of Justice.

There are no jury trials under the Albanian system of justice. A panel of three judges renders court verdicts.

To be appointed a judge in a Court of First Instance, one must possess full legal competence, hold a law degree, and have no criminal record, have a good reputation, and be at least twenty-five years old¹¹⁰.

• *Courts of Felonies*

Legal provisions applied for organizing judicial power and the High Council of Justice apply also for organizing and operating Courts of Felonies and Appeal Courts of Felonies, except when otherwise provided by the law on Courts of Felonies.

Courts of Felonies and Courts of Appeal of Felonies are part of the judicial system and try felonies, as defined by law, in Courts of the First and Second Instance¹¹¹.

The President of the Republic, based on a proposal of the Minister of Justice after

¹⁰⁹ <http://www.state.gov/r/pa/ei/bgn/3235.htm>, <last accessed on 17/10/2011>.

¹¹⁰ *Ibid.*

¹¹¹ *Ibid.*

consulting with the High Council of Justice, establishes the number of Courts of Felonies and Appeal Courts of Felonies and their territorial jurisdiction.

Courts of Felonies are composed of the Chief Judge, Deputy Chief Judge and judges, appointed for a nine-year term.

The Courts of Felonies and the Appeal Courts of Felonies try cases using panels of five judges.

• *Military Courts*

Military Courts are organized and function within the judicial system according to powers defined in law. Military Courts are composed of Courts of First Instance and a Court of Appeal. Military Courts try military cases. The military Court of Appeal reviews in the second level complaints filed against decisions of the Military Courts of First Instance. The Military Courts try cases using panels of three judges.

• *The Office of the Prosecutor*

The office of the prosecutor exercises criminal prosecution and represents the accusation in court in the name of the state. The office of the prosecutor also performs other duties set by law. Prosecutors are organized and operate near the judicial system as a centralized organ. In the exercise of their powers, the prosecutors are subject to the Constitution and the laws.

The General Prosecutor is appointed by the President of the Republic with the consent of the Assembly. The General Prosecutor may be discharged by the President of the Republic upon the proposal of the Assembly for violations of the Constitution or serious violations of the law during the exercise of his duties, for mental or physical incapacity, for acts and behavior that seriously discredit the position and reputation of the Prosecutor.

The other prosecutors are appointed and discharged by the President of the Republic upon the proposal of the General Prosecutor. The General Prosecutor informs the Assembly from time to time on the status of criminality.

The Constitution provides for an independent judiciary; however, because of political pressure, intimidation, corruption, bribery, and limited resources, much of the judiciary is unable to function independently and efficiently.

Even though the judicial system is supposedly independent from the politics; in Albania every time the government changes the General prosecutors will be dismissed.

In the 20 years of Albanian democracy there are three cases of General prosecutors being dismissed. In what follows, we describe two cases that are worthy of mention. These are the case of Arben Rakipi¹¹² and his successor Theodhori Sollaku.

The case of General Prosecutor Arben Rakipi

As a first case, General Prosecutor General Arben Rakipi was dismissed in 2002 following an investigation and proposal by the Assembly, approved by the President. On appeal, the Constitutional Court found that the process initiated by the Assembly did not comply with due process protections, and ordered the Assembly to grant Rakipi due process. Nevertheless, the Assembly challenged the authority of the Court by proposing another Prosecutor General. Despite the Council of Europe's Venice Commission ruling advising that the implementation of the 2002 Constitutional Court decision stating that Prosecutor General Arben Rakipi, who was dismissed without the opportunity to present a defense, should be reinstated, the Government took no action to reinstate Rakipi during the year¹¹³.

The case of General Prosecutor Theodhori Sollaku

Theodhori Sollaku was removed as Chief Prosecutor by Parliament in November for not tackling organized crime and releasing prisoners early. However, in December 2006, the Constitutional Court declared that, by investigating the procedural workings of the Prosecutor's office and reviewing the correctness of the Prosecutor's decisions, this commission exceeded its constitutional mandate. Moreover, according to the Criminal Procedure Code and the Law on the Prosecutor's Office, only the Prosecutor General can review the decision of a lower prosecutor¹¹⁴.

Prior to the Court's decision, the President had refused to approve the proposal of the Parliamentary Commission requesting Sollaku's removal. According to the mass media, the dedication of the Sollaku investigation allowed the President to more easily refuse the proposed dismissal.

¹¹² U.S. Department of State, Bureau of Democracy, Human Rights, and Labor "Albania: Country Reports on Human Rights Practices 2002", 31/03/2003
<http://www.state.gov/g/drl/rls/hrrpt/2002/18349.htm><last accessed on 17/10/2011>.

¹¹³ *Ibid.*

¹¹⁴ *Ibid.*

3. Current Situation of the Rule of Law

Even after twenty years from the beginning of the transition from communism, politics, democracy and the rule of law in Albania are still volatile. Freedom House¹¹⁵ calls Albania partly free, the Economist Intelligence Unit¹¹⁶ considers it a hybrid regime and international organizations¹¹⁷ have expressed concern about the progress of Albania's reform process in recent times¹¹⁸. The European Commission's 2009 "Albania Progress Report"¹¹⁹, presented mixed evidence in the areas of democracy and the rule of law, particularly in the area of the judicial system and the corruption fighting.

The rule of law in Albania is a very serious problem. The government members, executive agencies and their branches, local governments, and politically powerful organizations and individuals often do not respect applicable laws and prescribed processes. The peculiarity of Albanian society is that the corruption is present at all of its levels. At the same time, there are serious doubts about the degree to which the own interests have trapped the Albanian state. Cozy relationship of private and government interests persist as a serious question, and critical conflicts of interest are common. In addition, organized crime is strong and allegedly has or has had patrons and protectors

¹¹⁵ Freedom House is an independent watchdog organization that supports the expansion of freedom around the world. Freedom House supports democratic change, monitors freedom, and advocates for democracy and human rights. Dedicated to promoting free institutions worldwide. Publishes surveys detailing state of civil liberties, political rights, economic freedom, religious freedom, and press freedom around the world.

<http://www.freedomhouse.org>, <last accessed on 21/09/2011>.

¹¹⁶ The Economist Intelligence Unit is the world's foremost provider of country, industry and management analysis. Founded in 1946 when a director of intelligence was appointed to serve The Economist, the Economist Intelligence Unit is now a leading research and advisory firm with more than 40 offices worldwide. For over 60 years, the Economist Intelligence Unit has delivered vital business intelligence to influential decision-makers around the world. Their extensive international reach and unfettered independence make us the most trusted and valuable resource for international companies, financial institutions, universities and government agencies.

Source: <http://www.eiu.com/index.asp?rf=0>, <last accessed on 18/10/2011>.

¹¹⁷ International Organizations: EU, IMF, World Bank, EBRD, UNDP, OECD, OSCE, EC, CE, etc.

¹¹⁸ FRIDE *supra* note 41, at 2.

¹¹⁹ CEC (Commission of the European Communities), "Albania 2009 Progress Report", 2009, p. 6, Commission Staff Working Document, Brussels, 14.10.2009, SEC (2009) 1337.

within the government¹²⁰.

Government performance in Albania is poor and state institutions are often ineffective. Their failure to deliver health, education, electricity, and other basic services dampens public support and further weakens the already fragile legitimacy of state institutions, public officials and political parties. Corruption, widely perceived as the root cause of Albania's problems, is principally a symptom of these failures of governance¹²¹. It is called a disaster despite the efforts done till now. The professionalism and civil encouragement are absent. They are considered as the most corrupted institutions and the legal causes are always negotiated. Politics has negatively influenced and they are not reliable at all. The executive power doesn't support adequately the judiciary.

Major criticisms have centered not only on the implementation of laws, a common problem besetting the wider region of the Western Balkans, but also on the substance and content of certain legislation. Ineffective and inappropriate implementation has also undermined the rule of law in Albania. Indeed, laws in Albania are often not observed or are applied selectively. Evidence indicates that poor translation of European legislation or partial adoption of international models have also created problems in the implementation phase; affecting the congruence and continuity of the legal system as a whole. The net result has been the promotion of a culture of no implementation in the country.

This part considers the rule of law from two distinct perspectives. The first is related to a system in which rules and regulations have the ability to restrain the actions of not only the citizens, but also of the government; creating both order and predictability¹²². The second perspective is related to the division of power or to the existence of institutional constraints that protect the citizens from arbitrary and abusive use of power. One of the major concerns with respect to the state of democracy in Albania is related to these two dimensions of the rule of law.

While most locals and international analysts suggested that legal standards, especially

¹²⁰ *Ibid.*

¹²¹ *Ibid.* p. 33

¹²² According to Lon Fuller, laws must: exist (and be public) and be obeyed by all, including the government (which implies that laws need to be enforced); be prospective in nature; avoid contradictions with one another and be clearly stated in order to avoid unfair enforcement; be reasonable and stay constant (although they should be able to adjust in accordance with times). See Lon L. Fuller, *The Morality of Law* (New Haven: Yale University Press, 1969). These conditions need to be fulfilled in order for the rule of law to be in place.

on paper, have improved significantly in the past few years, they raised doubts about their ability to effectively create a system grounded in respect for the rule of law. The most dominant problems revolved around the substance, procedures and implementation of the law. One of the key examples mentioned was the Lustration Law, approved in early 2009, whereby a 5-member authority was given extraordinary powers to investigate and fire any member of the government or the judiciary without due process. The international community, local observers and members of the opposition heavily criticized this law, arguing that it would provide an opportunity for political reprisal and undermine the impartiality of independent judges¹²³. The Lustration Law was ultimately suspended by the Constitutional Court and is currently under review (which suggests that this institution has managed to remain independent); although many believe that it served its purpose by sending a clear message to the judiciary¹²⁴. Another oft-cited example of questionable legislation was the recently approved anti-mafia law; whereby authorities are empowered through a civil procedure to confiscate private property based on reasonable suspicion that the person being investigated is involved in unlawful activities. Given that the confiscation of goods is based on a civil procedure, the responsibility to bring evidence falls upon the person whose property is seized, which, according to a member of the business community, represents a big burden for business¹²⁵.

It was also argued that ineffective and inappropriate implementation has undermined the rule of law in Albania. The issue of language was mentioned repeatedly as a significant barrier. The law is translated poorly into Albanian and therefore makes no sense and this happens very frequently. The transfer or adoption of foreign laws from Europe and other western countries has created additional technical problems, affecting the congruence and continuity of the overall legal system¹²⁶. It is also important to note the salient differences between Albania and Western European countries in terms of resources and enforcement facility.

¹²³ CEC, *supra* note 119, at 71.

¹²⁴ This law was approved at a time when several cases of high-level corruption implicating members of the government were under investigation. An international official stated that, 'the law was so blatantly unconstitutional in so many ways, that I'm not sure about what was intended other than putting the judges under even more pressure. It was like telling the judges, "look, we can do things to you if we want to".'

¹²⁵ In criminal procedures, the prosecutor is the one responsible for bringing evidence on the illicit origin of the property that is confiscated.

¹²⁶ CEC, *supra* note 119, at 81

In other circumstances, European or international models were said to have been only partially adopted; missing critical components for the system to function as a whole, or creating additional loopholes that may have a rather negative impact upon the overall implementation of the law.

Another problem with respect to the rule of law relates to the lack of proper due process in the adoption of legislation and in the application of the law. Members of different interest groups also criticized the lack of due process in terms of the way in which consultations work with local stakeholders. For example, the law of the organization of the justice power was approved without the opinion of the judges in 2008. However, some parts of this law were ultimately declared unconstitutional by the Constitutional Court¹²⁷.

The enactment of the new electoral code, whereby important changes were introduced to the election process, including a new proportional system, new electoral thresholds, and a new composition for the election commission, followed a similar pattern of informal processes. These changes were not debated within the Parliament's Commission on Electoral Reform and international officials, such as the Head of the OSCE Presence in Albania, regretted the lack of sufficient time to discuss the matter with civil society and those with a stake in the reform. Some smaller parties went so far as to initiate hunger strikes as a means of protest and demanded that the electoral code be approved by a referendum¹²⁸. The electoral commission rejected this proposal in

¹²⁷ *Ibid.* p. 86

¹²⁸ Locals' criticisms centered on the favorable terms laid out for the two largest parties in Albania, the DP and the PS. There are two particular issues that smaller parties have contended. The first is related to the electoral thresholds. Article 162 of the electoral code stipulates that parties need to reach a threshold of 3 per cent (or 5 per cent in the case of coalitions) in order to be able to enter the parliament. Given that mandates are allocated according to the D'Hondt formula (which favors large parties) and that the allocated number of mandates in each district is based on the distribution of the population (the smaller the population in a given electoral district, the fewer the mandates), in practice, the electoral code requires small parties to reach a 25 per cent threshold in regions with a scarce population in order to be able to gain a deputy. The second issue is related to the composition of the electoral commissions. The new 2008 electoral code has reduced the number of their members to seven in both the electoral and voting commissions, including five representatives from the larger parties (counting the head of the commission who is nominated by the government and voted in by parliament), and two from the smaller runner-up parties. In practice, locals have argued, the seats reserved for smaller parties go to the larger parties' coalition partners, excluding smaller parties (such as the SMI) from these institutions.

The d'Hondt method is a highest averages method for allocating seats in party-list proportional

June 2009.

In addition to the lack of due process in passing important legislation, laws in Albania are sometimes not observed, or are applied selectively. This development clearly has significant implications with respect to upholding of the rule of law. For example, media financing lacks any semblance of transparency despite legislation requiring full disclosure. Many have argued that the laws in this arena have simply been ignored by media companies and owners. Another example of this trend is the law on civil service, which dictates that appointments in the public administration must be merit-based¹²⁹.

Corruption is endemic in Albania. Its most extreme manifestation, state capture, is a matter of serious concern. Collusion of private and government interests remains a critical problem, and conflicts of interest are both extreme and common¹³⁰. According to Transparency International, perceptions are that corruption in Albania is extremely bad and getting worse. Corruption is a constant topic of conversation in the country.

In the case of Albania, economic growth goes along with corruption, illegal trafficking of drugs and people, organized crime and social exclusion. Albania is often referred to as one of the key points for illegal traffic to Western Europe, and despite obvious efforts to reverse the flow, not much seems to have been improved. The political elite have been persistently accused of having a hand in these illegal trade activities.

Transparency International ranks the country in 2011 at 95th place among 163 countries, with a corruption perception index ranging between 3.2 and 3.5 out of 10. About 60 percent of the population ranks corruption as the biggest social problem, much higher than unemployment or local incomes.

Corruption in Albania not only has devastating effects on the incomes of the population, it also ruins the foundations of the democracy in the country, as accusations of corruption to top-ranking politicians and civil servants remain unanswered.

representation. The method is named after Belgian mathematician Victor D'Hondt. This system favors large parties and coalitions over scattered small parties. Pukelsheim, Friedrich (2007), "*Seat bias formulas in proportional representation systems*", 4th ecpr General Conference.

<http://www.essex.ac.uk/ecpr/events/generalconference/pisa/papers/PP996.pdf>, <last accessed on 17/10/2011>.

¹²⁹ CEC, *supra* note 119, at 10.

¹³⁰ Transparency International: Corruption Perception Index for 2004

<http://www.transparency.org/cpi/2009/cpi2004.en.html>, 2010, <last accessed on 13/11/2011>.

Corruption within the legal system is endemic too. There are serious questions about the extent to which private interests have captured the state. Polls indicate that Albanians identify corruption as the main impediment to democratization and development. They perceive most institutions as thoroughly corrupt but especially customs, hospitals and tax collection.

The term corruption, though, is rarely defined. It has come to embrace a variety of phenomena, ranging from the bribe taken by street police to illegal tenders run by Government ministers to abuse of power in general. For the population at large, corruption has become the symbol of every failure that has befallen post-communist Albania¹³¹.

¹³¹ "ALBANIA: DEMOCRACY AND GOVERNANCE ASSESSMENT", Revised Version, Submitted to: The U.S. Agency for International Development DCHA/DG, Under USAID Contract No. DFD-I-00-04-00229-00 Democracy and Governance Analytical Services, Prepared by: Democracy International, Inc. 4802 Montgomery Lane, Suite 200 Bethesda, Maryland 20814 February 2006, p. 6.

Table 1. Honesty vs. Corruption, 2010

Average	61.5
Religious leaders	27.1
President	34.1
Media	38.1
Military	39.2
Public school teachers	43.1
NGO leaders	46.7
Businessmen	58.1
Policemen	63.1
University professors	63.4
Mayors	67.2
Prefects	68.8
IPPRO*	69.3
Party Leaders	71.7
Judgers	74.6
Prosecutors	75.1
Doctors	77.1
Parlamentarians	77.7
Ministers	78.9
Tax officials	80.9
Custom Officials	84.3

IPRO is acronym for Immovable Property Registration Office

Note: Out of 20 institutions and groups evaluated by the general public in 2009, only six of them fall under the midpoint of a scale where 0 means "Very honest" and 100 means "Very corrupt". The other 14 institutions are viewed as more corrupt than honest. The average score of all 20 institutions evaluated is 61.5 points, indicating a high level of corruption perception, overall. Religious leaders, the President, the media, the military, public school teachers and NGO leaders are still perceived as the least corrupt. On the contrary, custom officials, tax officials, ministers, parliamentarians and doctors are perceived as the most corrupt.

Source: Corruption in Albania, Summary of findings Survey 2009, IDRA (Institute for Development Researches and Alternatives), Albania.

“The level of corruption in a country with an ineffective legal system may begin to rise in response to, say, an external shock. The political elite may find the increased income from corruption irresistible. Once corrupted, the elite will attempt to reduce the effectiveness of the legal and juridical systems through manipulation of resource allocation and appointments to key positions. Reduced resources will make it difficult for the legal system to combat corruption, thus allowing corruption to spread even more”¹³².

In Albania, various forms of corruption are created due to an underdeveloped body of legislation that manifests itself in poor awareness of the law, ill-defined legislative procedures and inconsistencies among legislative acts.

Corruption has become the target for almost all dissatisfactions, individual or collective. If something fails, it is due to corruption. If democracy in Albania does not work, it is because of corruption. If you cannot find a job, it is because the system is corrupt. Corruption is no longer viewed as the symptom of a dysfunctional democracy but rather as its cause. As a consequence, Albanian people see the fight against corruption as a panacea. It becomes the answer to all the problems Albanian democracy faces, as well as a subtle way to avoid discussion of concrete re-forms and policies. In fact the current approach to corruption has turned the relationship between cause and effect upside down. It is no longer the case that corruption is the outcome of failed re-forms, such as in the judiciary for example, but rather the source of such failure. Therefore, the argument goes, we first have to get rid of corruption in order to successfully implement reforms, and not *vice versa*.

Thus, the growth of anticorruption rhetoric has increased the perception of corruption without actually reducing the level of corruption. Once corruption becomes everything, it is also nothing. As a consequence anticorruption campaigns lose focus because they face such a pervasive phenomenon. Therefore, the first task should be to produce a more narrow definition and better distinguish among different types of corruption. It is not especially useful to categorize every systematic failure or abuse of power in general under the rubric of corruption, although such failures and abuses might produce corruption as a consequence. In the same fashion, it is not helpful to lump together phenomena as different as petty corruption and state capture, which are really very different problems and require significantly different responses.

¹³² Andvig, J.C, Moene, K.O., “How corruption may corrupt”, Journal of Economic Behavior and Organization 199, p. 72.

4. Concluding Remarks

As we have mentioned above, Albania is a Parliamentary Republic meaning it is based on the separation and adequate balancing of the legislative, executive and judicial powers. Government performance in Albania is poor and state institutions are often ineffective. Their failure to deliver health, education, electricity, and other basic services dampens public support and further weakens the already fragile legitimacy of state institutions, public officials and political parties. As a conclusion we can say that the most important problems Albania faces nowadays are: Political problems, bad governance problems, and rule of law.

Political problems are related to the lack of available political options, conflicts in politics and the incapability of political parties to engage in dialogue, low quality skills of the political class, thinking of politics as a means for profit rather than a service for the people. Refreshing the old political class with a new one and increase of its quality needs a long time. Intelligence and involvement of the civil society will improve the situation.

Bad governance consists of lack of accountability of the politicians and civil servants, corruption and weak institutions.

As the rule of law is weak, and the judiciary corrupt, legislation not being adapted to internationally accepted standards, and the poor implementation of laws, the law is not above all. Bad governance and rule of law is related to the Albanian mentality, lack of tradition, lack of a whole legal framework, negative activities of political parties that do not allow law enforcement etc. The solutions are seen in international community help, civil society involvement, economic growth and the reformation of the political class. The mentality of Albanian society is the cause of all the problems. It is also the least susceptible to change, at least in the short term. The mentality is defined in two ways: first Albanians have not recovered from their communist past, in that the state is still by large the central figure of all activities. Second the ingredients of a civil society are absent.

Note: The Albanian mentality is discussed in detail in the Chapters IV and V.

Chapter II. Geographic Position and Western Influence

During and after the collapse of the Ottoman Empire, the Albanian nationalism appeared rather late when compared to the other nations in the Balkans most of whom had already achieved their sovereignty and independence. Albanians were late to disassociate themselves from the Empire and unite to develop their national identity in order to transform it into the foundations of a nation state¹³³.

Differently to other Balkan nations Albanians did not have the support of any of the great power country to protect their national cause as well. Nation building and state formation processes had to advance due to the Balkan War that *de facto* broke the physical linkage of Albanians with the Ottomans¹³⁴.

In order not to be invaded and be part of other Balkan states, Albanians declared their independence in 28 November 1912. However, the declaration of independence did not bring stability and sovereignty to Albania. From the very beginning Albania faced the problems of vulnerability and survival leading to its weaknesses as a state. Albania did not possess the necessary political, economic and military means to form, consolidate and protect itself¹³⁵.

Despite the initial excitement of creating their state Albanians were politically divided and there was not a strong political leadership to lead the country in the early stage of its founding. Albania had neither the economic means nor the foreign support to create the state structures and sustain them.

Albanian state had to be formed in times of political turmoil and ongoing wars in the Balkans. Balkan Wars followed by the World War I had brought chaos and conflict to the Balkans leaving newly founded Albania vulnerable to the possible invasion of regional powers. Initial attempts to ensure the formal recognition of Albania's sovereignty and borders failed which brought it face-to-face with threats to its very survival¹³⁶.

¹³³ Dilaver Arikian Acar, "Small State Playing the Asymmetric Game: Evolution of Albania's Foreign Policy and its Relations with the US in the Post-Cold Era", ECPR Standing Group On International Relations, Making Sense of a Pluralist World: Sixth Pan-European Conference on International Relations, Turin, 12-17 September 2007, p. 12

¹³⁴ Jano, Dorian, "How Legacies of the Past and Weakness of the State brought Violent Dissolution and Disorder to the Western Balkan States" *Journal of Peace, Conflict and Development*, Issue 14, July 2009, p. 6.

¹³⁵ Dilaver Arikian Acar, *supra* note 133.

¹³⁶ Jano, Dorian, *supra* note 134.

There was no order in the Balkans during the wars and Albania's existence was not a priority for many of the great powers of the time. These circumstances served as primary encouragement to the major regional neighboring powers Serbia and Montenegro (later Yugoslavia), Greece and Italy to realize their territorial aspirations over the Albanian populated parts of the previously Ottoman lands. Yugoslavia and Greece joined by Italy from the other side of the Adriatic have been the major regional actors directly influencing Albanian foreign policy ever since¹³⁷.

¹³⁷ *Ibid.*

1. Geographical and Social Constraints

The dominant academic view over the last years has been that the presence of western political factors in the post-communist countries would facilitate their transition to democracies. The international factors had a positive impact to the changes in those regions that started their substantial reforms at the beginning of the transition¹³⁸. The transition period records five different types of western political factors:

- a) the European Union (EU);
- b) International Financial institutions (IFIs);
- c) the North Atlantic Treaty Organization (NATO);
- d) International Nongovernmental Organizations (INGOs), and
- e) Multinational Companies (MNCs),

These factors lead to two main arguments. The first one is that western influence has had the most positive impact on the Central European and Baltic countries like Slovenia, Croatia, Poland, Hungary, Slovakia, Czech Republic, Estonia, Latvia and Lithuania. However, the progress of these countries towards liberalization was predefined by their existing civil societies, favorable geographies, and anti-communist political cultures. At the same time, these states chose to vigorously court and benefit from their interaction with western actors¹³⁹. On the other hand, the western influence had less impact on the countries of the Commonwealth of Independent States (CIS). Constrained by Soviet rules, corrupted bureaucracies, and top-down patronage linkages, these countries have found it more difficult to slip out from the Communist era, despite the prevalence of many external actors in the region. Even some of the post-Soviet countries that began the Western-style reforms like Armenia, Georgia, Kazakhstan, Kyrgyzstan, Moldova, and even Russia, often used the material resources offered by external actors not to enact sustained reforms, but to maintain the political power of Soviet-era elites and state agencies¹⁴⁰. The countries of Southeastern Europe and the Balkans like Albania, Bosnia, Bulgaria, Kosovo, Macedonia, Romania, Serbia and Montenegro lie somewhere in the middle. The second argument is that the degree of western influence has differed according to the consequence of conditions imposed by each type of above mentioned

¹³⁸ Cooley, Alexander, "Western Conditions and Domestic Choices: The Influence of External Actors on the Post-Communist Transition", Nations in Transit 2003, p. 25.

¹³⁹ *Ibid.*

¹⁴⁰ *Ibid.*

factor. NATO and the EU are the most successful in enforcing meaningful domestic reforms in these countries. INGOs and MNCs have had the least impact. IFIs, such as the International Monetary Fund (IMF) and the World Bank, which impose only economic conditions, lie somewhere in between¹⁴¹.

If we will refer to the annual reports of international institutions like EBRD, World Bank, OECD, IMF and others, in political and social indicators for the post-communist countries, we can recognize a clear pattern in the geographical classification. The countries which are closer to the Western Europe are in the higher ranks in all the indexes that measure the political and social areas compared to the other post-communist countries. The more we look to the east the difference is greater in the terms of efforts to consolidate the democracy, building institutions and enforcement of law¹⁴². The geopolitical constraint and crosscurrents can powerfully affect the interstate distribution of democratization, the scope of democracy within the states and the viability of the resulting democratic regimes.

So, why have the countries that are closer to Western Europe been more successful?

There are two arguments related to this question. The first one is that the level of income per capita. The second argument is their access to west Europe. Based on various studies, the richest countries are the countries that have taken the best steps to democracy¹⁴³. Geographical proximity to west-Europe enabled institutional diffusion to spread more rapidly to the central and eastern European countries. Many evidences present that the geographic position is more important than domestic policy itself in decisive outcomes and have a great influence what policy are chosen. A country that chooses all the right policies but is poorly located should ultimately not perform well.

How has the geographic position influenced institution building performance and the development of the rule of law in Albania? There are many explanations for this point, but we will mention just two of the major ones that have certain characteristics and are related to regional stability. The first one is concerned with the regional factors and the impact of the neighbors.

The second one is the influence of the western countries and especially the EU.

¹⁴¹ *Ibid.* p.26.

¹⁴² Elezi, Gentian, "*The Rule of Law in Post-Communism Albania*", 2009, University of Sussex, United Kingdom, p. 37

¹⁴³ *Ibid.*

Regional stability was the basic element for the building of a modern constitutional democracy in these countries¹⁴⁴. However, the stability doesn't mean only in the domestic issues but also in the international environment related to these countries. The international environment, at least so far, has been exceptionally favorable to the democratic transition in Central European countries; Russia is weak and its sphere of influence shrinking: Germany is powerful but democratic and integrated in both the EU and NATO; and there are no significant regional conflicts¹⁴⁵. This favorable combination of factors, unprecedented in Central European countries history, contrasts with the instability in the Balkan countries, not merely the wars in the former Yugoslavia, but the collapse of the Albanian state at the very moment the Kosovo issue was intensifying.

Experience has indicated that, when the countries have their borders stable and secure, their road toward the openness and co-operation will increase. This was proved in the case of Hungary. Hungary followed a different approach to build relations with the other Central and West European countries. A clear idea of competition began to increase between the policy-makers, elites, intellectuals and politicians and having in mind their final goal, they worked together to forget quickly the legacy of communism.

¹⁴⁴ *Ibid.*

¹⁴⁵ Rupnik, Jacques, "Eastern Europe : The International Context", *Journal of Democracy*, 2000, p.62

2. The Former-Yugoslavia Wars Influence

• *The Political Developments*

After Tito's¹⁴⁶ death on 4 May 1980, ethnic tensions grew in Yugoslavia. The legacy of the Constitution of 1974 was used to throw the system of decision-making into a state of paralysis, made all the more hopeless as the conflict of interests had become irreconcilable. The constitutional crisis that inevitably followed resulted in a rise of nationalism in all republics: Slovenia and Croatia made demands for looser ties within the Federation, the Albanian majority in Kosovo demanded the status of a republic, Serbia sought absolute, not only relative dominion over Yugoslavia. Added to this, the Croat quest for independence led to large Serb communities within Croatia rebelling and trying to secede from the Croat Republic¹⁴⁷.

In 1986, the Serbian Academy of Sciences and Arts drafted a memorandum addressing some burning issues concerning position of Serbs as the most numerous people in Yugoslavia¹⁴⁸. The largest Yugoslav republic in territory and population, Serbia's influence over the regions of Kosovo¹⁴⁹ and Vojvodina¹⁵⁰ was reduced by the 1974

¹⁴⁶ Josip Broz Tito May 7, 1892 – May 4, 1980 was the chief architect of the “second” Yugoslavia that lasted from 1943 until 1991. Tito is best known for organizing anti-fascist resistance movement Yugoslav Partisans, defying Soviet influence and founding and promoting Non-Aligned Movement worldwide. He broke with the Soviet Union in 1948 and enjoyed good relations with the Western powers, who sold him arms to defend Yugoslavia from possible attack from the USSR. Tito was able to build one of the largest armies in Europe. During his long rule, the provinces of Yugoslavia were treated equitably and regionalism was discouraged although cultural identity could be freely expressed. The particular brand of communism that Tito espoused was known as ‘market socialism’, with workers rather than the state owning the means of production while the market is allowed to determine production and pricing. Yugoslavia was economically better off than most other Communist states. Following his death, however, Yugoslavia only survived as a federation for a decade before its republics declared independence and war around territorial claims especially involving Croatian and Serbian claims on Bosnia quickly followed.

New World Encyclopedia

¹⁴⁷ Allcock, John B, “*Explaining Yugoslavia*”, New York: Columbia University Press, 2000.

¹⁴⁸ *Ibid.*

¹⁴⁹ Kosovo is a province in southern Serbia. It is the subject of an ongoing territorial dispute between the Serbian government and the province's majority ethnic Albanian population. It is formally part of Serbia, but since the Kosovo War it has been administered by the United Nations as a protectorate. Its Albanian population referred to the province as the Republic of Kosovo between 1990 and 1999 and declared it an

Constitution. Because its two autonomous provinces had de facto prerogatives of full-fledged republics, Serbia found that its hands were tied, for the republican government was restricted in making and carrying out decisions that would apply to the provinces¹⁵¹. Since the provinces had a vote in the Federal Presidency Council (an eight member council composed of representatives from six republics and two autonomous provinces), they sometimes even entered into coalition with other republics, thus outvoting Serbia. Serbia's political impotence made it possible for others to exert pressure on the 2 million Serbs (20% of total Serbian population) living outside Serbia.

Serbian communist leader Slobodan Milosevic¹⁵² sought to restore pre-1974 Serbian sovereignty. Other republics, especially Slovenia and Croatia, denounced this

independent state, though this was recognized abroad only by Albania. The region was administered by the United Nations (UN) beginning in 1999. Kosovo declared independence from Serbia in 2008. That December the UN transferred most of its powers of oversight to the European Union. In 2010 the International Court of Justice ruled that Kosovo's declaration of independence did not violate international law.

<http://www.answers.com/topic/kosovo#ixzz1NMOLBcH8b>, <last accessed on 10/11/2011>.

¹⁵⁰ The Autonomous Province of Vojvodina is the northern province of Serbia. Its capital is Novi Sad and the second largest town is Subotica. It is ethnically diverse, with more than 25 different ethnic groups comprising a third of the region's population. It has no less than six official languages, reflecting the region's great cultural and linguistic diversity. Vojvodina is one of two autonomous provinces of Serbia, the other being Kosovo and Metohija.

<http://www.wordiq.com/definition/Vojvodina>, <last accessed on 21/08/2011>.

¹⁵¹ Allcock, *supra* note 147.

¹⁵² Slobodan Milosevic became president of Serbia in 1989 in that country's first democratic elections since World War I. He then became President of Yugoslavia in 1997. By turns blustery, charming, and secretive, he made aggressive attacks on ethnic Albanians in the province of Kosovo which led to his 1999 military struggle with the forces of NATO, with NATO planes bombing the Serb army. In September of 2000 he was defeated by Vojislav Kostunica in a general election for president of Serbia; Milosevic disputed the results but left office after a public uprising against him the next month. In June 2001 Milosevic was handed over to the United Nations War Crimes Tribunal and taken to The Hague to be tried for war crimes allegedly committed during his rule. The trial was repeatedly interrupted due to Milosevic's heart troubles and high blood pressure. The trial proceedings were ended after Milosevic died in a prison cell at a U.N. detention center near The Hague. Though his supporters suspected foul play, an autopsy revealed that Milosevic died of heart failure.

<http://www.answers.com/topic/slobodan-milosevic>, <last accessed on 21/08/2011>.

move as a revival of great Serbian hegemony¹⁵³. Milosevic succeeded in reducing the autonomy of Vojvodina and of Kosovo and Metohija¹⁵⁴, but both entities retained a vote in the Yugoslav Presidency Council¹⁵⁵. The very instrument that reduced Serbian influence before was now used to increase it: in the eight members of Council, Serbia could now count on four votes minimum, Serbia proper, then-loyal Montenegro, and Vojvodina and Kosovo.

As a result of these events, the ethnic Albanian miners in Kosovo organized strikes, which dovetailed into ethnic conflict between the Albanians and the non-Albanians in the province. More than 80% of the population of Kosovo in the 1980s, ethnic-Albanians were the majority. The number of Slavs in Kosovo (mainly Serbs) was quickly declining for several reasons, among them the ever increasing ethnic tensions and subsequent emigration from the area. By 1999 the Slavs formed as little as 10% of the total population in Kosovo¹⁵⁶.

Albanian miners and their struggle for formal recognition were supported by Slovenia and Croatia. Initial strikes turned into widespread demonstrations demanding a Kosovo Republic¹⁵⁷. This angered Serbia's leadership which proceeded to use police force, and later even the Federal Army was sent to the province by the order of the Serbia-held majority in the Yugoslav Presidency Council.

In January 1990, the extraordinary 14th Congress of the Communists League of Yugoslavia was held. For most of the time, the Slovenian and Serbian delegations were arguing over the future of the League of Communists and Yugoslavia. The Serbian delegation, led by Milosevic, insisted on a policy of "one person, one vote", which would empower the plurality population, the Serbs. In turn, the Slovenes, supported by Croats, sought to reform Yugoslavia by devolving even more power to republics, but were voted down. As a result, the Slovenian, and eventually Croatian delegation left the Congress, and the all-Yugoslav Communist party was dissolved¹⁵⁸.

¹⁵³ Allcock, *supra* note 147.

¹⁵⁴ Metohija (Albanian: Rrafshi i Dukagjinit), is a large basin and the name of the region covering the southwestern part of Kosovo. It is part of the larger Dukagjini region (Dukagjini is a region in Northern Albania and western Kosovo).

¹⁵⁵ Allcock, *supra* note 147.

¹⁵⁶ Cigar and Norman, *"Genocide in Bosnia: The Policy of Ethnic-Cleansing"*, College Station, Texas A&M University Press, 1995

¹⁵⁷ Cohen, Lenard. J, *"Broken Bonds: The Disintegration of Yugoslavia"*, Boulder, CO: West view Press, 1993.

¹⁵⁸ Glenny, Mischa *"The Balkans: Nationalism, War and the Great Powers 1804-1999"*, 2000, Penguin

Following the fall of communism in the rest of Eastern Europe, each of the republics held multi-party elections in 1990. The elections in Slovenia and Croatia were held in April and their communist parties chose to concede power peacefully. Serbia was unconvinced with the democratization in these republics and proposed different sanctions against them. However, as the year passed other republics' communist parties saw the inevitability of the democratization process and in December as the last member of the federation Serbia held parliamentary elections which confirmed (former) communist rule in this republic¹⁵⁹. The unresolved issues however remained. In particular, Slovenia and Croatia elected governments oriented towards greater autonomy of the republics (under Milan Kucan and Franjo Tudjman¹⁶⁰, respectively), since it became clear that Serbian domination attempts and increasingly different levels of democratic standards were becoming increasingly incompatible. Serbia and Montenegro elected candidates who favored Yugoslav unity. Serbs in Croatia wouldn't accept a status of a national minority in a sovereign Croatia, since they would be demoted from a constituent nation of Croatia and this would consequently diminish their rights¹⁶¹.

Books Ltd, London, p.31.

¹⁵⁹ Hall, Brian *"The Impossible Country: A Journey Through the Last Days of Yugoslavia"*, 1994, Penguin Books Ltd, New York, p. 21.

¹⁶⁰ Croatian politician and president of Croatia (1990–99). He served with the partisans under Marshal Tito in World War II. He taught political science and history at the University of Zagreb (1963 – 67) and later wrote numerous books on history and politics. He was expelled from the Yugoslav Communist Party in 1967 for his nationalist writings, and he was imprisoned in 1972 and 1981. In 1989 Tudjman founded the Croatian Democratic Union, which won Croatia's first free parliamentary elections in 1990. Named president, he pressed for the creation of a homogenous Croatian state. When Serbian areas of Eastern and Western Slavonia and the Krajina revolted, they were occupied by the Yugoslav army. Beginning in 1995, Tudjman reasserted control over these areas and established virtual control over portions of Bosnia and Herzegovina with majority Croatian populations. His authoritarian style, along with his refusal to cooperate with the International Criminal Tribunal for the Former Yugoslavia, led to the international isolation of Croatia, and his excesses in the Bosnian conflict and his autocratic rule earned Tudjman a reputation for brutality.

<http://www.answers.com/topic/franjo-tudjman>, <last accessed on 21/4/2011>.

¹⁶¹ Hall, *supra* note 159, at 22.

• *The beginning of Wars*

The war broke out when the new regimes tried to replace Yugoslav civilian and military forces with secessionist forces¹⁶². When Croatia tried to change police in the Serb populated Croat Krajina by force in August 1990, the population first looked for refuge in the JNA (The Yugoslav People's Army) caserns, while the army remained passive¹⁶³. The civilians then organized armed resistance. These armed conflicts between the Croatian armed forces and civilians mark the beginning of the Yugoslav war that inflamed the region¹⁶⁴. Similarly, the attempt to replace Yugoslav frontier police by the Slovenian police provoked regional armed conflicts which finished with a minimal number of victims. A similar attempt in Bosnia and Herzegovina led to a war that lasted more than 3 years¹⁶⁵.

The results of all these conflicts were almost complete emigration of the Serbs from all three regions, massive displacement of the populations in Bosnia and Herzegovina and establishment of the 3 new independent states¹⁶⁶. The separation of Macedonia was peaceful, although the Yugoslav Army occupied the peak of the Straza Mountain on the Macedonian soil.

Serbian uprisings in Croatia began in August 1990 by blocking roads leading from the Dalmatian coast towards the inland almost a year before Croatian leadership made any move towards independence¹⁶⁷. These uprisings were more or less discreetly backed by the JNA. The Serbs proclaimed the emergence of Serbian Autonomous Areas in Croatia. Federal army tried to disarm the Territorial defense forces of Slovenia in 1990 but wasn't completely successful¹⁶⁸. Still Slovenia began to covertly import arms to replenish its armed forces. Croatia also embarked upon the illegal import of arms, mainly from Hungary¹⁶⁹. Also guns were fired from army bases through Croatia. Elsewhere, tensions were running high.

In the same month, the JNA met with the Presidency of Yugoslavia in an attempt to get them to declare a state of emergency which would allow for the army to take control

¹⁶² Cohen, *supra* note 157, at 47

¹⁶³ Hall, *supra* note 159, at 49.

¹⁶⁴ *Ibid.* p. 52.

¹⁶⁵ *Ibid.*

¹⁶⁶ Allcock, *supra* note 147, at 38.

¹⁶⁷ *Ibid.*

¹⁶⁸ *Ibid.*

¹⁶⁹ *Ibid.*

of the country. The army was seen as a Serbian service by that time so the other republics feared total Serbian domination as a consequence. The representatives of Serbia, Montenegro, Kosovo, and Vojvodina voted for the decision, while all other republics, Croatia, Slovenia, Macedonia and Bosnia and Herzegovina voted against¹⁷⁰.

Following the first multi-party election results, in the autumn of 1990, the republics of Slovenia and Croatia proposed transforming Yugoslavia into a loose confederation of six republics. By this proposal republics would have right to self-determination. However Milosevic rejected all such proposals, arguing that like Slovenes and Croats, the Serbs should also have a right to self-determination¹⁷¹.

On March 9, 1991, demonstrations were held against Slobodan Milosevic in Belgrade, but the police and the military were deployed in the streets to restore order, killing two people. In late March 1991, the Plitvice Lakes incident¹⁷² was one of the first sparks of open war in Croatia. The JNA, whose superior officers were mainly of Serbian ethnicity, maintained an impression of being neutral, but as time went on, they got more and more involved in the state politics¹⁷³.

On June 25, 1991, Slovenia and Croatia became the first republics to declare independence from Yugoslavia. The federal customs officers in Slovenia on the border crossings with Italy, Austria and Hungary mainly just changed uniforms since most of them were local Slovenes. The border police were mostly already Slovenian before Slovenia's declaration of independence. The following day, the Federal Executive Council specifically ordered the army to take control of the "internationally recognized borders".

The JNA forces, based in barracks in Slovenia and Croatia, attempted to carry out

¹⁷⁰ Cohen, *supra* note 157, at 47.

¹⁷¹ *Ibid.*

¹⁷² The Plitvice Lakes incident of March 1991 was an incident at the beginning of the Croatian War of Independence. It was a clash between heavily armed Croatian policemen and special police (the Croatian army was still being formed and organized at that time), the forces aiming to create the independent Republic of Croatia, and lightly armed Serbs, supported by Belgrade and the Yugoslav People's Army. It resulted in two deaths, one on each side, and contributed significantly to the worsening ethnic tensions that were to be at the heart of the subsequent war. Today, it's a symbol of the Croatian fight for freedom and homeland and contains a memorial of the first Croatian man to fall in a battle for his homeland in the war.

http://www.answers.com/topic/Plitvice_Lakes_incident, <last accessed on 21/4/2011>.

¹⁷³ Owen, David: "*Balkan Odyssey Harcourt*", Harcourt Brace & Co, 1997, p 32.

the task within the next 48 hours. However, because of the misinformation given to the Yugoslav Army conscripts that the Federation was under attack by foreign forces, and the fact that the majority of them did not wish to engage in a war on the ground where they served their conscription, the Slovene territorial defense forces retook most of the posts within several days with only minimal loss of life on both sides. There were however numerous cases of destruction of civilian property and civilian life by the Yugoslav People's Army, houses, a church, civilian airport was bombarded and civilian hangar and airliners inside it, truck drivers on the Ljubljana–Zagreb road and Austrian journalists at Ljubljana Airport were killed. Ceasefire was agreed upon. According to the Brioni Agreement¹⁷⁴, recognized by representatives of all republics, the international community pressured Slovenia and Croatia to place a three-month moratorium on their independence. During these three months, the Yugoslav Army completed its pull-out from Slovenia, but in Croatia, a bloody war broke out in the autumn of 1991¹⁷⁵. Ethnic Serbs, who had created their own state Republic of Serbian Krajina¹⁷⁶ in heavily

¹⁷⁴ The Brioni Agreement is a document signed on the Brioni (Brijuni) islands (near Pula, Croatia) on July 7th 1991 by representatives of the Republic of Slovenia and the Socialist Federal Republic of Yugoslavia under the political sponsorship of the European Community. With this document, the SFRY stopped all hostilities on Slovenian territory, thus ending the Slovenian War while Slovenia and Croatia froze independence activities for a period of three months.

http://www.associatepublisher.com/e/b/br/brioni_agreement.htm, <last accessed on 21/4/2011>.

¹⁷⁵ Owen, *supra* note 173, at 32.

¹⁷⁶ The Republic of Serbian Krajina was a self-proclaimed Serbian-dominated entity within Croatia. Established in 1991, it was not recognized internationally. During its existence, from 1991 to 1994, it was a separatist government that fought for full independence for Serbian minority in Croatia from Socialist Croatia and then from Croatia once the countries' borders were recognized by foreign states in August of 1991. The self-governing government of Krajina had de facto control over central parts of the territory while control of the outskirts changed with success and failures of the military activities. In 1992, the Serb Krajina government signed a demilitarization agreement and removed all of the heavy artillery that was brought in by Yugoslav People's Army at the start of the conflict, in exchange the area became a United Nations Protected demilitarized zone. The territory was legally protected by United Nations Protection Force and the Military of Serbian Krajina (without the heavy artillery) until 1995. Its main portion was overrun by Croatian forces in 1995; a rump remained in eastern Slavonia under United Nations (UN) administration until its peaceful reincorporation into Croatia in 1998. "Krajina" is an old Serbian and Croatian word for "frontier". At this time, Serb Krajina has a Serbian Krajina Government in exile. The government in exile has no power over the region in Croatia and has very little or no power over the citizens in diasporas.

Serb-populated regions, resisted the police forces of the Republic of Croatia who were trying to bring that breakaway region back under Croatian jurisdiction. In some strategic places, the Yugoslav Army acted as a buffer zone, in most others it was protecting or aiding Serbs with resources and even manpower in their confrontation with the new Croatian army and their police force.

In September 1991, the Republic of Macedonia also declared independence, becoming the only former republic to gain sovereignty without resistance from the Belgrade-based Yugoslav authorities. Five hundred U.S. soldiers were then deployed under the U.N. banner to monitor Macedonia's northern borders with the Republic of Serbia, Yugoslavia. Macedonia's first president, Kiro Gligorov¹⁷⁷, maintained good relations with Belgrade and the other breakaway republics and there have to date been no problems between Macedonian and Serbian border police even though small pockets of Kosovo and the Presevo valley complete the northern reaches of the historical region known as Macedonia, which would otherwise create a border dispute if ever Macedonian romantic nationalism should resurface. This was despite the fact that the Yugoslav Army refused to abandon its military infrastructure on the top of the Straza Mountain up to the year 2000.

As a result of the conflict, the United Nations Security Council unanimously adopted UN Security Council Resolution 721 on November 27, 1991, which paved the way to the establishment of peacekeeping operations in Yugoslavia.

In Bosnia and Herzegovina in November 1991, the Bosnian Serbs held a referendum which resulted in an overwhelming vote in favor of forming Serbian republic in borders of Bosnia and Herzegovina and staying in a common state with Serbia and Montenegro. On January 9, 1992, the self-proclaimed Bosnian Serb assembly proclaimed a separate "Republic of the Serb people of Bosnia and Herzegovina". The referendum and creation of SARs were proclaimed unconstitutional by the government of Bosnia and Herzegovina, and declared illegal and invalid. However, in February-March 1992 the government held a national referendum on Bosnian independence from Yugoslavia. That referendum was in turn declared contrary to the BiH and Federal constitution by the federal Constitution court in Belgrade and the newly established Bosnian Serb

http://www.associatepublisher.com/e/r/re/republic_of_serb_krajina.htm, <last accessed on 17/10/2011>.

¹⁷⁷ Kiro Gligorov (born 1917) became the first president of the Republic of Macedonia in January 1991. He led the newly established state to international recognition, independence, and sovereignty.

<http://www.answers.com/topic/kiro-gligoro>, <last accessed on 17/10/2011>.

government. The referendum was largely boycotted by the Bosnian Serbs. The Federal court in Belgrade did not decide on the matter of the referendum of the Bosnian Serbs. The turnout was somewhere between 64–67% and 98% of the voters voted for independence. It was not clear what the two-thirds majority requirement actually meant and whether it was satisfied. The republic's government declared its independence on 5 April, and the Serbs immediately declared the independence of Republika Srpska. The war in Bosnia followed shortly thereafter.

• *The Kosovo War*

In 1995 the Dayton Agreement¹⁷⁸ ended the Bosnian War, drawing considerable international attention. However, despite the hopes of Kosovo Albanians, the situation in Kosovo remained largely unaddressed by the international community, and by 1996 the Kosovo Liberation Army (KLA), an ethnic Albanian guerilla group, had prevailed over the non-violent resistance movement and had started offering armed resistance to Serbian and Yugoslav security forces, resulting in early stages of the Kosovo War. By 1998, as the violence had worsened and displaced scores of Albanians, Western interest had increased¹⁷⁹. The Serbian authorities were compelled to sign a ceasefire and partial retreat, monitored by OSCE observers according to an agreement negotiated by Richard Holbrooke. However, the ceasefire did not hold and fighting resumed in December 1998. The Racak massacre¹⁸⁰ in January 1999 in particular brought new international

¹⁷⁸ The General Framework Agreement for Peace in Bosnia and Herzegovina, also known as the Dayton Agreement, Dayton Accords, Paris Protocol or Dayton-Paris Agreement, is the peace agreement reached at Wright-Patterson Air Force Base near Dayton, Ohio in November 1995, and formally signed in Paris on December 14, 1995. These accords put an end to the three and a half year long war in Bosnia, one of the armed conflicts in the former Socialist Federative Republic of Yugoslavia. Some articles erroneously refer to the agreement as the Treaty of Dayton.

<http://www.state.gov/www/regions/eur/bosnia/bosagree.html>, <last accessed on 21/08/2011>.

¹⁷⁹ European Commission, World Bank and the IMF, *"The Impact of the Kosovo Conflict on Albania"*, Brussels, May 26, 1999, p. 2.

¹⁸⁰ The Racak massacre of 15 January 1999 was the massacre of Kosovo-Albanians, supposedly one of the bloodiest single episodes in the events that led up to the Kosovo War. 45 Kosovo Albanians were killed in the village of Racak in central Kosovo. According to Amnesty International, the victims included three women, a 12-year-old child and several elderly men, while ICTY (International Criminal Tribunal for the former Yugoslavia) list of dead people records two women, a 13-year-old boy and two old men. Source: Bill Neely. *"Serbs rewrite history of Racak massacre"*, The Independent, 23 January 1999.

attention to the conflict. Within weeks, a multilateral international conference was convened and by March had prepared a draft agreement known as the Rambouillet Agreement¹⁸¹, calling for restoration of Kosovo's autonomy and deployment of NATO peacekeeping forces. The Serbian party found the terms unacceptable and refused to sign the draft.

Between March 24 and June 10, 1999, NATO intervened by bombing Yugoslavia aimed to force Milosevic to withdraw his forces from Kosovo. This military action was not authorized by the Security Council of the United Nations and was therefore contrary to the provisions of the United Nations Charter. Combined with continued skirmishes between Albanian guerrillas and Yugoslav forces the conflict resulted in further massive displacement of population in Kosovo. During the conflict, roughly a million ethnic Albanians fled or were forcefully driven from Kosovo. Altogether, more than 11,000 deaths have been reported to Carla Del Ponte by her prosecutors. Some 3,000 people are still missing, of which 2,500 are Albanian, 400 Serbs and 100 Roma. Ultimately by June Milosevic had agreed to a foreign military presence within Kosovo and withdrawal of his troops¹⁸².

While Albania was expecting to enter a period of consolidation and recovery, the hostilities in Kosovo were deteriorating continually since October 1998. After protracted negotiations between the FRY and representatives of the Kosovo ethnic Albanians, the Rambouillet Agreement was signed only by the Kosovo delegation. When the armed conflict flared up in late March 1999, however, the international community and the Albanian Government were not prepared for the exodus of Kosovo Albanian refugees whose number quickly reached into the hundreds of thousands in Albania and also in neighboring countries.

The primary impact of the Kosovo conflict on Albania has been the unprecedented

¹⁸¹ The Rambouillet Agreement is the name of a proposed peace agreement between then-Yugoslavia and a delegation representing the ethnic-Albanian majority population of Kosovo. It was drafted by the North Atlantic Treaty Organization (NATO) and named for Chateau Rambouillet, where it was initially proposed. The significance of the agreement lies in the fact that Yugoslavia refused to accept it, which NATO used as justification to start the Kosovo War. Belgrade's rejection was based on the argument that contained provisions for Kosovo's autonomy that went further than the Serbian/Yugoslav government saw as reasonable. *The Rambouillet Accord: A Declaration of War Disguised as a Peace Agreement*, By Richard Becker, Western Regional Co-Director of the International Action Center.

¹⁸² European Commission, World Bank and the IMF *supra* note 179.

inflow of refugees¹⁸³. In early May 1999, the number of refugees amounted to some 13 percent of the country's population¹⁸⁴. The refugees have already put an enormous strain on the economic and social infrastructure, the budget, as well as the already weak public institutions in all branches and at all levels of Government.

• *Impact of Kosovo War on Albanian governance*

The Kosovo conflict has had major repercussions on the public administration of Albania, as a whole, but it affects the Customs Service, in particular. Attention has to be focused on facilitating the entrance of goods into the country, which suddenly increased as assistance to support the refugees was put in place. This may result in a reduced control of commercial consignments or an increase in the incidence of fraud, involving both the intentionally incorrect description of goods under aid programs, and the diversion of aid to commercial use. In addition, it will adversely affect the required imports for restructuring the needs of the economy¹⁸⁵.

• *The end of the Second Yugoslavia*

Various dates are considered as "the" end of the Socialist Federal Republic of Yugoslavia:

June 25, 1991, when Croatia and Slovenia declared independence

September 8, 1991, following a referendum the Republic of Macedonia declared independence

October 8, 1991, when the July 9 moratorium on Slovenian and Croatian secession was ended and Croatia restated its independence in Croatian Parliament (this day is celebrated as Independence Day in Croatia)

January 15, 1992, when Slovenia and Croatia were internationally recognized by most European countries

April 6, 1992, full recognition of Bosnia and Herzegovina's independence by the United States and most European countries

April 28, 1992, Federal Republic of Yugoslavia is formed

November 1995, Dayton Agreement is signed by leaders of FR Yugoslavia, Bosnia and

¹⁸³ *Ibid.*

¹⁸⁴ *Ibid.*

¹⁸⁵ *Ibid.*

Herzegovina and Croatia

June 14, 1996, the Agreement on Sub-Regional Arms Control is signed, limiting the military equipment of FR Yugoslavia, Bosnia and Herzegovina and Croatia

1996–1999, Clashes between Yugoslav army and KLA

March 24–June 10, 1999, NATO bombing of FR Yugoslavia (Serbia and Montenegro)

June 1999, UN and NATO administration arrived in Kosovo

February 5, 2003, State Union of Serbia and Montenegro constituted

June 5, 2006, After referendum in Montenegro, Montenegro declared their independence and Serbia stated it is the successor of the State Union.

February 17, 2008, Kosovo declared independence from Serbia

3. Concluding Remarks

As described above, stability and regional integration are the missing points in Balkan countries. The EU realized this very late, when most of the damage was already done. On the other hand, the Central European countries' transition was relatively successful since the beginning and their institution consolidation was growing rapidly.

On the other side, in the case of Albania, the Balkan (not including Greece) was a very unstable region. Most parts of the Balkan countries were in war during the first years of the transition. Experience indicates that the rise of insecurity has a direct influence on the country's transition process. "The concept of spatial dependence is central to geographical research. It is often termed 'friends and neighbors' effect because the contention is that behavior in a place is related, in part, to conditions in neighboring places" (Kopstein and Reilly, 2003). Experience indicates also that when the neighbor countries relations are stable and secure these countries will increase their openness¹⁸⁶.

Kopstein and Reilly summarize: "The results suggest that both neighbors and openness are strong determinants of political and economic behavior. This suggests that internal conditions as well as external environment have played an important role in the reform process of the post-communist state. It also suggests that spatial proximity permits a more extensive level of diffusion that, in turn, exercises a strong and independent effect on political and economic outcomes" (Kopstein and Reilly, 2003).

As a case we can mention Hungary. Hungary's way to openness was different to that of other post-communist countries. Its West orientated political and institutional framework and West orientated policy-making and political actors brought Hungary very near to the West.

"Poland, Hungary and Czechoslovakia, for example, received more attention from the international community at the start of the transition not only for being among the first to reject the communism, but also for their past experiences of political struggle and economic reforms and their openness and historical links to the West" (Ekiert, 2003).

On the other hand, in the case of Albania, the country suffered from isolation and found itself in a much destabilized region. The region's war was a very important factor that influenced the openness of Albania. Another factor of the isolation is the mass illegal emigration of Albanians to the West. At that time, the West closed its borders

¹⁸⁶ Elezi, *supra* note 142, at 33.

because of this emigration. At the same time, the region borders were closed due to security points.

Another important argument that is necessary to be mentioned is that the western countries and especially the EU countries, had different performance toward the new post-communist countries. The countries bordered with EU and Central Europe received considerable attention than others. There are some explanations for this. The first is the historical and cultural relation that these countries had with the West. Another one is that these countries were the pioneers to start fighting communism by setting up the opposition and organizing massive demonstrates. These arguments convinced the EU to think about a concrete strategy to suggest them.

These factors stopped the penetration of West influence in the country and the Albanians found their self unprepared to establish a democratic system.

Chapter III. Communist Regime Influence

The Albanian communism system was based on two principles: complete reliance on central planning and the rejection of private ownership of the means of production. The enforcement of these principles was carried out to an extreme unknown in any other socialist country, resulting in the elimination of almost all forms of private property¹⁸⁷. No modification was made to this system until the late 1980s. The Albanians, indeed, suffered longer and more silently under Communism than any other nation in Eastern Europe. Few people knew, or cared, about the brutality of its leaders or the persecution of its people. Although other Central and East European countries experienced similar forms of authoritarianism, Albania, the most backward country in the region, was uniquely isolated from the rest of the world and deprived of any foundation for democratic participation. Indeed, it was isolated even from the former Communist Bloc. It did not undergo any period of liberalization such as that experienced by other East European countries in the post-Stalinist era, where a cultural form developed opposing totalitarian terror, and encouraging criticism and a more open interpretation of official ideology. Although this was a short-lived phenomenon and varied in intensity in the socialist countries, it played an important role in the destruction of Communist ideology¹⁸⁸. In Albania, Enver Hoxha avoided any democratic thinking or movement: all foreign influence, however innocuous, was denounced. No civil society in the sense of "a network of underground organizations outside of communist control" ever emerged in Albania¹⁸⁹. The political system which prevailed was, "a curious mixture of primitive communism and nationalism in which clannishness played a crucial role"¹⁹⁰.

Until the beginning of 1991, for more than forty years, Albania was represented by the foreign literature as the poorest country in Europe. However, very few studies have been published concerning the country with a strange and extreme position of self-isolation. Although with a socialist, centralized economy, for many years after 1960, Albania did not see itself as a part of the Central and East European communist countries. The substantive deficiency of data and its unique political and economic

¹⁸⁷ Tarifa, Fatos, *Albania's Road from Communism: Political and Social Change*, 1990-1993, p. 145.

¹⁸⁸ Kolakowski, Leszek, *Mind and Body: Ideology and Economy in the Collapse of Communism*, 1992, pp. 9-23. Boulder, CO: West view Press.

¹⁸⁹ *Ibid.*

¹⁹⁰ *Ibid.* p. 21.

strategy made it mysterious for foreign researchers and observers. The rigid communist model which prevailed during those 45 years in Albania was based strictly on Marxist ideology and Stalinist economic practice with some differences chiefly oriented towards a more orthodox model adapted to the special circumstances of the size of the country, its political choices, some structural deviations and its level of economic development¹⁹¹.

¹⁹¹ Muco, *supra* note 66, at 6.

1. The Social and Political Situation during Communism Regime

The success of the Communists was that Albania was the only country in Eastern Europe in which not a single Soviet soldier fought during the National Liberation War. This was of especial importance both in establishing the legitimacy of Hoxha's Communist rule and in determining the independent path that Albanian foreign policy would take in the decades to come¹⁹². After the Communist take-over, Albania followed the other countries of Central and Eastern Europe in adopting the Soviet pattern; indeed, Albania was subject to the Soviet sphere of influence until 1960.

The Labor Party (ex-Communist Party) remained the sole political power in the country for forty-six years. It controlled all aspects of society and of people's lives: the state, the economy, the army, culture and education. Albanian people were not able to take part in democratic elections, nor could they voice their opinions freely. The economic system evolved strictly along the lines of the orthodox model provided by early Soviet socialism¹⁹³.

After 1976, in Poland and in Hungary dissident groups were allowed to form, even though their freedom of action was very limited; in East Germany opponents were frequently permitted to leave for the West; even in Bulgaria a small opposition existed for some time. In Communist Albania a dissident movement has never existed. The complete lack of an organized opposition was one of Albania's main features under Communism¹⁹⁴. After assuming power in 1944, the Communist party maintained control over the country through the politics of permanent purge, the brutal use of violence by the Sigurimi (Security police), and a vast network of informers. During Hoxha's reign, all his political or ideological opponents were either assassinated or given severe prison sentences on the pretext of being agents of imperialism and revisionism. From a population which had only recently reached the three million people, thousands of Albanians were imprisoned on political grounds, for voicing thoughts which differed from the official propaganda, or for making statements which expressed disappointment or dissatisfaction with the state of affairs.

¹⁹² De Gaay Fortman, Bas and Tarifa Fatos, "Political Legitimacy in Early Post-Communist Societies", paper presented at CERES seminar, The Hague, June 1994.

¹⁹³ Sjoberg, Orjan, "The Albanian Economy in the 1980s: Coping with a Centralized System", in O. Sjoberg and Michael L. Wyzan, "Economic Change in the Balkan States: Albania, Bulgaria, Romania and Yugoslavia", London: Pinter Publishers, 1991, pp. 115-27.

¹⁹⁴ Glenny, *supra* note 158 at, p. 160

These were considered crimes of “activities against the revolutionary movement of the working class” and “agitation and propaganda against the state”¹⁹⁵. Many families also suffered internal exile in remote areas when someone in the household was imprisoned. Communism not only survived longer in Albania than in the rest of Eastern Europe, it also survived with most of its Stalinist trappings in place. It is therefore no surprise that the breakdown of Communism found this country with no democratic traditions or institutions. Under Hoxha’s dictatorship, every spark of democracy had been extinguished. He restricted the flow of information into and within Albania. Albania, more than any other Communist country, was subject to extraordinary censorship and isolation. Until Hoxha’s death, people in Albania were not allowed to watch foreign television programs, in case they should learn that the West was not the ‘dark devil’ described in Communist propaganda¹⁹⁶. At the same time, Western books and magazines, especially those dealing with philosophy and fiction, for fear that they would make the people more difficult to control was prohibited. Moreover, there was no chance for people to leave their ‘socialist island of happiness’; many were killed in their efforts to escape Albania. Throughout the period of Communist rule, Albanians were told that their government was right and the rest of the world was wrong’. A very famous refrain of Hoxha’s propaganda machine was that the capitalist world, and the American and the Soviet superpowers above all, considered socialist Albania ‘a thorn in their flesh’. Propaganda claimed that the outside world wanted to isolate Albania and make her give up her socialist ways.

In the mid-1960s, Albania’s leaders alerted because of a threat to their power by a sprouting up of the bureaucracy. Party discipline had eroded¹⁹⁷. People complained about malfeasance, inflation, and low-quality goods. Writers strayed from the orthodoxy of socialist realism, which demanded that art and literature serve as instruments of government and party policy. As a result, after Mao unleashed the Cultural Revolution in China in 1965, Hoxha launched his own Cultural and Ideological Revolution¹⁹⁸. The Albanian leader concentrated on reforming the military, government bureaucracy, and economy as well as on creating new support for his Stalinist system. The regime abolished military ranks, reintroduced political commissars into the military, and

¹⁹⁵ Rosenberg, Tina, “Albania: the habits of the heart”, World Policy Journal, December 22, 1994, p. 2.

¹⁹⁶ *Ibid.*

¹⁹⁷ <http://www.country-data.com/cgi-bin/query/r-170.html>, <last accessed on 12/10/2011>.

¹⁹⁸ Biberaj, Elez. “Albania: A Siciakust Maverick”. Boulder, Colorado: West view Press, 1990.

renounced professionalism in the army. Railing against a “white-collar mentality”, the authorities also slashed the salaries of middle and high-level officials, ousted administrators and specialists from their desk jobs, and sent such persons to toil in the factories and fields¹⁹⁹. Six ministries, including the Ministry of Justice, were eliminated. Farm collectivization spread to even the remote mountains. In addition, the government attacked dissident writers and artists, reformed its education system, and generally reinforced Albania’s isolation from European culture in an effort to keep out foreign influences.

In 1967 the authorities conducted a violent campaign to extinguish religious life in Albania, claiming that religion had divided the Albanian nation and kept it mired in backwardness. Student of agitators combed the countryside, forcing Albanians to quit practicing their faith. Despite complaints, even by APL members, all churches, mosques, monasteries, and other religious institutions had been closed or converted into warehouses, gymnasiums, and workshops by year’s end. A special decree abrogated the charters by which the country’s main religious communities had operated. The campaign culminated in an announcement that Albania had become the world’s first atheistic state, a feat touted as one of Hoxha’s greatest achievements²⁰⁰. Traditional relations in Albania, based on the patriarchal family, were destroyed by the postwar repression of communist leaders, prohibition of religion, migration from the countryside to urban areas, collectivization of agriculture, and industrialization.

The regime brought an essential change in the status of Albania’s women. Considered second-class citizens in traditional Albanian society, women performed most of the work at home and in the fields²⁰¹. Before World War II, about 90 percent of Albania’s women were illiterate, and in many areas they were regarded as personal properties under old tribal customs and laws. During the Cultural and Ideological Revolution, the party encouraged women to take jobs outside the home in an effort to compensate for labor shortages and to overcome their conservatism. Hoxha himself

¹⁹⁹ Jelavich, Barbara, *“History of the Balkans”*, Cambridge: Cambridge University Press, 1983.

²⁰⁰ Prifti, Peter R, *“Socialist Albania since 1944: Domestic and Foreign Developments”*, Cambridge: MIT Press, 1978.

²⁰¹ Frasheri, Kristo, *“The History of Albania”*, Tirana, Shtepia Botuese Naim Frasheri, 1964.

proclaimed that anyone who trampled on the party's edict on women's rights should be "hurled into the fire"²⁰².

The 1970s and the first half of the 1980s were characterized by a substantially self-reliant policy of economic development. The 1976 Constitution formulated as one of the main postulates of "socialist construction" in Albania the principle of "self-reliance". This go-it-alone economic policy prohibited any foreign credit, aid or investment: from that time until 1990, Albania received virtually no financial assistance from international organizations or foreign countries²⁰³.

Albania's isolation was reflected domestically in extremely rigid policies that violated several basic human rights including the freedoms of belief, conscience, expression, and peaceful assembly. Many rights that existed in theory were ignored in practice; even on paper, many rights were limited and incomplete. Religion was banned in 1967, and all houses of worship were either closed or demolished at once. With the 1976 Constitution Albania became the first self-proclaimed atheist state in the world, recognizing "no religion whatever"²⁰⁴. Philosophies other than Marxism-Leninism were also prohibited, making atheism and Marxism legal obligations for all Albanian citizens²⁰⁵.

The case of Albania confirms argument of Kolakowski²⁰⁶ that totalitarian regimes need an ideological foundation in the form of an obligatory doctrine with all-embracing pretensions²⁰⁷.

During 45 years of communism, Albania was a society built around the "cult of

²⁰² Staar, Richard, "People's Socialist Republic of Albania", Stanford, California, Hoover Institution Press, 1988, p.22.

²⁰³ *Ibid.*

²⁰⁴ Article 37 of Albanian 1976 Constitution.

²⁰⁵ Tarifa, *supra* note 187, at 147.

²⁰⁶ Leszek Kolakowski, (October 23, 1927 – July 17, 2009) was a Polish philosopher and historian of ideas. He was best known for his critical analyses of Marxist thought, especially his acclaimed three-volume history, *Main Currents of Marxism*, which is considered to be one of the most important books on political theory of the 20th century.

Source: "Polish anti-Marxist thinker dies", Adam Easton, BBC News, 17 July 2009.

²⁰⁷ Tarifa, *supra* note 187, at 148.

personality". "The dominant ethos of the regime was the desire to establish the 'new socialist man' who would be defined by his stable Albanian identity and communist consciousness"²⁰⁸. "For Hoxha, the single most important issue had been that of survival, not only of Albania's sovereignty, but also of his small ruling clique. This had meant eliminating all real or potential rivals"²⁰⁹. There was a sort of unwritten social contract that Albania would boost living standards and maintain an elaborate social welfare system in return for unquestioning political obedience. To guarantee this arrangement, under Hoxha Albania was a police state, ruled by the Sigurimi (Directorate of State Security). A series of purges immediately after the war set the tone and occurred as necessary for Hoxha to maintain control. "Under the guise of attacking deeply rooted traditions of social conservatism that ostensibly were incompatible with communist ideas, the regime initiated coordinated campaigns against traditional customs, religious beliefs, and what was officially termed alien foreign influences"²¹⁰.

The Hoxha regime launched a radical reform program that destroyed the power of the landlords, nationalized all industry, banks and commercial properties, banned private property and foreign investment, and created a state-controlled socialist society²¹¹.

To eliminate dissent, opponents were subjected to public criticism, forced labor camps, prison and execution. Children and grandchildren of dissenters were also penalized. The Hoxha regime essentially ignored internationally accepted standards of human rights. The regime denied its citizens freedom of expression, religion, movement, and association although the constitution of 1976 ostensibly guaranteed each of these rights²¹². In addition, the regime tried to deny the population access to information other than that disseminated by the government-controlled media. A three-meter, high-voltage fence was installed along the land border with Yugoslavia and Greece and attempted emigration was regarded as an act of treason, punished by death or lengthy

²⁰⁸ Vickers, Miranda and Pettifer, James, "Albania: From Anarchy to a Balkan Identity", p. 3

²⁰⁹ Mc Clear, Susana. "Albanians and their Culture: A study of their Defining Character and Uniqueness", A Thesis Presented To the Faculty of California State University Dominguez Hills In Partial Fulfillment Of the Requirements for the Degree Master of Arts in Humanities, p. 14.

²¹⁰ *Ibid.*

²¹¹ King, Russell and Mai, Nicola, "Albanian Immigrants in Lecce and Modena: Narratives of Rejection, Survival and Integration", 2nd Conference of the EAPS Working Group on International Migration in Europe, INTERNATIONAL MIGRATION IN EUROPE: NEW TRENDS, NEW METHODS OF ANALYSIS Rome, Italy, 25-27 November 2004, p. 11.

²¹² Mc Clear, *supra* note 209, at 15.

imprisonment. The militarization of the country's landscape was completed by thousands of mushroom-shaped concrete bunkers scattered throughout the territory²¹³. Through this isolation, Hoxha's regime was able to evade international scrutiny on its human rights record, which was abysmal throughout these years. The secret police routinely violated the privacy of persons, homes, and communications and made arbitrary arrests. The courts ensured that verdicts were rendered from the party's political perspective rather than affording due process to the accused, who were occasionally sentenced without even the formality of a trial²¹⁴.

The strong repression and the isolation of Albania from world events explain why the Communist rule in this country, although it had begun to show signs of serious erosion, was the last to come under attack.

Hoxha, who remained an orthodox Communist throughout his life, died in 1985. His successor was Ramiz Alia²¹⁵. Alia was not as strictly orthodox as Hoxha, and at the same time he did not possess the strong authority of his predecessor. Therefore, in order to ensure full support from the population and to prove to the party his loyalty to Hoxha's political line, he had no choice but to follow closely in the footsteps of his mentor. Alia was in a very difficult situation when he decided to confront the criminal legacy of Hoxha. However, during his first years in power, he made virtually no change to Hoxha's policies²¹⁶.

By the end of the 1980s, however, with the extreme brutality of Hoxha's regime very gradually easing, Alia began to relax the rigid isolationism of his predecessor and to make some minor adjustments to the previous system²¹⁷. Many people started to

²¹³ Vullnetari, Julie, IMISCOE Working Paper, "*Albania Migration and Development: State of the Art Review*", Working Paper No. 18, September 2007, p. 21

²¹⁴ *Ibid.*

²¹⁵ Alia had been appointed by Hoxha as President of the People's Socialist Republic of Albania in 1982 and took over as party leader after Hoxha's death. To a large extent, Alia owed his position and his popularity to Hoxha.

²¹⁶ In the 9th Congress of the Labor Party (November 1986) Alia vowed to follow Hoxha's path. He again professed his fidelity to Hoxha's political line in his book *Our Enver*, published in 1988. Alia wrote: "Enver Hoxha has shown us the road we must follow. Continuity on the road of socialism and continuity on the road of Enver are one and the same thing".

²¹⁷ Some modifications implying a more decentralized management of the economy were put on the agenda in 1986. In the years that followed greater autonomy was accorded to enterprise managers about what to produce and how; the number of plan indicators was reduced and enterprises and farms were

believe that he would be the “Albanian Gorbachev”²¹⁸. The economy had become a major problem, and political solutions were needed. First of all the 1976 Constitution, with its ban on foreign credits and investments, had to be revoked. This was clearly no easy task for Alia, given the ideological fanaticism prevailing among the hardliners who still dominated the party leadership, its strong bureaucracy, and the state, and Alia’s own pledge to continue Hoxha’s line²¹⁹. Alia himself had neither a clear vision for future changes nor the courage to bear the responsibility for his country’s destiny. However, he realized that there were only two choices: to try to save socialism in Albania at any cost, as Hoxha had done for many decades, or initiate and promote changes in both domestic and foreign policies. To his credit, he understood that isolation and “self-reliance” were leading the economy “to the edge of the abyss, which, in fact, was a threat for the country’s freedom and independence”²²⁰. If Albania was to be less poor, it had to open up and become more democratic. Although Alia remained loyal to Hoxha until the end, he was more of a pragmatist than his mentor. After decades of centralist rule Alia started, albeit slowly and gingerly, to move away from the principle of self-reliance. He tried to reconcile Albania’s ideological rigidity with the pragmatism required to manage a modern economy, feed the people, and broaden ties with the West. Gradually he adopted a perestroika-style “new economic mechanism”, introducing a raft of limited reforms designed to make life a little easier for his long-suffering compatriots²²¹. These reforms were, in fact, a desperate move aimed at integrating Albania into the world economy and at promoting a gradual transition from central planning to a market oriented system. Despite the introduction of the new mechanisms, however, all economic indicators continued to decline²²². Alia appeared to be more successful in foreign affairs than on the domestic front. In 1986 he

granted more discretion in planning, finance, and pricing. People were now given more opportunities to build their own houses, helping to ease the housing shortage. Workers were able to earn extra bonuses for extra work. In the spring and summer of 1990, a wide range of new policies were promulgated, aimed at introducing a larger measure of market-conformity, they included new laws on enterprises, banks and prices, and they condoned private economic activities. Sjoberg, 1991, p. 10; World Bank, 1993, p.21.

²¹⁸ Stavrou, Nikolas, “Albania”, in *International Communist Affairs* 1990, pp. 296-308. Stanford, CA: Hoover Institute Press.

²¹⁹ Tarifa, *supra* note 187, at 139.

²²⁰ Alia, Ramiz, “*Une, Ramiz Alia deshmoj per historine*”, Prishtine: Zeri, 1992.

²²¹ Tarifa, *supra* note 187, at 139.

²²² Blejer, Mario, “*Albania: From Isolation toward Reform*”, Washington, DC, International Monetary Fund, 1992, p. 11.

began to show serious interest in emerging from isolation and gravitating toward the West in search of new political and economic ties. Diplomatic relations were established with several countries, including the German Federal Republic, Canada and Spain. At the same time Albania's diplomatic missions with the: GDR, Bulgaria, Czechoslovakia and Hungary were upgraded to the ambassadorial level²²³. In the 10th Central Committee Plenum of the Labor Party (April 1990), to the surprise of many, Alia declared that Albania was now ready to resume diplomatic relations with the United States and the Soviet Union²²⁴. Following this statement, in May 1990, Albanian Prime Minister Adil Carcani²²⁵ announced to parliament the leadership's decision to abandon its boycott of the Conference on Security and Co-operation in Europe (CSCE) and sign the previously scorned Helsinki Final Act. In a matter of months the USSR and the USA opened diplomatic offices in Tirana, while negotiations were going on to exchange ambassadors with Israel, Great Britain and the Vatican²²⁶. In October 1990 Albania, participated in the first Conference of Balkan Foreign Ministers held in Belgrade in 1988, and played host to the second Balkan Conference.

Joining the CSCE and re-opening relations would give Albania a chance to establish new ties with the outside world, both political and commercial, which were so badly needed after the long years of isolation. On the other hand, participating in the Helsinki process would necessarily impose obligations on the Albanian government to abolish a number of repressive and discriminatory laws, and to fundamentally improve its human rights record²²⁷. Indeed, the move to sign the Helsinki Final Act was accompanied by a series of laws and governmental decisions restricting the death penalty, giving those on trial the right to a legal defense and the right to appeal, allowing the distribution of religious material and the performance of religious activities, as well as allowing

²²³ Diplomatic relations with these countries had dwindled after the break with the Soviet Union.

²²⁴ Tarifa, *supra* note 187, at 140.

²²⁵ Albanian politician who served (1981-91) as the last communist prime minister of Albania during a political career that spanned nearly five decades and included numerous offices; in 1994 he was placed under house arrest for abuse of power (b. May 4, 1922--d. Oct. 13, 1997).

<http://www.britannica.com/EBchecked/topic/95313/Adil-Carcani>

²²⁶ Both superpowers were seen as incarnations of ideological evil during Hoxha's rule, and the mere suggestion of talks with Washington and Moscow would have been dismissed as a perfidious plot at that time. In September 1990, for the first time, Alia addressed the United Nations, where he was spotted shaking hands with Britain's former Prime Minister Margaret Thatcher.

²²⁷ Tarifa, *supra* note 187, at 140.

Albanian citizens to apply for passports and to travel abroad into the previously prohibited world²²⁸.

All these changes were welcomed by the majority of citizens, but conservative forces within the Labor Party were concerned that too many changes were being made. The other people seemed to be dissatisfied with the scope and the speed of change. Even two years earlier, these reforms might have seemed adequate, and Alia would have gained tremendous political credit; but the time for half-measures had passed. Alia's mild relaxations merely made people more restless. Far from thanking him, they felt frustrated that the changes were being carried out too slowly and that more time was being lost²²⁹.

Once minor changes were put on the agenda, the people, headed by the intellectuals, demanded total change, as they did all over Eastern Europe. We must assume that Alia did not realize that Albania had embarked upon the spiral which had become familiar in Eastern Europe: pressure for change brings minor concessions, which in turn create pressure for greater change, which elicits fresh concessions, and so on until the old system cracks²³⁰.

By the end of 1989 and during 1990, Alia was recognized as a reformer. Many, however, began to wonder whether he was a real reformer, seriously committed to substantial changes, or a time-server, merely interested in making minor cosmetic adjustments. An increasing number of people put little faith in what Alia said. Indeed, although not opposed to moderate economic reform, Alia wanted a minimum of political change and certainly no reform of the political system, having every intention that the Labor Party should remain in power. Although this pragmatic approach left the door open to a number of possibilities, Alia remained fearful of radical change. He ignored the persistent demands being made in many quarters, especially by the intellectuals, who were establishing a reformist wing within the party, and by the urban youth for the abrogation of the 1976 Constitution, which was the greatest hindrance to the democratization of Albanian society²³¹. Revoking the Constitution would imply consenting to a multi-party system; replacing a police state with the rule of law; removing the barriers built into the Communist legal system by restoring freedom of conscience and belief; permitting people to freely express their opinions, to organize societies and hold meetings without fear of punishment. Abandoning the old

²²⁸ *Ibid.*

²²⁹ *Ibid.* p. 142.

²³⁰ Tarifa, Fatos, "Freedom of Conscience in Albania: The End to an Experiment", 1992 Conscience and Liberty, p. 51.

²³¹ *Ibid.*

Constitution would not simply mean rectifying the many human rights violations and social injustices of Hoxha's dictatorship; it would mean creating a new legal framework, essential for democracy and for economic and social progress, and a new set of democratic institutions. But these demands were rejected by Alia and the ruling elite, who believed them to be the demands of exclusive intellectual circles, lacking in popular support²³².

Alia sincerely believed that the Albanian people had bound their life to socialism. Although Alia made a remarkable move forward, he underestimated the iron rule of reform that one change leads to another. Furthermore, having seen every other East European Communist leader fall, Alia did not know what lessons to draw and what mistakes to avoid.

Even when the Berlin Wall crumbled and the Communist regimes in Eastern Europe collapsed, Alia made no effort to alter his orientation. His interlude in power was a period of lost opportunities²³³.

In the weeks after Ceausescu was toppled, Alia showed his political myopia by believing that Albania could remain unaffected by the tremors shaking Eastern Europe. It was at this time that Alia designed the political slogan: "Albania is neither West nor East"²³⁴. However, nothing proved to be further from the truth. Although the Communist system in Albania had not yet come under the same degree of attack as the other regimes in Central and Eastern Europe, it was not going to be exceptional²³⁵. There were, certainly, differences between these countries with regard to historical traditions and political and economic development, but the political system in Albania was of the same basic type as that prevailing throughout Eastern Europe. Moreover, Albania's was the drabest and most repressive regime among the Communist countries, and a growing number of people had, by this, time, no illusions left about it. In many ways, therefore, the need for change was even more pressing in Albania²³⁶.

²³² Zanga, Louis, "*Albania: Democratic Revival and Social Upheaval*", 1993, RFEIRL Research Report on Eastern Europe, p 21.

²³³ *Ibid.*

²³⁴ Alia, Ramiz, "*Our Enver*", Tirana: 8 Nentori Publishing House, 1988, p. 54.

²³⁵ Cani, Shkelqim, "*Albania Towards a Free Market Economy*", Balkan Forum 1994, p. 16

²³⁶ Biberaj, *supra* note 198.

2. The Socialist Legacy Influence

Compared to other Eastern European countries, Albania suffered one of the most brutal and unique communist regimes. It was isolated for forty five years, not only from the West, but even from other communist regimes.

“The Albanian road to democracy was strewn with land mines in the form of cumulative political, economic and social legacies of Hoxha’s communist dictatorship, which made genuine democratization seem almost impossible”²³⁷.

Some of the main characteristics of the regime during this period included government paranoia and propaganda directed against external players, forces, states; the use of patriotism and nationalistic rhetoric to make isolation possible; the elimination of possible political opposition; the elimination of intellectuals and dissidents; the abolishment of religious practices; and the harshest political persecution²³⁸. In a small country of only three million people, hundreds of thousands suffered political persecution. The regime and its practices created a drastically separated society and a one-party state. Albania remained a mystery to the outside world until the fall of communism in 1991, when political pluralism and democratic elections were first allowed. Private property and religion were completely banned, and farmers were forced to join cooperatives and to collectivize their livestock. Many major public infrastructures, such as railways, irrigation systems, and plantations, were executed through forced voluntary work by the population or youth. Everybody was expected to volunteer, which is why voluntary work is quite a misnomer for the kind of work that was carried out²³⁹. By abolishing private property, through forced collectivization and voluntary work, the state extended its domain to the private sphere of the individual, who was thus placed almost completely under the state’s control. However, it is important to stress that on the eve of democratic changes, Albania was the poorest country in Europe, with no economy and little infrastructure. The main difference between Albania and the other Eastern European totalitarian communist countries was the fact that Albania did not experience liberalization towards the end of the 1970s and 1980s. On the contrary, during this time period, the totalitarian leader Enver Hoxha²⁴⁰ implemented an even more extreme isolationism of the country²⁴¹.

²³⁷ *Ibid.*

²³⁸ Tarifa, *supra* note 187, at 135.

²³⁹ *Ibid.*

²⁴⁰ Enver Hoxha, (October 16, 1908–April 11, 1985) was the president of Albania from the end of World War II until his death in 1985, as the First Secretary of the Communist Albanian Party of Labour. He was

With the elimination of western-educated Albanian elite, the system left no space for the creation of any liberal political elite, thus leaving Albania to its own devices during the transition period of the 1990s. Under the communist regime, defense counsel was not allowed, for which reason the adversarial trial concept is of fairly recent origin in Albania.

Until the late 1980s, Albania was one of the most mysterious countries in the world and substantially inaccessible to foreigners. Most studies on Eastern Europe lacked reliable and complete information about Albania; it was usually either mentioned as the smallest and the least developed country of Europe or totally ignored²⁴². For their part, Albanian scholars have made little contribution, if any, to analyzing their society under Hoxha's Communist regime. As with all totalitarian systems, Albania's Communism was immune to criticism for almost forty-five years, and information on domestic issues was tightly controlled. The country's inherited social, political, cultural, and economic conditions have made Albania's move from Communism the most difficult and convulsive of all the East European countries. They are also likely to put considerable obstacles in the path of establishing a true democracy, making Albania's post-Communist transition highly uncertain²⁴³.

For more than forty years, Albania was mentioned throughout the foreign researches and studies as the poorest country in Europe. However, it is important to remember that

also Prime Minister of Albania from 1944 to 1954 and the Minister of Foreign Affairs from 1946 to 1953. Under Hoxha, whose rule was characterized by isolation from the rest of Europe and firm adherence to Stalinism, Albania emerged from semi-feudalism to become an industrialized state. Enver Hoxha and another veteran of the Spanish Civil War, Mehmet Shehu, eventually rose to become the most powerful figures in Albania for decades after the war. The dominant figure in modern Albanian history, Enver Hoxha rose from obscurity to lead his people for a longer time than any other ruler. Born in 1908 to a Muslim Tosk landowner from Gjirokastra who returned to Albania after working in the United States, Hoxha attended the country's best college-preparatory school, the National Lice in Korca. In 1930 he attended the university in Montpellier, France, but lost an Albanian state scholarship for neglecting his studies. Hoxha subsequently moved to Paris and Brussels. After returning to Albania in 1936 without earning a degree, he taught French for years at his former lice and participated in a communist cell in Korca. When the war erupted, Hoxha joined the Albanian partisans.

Source: <http://albca.com/albania/gjirokaster.html>

²⁴¹ Tarifa, *supra* note 187, at 135.

²⁴² Muco, *supra* note 66, at 11.

²⁴³ Tarifa, *supra* note 187, at 138.

very little literature has been published concerning the country, with a strange and extreme position of self-isolation. Although with a centralized socialist system, Albania for many years after 1960, did not see itself as a part of the Central and East European communist countries. The real absence of data and the specific political strategy made it mysterious for foreign researchers and observers²⁴⁴. The rigid communist model which prevailed during those 45 years in Albania was based strictly on Marxist ideology and Stalinist economic practice, with some differences chiefly oriented towards a more orthodox model adapted to the special circumstances of the size of the country, its political choices, some structural deviations and its level of economic development. After the collapse of communism in the other Eastern European countries events pushed on very quickly for Albania, leading to the transformation, going through a very difficult path²⁴⁵. The difficulties have been of two kinds. First, the process involved economic, political and social problems more or less similar to those found in other former European communist countries. Second, its own specific problems set Albania apart from the rest since it still suffered diverse internal and external shocks. In that kind of situation, where a blueprint for the task was not clear and relevant difficulties, both common and specific were to be faced, Albania, the smallest and perhaps the most original country in the community of the former command economies, after a widespread popular revolt against the old regime; entered enthusiastically in the process of transition.

• *The rise of communism*

A small group of militant communists moved very quickly after World War II to break down all political enemies in Albania, break the country's landowners and minuscule middle class, and isolate Albania from the noncommunist world in order to establish the People's Republic of Albania.

By early 1945, the communists had liquidated, discriminated and driven into exile most of the country's intellectuals. The internal affairs minister, Koci Xoxe²⁴⁶, a pro-Yugoslav politician, presided over the trial and the execution of thousands of opposition politicians, clan chiefs, and member of former Albanian governments who

²⁴⁴ *Ibid.*

²⁴⁵ Muco, *supra* note 66, at 13.

²⁴⁶ Koci Xoxe (1817-June 11, 1949) was the Defense and Interior Minister of Albania for some time after Enver Hoxha until he was purged for "pro-Yugoslav activities" after Tito broke relations with Hoxha's ally, Stalin. After a secret trial in May 1949, Xoxe was executed.

were condemned as “war criminals”. Thousands of their family members were imprisoned for years in work camps and jails and later exiled for decades to miserable state farms built on reclaimed marshlands. The communist’s consolidation of control also produced a shift in political power in Albania from the northern Glegs to the southern Tosks²⁴⁷. Most communist leaders were middle-class Tosks, and the party drew most of its recruits from Tosk-inhabited areas, while the Glegs, with their centuries-old tradition of opposing authority, distrusted the new Albanian rulers and their alien Marxist doctrines.

In December 1945, Albanians elected a new People’s Assembly, but only candidates from the Democratic Front (previously the National Liberation Movement then the National Liberation Front), the renamed NLM, appeared on the electoral lists, and the communists used propaganda and terror tactics to gag the opposition. Official ballot tallies showed that 92 percent of the electorate voted and that 93 percent of the voters chose the Democratic Front ticket. The assembly convened in January 1946, annulled the monarchy, and transformed Albania into a “People’s Republic”. After months of angry debate, the assembly adopted a constitution that mirrored the Yugoslav and Soviet constitutions.

Then in the spring, the assembly members chose a new government. Hoxha, the Albanian Communist Party’s first secretary, became prime minister, foreign minister, defense minister, and the army’s commander in chief. Hoxha remained in control despite the fact that he had once advocated restoring relations with Italy and even allowing Albanians to study in Italy.

The communists also undertook economic measures to expand their power. In December 1944, the provisional government adopted laws allowing the state to regulate foreign and domestic trade, commercial enterprises, and the few industries the country possessed. The laws sanctioned confiscation of property belonging to political exiles and “enemies of the people”. The state also expropriated all German and Italian owned property, nationalized transportation enterprises, and canceled all concessions granted by previous Albanian governments to foreign companies.

The government took major steps to introduce a Stalinist-style centrally planned

²⁴⁷ Among ethnic Albanians are two major subgroups: the Glegs, who generally occupy the area north of the Shkumbin River, and the Tosks, most of whom live south of the river. The Glegs account for slightly more than half of the resident Albanian population. Ethnic Albanians are estimated to account for 90 percent of the population. The Glegs and Tosks use distinct dialects; there are also linguistic variations within subgroups.

economy²⁴⁸ in 1946. It nationalized all industries, transformed foreign trade into a government monopoly, brought almost all domestic trade under state control, and banned land sales and transfers. Planners at the newly founded Economic Planning Commission emphasized industrial development, and in 1947 the government introduced the Soviet cost-accounting system.

In August 1945, the provisional government adopted the first sweeping agricultural reforms in Albania's history. The country's 100 largest landowners, who controlled close to a third of Albania's arable land, had frustrated all agricultural reform proposals before the war. The communist's reforms were aimed at squeezing large landowners out of business, winning peasant support, and increasing farm output to avert famine²⁴⁹. The government annulled outstanding agricultural debts, granted peasants access to inexpensive water for irrigation²⁵⁰, and nationalized forest and pastureland.

Under the Agrarian Reform Law, which redistributed about half of Albania's arable land, the government confiscated property belonging to absentee landlords and people not dependent on agriculture for a living. The few peasants with agricultural machinery were permitted to keep up to forty hectares of land; the landholdings of religious

²⁴⁸ A command economy is an economic system in which economic decisions are made by centralized planners who determine what sorts of goods and services to produce and how they are to be priced and allocated, and may include state ownership of the means of production. Since most known planned economies rely on plans implemented by the way of command, they have become widely known as planned economies. Any economic system that is centrally planned by a government is commonly referred to as economic statism. To stress the centralized character of planned economies and to contrast the term with decentralized planning in a market economy, a more specific term, centrally planned economy, is also used. Although a planned economy may include exchanges of money, these exchanges are less important in allocating resources than the central plan.

<http://www.answers.com/topic/economic-system-1>, <last accessed on 21/01/2011>.

²⁴⁹ A famine is a phenomenon in which a large percentage of the population of a region or country are undernourished that death by starvation becomes increasingly common. In spite of the much greater technological and economic resources of the modern world, famine still strikes many parts of the world, mostly in the developing nations.

<http://www.physicsdaily.com/physics/Famine>, <last accessed on 20/11/2010>.

²⁵⁰ Irrigation (in agriculture) is the replacement or supplementation of rainfall with water from another source in order to grow crops. In contrast, agriculture that relies only on direct rainfall is sometimes referred to as dry land farming.

<http://www.economicexpert.com/a/Irrigation.htm>, <last accessed on 21/01/2011>.

institutions and peasants without agricultural machinery were limited to twenty hectares; and landless peasants and peasants with tiny landholdings were given up to five hectares, although they had to pay nominal compensation. Thus tiny farmsteads replaced large private estates across Albania.

• *Albanian-Yugoslav Tensions*

Until Yugoslavia's expulsion from the Cominform²⁵¹ in 1948, Albania acted like a Yugoslav satellite and Tito aimed to use his chokehold on the Albanian party to incorporate the entire country into Yugoslavia. After Germany's withdrawal from Kosovo in late 1944, Yugoslavia's communist partisans took possession of the province and committed retaliatory massacres against Albanians. Before World War II, the Communist Party of Yugoslavia had supported transferring Kosovo to Albania, but Yugoslavia's postwar communist regime insisted on preserving the country's prewar borders. In repudiating the 1943 Mukaj agreement²⁵² under pressure from the Yugoslavs, Albania's communists had consented to restore Kosovo to Yugoslavia after the war. In January 1945, the two governments signed a treaty reincorporating Kosovo into Yugoslavia as an autonomous province. Shortly thereafter, Yugoslavia became the first country to recognize Albania's provisional government.

In July 1946, Yugoslavia and Albania signed a treaty of friendship and cooperation that was quickly followed by a series of technical and economic agreements laying the groundwork for integrating the Albanian and Yugoslav economies. The pacts provided for coordinating the economic plans of both states, standardizing their monetary systems, and creating a common pricing system and a customs union. So close was the Yugoslav-Albanian relationship that Serbo-Croatian became a required subject in Albanian high schools.

Yugoslavia signed a similar friendship treaty with Bulgaria, and Marshal Tito and Bulgaria's Georgi Dimitrov²⁵³ talked of plans to establish a Balkan federation to include

²⁵¹ The Cominform (from Communist Information Bureau) is the common name for what was officially referred to as the "*Information Bureau of the Communist and Workers' Parties*".

²⁵⁶ In August 1943, the Allies convinced communist and Balli Kombetar to meet in the village of Mukaj, near Tirana and to form a Committee for the Salvation of Albania that could coordinate their guerilla operations. The two groups eventually ended all collaboration, however, over a disagreement on the postwar status of Kosovo.

²⁵³ Georgij Mikhailovich Dimitrov, (June 18, 1882 - July 2, 1949) was the Bulgarian Communist leader.

Albania, Yugoslavia, and Bulgaria. Yugoslav advisers poured into Albania's government offices and its army headquarters. Tirana was desperate for outside aid, and about 20,000 tons of Yugoslav grain helped stave off famine. Albania also received US\$26.3 million from the United Nations Relief and Rehabilitation Administration immediately after the war but had to rely on Yugoslavia for investment and development aid²⁵⁴.

The Yugoslav government clearly regarded investment in Albania as investment in the future of Yugoslavia itself. Joint Albanian-Yugoslav companies were created for mining, railroad construction, the production of petroleum and electricity, and international trade. The Yugoslavs also bolstered the Albanian economy by paying three times the world price for Albanian copper and other materials²⁵⁵.

Relations between Albania and Yugoslavia declined, however, when the Albanians began complaining that the Yugoslavs were paying too little for Albanian raw materials and exploiting Albania through the joint stock companies. In addition, the Albanians sought investment funds to develop light industries and an oil refinery, while the Yugoslavs wanted the Albanians to concentrate on agriculture and raw-material extraction. Tito distrusted Hoxha and the other intellectuals in the Albanian party and, through Xoxe and his loyalists, attempted to unseat them²⁵⁶.

In 1947 Yugoslavia's leaders engineered an all-out offensive against anti-Yugoslav Albanian communists. In May Tirana announced the arrest, trial, and conviction of nine People's Assembly members, all known for opposing Yugoslavia, on charges of anti-state activities. A month later, the Communist Party of Yugoslavia's Central Committee accused Hoxha of following "independent" policies and turning the Albanian people against Yugoslavia. Apparently attempting to buy support inside the Albanian Communist Party, Belgrade extended Tirana US\$40 million worth of credits, an amount equal to 58 percent of Albania's 1947 state budget²⁵⁷.

Albania entered an orbit around the Soviet Union, and in September 1948 Moscow stepped in to compensate for Albania's loss of Yugoslav aid. The shift proved to be a boon for Albania because Moscow had far more to offer than hard-strapped Belgrade. The fact that the Soviet Union had no common border with Albania also appealed to the Albanian regime because it made it more difficult for Moscow to exert pressure on Tirana.

²⁵⁴ <http://www.opic.gov/links>, <last accessed on 21/11/2011>.

²⁵⁵ *Ibid.*

²⁵⁶ Library of Congress, "Country Study-Albania", April 1992, <http://lcweb2.loc.gov/frd/cs/altoc.html>, <last accessed on 20/07/2011>.

²⁵⁷ *Ibid.*

The subsequent anti-Titoist purges in Albania brought the liquidation of fourteen members of the party's thirty-one-person Central Committee and thirty-two of the 109 People's Assembly deputies. Overall, the party expelled about 25 percent of its membership. Yugoslavia responded with a propaganda counterattack, canceled its treaty of friendship with Albania, and in 1950 withdrew its diplomatic mission from Tirana²⁵⁸.

• *Degradation of Relations with the West*

Albania's relations with the West soured after the communist regime's refusal to allow free elections in December 1945. Albania restricted the movements of United States and British personnel in the country, charging that they had instigated anticommunist uprisings in the northern mountains. Britain announced in April that it would not send a diplomatic mission to Tirana; the United States withdrew its mission in November; and both the United States and Britain opposed admitting Albania to the United Nations (UN). The Albanian regime feared that the United States and Britain, which were supporting anticommunist forces in the civil war in Greece, would back Greek demands for territory in southern Albania; and anxieties grew in July when a United States Senate resolution backed the Greek demands²⁵⁹.

After 1946 the United States and the United Kingdom began implementing an elaborate covert plan to overthrow Albania's communist regime by backing anticommunist and royalist forces within the country²⁶⁰. By 1949 the United States and British intelligence organizations were working with King Zog and the mountain men of his personal guard. They recruited Albanian refugees and émigrés from Egypt, Italy, and Greece; trained them in Cyprus, Malta, and the Federal Republic of Germany (West Germany); and infiltrated them into Albania. Guerrilla units entered Albania in 1950 and 1952, but Albanian security forces killed or captured all of them.

Following a wave of subversive activity, including the failed infiltration and the March 1951 bombing of the Soviet embassy in Tirana, the Albanian regime implemented harsh internal security measures. In September 1952, the assembly enacted a penal code that required the death penalty for anyone over eleven years old found guilty of conspiring against the state, damaging state property, or committing economic sabotage.

²⁵⁸ *Ibid.*

²⁵⁹ *Ibid.*

²⁶⁰ *Ibid.*

• *Relations with Soviet Union*

Albania became dependent on Soviet aid and know-how after the break with Yugoslavia in 1948. In February 1949, Albania gained membership in the communist bloc's organization for coordinating economic planning, the Council for Mutual Economic Assistance²⁶¹ (Comecon). Tirana soon entered into trade agreements with Poland, Czechoslovakia, Hungary, Romania, and the Soviet Union. Soviet and East European technical advisers took up residence in Albania, and the Soviet Union also sent Albania military advisers and built a submarine installation. After the Soviet-Yugoslav split, Albania and Bulgaria were the only countries the Soviet Union could use to funnel war materiel to the communists fighting in Greece. What little strategic value Albania offered the Soviet Union, however, gradually shrank as nuclear arms technology developed²⁶².

Anxious to pay homage to Stalin, Albania's rulers implemented new elements of the Stalinist economic system. In 1949 Albania adopted the basic elements of the Soviet fiscal system, under which state enterprises paid direct contributions to the treasury from their profits and kept only a share authorized for self-financed investments and other purposes.

In 1951 the Albanian government launched its first five-year plan, which emphasized exploiting the country's oil, chromites, copper, nickel, asphalt, and coal resources; expanding electricity production and the power grid; increasing agricultural output; and improving transportation. The government began a program of rapid industrialization after the APL's Second Party Congress and a campaign of forced collectivization of farmland in 1955. At the time, private farms still produced about 87 percent of Albania's agricultural output, but by 1960 the same percentage came from collective or state farms²⁶³.

Soviet-Albanian relations remained warm during the last years of Joseph Stalin's life despite the fact that Albania was an economic liability for the Soviet Union. Albania conducted all its foreign trade with Soviet European countries in 1949, 1950, and 1951 and over half its trade with the Soviet Union itself²⁶⁴.

²⁶¹ The Council for Mutual Economic Assistance (COMECON / Comecon / CMEA / CEMA), 1949 – 1991, was an economic organization of communist states and a kind of Eastern Bloc equivalent to the European Economic Community.

²⁶² Library of Congress, *supra* note 256.

²⁶³ *Ibid.*

²⁶⁴ *Ibid.*

Although far behind Western practice, health care and education improved dramatically for Albania's 1.2 million people in the early 1950s. The number of Albanian doctors increased by a third to about 150 early in the decade (although the doctor-patient ratio remained unacceptable by most standards), and the state opened new medical training facilities. The number of hospital beds rose from 1,765 in 1945 to about 5,500 in 1953. Better health care and living conditions produced an improvement in Albania's dismal infant mortality rate, lowering it from 112.2 deaths per 1,000 live births in 1945 to 99.5 deaths per 1,000 births in 1953²⁶⁵.

The education system considered a tool for propagating communism and creating the academic and technical cadres necessary for construction of a socialist state and society, also improved dramatically. The number of schools, teachers, and students doubled between 1945 and 1950. Illiteracy declined from perhaps 85 percent in 1946 to 31 percent in 1950. The Soviet Union provided scholarships for Albanian students and supplied specialists and study materials to improve instruction in Albania. The State University of Tirana (now University of Tirana) was founded in 1957 and the Albanian Academy of Sciences opened fifteen years later²⁶⁶.

Despite these advances, however, education in Albania suffered as a result of restrictions on freedom of thought. For example, education institutions had scant influence on their own curricula, methods of teaching, or administration.

After Stalin died in March 1953, Tirana soon came under pressure from Moscow to copy, at least formally, the new Soviet model for a collective leadership. In July 1953, Hoxha handed over the foreign affairs and defense portfolios to loyal followers, but he kept both the top party post and the premiership until 1954, when Shehu²⁶⁷ became

²⁶⁵ *Ibid.*

²⁶⁶ *Ibid.*

²⁶⁷ Mehmet Shehu (January 10, 1913– December 17, 1981 Tirana) was an Albanian politician. Since 1942, Shehu participated in the partisan movement and the work of the Albanian Communist Party. In 1943, he was elected as a candidate member of the Central Committee of the Party. From 1943 to 1944 he was the commander of the 1st partisan brigade. Thereafter, he was a division commander of the National Liberation Army. From 1944 to 1945 he was a member of the Anti-Fascist Council of National Liberation (the provisional government). After Albania was liberated from the German occupation (November 1944) Shehu became the deputy chief of the general staff and after he studied in Moscow he became the chief of the general staff. Later, he was also a lieutenant general and a full general. In 1948, Shehu “expurgated” the party from the element who “tried to separate Albania from the Soviet Union and lead under

Albania's prime minister. The Soviet Union, responding with an effort to raise the Albanian leaders' morale, elevated diplomatic relations between the two countries to the ambassadorial level.

Despite some initial expressions of enthusiasm, Hoxha and Shehu mistrusted Nikita Khrushchev's programs of "*peaceful coexistence*" and "*different roads to socialism*" because they appeared to pose the threat that Yugoslavia might again try to take control of Albania. Tirana and Belgrade renewed diplomatic relations in December 1953, but Hoxha refused Khrushchev's repeated appeals to rehabilitate posthumously the pro-Yugoslav Xoxe as a gesture to Tito. The Albanian duo instead tightened their grip on their country's domestic life and let the propaganda war with the Yugoslavs grind on. In 1955 Albania became a founding member of the Warsaw Treaty Organization, better known as the Warsaw Pact²⁶⁸, the only military alliance the nation ever joined. Although the pact represented the first promise Albania had obtained from any of the communist countries to defend its borders, the treaty did nothing to assuage the Albanian leaders' deep mistrust of Yugoslavia.

Hoxha and Shehu tapped the Albanians' deep-seated fear of Yugoslav domination to remain in power during the thaw following the Twentieth Party Congress of the

Belgrade's influence". This made him the nearest person to Enver Hoxha and brought him high offices. However, he remained in Hoxha's shadow. If he had become a serious rival to Hoxha he would have been eliminated. Shehu was held to be Enver Hoxha's right hand man and the second person in Albania. During 40 years Hoxha was Shehu's friend and nearest comrade. Shehu was one of those who prepared the Chinese-Albanian alliance and the break with the Soviet Union (December 1961). It is claimed that in 1981 Shehu opposed Enver Hoxha's isolationism. He was accused of being a Yugoslav spy. On December 17, 1981, he was found dead in his bedroom with a bullet wound to his head. According to the official announcement (December 18), he had committed suicide in a nervous breakdown. This was a crime under Albanian law. Shehu was declared to be a "*people's enemy*".

<http://www.encyclopedia.com/doc/1E1-Shehu-Me.html>, <last accessed on 10/06/2011>.

²⁶⁸ The Warsaw treaty was drafted by Nikita Khrushchev in 1955 and signed in Warsaw on May 14, 1955. The pact came to an end on March 31, 1991, and was officially dissolved at a meeting in Prague on July 1, 1991. The Warsaw Pact or Warsaw Treaty, officially named the Treaty of Friendship, Co-operation and Mutual Assistance, was a military alliance of the Eastern European Eastern Bloc countries, who intended to organize against the perceived threat from the NATO alliance (which had been established in 1949). The creation of the Warsaw Pact was prompted by the integration of a "re-militarized" West Germany into NATO via ratification of the Paris Agreements.

Communist party of the Soviet Union's in 1956, when Khrushchev denounced Stalin's crimes in his speech. Hoxha defended Stalin and blamed the Titoist heresy for the troubles vexing world communism, including the disturbances in Poland and the rebellion in Hungary in 1956. Hoxha mercilessly purged party moderates with pro-Soviet and pro-Yugoslav leanings, but he toned down his anti-Yugoslav rhetoric after an April 1957 trip to Moscow, where he won cancellation of about US\$105 million in outstanding loans and about US\$7.8 million in additional food assistance. By 1958, however, Hoxha was again complaining about Tito's "fascism" and "genocide" against Albanians in Kosovo. He also grumbled about a Comecon plan for integrating the East European economies, which called for Albania to produce agricultural goods and minerals instead of emphasizing development of heavy industry. On a twelve-day visit to Albania in 1959, Khrushchev reportedly tried to convince Hoxha and Shehu that their country should aspire to become socialism's "orchard"²⁶⁹.

• *Relations with China*

Albania played a role in the Sino-Soviet conflict far outweighing either its size or its importance in the communist world. By 1958 Albania stood with the People's Republic of China in opposing Moscow on issues of peaceful coexistence, de-Stalinization, and Yugoslavia's "separate road to socialism" through decentralization of economic life. The Soviet Union, other East European countries, and China all offered Albania large amounts of aid. Soviet leaders also promised to build a large Palace of Culture in Tirana as a symbol of the Soviet people's "love and friendship" for the Albanians²⁷⁰. But despite these gestures, Tirana was dissatisfied with Moscow's economic policy toward Albania. Hoxha and Shehu apparently decided in May or June 1960 that Albania was assured of Chinese support, and they openly sided with the PRC when sharp polemics erupted between the PRC and the Soviet Union. Ramiz Alia, at the time a candidate-member of the Politburo and Hoxha's adviser on ideological questions, played a prominent role in the rhetoric²⁷¹.

The Sino-Soviet split burst into the open in June 1960 at a Romanian Workers' Party congress, at which Khrushchev attempted to secure condemnation of Beijing. Albania's delegation, alone among the European delegations, supported the Chinese. The Soviet Union immediately retaliated by organizing a campaign to oust Hoxha and Shehu in the

²⁶⁹ Library of Congress, *supra* note 256.

²⁷⁰ *Ibid.*

²⁷¹ *Ibid.*

summer of 1960. Moscow cut promised grain deliveries to Albania during a drought, and the Soviet embassy in Tirana overtly encouraged a pro-Soviet faction in the APL to speak out against the party's pro-Chinese stand. Moscow also apparently involved itself in a plot within the APL to unseat Hoxha and Shehu by force. But given their tight control of the party machinery, army, and Shehu's secret police, the Directorate of State Security (Drejtorija e Sigurimit të Shtetit), the two Albanian leaders easily parried the threat. Five pro-Soviet Albanian leaders were eventually tried and executed. The PRC immediately began making up for the cancellation of Soviet wheat shipments despite a paucity of foreign currency and its own economic hardships.

Albania again sided with the People's Republic of China when it launched an attack on the Soviet Union's leadership of the international communist movement at the November 1960 Moscow conference of the world's eighty-one communist parties. Hoxha inveighed against Khrushchev for encouraging Greek claims to southern Albania, sowing discord within the APL and army, and using economic blackmail. Hoxha and Shehu continued their harangue against the Soviet Union and Yugoslavia at the APL's Fourth Party Congress in February 1961. During the congress, the Albanian government announced the broad outlines of the country's Third Five-Year Plan (1961-65), which allocated 54 percent of all investment to industry, thereby rejecting Khrushchev's wish to make Albania primarily an agricultural producer²⁷². Moscow responded by canceling aid programs and lines of credit for Albania, but the Chinese again came to the rescue.

After additional sharp exchanges between Soviet and Chinese delegates over Albania at the Communist Party of the Soviet Union's Twenty-Second Party Congress in October 1961, Khrushchev lambasted the Albanians for executing a pregnant, pro-Soviet member of the Albanian party Politburo, and the Soviet Union finally broke diplomatic relations with Albania in December²⁷³. Moscow then withdrew all Soviet economic advisers and technicians from the country, including those at work on the Palace of Culture, and halted shipments of supplies and spare parts for equipment already in place in Albania. In addition, the Soviet Union continued to dismantle its naval installations on Sazan Island, a process that had begun even before the break in relations²⁷⁴.

Communist China again compensated Albania for the loss of Soviet economic support, supplying about 90 percent of the parts, foodstuffs, and other goods the Soviet Union had promised. Beijing lent the Albanians money on more favorable terms than

²⁷² Muco, *supra* note 66, at 12.

²⁷³ Library of Congress, *supra* note 256.

²⁷⁴ *Ibid.*

Moscow, and, unlike Soviet advisers, Chinese technicians earned the same low pay as Albanian workers and lived in similar housing. China also presented Albania with a powerful radio transmission station from which Tirana sang the praises of Stalin, Hoxha, and Mao Zedong for decades. For its part, Albania offered China a beachhead in Europe and acted as Communist China's chief spokesman at the UN.

To Albania's dismay, however, Chinese equipment and technicians were not nearly so sophisticated as the Soviet goods and advisers they replaced²⁷⁵. Ironically, the language barrier even forced the Chinese and Albanian technicians to communicate in Russian. Albanians no longer took part in Warsaw Pact activities or Comecon agreements. The other East European communist nations, however, did not break diplomatic or trade links with Albania. In 1964 the Albanians went so far as to seize the empty Soviet embassy in Tirana, and Albanian workers pressed on with construction of the Palace of Culture on their own.

The shift away from the Soviet Union wreaked havoc on Albania's economy. Half of its imports and exports had been geared toward Soviet suppliers and markets, so the souring of Tirana's relations with Moscow brought Albania's foreign trade to near collapse as China proved incapable of delivering promised machinery and equipment on time. The low productivity, flawed planning, poor workmanship, and inefficient management at Albanian enterprises became clear when Soviet and East European aid and advisers were withdrawn. In 1962 the Albanian government introduced an austerity program, appealing to the people to conserve resources, cut production costs, and abandon unnecessary investment²⁷⁶.

In October 1964, Hoxha hailed Khrushchev's fall from power, and the Soviet Union's new leaders made overtures to Tirana. It soon became clear, however, that the new Soviet leadership had no intention of changing basic policies to suit Albania, and relations failed to improve. Tirana's propaganda continued for decades to refer to Soviet officials as "treacherous revisionists" and "traitors to communism", and in 1964 Hoxha said that Albania's terms for reconciliation were a Soviet apology to Albania and reparations for damages inflicted on the country. Soviet-Albanian relations dipped to new lows after the Warsaw Pact invasion of Czechoslovakia in 1968, when Albania responded by officially withdrawing from the alliance.

In the mid-1960s, Albania's leaders grew wary of a threat to their power by a burgeoning bureaucracy. Party discipline had eroded. People complained about malfeasance, inflation, and low-quality goods. Writers strayed from the orthodoxy of

²⁷⁵ *Ibid.*

²⁷⁶ *Ibid.*

socialist realism, which demanded that art and literature serve as instruments of government and party policy. As a result, after Mao Zedong²⁷⁷ unleashed the Cultural Revolution in China in 1966, Hoxha launched his own Cultural and Ideological Revolution.

The Albanian leader concentrated on reforming the military, government bureaucracy, and economy as well as on creating new support for his Stalinist system²⁷⁸. The regime abolished military ranks, reintroduced political commissars into the military, and renounced professionalism in the army. Railing against a “white-collar mentality”, the authorities also slashed the salaries of mid- and high-level officials, ousted administrators and specialists from their desk jobs, and sent such persons to toil in the factories and fields. Six ministries, including the Ministry of Justice, were eliminated. Farm collectivization spread to even the remote mountains. In addition, the government attacked dissident writers and artists, reformed its education system, and generally reinforced Albania’s isolation from European culture in an effort to keep out foreign influences²⁷⁹.

In 1967 the authorities conducted a violent campaign to extinguish religious life in Albania, claiming that religion had divided the Albanian nation and kept it mired in backwardness. Student agitators combed the countryside, forcing Albanians to quit practicing their faith. Despite complaints, even by APL members, all churches, mosques, monasteries, and other religious institutions had been closed or converted into warehouses, gymnasiums, and workshops by year’s end. A special decree abrogated the charters by which the country’s main religious communities had operated. The campaign culminated in an announcement that Albania had become the world’s first atheistic state, a feat touted as one of Enver Hoxha’s greatest achievements.

Traditional kinship links in Albania, centered on the patriarchal family, were shattered by the postwar repression of clan leaders, collectivization of agriculture, industrialization, migration from the countryside to urban areas, and suppression of religion²⁸⁰. The postwar regime brought a radical change in the status of Albania’s women. Considered second-class citizens in traditional Albanian society, women performed most of the work at home and in the fields. Before World War II, about 90

²⁷⁷ Mao Zedong (December 26, 1893 – September 9, 1976) was the chairman of the Politburo of the Communist Party of China from 1943 and the chairman of the Central Committee of the Communist Party of China from 1945 until his death.

²⁷⁸ Library of Congress, *supra* note 256.

²⁷⁹ *Ibid.*

²⁸⁰ *Ibid.*

percent of Albania's women were illiterate, and in many areas they were regarded as chattels under ancient tribal laws and customs. During the Cultural and Ideological Revolution, the party encouraged women to take jobs outside the home in an effort to compensate for labor shortages and to overcome their conservatism. Hoxha himself proclaimed that anyone who trampled on the party's edict on women's rights should be "hurled into the fire"²⁸¹.

The Albanian leadership's fixation on heavy industry contributed significantly to its decision to break with the Soviet Union. Enver Hoxha gambled that China not only would be less likely than the Soviet Union to threaten his ascendancy but also would be more likely to provide investment money and equipment for his pet industrial projects. Albania's Third Five-Year Plan (1961-65) amounted to outright defiance of Soviet advice to concentrate mainly on agriculture²⁸². The plan allocated industry 54 percent of all investment and called for a 52-percent rise in overall industrial production, including increases of 54 percent and 50 percent in the output of producer and consumer goods, respectively. Moscow responded by canceling credits. The Albanian leaders foresaw that a cut in Soviet investment and aid would disrupt their economy but calculated that maintaining power and continuing industrialization would outweigh the failure of one five-year plan. The Soviet aid stoppage brought Albania's foreign trade to a near halt and delayed completion of major construction projects. Spare-parts shortages led to a 12.5 percent decline in labor productivity between 1960 and 1963. China compensated Albania for the loss of Soviet credits and supplied about 90 percent of the spare parts, foodstuffs, and other goods Moscow had promised. The Chinese, however, proved unable to deliver promised machinery and equipment on time²⁸³.

In 1962 the Albanian government introduced an austerity program to keep the country's sputtering economy from stalling entirely²⁸⁴. Official public appeals to cut costs and conserve resources and equipment netted a claimed 6 percent savings. The government also initiated a campaign of popular consultation asking individuals to submit suggestions for improving self-sufficiency. Years of state terror and still-rigid central control, however, had undermined the Albanians' willingness to assume personal responsibility. Party hard-liners, fearing they would lose their positions to a younger generation of more technically sophisticated managers, sabotaged cost-cutting measures.

²⁸¹ *Ibid.*

²⁸² "History of Albania", p. 119, "Historia e Shqiperise", fq. 119

²⁸³ Library of Congress, *supra* note 256.

²⁸⁴ *Ibid.*

The government launched a program to increase the amount and quality of arable land by terracing hillsides and draining swamps. A new phase of collectivization was initiated. However, agricultural output grew only 22 percent over the entire five years instead of the planned 72 percent. Overall industrial production grew about 14 percent in 1964 and 1965²⁸⁵.

Fearful of a potential domestic power struggle and disappointed that heavy industry's output had failed to increase significantly overall between 1950 and 1965, the Albanian regime adjusted its Stalinist economic system in the middle of 1960's. The government altered the planning mechanism in February 1966 by allowing for a small degree of worker participation in decision making and reducing by 80 percent the number of indicators in the national economic plan. The leadership also decentralized decision-making power from the Council of Ministers to the ministries and local people's councils and included a slight devolution of control over enterprise investment funds. The system was specifically designed, however, to ensure that resources were allocated in accordance with a central plan. At no time, at least in public, did Albania's rulers entertain the notion heretical to all orthodox Stalinists that economic decision-making should be devolved to the enterprises.

In emulation of China's Cultural Revolution²⁸⁶, which was designed to rekindle the revolutionary fervor of the masses, Hoxha prescribed a regular rotation of managers to prevent bureaucratic stagnation, bureaucratism²⁸⁷, intellectualism²⁸⁸, technocratism²⁸⁹,

²⁸⁵ History of Albania, *supra* note 282, at 219.

²⁸⁶ Cultural Revolution, 1966–76, mass mobilization of urban Chinese youth inaugurated by Mao Zedong in an attempt to prevent the development of a bureaucratized Soviet style of Communism. Mao closed schools and encouraged students to join Red Guard units, which denounced and persecuted Chinese teachers and intellectuals, engaged in widespread book burnings, facilitated mass relocations, and enforced Mao's cult of personality. The movement for criticism of party officials, intellectuals, and "bourgeois values" turned violent, and the Red Guard split into factions. Torture became common, and it is estimated that a million died in the ensuing purges and related incidents.

<http://www.infoplease.com/ce6/history/A0814235.html>, <last accessed on 11/09/2011>.

²⁸⁷ Bureaucratism=bureaucracy, the administrative structure of any large organization, public or private. Ideally bureaucracy is characterized by hierarchical authority relations, defined spheres of competence subject to impersonal rules, recruitment by competence, and fixed salaries. Its goal is to be rational, efficient, and professional.

<http://encyclopedia2.thefreedictionary.com/bureaucratism>, <last accessed on 21/11/2011>.

²⁸⁸ Intellectualism, in philosophy, a theory that holds that reason alone, unaided by experience, can arrive

and a whole neologistic²⁹⁰ lexicon of other negative tendencies. The campaign, called the Cultural and Ideological Revolution, also prescribed the replacement of men with women in the party and state administrations²⁹¹.

In the late 1960s, thanks mainly to massive capital inflows from China, the Albanian economy expanded²⁹². The Fourth Five-Year Plan (1966-70) called for an increase of about 50 percent in overall industrial production, with producer-goods production increasing by 10.8 percent annually and consumer-goods output rising 6.2 percent. Most sectors exceeded plan targets²⁹³. Heavy industry's share of overall industrial production rose from 26 percent in 1965 to 38.5 percent in 1970, the largest increase registered in any five-year period in Albania's history. In 1967 the government launched a "scientific and technical revolution" aimed at improving self-sufficiency. For the first time, the Albanian Party of Labor made a serious attempt to take into account Albania's natural resources and other competitive advantages while planning industrial development. Government officials examined blueprints for coal-fired and hydroelectric power plants as well as plans for expanding the chemical and engineering industries. Despite chronic worker absenteeism, the engineering sector performed remarkably well, tripling output between 1965 and 1973. The late 1960s also saw changes in the agricultural sector. The authorities announced a farm collectivization drive in 1967 and, in an attempt to take advantage of economies of scale, amalgamated smaller collectives into larger state farms in 1967 and 1968. By 1970, Albania's power grid linked all the country's rural areas.

In the early 1970s, Albania's economy entered a tailspin when China reduced aid. During the period of close ties, the Chinese had given Albania about US\$900 million in

at basic truths regarding the world. Associated with rationalism is the doctrine of innate ideas and the method of logically deducing truths about the world from "self-evident" premises. Rationalism is opposed to empiricism on the question of the source of knowledge and the techniques for verification of knowledge.

<http://encyclopedia2.thefreedictionary.com/intellectualism>, <last accessed on 21/11/2011>.

²⁸⁹ Technocratism is a group or class of persons enjoying superior intellectual or social or economic status.

<http://www.thefreedictionary.com/technocrat>, <last accessed on 21/11/2011>.

²⁹⁰ Neologistic means the creation or use of new words or senses.

<http://www.thefreedictionary.com/neologistic>, <last accessed on 21/11/2011>.

²⁹¹ History of Albania, *supra* note 282, at 219.

²⁹² *Ibid.*

²⁹³ Muco, *supra* note 66, at 21.

aid and had provided extensive credits for industrial development. In the mid-1970s, China accounted for about half of Albania's yearly US\$200 million in trade turnover. The economic downturn after the aid reduction clearly showed that Albania's Stalinist developmental strategy failed to provide growth when levels of foreign aid were reduced. In the Fifth Five-Year Plan (1971-75), the government called for an increase of about 60 percent in the value of overall industrial production; producer goods production was to increase by about 80 percent and consumer-goods output by about 40 percent. General results from the first two years of the plan were relatively satisfactory. But after China reduced aid to Albania substantially in 1972, many key sectors fell disastrously short of plan targets. Tirana responded by launching an export drive to the capitalist West a year later. In 1974 the government criticized consumer-goods producers for failing to meet assortment and quality objectives²⁹⁴. During the five-year period, overall industrial production rose just over 50 percent; producer-goods output, 57 percent; and consumer-goods output, 45 percent²⁹⁵. Despite the obvious link with the curtailment of Chinese aid, the Albanian government offered no official explanation for the economic downturn.

• *The break with China and self-reliance*

Albanian-Chinese relations had stagnated by 1970, and when the Asian superpower began to reemerge from isolation in the early 1970s, Mao and the other Communist Chinese leaders reassessed their commitment to tiny Albania. In response, Tirana began broadening its contacts with the outside world. Albania opened trade negotiations with France, Italy, and the recently independent Asian and African states, and in 1971 it normalized relations with Yugoslavia and Greece²⁹⁶. Albania's leaders abhorred the People's Republic of China's contacts with the United States in the early 1970s, and its press and radio ignored President Richard Nixon's trip to Beijing in 1972. Albania actively worked to reduce its dependence on Communist China by diversifying trade and improving diplomatic and cultural relations, especially with Western Europe. But Albania shunned the Conference on Security and Cooperation in Europe and was the only European country that refused to take part in the Helsinki Conference of July 1975. Soon after Mao's death in 1976, Hoxha criticized the new leadership as well as

²⁹⁴ History of Albania, *supra* note 282, at 220.

²⁹⁵ Muco, *supra* note 66, at 22.

²⁹⁶ Library of Congress, *supra* note 256.

Beijing's pragmatic policy toward the United States and Western Europe. The Chinese retorted by inviting Tito to visit Beijing in 1977 and ending assistance programs for Albania in 1978.

The Sino-Albanian split²⁹⁷ left Albania with no foreign protector. Tirana ignored calls by the United States and the Soviet Union to normalize relations. Instead, Albania expanded diplomatic ties with Western Europe and the developing nations and began stressing the principle of self-reliance as the keystone of the country's strategy for economic development. However, Hoxha's cautious opening toward the outside world stirred up nascent movements for change inside Albania. As the dictator's health slipped, muted calls arose for the relaxation of party controls and greater openness. In response, Hoxha launched a series of purges that removed the defense minister and many top military officials. A year later, Hoxha purged ministers responsible for the economy and replaced them with younger persons.

As Hoxha's health declined, the dictator began planning for an orderly succession. He worked to institutionalize his policies, hoping to frustrate any attempt his successors might make to venture from the Stalinist path he had blazed for Albania. In December 1976 Albania adopted its second Stalinist constitution of the postwar era. The document "guaranteed" Albanians freedom of speech, the press, organization, association, and assembly but subordinated these rights to the individual's duties to society as a whole. The constitution enshrined in law the idea of autarky and prohibited the government from seeking financial aid or credits or from forming joint companies with partners from capitalist or revisionist communist countries. The constitution's preamble also boasted that the foundations of religious belief in Albania had been abolished.

Besides triggering short-term disruptions in the Fifth Five-Year Plan, China's reduction of aid to Albania had a dramatic impact on the Balkan nation's broader economic policy after 1972²⁹⁸. In official parlance, Albania's rulers implemented a strategy of "socialist construction based on the principle of self-reliance", that is, a policy of strict autarky. In 1976 the People's Assembly constitutionally barred the government from accepting any loan or credit from a capitalist source and from granting

²⁹⁷ The Sino-Albanian split in 1978 saw the parting of the People's Republic of China and Albania (the only Eastern European nation to side with China in the Sino-Soviet split of the early 1960s). Although of little importance in world politics, it produced a major split in the Maoist movement, with many anti-revisionist groups choosing to side with Albania's more hard line stance, and other groups splitting over the issue.

²⁹⁸ Library of Congress, *supra* note 256.

concessions to or setting up joint ventures with companies from the capitalist world. The Albanians publicly criticized Beijing beginning in the fall of 1976, and China ended economic aid to Albania altogether in July 1978. The break eliminated the source of half of Albania's imports. The country had no choice but to stimulate exports to make up the shortfall in the hard currency needed to purchase essential supplies. Just before the announced break, government planners prescribed a rapid increase in the production and export of Albania's four main sources of hard-currency income: oil, chromite, copper, and electric power.

The government reduced the size of the personal plots of collective-farm members. Police also increased harassment of peasants who attempted to sell produce in the cities. In late 1981, the government collectivized private livestock in the lowlands as well as all goats and sheep in the highlands²⁹⁹. Disaster ensued when peasants undertook a wholesale slaughter of their herds; shortages of meat and dairy products soon plagued the cities. Overpopulation in farm communities further complicated efforts to achieve self-sufficiency. Autarky proved an unsuccessful policy. The productivity growth rate fell slowly but steadily during the Seventh Five-Year Plan (1981-85), and the annual increase in net material product for the period 1981-88 averaged only 1.7 percent, a figure that did not even keep pace with the country's annual population increase of more than 2 percent. Albania's economy suffered two of its worst years in 1984 and 1985³⁰⁰.

In 1984, 1985, 1987, and 1988 the net material product decreased, and from 1986 to 1990 it declined 1.4 percent. Five years of drought between 1983 and 1988 dealt sharp setbacks to agricultural and hydroelectric power output. Power shortages and other acute problems afflicted two of Albania's main generators of hard-currency income, oil and chrome. As output fell, investment contracted and caused further drops in productivity. Insolvent enterprises turned to the state for bailouts. The shortage of goods circulating in the economy and the government's maintenance of fixed wage levels created repressed inflation and forced saving.

For the many decades under his totalitarian domination, Hoxha created and destroyed relationships with Yugoslavia, the Soviet Union, and China. Towards the end of the Hoxha era, Albania was isolated, first from the capitalist West and later even from the communist East³⁰¹.

Hoxha's regime confiscated farmland from wealthy landowners and consolidated it

²⁹⁹ Muco, *supra* note 66, at 23.

³⁰⁰ Library of Congress, *supra* note 256.

³⁰¹ Muco, *supra* note 66, at 18.

into collective farms, imprisoning and executing thousands in the process. The Hoxha regime propaganda took great pride in claiming that Albania had become completely self-sufficient in food crops during communist rule, as well as developing an Albanian industry and bringing electricity to most rural areas, all the while stamping out illiteracy and disease³⁰².

However, the opening of the Albanian borders to the outside world, following the collapse of the communist regime, revealed a completely different picture. Albania was not the industrialized, advanced nation of communist party propaganda, but in fact a country that was backward, not only by Western standards, but also by those of other Eastern Bloc countries such as Bulgaria and Romania. The vaunted industry of Albania was, in fact, fictional, while the farming collectives used agricultural methods of the previous century. Telephone communication, long established in every household in Albania's neighboring countries, was rare in most areas; while communist propaganda claimed telephone use was "available for everyone through communal telephone offices" posited "throughout Albania", in fact, very few Albanians other than higher-echelon party apparatchiks had access to such services. Worker wages and living standards were remarkably low by European standards, a fact that led later to a massive exodus of Albanian workers into neighboring Greece and Italy, where they could sustain better standards of living as illegal immigrants, than they did in their country as nationals³⁰³.

Later, Hoxha withdrew into semi-retirement and turned most state functions over to Ramiz Alia. Hoxha's death on April 11, 1985 left Albania with a legacy of repression, technological backwardness, isolation, and fear of the outside world. As communist party rule weakened throughout Eastern Europe, his succession by Ramiz Alia led to some relaxation in internal and foreign policies, culminating in Albania's abandonment of one-party rule in 1990 and the reformed Socialist Party's defeat in the 1992 elections³⁰⁴.

Despite clear portents of an economic catastrophe, the regime took no radical initiatives to pull Albania out of its economic crisis until it was too late to avoid a major collapse. Ramiz Alia, who became chairman of the Presidium of the People's Assembly in November 1982, gradually assumed more decision-making power from Hoxha, who went into semiretirement in 1983 and died in April 1985. In 1986 the Albanian Party of Labor still fully supported a centrally planned economy. The party's official daily, *Zeri i Popullit*, included the following proclamation in January 1986: "The execution of plan

³⁰² *Ibid.*

³⁰³ Library of Congress, *supra* note 256.

³⁰⁴ *Ibid.*

tasks...by every individual, sector, enterprise, agricultural cooperative, district, and ministry is a great patriotic duty, a party and state duty”³⁰⁵.

A year later, Alia set to work to quash the right of the peasant collective-farm members who still had personal plots to sell their produce, denouncing the practice as a waste of time and a misguided stimulation of a private market. The ambitious Eighth Five-Year Plan (1986-90) called for an increase of about 35 percent in national income, a 30-percent increase in industrial output, a 35-percent improvement in agricultural output, and a 44-percent increase in exports. Targeted for investment were a hydroelectric-power plant at Banja in the south, a rail line connecting Durres with the main chromite-mining area in central Albania, new super phosphate and ferrochrome plants, and the completion of nickel-cobalt and lubrication-oil plants³⁰⁶.

By the late 1980s, Alia was supporting a campaign for more openness in the press and encouraging people to talk freely about Albania’s problems. As a result, controversial articles on a range of topics began to appear in the press. Not everyone, however, was happy with Alia’s cautious program of reform. The entrenched party bureaucrats were worried that they would lose their powers and privileges and hence resisted many of the changes. Thus Alia’s government was not able, or willing, to attempt changes that would put an end to the repressive elements of the system.

³⁰⁵ *Ibid.*

³⁰⁶ Muco, *supra* note 66, at 29.

3. Concluding Remarks

The impact of the communist period was detailed in this chapter. The Albanians, indeed, suffered longer and more silently under Communism than any other nation in Eastern Europe. Few people knew, or cared, about the brutality of its leaders or the persecution of its people. Although other Central and East European countries experienced similar forms of authoritarianism, Albania, the most backward country in the region, was uniquely isolated from the rest of the world and deprived of any foundation for democratic participation. Indeed, it was isolated even from the former Communist Bloc. It did not undergo any period of liberalization such as that experienced by other East European countries in the post-Stalinist era, where a cultural form developed opposing totalitarian terror, and encouraging criticism and a more open interpretation of official ideology.

The main characteristics of the Albanian communist regime are government paranoia, propaganda against other foreign countries, the use of patriotism and nationalistic rhetoric to make isolation possible, the elimination of possible political opposition, the elimination of intellectuals and dissidents, the abolishment of religious practices and the harshest political persecution. In a country of less than three million people, thousands suffered political persecution. The regime and its practices established a very deeply divided society and a one-party state. Albania remained a mystery to the outside world until the fall of communism in 1991. Private property, along with religion, was completely banned, and farmers were forced to join cooperatives and to collectivize their livestock. Many major public infrastructures, such as railways, irrigation systems, and plantations, were executed through forced voluntary work by the population or youth. Everybody was expected to volunteer, which is why "*voluntary work*" is quite a misnomer for the kind of work that was carried out. By abolishing private property, through forced collectivization and "*voluntary work*", the state extended its domain to the private life of the individual citizens, who was thus placed almost completely under the state's control.

Chapter IV. Post-communist Elite Choice Influence

Albania was the last communist country in Europe to open up to pluralism and democratic regime. Many political academics have discussed the reasons why the change was made possible in the country: Did the popular protests bring the change or the political elite of middle of 1980's were liberal to the new change, and recognized that there were no way out for economic and social collapse?

The well-known Albanian academic Shinasi Rama, argues that:

*"the systemic changes are a reflection of both; there were indeed pressures from below, but the political elite at that time could have controlled those pressures if they so desired"*³⁰⁷.

Communist collapse in Albania was followed by a social, cultural, spiritual, and moral crisis, which brought out the loss of confidence, decline of the national identity, and civic morals.

The end of the Cold War and the breaking of the Soviet Union led most of the former East European communist countries to a process of opening up that is best described by Samuel Huntington as part of a *"third wave of democracy"*³⁰⁸. This wave introduced the concept of democracy as a process: it moves from a break up of an authoritarian regime, through transition, and towards democratic consolidation. Former East European communist countries were a part of this third wave. While most of these countries have achieved the successful consolidation of democracy, this did not happen in Albania, where an infinite number of issues continues to hold the nation back and hinders the consolidation of democracy.

This chapter takes into consideration the case of Albania as a country in transition after the overthrow of the authoritarian communist regime more than twenty years ago. Why is Albanian democracy still unconsolidated after all of these years? This chapter will argue that the choice and the mentality of Albanian post-communist elite was a significant obstacle to democratic consolidation.

³⁰⁷ Rama, Shinasi, *"Failed transition, elite fragmentation, and the Parliamentary Elections of June 29, 1997"*, The International Journal of Albanian Studies no. 1, 1997, p. 82.

³⁰⁸ Huntington, *supra* note 1, at 2.

1. Political and Social Developments during Early 1990

In 1989, all of the East European countries like East Germany, Poland, Hungary, Czechoslovakia, Bulgaria and Romania began the movement towards democracy. However, at that time Albania managed to survive to this movement. But how long could it resist? The term more frequently used in the literature on post-Communist transition is the “*domino effect*”³⁰⁹, which is perhaps a better description of the crumbling process which took place in the former socialist countries. This irreversible process made it inevitable that, after Romania, Albania would be the last domino to fall³¹⁰. Being last could have been an advantage for Albania; at least the country’s leaders would have the chance to learn from the mistakes of their neighbors for example from the reform Communists in Bulgaria and Romania who miscalculated that, because the opposition was too weak and divided to govern, it could safely be ignored. At this point, the people of Albania were fairly well aware of what was happening elsewhere in the world; it was now possible to watch foreign television programs, mainly Italian and Yugoslav, almost all over the country³¹¹. Though the situation in Albania appeared calm, the first signs of accumulated tension soon began to show. In spring 1990, the first strikes were recorded, and in at the same time in the northern city of the country Shkoder, the monument of Stalin disappeared. For many people, it gradually became evident that radical change was inevitable. The international pressure on Alia’s regime was also increasing. The CSCE³¹² refused to admit Albania because of its poor human rights record and its opposition to a multi-party system. The West made it clear that Albania should expect nothing until essential changes were made and free elections were held. Yet, there was no organized force to take the initiative for change³¹³. The first half of 1990 passed without major incident, even though it was evident to many

³⁰⁹ The domino effect is a chain reaction that occurs when a small change causes a similar change nearby, which then will cause another similar change, and so on in linear sequence. The term is best known as a mechanical effect, and is used as an analogy to a falling row of dominoes. It typically refers to a linked sequence of events where the time between successive events is relatively small. It can be used literally (an observed series of actual collisions) or metaphorically (complex systems such as global finance, or in politics, where linkage is only a hypothesis).

Source: Impact Mechanics, W. J. Stronge, Cambridge University Press, 2004

³¹⁰ Biberaj, *supra* note 198.

³¹¹ Tarifa, *supra* note 187, at 156.

³¹² Commission on Security and Cooperation in Europe

³¹³ Tarifa, *supra* note 187, at 126.

that the system had started to crumble. Finally, on 2 July 1990, tens of thousands of mostly young people took to the streets of Tirana; after anti-regime demonstrations which the police tried hard to put down by force, more than 6,000 of them invaded fourteen foreign embassies, asking for asylum³¹⁴. This flood of asylum-seekers (which had, in fact, begun as a trickle three months earlier), dealt a decisive blow against the Communist establishment. It wrong-footed Alia and signaled to both the people and the ruling elite that things could not continue as they were. The rules of forty-five years of Communism had now been brought into question and it seemed that the country would have no rest in the days to come. The embassies event was a turning-point in Albania's political life; it effectively announced the end of the old regime³¹⁵. After the refugees' departure, tension appeared to die down and the explosive atmosphere which had built up in the early days of July relaxed. In fact, however, the people were in shock. Uncertainty prevailed both in the cities and in the countryside. Later that same month, workers staged a sit-in at the big 'Stalin' leather-processing factory in Tirana. Rumors spread that the borders would open for three or four days so that anyone who wanted could leave.

There were further signs of upheaval, particularly in the main towns of Tirana, Shkoder and Durres. However, Alia appeared not to have learnt any lessons from earlier events. Again he reacted rather than taking the initiative, and again his reaction was inadequate, consisting only of minor changes in the Politburo and in the government³¹⁶. Some members were removed but those who took their place were no better. Instead of gaining the support of the people, Alia's measures merely irritated them even more. Fearing turmoil in the capital city when Tirana University students returned from summer holidays, the party elite tried to play another card, appealing to the patriotic spirit of the Albanians. On 1 September, tens of thousands of people were brought to Scanderbeg Square in the heart of Tirana to demonstrate their support for Alia and to denounce the thousands of 'hooligans' who had left Albania. As clever as it seemed, the idea of holding such a large rally was also perilous: the story of Ceausescu's last rally in Bucharest was still very fresh in people's memories³¹⁷. Alia did not appear in public that day and, indeed, the events of Bucharest were not repeated in Tirana; party propaganda claimed this 'ecstatic' rally as proof of the unity between the Party and the people. The deterioration of the economic situation during the summer and autumn unquestionably

³¹⁴ *Ibid.* p. 157

³¹⁵ *Ibid.*

³¹⁶ *Ibid.* p. 158

³¹⁷ Cani, *supra* note 235, at 211.

added to the unsettled public mood³¹⁸. Given the country's long isolationist policy and the state of its economy, the collapse of COMECON plunged Albania into a more savage recession than any other Central or East European country. Food shortages were more severe than ever. Thousands of jobless workers would flow into the streets of Tirana and other towns, just waiting for something to happen. The defection of leading Albanian novelist Ismail Kadare³¹⁹ in October 1990 was the final proof that Alia no longer had the trust or support of the Albanian intellectuals: there had already been evidence of this, for example in the August 1990 meeting between Alia and some leading intellectuals. Kadare's prestige among Albanian intellectuals and youth, however, made his defection a major factor in accelerating the process of change and in establishing a multi-party system. It was no accident that Kadare's portrait was found in the hands of Tirana University students during their demonstrations in December 1990.

In the other Central and East European countries, youth, and students in particular, played a major role. Albania was no exception. A three-day demonstration of the Tirana University students (9-11 December 1990) gave the signal for a nation-wide democratic movement. The students' initial demands were of an economic character, but within a few days a group of intellectuals had joined their movement, and their goal was clearly pronounced to be the transformation of the political system³²⁰.

The students' movement, which was also joined by many workers, provided the greatest momentum for change. The students refused to talk to prime-minister Adil Carcani or any leader other than Ramiz Alia. When the two sides did finally meet, the students made their uncompromising demand: freedom for other political parties. There was no way to ignore the students' position if a confrontation was to be avoided. Thus, bowing to demands for more democracy, Alia announced on 11 December that

³¹⁸ *Ibid.*

³¹⁹ Ismail Kadare, born 1936, is an Albanian writer. He is known for his novels, although he was first noticed for his poetry collections. He stopped writing poems in the 1960s and focused on short stories until the publication of his first novel, *The General of the Dead Army*. From 1963 he has been a novelist. In 1996 he became a lifetime member of the Academy of Moral and Political Sciences of France. In 1992, he was awarded the Prix mondial Cino Del Duca; in 2005, he won the inaugural Man Booker International Prize and in 2009 the Prince of Asturias Award of Arts. He has divided his time between Albania and France since 1990. Kadare has been a Nobel Prize in Literature candidate several times. He began writing very young, in the mid 1950s but published only a few poems. His works have been published in about thirty languages.

<http://www.kirjasto.sci.fi/kadare.htm>, <last accessed on 21/11/2011>.

³²⁰ Blejer, *supra* note 222, at 21.

independent political organizations and political parties other than the Labor Party were to be allowed. Given that the 1976 Constitution, which banned the creation of political parties, was still in force, this last qualification was meant to ensure that any independent parties would be acceptable to the Labor Party. For several days after this, an expectant atmosphere prevailed across the country³²¹.

A new political system had been launched within the framework of the old one and a period of transition would now begin. The mood and perception of the people were different in various parts of the country and among different social and age-groups. An increasing number of questions, dilemmas and uncertainties were pressing, but there seemed to be no-one who could offer the people a clear picture of what was going to happen in the coming weeks or months, let alone further into the future. What political parties would emerge? Was Albania's social soil fertile enough to nurture independent political organizations? What programs would they have? Was there going to be a coherent and cohesive opposition? What would happen to the Labor Party (LP)? What were Ramiz Alia's plans? Would there be free elections soon, as in all the other East European countries? What about the economy: would there be foreign credits or investments? Only three days after Alia's decree on political pluralism, Albania had a second political party³²². Their numbers would later increase with each passing month, but the first opposition party which emerged in the euphoria after the triumph of the Tirana University students' movement was the Democratic Party (DP). In fact, the Democratic Party grew out of the students' protests. Its founders were a group of university professors, students, writers, journalists and actors. From among them, Sali Berisha, a cardiologist, and Gramoz Pashko³²³, a Tirana University reader in economics, emerged as party leaders. Subsequent developments in Albania followed a similar pattern to those of other Central and East European countries, particularly Bulgaria and Romania. The Democratic Party was more of an anti-Communist movement, or an umbrella organization, than a political party. Its militant members were a mixed lot:

³²¹ Tarifa, *supra* note 187, at 160.

³²² *Ibid.*

³²³ Gramoz Pashko (February 11, 1955 – July 16, 2006) was an Albanian economist. He cofounded the Democratic Party of Albania in 1990 and served lately as the rector of the University of New York, Tirana. During the early 1990s, he served as Deputy Prime Minister and Minister of Economy. A few months later, he quit the positions and the Democratic Party membership (which he cofounded back in 1990) to form the Democratic Alliance Party. In his career, he also served as economic advisor to several left wing Prime Ministers.

<http://www.guardian.co.uk/news/2006/jul/24/guardianobituaries.world>, <last accessed on 21/11/2011>.

many reformed Communists, as well as anti-Communists, intellectuals, students, workers, former political prisoners and members of their families, and even people who had never before shown any interest in politics. Within a few months, their ways would again part; for the moment, these people were united in the belief that there would be no future for any of them unless the old order was defeated³²⁴.

More than anything else, the opposition movement was helped by the Democratic Party's newspaper Rilindja Demokratike (The Democratic Renaissance), in the pages of which dozens of talented young writers and journalists waged an aggressive campaign against totalitarian system and the legacy of Hoxha's. One of the first demands of the opposition movement was the holding of free elections. The DP immediately organized a western-type electoral campaign and, in fact, managed it quite well³²⁵. The DP widely publicized its plans for ridding Albanian society of Hoxha's influence, and mobilized large segments of the urban population, including many young and unemployed people. The Labor Party, paralyzed by the sudden changes, did almost no campaigning on its own behalf. All the same, many people were clearly not convinced that the election, first called for February 1991 and later, at the demand of the DP, postponed until the end of March, would change anything. Unlike some of the other Central and East European countries, such as East Germany, Poland and Hungary where the post-Communist transition was negotiated through round-table talks between the Communists and a reasonably well-structured opposition, Albania's first free elections were organized by the LP without any prior negotiations with the opposition parties³²⁶. The electoral system was a variant of majority voting with run-offs. The DP originally fought for proportional representation but later, as they gained in confidence, accepted the majority system.

The road towards the first multi-party elections was hazardous. There was an atmosphere of uncertainty throughout the country. Many people believed, quite correctly, that life in Albania would get worse before it could get better, even if pluralism prevailed. Towards the end of the year, rumors swept through the towns and villages that the Greek authorities would close the border on 31 December. During the last days of December, the regular trickle of fugitives swelled to a flood of some 16,000. In February, thousands of people flocked to Durres, the country's main port, in response to a rumor that a visiting Italian ship would pick up passengers without passports or visas. This time, however, there was to be no repetition of July's mass exodus. The

³²⁴ Laqueur, Walter, *Europe in Our Time: A History*, 1945-1992. New York, 1992.

³²⁵ Tarifa, *supra* note 187, at 160.

³²⁶ *Ibid.*

crowd found the harbor gates locked and turned violent, while the army was called in³²⁷.

De-Hoxhaization became the main focus of the opposition's propaganda crusade and quickly brought Albania to the brink of civil war. Although the opposition leaders played successfully on the accumulated anger of the population, once the crowds took to the streets, the DP leaders seemed unable to control their destructive instincts³²⁸. Consequently, throughout the winter, the electoral campaign of the modern Democratic opposition was compromised by anachronistic forms of political protest akin to those of the Luddites in early nineteenth century England. Events were running out of control and Albanian society was sliding closer and closer to total chaos. Law and order broke down; unemployment was rampant; anarchy, crime and violence in the streets reached frightening proportions. Free from the constraints of the past, more and more of the country's youth, and especially the least educated, equated democracy with anarchy. Hundreds of schools, hospitals, health and day-care centers, shops, post offices, collective farms, and industrial plants were either looted or destroyed, causing further damage to an economy which was already in virtual ruins³²⁹. The public transportation system broke down, and disorder prevailed. Abhorrence of Hoxha's dictatorship and socialism led to the destruction of everything that had been state or collectively owned, and the rule of the day became "everyone for himself".

The situation reached its climax in February 1991, when hundreds of students of the Enver Hoxha Tirana University staged a hunger strike, demanding the removal of Hoxha's name from their University. Although their demand was hardly a surprise, it placed Alia in an uncomfortable position. On one side were the students' demands and strong pressure from the opposition to get rid of Communist symbols and Hoxha's legacy. On the other side, there were tens of thousands of Labor Party members a large section of the population, especially in the rural areas, reminding him of his oath to follow Hoxha's path. Negotiations between Alia's emissaries and the students failed to reach a compromise. Finally, on 20 February, the government announced the decision to reorganize the Tirana University into two separate universities: it was left unsaid that neither of the two would bear the name of the late dictator³³⁰.

Although the students were barely satisfied, this was another triumph for the opposition movement and another step back for the ruling elite. On the same day many citizens of Tirana, mostly young people, streamed through the streets chanting 'Enver-Hitler' and trying to topple the nine-meter gilded statue of Enver Hoxha that

³²⁷ Vullnetari, *supra* note 213, at 24.

³²⁸ Tarifa, *supra* note 187, at 161.

³²⁹ *Ibid.*

³³⁰ *Ibid.*

towered over the Scanderbeg Square. The police and special troops were sent to stop them, but with tens of thousands of protesters in the main square, the police were helpless. The conflict had reached its zenith, and a civil war seemed to be only a hair's breadth away³³¹. Alia again had two choices: to order the demonstrators to be shot, and turn the Scanderbeg Square into a Tiananmen³³², or to let them accomplish their aim. Alia did not imitate Honecker's³³³ actions in East Germany, and he is widely credited as having avoided a civil war in Albania.

By the evening of 20 February, Enver Hoxha's statue was no longer standing in the capital city. Reacting to this latest burst of popular anger Alia declared that evening on

³³¹ *Ibid.*

³³² Tiananmen Square is the large plaza near the center of Beijing, China, named after the Tiananmen (literally, Gate of Heavenly Peace) which sits to its north, separating it from the Forbidden City. It has great cultural significance as it was the site of several key events in Chinese history.

The Tiananmen Square protests of 1989, referred to in much of the world as the Tiananmen Square massacre and in the People's Republic of China (PRC) as the June Fourth Incident (officially to avoid confusion with two prior Tiananmen Square protests), were a series of demonstrations in and near Tiananmen Square in Beijing in the PRC beginning on 14 April 1989. Led mainly by students and intellectuals, the protests occurred in a year that saw the collapse of a number of communist governments around the world. An intelligence report received by the Soviet politburo estimated that 3,000 protesters were killed, according to a document found in the Soviet archive. The protests were sparked by the death of a pro-democracy and anti-corruption official, Hu Yaobang, whom protesters wanted to mourn. By the eve of Hu's funeral, 100,000 people had gathered at Tiananmen Square. The protests lacked a unified cause or leadership; participants included disillusioned Communist Party of China members and Trotskyite as well as free market reformers, who were generally against the government's authoritarianism and voiced calls for economic change and democratic reform within the structure of the government. The demonstrations centered in Tiananmen Square to begin with but then later in the streets around the square, in Beijing, but large-scale protests also occurred in cities throughout China, including Shanghai, which remained peaceful throughout the protests.

Source: "*Turmoil in China; Asian Diplomats Express Concern*", New York Times, 8 June 1989

³³³ Erich Honecker, 25 August 1912 – 29 May 1994 was a German Communist politician who led the German Democratic Republic (East Germany) from 1971 until 1989. Following the annexation of the German Democratic Republic, Honecker first fled to the Soviet Union but was extradited to Germany by the new Russian government. Back in Germany, he was imprisoned and tried for high treason and crimes committed during the Cold War. In particular, he was indicted for ordering border guards to shoot any person trying to cross the East German border into West Germany or West Berlin. Fulbrook, Mary. (2008) "*The people's state: East German society from Hitler to Honecker*". Yale University Press.

national television: Busts may be removed, but the figure of Enver Hoxha cannot be toppled³³⁴. However, everybody knew that the real target of the demonstrators was not Hoxha's good name but his appalling system. Later that evening, Alia also announced that he was setting up a Presidential Council to help the nation through its emergency. He sacked Prime Minister Adil Carcani and named what was meant to be a government of talents. On closer inspection, however, the Presidential Council and the new government led by Fatos Nano, a thirty-nine year-old western-style economist, turned out to be filled mainly by younger or less tired Communists³³⁵. In the following days, all the other monuments of the late dictator were dismantled. The 'Pyramid of the Pharaoh', the name Albanian students gave to the multi-million-dollar museum built to hold everything Hoxha ever possessed, was closed.

In the meantime, several pro-Hoxha rallies were organized, and a movement comprising tens of thousands of mainly rural people called the "Volunteers for the defense of the memory of Enver Hoxha" unsettled the political atmosphere even more. The situation became extremely tense and remained that way throughout the spring³³⁶. The election campaign was short and bitter. In fact, the programs of the Communists and the Democrats were not very different. Both concentrated on economic reform, advocating a market economy system, but while the Socialists were in favor of a gradual approach, the Democrats supported radical measures. The Democrats waged a Western-style campaign, holding outdoor rallies with dramatic posters and the two-fingered V-for-Victory sign, while Alia and his LP conducted the more traditional, unimaginative, heavy-handed campaign that East European Communists have waged for years³³⁷. The campaign became more intense in March when, on the eve of the first free elections, more than 25,000 people vowed to get out of Albania at all costs, invaded the boats at the Durres harbor and escaped to Brindisi in Italy. Prime Minister Nano³³⁸

³³⁴ Alia, *supra* note 220.

³³⁵ Tarifa, *supra* note 187, at 163.

³³⁶ Cviic, Christopher, *"Remaking the Balkans"*, London, 1991, Chatham House Paper.

³³⁷ Lucas, Peter, *"A Western-Style Campaign in Eastern Europe"*, The Boston Globe 22 April 1991.

³³⁸ Fatos Nano is an Albanian economist who was Prime Minister of Albania during several periods, the first leader of the Socialist Party of Albania, and member of the Albanian Parliament from 1991 to 1996 and 1997 to 2009. He reformed the Anti-Revisionist Marxist-Leninist ideology of Labor Party of Albania into social democracy for its successor, the Socialist Party of Albania. During his leadership the Socialist Party of Albania, as a result of reforms joined the Socialist International and Party of European Socialists. He began his political career in 1991 after he was appointed Prime Minister of the transitional government which purpose was to organize the first democratic elections in the country that year and preparing the transition of the country towards democracy and market economy. Those elections, on March 31, were won by the Labor Party of Albania and he again was appointed as Prime Minister. After two months he was forced to resign. That year he was elected leader of the Socialist Party, which

claimed that the government had had no choice but to let the people go: the alternative would have been ordering soldiers to shoot them. Opposition politicians countered that the Communist government was only too happy to wave farewell to thousands of prospective anti-Communist voters three weeks before the general elections, speaking of the exodus as “a safety valve”.

As in Bulgaria one year earlier, the Labor Party maintained its position, for the time being, due to its strong support in the countryside. The rural population was still fearful of change and therefore reluctant to make the break with the past³³⁹. The opposition parties had relatively little chance of winning this first election, given their inexperience, lack of resources, and restricted time for preparation. An extreme right-wing force, the Republican Party (RP), did not win any seats, showing that it had virtually no support. The DP, however, took 75 seats. Given the limited opportunities and the very short time (less than four months) that it had been in existence, winning 30 per cent of the parliamentary seats was a very significant achievement for the fledgling opposition, and increased its political stature. The Communists' overall victory in Albania came as no surprise, and mirrored other Balkan experiences. The opposition, however, immediately rejected the results of the elections and refused the Socialists' offer to join a coalition government. The Democrats claimed that their party's success in the main towns amounted to a moral victory. They were pinning their hopes on the next elections, which they claimed should come soon, through popular demand and political necessity³⁴⁰.

Disappointed by the outcome of the first multi-party elections, the opposition adopted the tactics of obstruction (in parliament), disorganization and economic destabilization. In this, the opposition was actively supported by the independent trade unions which showed their anger at the Democrats' defeat by staging violent protests. The DP's leaders would not have been able to keep their supporters off the streets, even if they had wanted to. Under such circumstances, the flow of would-be emigrants to neighboring countries looked set to resume³⁴¹. Although Nano's government had opted for gradual economic reform, it was not in fact given a chance to do anything.

succeeded the Party of Labor of Albania. In March 1992 the Democratic Party of Albania won the election, and one year later he was imprisoned after he was accused for corruption and abuse with power from then president Sali Berisha. His imprisonment was the most controversial issue of post-Communist Albania, because the socialists in opposition alleged that his imprisonment was due to his strong opposition for the autocratic signs that the regime of that time showed and for the inefficiency of the government to accomplish true economic reforms.

<http://www.economist.com/topics/fatos-nano>, <last accessed on 15/01/2012>.

³³⁹ Austin, Robert, “*What Albania Adds to the Balkan Stew*”, 1993, p. 268, ORBIS. V. 37, No.2.

³⁴⁰ *Ibid.*

³⁴¹ *Ibid.*

Following prolonged unrest and a three-week general strike in Tirana and other major towns, which was supposedly apolitical but was obviously influenced by the opposition parties, Nano's government was forced to resign within two months of taking office. The opposition immediately called for new elections, claiming that the LP was unable to run the country and that, as in Bulgaria and Romania, the promised western economic aid would not be forthcoming until the Communists were defeated³⁴². The most important event of this period was the abrogation by the Parliament of the 1976 Constitution and the adoption of the "Law on Major Constitutional Provisions", designed to remain in force until a new Constitution had been drafted and approved. After angry parliamentary debates on the presidency, the Communists and Democrats finally reached a compromise, vesting relatively weak powers in the still-Communist head of state. Once Nano's government resigned, it became evident that the political power delegated to the Labor Party through free parliamentary elections had slipped out of its hands³⁴³. The breakdown of Communism in Albania, and the initial post-Communist transition, were following a pattern surprisingly similar to that of other Balkan states. In May, a Social-Democratic Party (SIDP) was created which, although left-of-center orientation, sided with the DP and RP to gain credibility as an opposition party. In its 10th Congress (June 1991) the LP decided to transform itself into a Socialist Party (SP). Fatos Nano was elected chairman of the party. Some months later, a small fraction of the LP would create the Communist Party (CP), as a rightful heir to the former LP.

After the fall of the socialist government, it became clear to many that a country such as Albania, with no democratic tradition, could not be ruled by a single party, albeit a party which had won the election. As in Bulgaria, where the ex-Communists were unable to govern on their own despite their parliamentary majority, in Albania too, at the very early stage of transition, the Socialists and the opposition parties found themselves forced into concessions and power-sharing³⁴⁴. In June 1991 a government of national stability was formed, comprised of a coalition of Communists and non-Communists from the five major parties (Socialist, Democratic, Republican, Social-Democratic, and Agrarian), with the aim of steering the country through the difficult period until the new elections planned for May or June 1992. Ylli Bufi, a modern, untainted socialist technocrat in his early 40s, was appointed by Alia to form the new cabinet³⁴⁵.

³⁴² *Ibid.*

³⁴³ Alia, *supra* note 220.

³⁴⁴ Tarifa, *supra* note 187, at 164.

³⁴⁵ Aslunda, Anders and Sjoberg, Orjan, "Privatisation and transition to a market economy in Albania",

Democratic Party representative took the charge of economic affairs in the cabinet, with the intention of giving Albanian economic reform some Polish-style shock therapy. The change of government created the necessary political conditions for radical transformation of the economy, an economy which, at the time, looked almost hopeless. In August, just two months after Bubi's government took office, a new wave of 17,000 refugees escaped to Bari in Italy, despairing of any real improvement in Albania's situation³⁴⁶. The economic program designed by the coalition government followed the current conventional wisdom gleaned from the stabilization programs of other former Communist countries such as Poland, Czechoslovakia, and Bulgaria. Aslund and Sjoberg (1992) point out that there was no ambition to be original, but rather to simplify the systemic change as much as possible to make its implementation easier and quicker. During its six-month duration, the coalition government undertook several important economic reforms, including a partial removal of price controls and the abolition of the central plan. However difficult it was, Pashko and his cabinet colleagues managed to get privatization off the ground through the legalization of new private activities and the distribution of land from the agricultural co-operatives. Despite important breakthroughs, however, the pace of reform remained slow, the measures taken were inadequate and the economic administration was weak³⁴⁷.

Far from improving in the second half of 1991, the economic situation deteriorated as a result of the measures being implemented. However, in general, the country was sympathetic to the coalition government, which displayed goodwill and proficiency in carrying out democratic reforms. Polish case indicates that confidence in and support for the reformist actions of a non-Communist government are based mainly on confidence in the persons who form them, given that the necessity of introducing market-economy reforms by the government is taken for granted while willingness to accept their consequences is rather moral³⁴⁸.

Coinciding with the political breakdown of the old regime, the economic crisis meant that the economic reform was a necessity. Apart from the intensity of the political processes in Albania, which undoubtedly has its reflection in the trends of the economic reform, the first serious economic measures began after the first democratic elections, March 31, 1991. This might be considered as the first phase of the Albanian economic reform accompanied by a lot of controversies, confusion, half measures and, above all,

Communist Economies and Economic Transformation, Volume 4, Issue 1, 1992, p 11.

³⁴⁶ *Ibid.*

³⁴⁷ Blejer, *supra* note 222, at 23.

³⁴⁸ Marody, Mira, "From Social Idea to Real World Clash Between New Possibilities and Old Habits", 1992, p. 174, Boulder, CO, West view.

virtual political instability³⁴⁹. The first government created by ex-communists on May 10, 1991 presented a reform program to parliament but after less than five weeks in office they resigned because of widespread opposition, mainly in the cities, and massive strikes. After long hours of discussions among the political parties, in June 1991, a coalition group, called Government of National Stability took office, while it was decided that new elections were to be held in the spring of 1992. After the abrogation of the entire 1976 Constitution on April 1991, this government introduced and initiated a reform program, which was approved by parliament at the end of October 1991. It included a series of laws about price liberalization, investment deregulation, macroeconomic intervention, as a tight monetary policy and budgetary austerity, land distribution and small-scale privatization.

The Coalition Government tried to make some macroeconomic interventions, although the figures showed further deterioration. In fiscal and budget control terms the tight policy tried to prevent the fast spending increase. In order to create a source of revenues for the budget, a system of taxes and duties was introduced. Export and import licensing were relaxed with the exception of those on foodstuffs because of the emergency food situation at that time. The currency was deeply devalued, *vis-a-vis* USD, first by 250 percent in September 1991 and then 100 percent by the end of the year. The restructuring of the banking system was initiated; however, a proper banking law was approved about one year later, in 1992³⁵⁰.

The small-scale privatization of retail shops and other commercial services had progressed but the monitoring of the process remained disorganized and some signals of haste and dishonesty occurred. The most important achievement was in land privatization while the spontaneous breaking up of the cooperatives had already begun since the end of 1990. In the spring of 1992 about 70-75 percent of the arable land owned by cooperatives was freely distributed but the sale and transfer of the land still remained prohibited. The overall confusion and the uncertainty about the property rights, as well as the unclear attitude towards the restitution of the property to the former owners, meant that the land remained non-own and contributed to the further decline of the agricultural production. Food shortages became dramatic³⁵¹.

At the end of 1991 the increasing dissent among political parties was finalized in a new government crisis after the withdrawal of the Democratic Party from the coalition. The government of technocrats, which replaced it, was the third in a period of seven

³⁴⁹ Tarifa, Fatos, "Albania's Road from Communism: Political and Social Change", 1990-1993, p. 164.

³⁵⁰ Muco, Marta, *supra* note 66, at 18.

³⁵¹ *Ibid.*

months in 1991. It assumed office with the aim to prepare the new coming general elections in March 1992. The above mentioned political events had a negative impact on this phase of economic reform, leaving many things unfinished and increasing confusion. The preparation of the electoral campaign diverted the attention of the government and the parliament for the economic reform.

After the general elections on March 22, 1992, finalized by the victory of the Democratic Party, a new government assumed office in April 1992³⁵². From the beginning this government tried to establish a civil order, completely absent during the previous political events, and launched ambitious economic reforms. The main aim was to halt further deterioration of the economy and to move towards the democracy³⁵³.

³⁵² Tarifa, *supra* note 187, at 163.

³⁵³ *Ibid.*

2. The Growth of Albanian new Elite and its Course toward Democracy

To describe the situation and to try to find the reasons that led Albanians towards chaos and violent conflicts we must look also at the political culture of the country. Taking a political culture approach, we should examine whether democratic norms are widely held in Albanian society.

Albania, in contrast to the other Central European countries, “differs with regard to the extent their political culture resonates with the western liberal values and the extent to which state elites were responsive to their societies”³⁵⁴. If in the CEE countries a pre-democratic political culture preceded transition like Poland and Hungary easing the way to develop a true pluralist society, that was not the case for the Albania. In the post-communist Albania, the institutions were distrusted because they failed to deliver to citizens³⁵⁵. This situation “undoubtedly was not a very fertile ground for the introduction of the political culture characteristic of the contemporary democratic age”³⁵⁶. In other words, the political culture of Albania, the values, beliefs, and orientations have been far from democratic and liberal norms. This is even because of its legacies of the past where the more recent communist experience had a common impact in the political culture. Such negative circumstances where a political culture of dialogue, tolerance, and compromise has depthless roots in Albania will be reflected in its future political systems.

The political natures that have been developed in Albania are two; the first nature is authoritarianism and/or the second is related to nationalism. Though such policies were intended to bring stability and to save the state from disintegrating, it often appeared unable to avoid strong confrontation with its citizens. The main characteristic in Albania is the frequent rise of dictators and arbitrary recourse to power. The political culture of *statism*³⁵⁷ and authoritarianism remains deeply embedded in the country and as a result the Albania state failed to be a democratic state which is sufficiently flexible and which can function in a (even ethnically) pluralist context³⁵⁸. The non-democratic political cultures of authoritarianism and nationalism could be found on the political agenda too

³⁵⁴ Elbasani, Arolda, “*Albania in Transition: Manipulation or Appropriation of International Norms?*”, Southeast European Politics, Vol. 5, No. 1, 2004, p. 30

³⁵⁵ Bechev and Andreev, “*Top-Down vs. Bottom-Up Aspects of the EU Institution-Building Strategies in the Western Balkans*”, p. 3

³⁵⁶ Vlaisavljevic, Ugo, “*Yugoslav Communism and After: The Continuity of Ethno politics*”, Journal for Politics, Gender and Culture, Vol. 2, No.2, 2003, p. 13.

³⁵⁷ Statism: the theory or practice of concentrating economic and political power in the state, resulting in a weak position for the individual or community with respect to the government.

³⁵⁸ Bugajski, “*Facing the Future: The Balkans to the Year 2010*”, p. 9.

and the very narrow nationalistic and populist interests had a very strong influence in the country policies.

“Democratization is the whole process of regime change from totalitarian rule to the setting up of a new liberal democracy. It is a multi-stage and multi-dimensional process which involves: authoritarian regime collapse, pre-transition liberalization, democratic transition, democratic consolidation and, finally, the entrenchment of liberal democracy”³⁵⁹.

Far from improving in the second half of 1991, the economic situation deteriorated as a result of the measures being implemented. However, in general, the country was sympathetic to the coalition government, which displayed goodwill and proficiency in carrying out democratic reforms³⁶⁰. The first multi-party coalition government team in Albania consisted of young professionals who were not compromised by the old Communist rule, though several had been LP members. The positive mood of the people was encouraged by the international support the government received, which was understood as a message that Europe and several major international organizations were watching political developments in Albania and were willing to accept her move toward democracy³⁶¹.

A number of new political parties emerged between June and December 1991, but they did not change Albania's political configuration. The Socialists and the Democrats remained the foremost political forces, although they themselves were undergoing some mutations. The SP was trying to detach itself completely from the legacy of Hoxha's LP, and suffered an identity crisis as a result. It also tried to distance itself from President Alia, assuming that this would make people believe that it had washed its hands of the Communist legacy of the LP³⁶². Among the Democratic Party leaders, on the other hand, the first political divergences had begun to show. The party came close to splitting because of the autocratic ways of DP Berisha, who had taken personal control over all party matters.

After the new coalition government was formed in June 1991, Albania received a number of senior foreign delegations, notably a visit by the US Secretary of State James Baker (June 1991). Pashko, who was widely recognized as Albania's reform leader, and

³⁵⁹ Pridham, Geoffrey, *The Dynamics of Democratization: A Comparative Approach*, London and NY.

³⁶⁰ Alia, *supra* note 220.

³⁶¹ *Ibid.*

³⁶² *Ibid.*

his fellow moderates became the key to attracting foreign investment and aid. It was, indeed, during the time of the national coalition government that Albania joined several international organizations, including the IMF and the World Bank.

In December 1991, quite contrary to the public mood, and without consulting his deputy prime minister Pashko and other DP representatives in the government, Berisha decided to walk out of the ruling coalition, thus provoking a new government crisis³⁶³. When two coalition partners, the Democrats and the Republicans withdrew, Ylli Bufi resigned. Alia was forced to move the general elections forward to March 1992. With this new political crisis and with the onset of a harsh winter, Albania entered another critical period on its road from Communism. A caretaker government comprised of non-party professionals and headed by Vilson Ahmeti replaced the multi-party coalition government to see the country through until the elections³⁶⁴.

The new electoral campaign was dramatic from the start. Although the number of political parties seeking parliamentary seats had doubled since the first multi-party elections, the main parties in the race were again the SP and the DP. This time, however, the Socialists had more disadvantages than advantages, being in a defensive position from the start³⁶⁵. They had been defeated in their first attempt to govern the country; they had been losing membership with each passing month; their support in urban areas had diminished considerably, while in the countryside, the farmers who had been left scrambling for land after the dismantling of collective farms were seriously demoralized. The Socialists were consistently accused by the Democrats for being unable to maintain the situation of the country or to supplicate financial aid and investment from the West. At the same time they did not have much to offer to the Albanian electorate which was suffering by poverty and the political race had become cold-eyed. Furthermore, the Socialists' campaign lacked any spirit, as if they did not want to retake power. Given the political atmosphere prevailing in Albania, another Socialist victory would unquestionably have meant an upsurge in urban violence and perhaps civil war. Many socialists recognized for themselves that an SP victory would not serve their country's needs³⁶⁶. Every Socialist disadvantage was an advantage for the opposition, especially for the Democrats, whose leader Sali Berisha waged a furious campaign throughout the winter. In the year since the last parliamentary elections, the DP's membership had increased considerably. They had not only consolidated their position in the major

³⁶³ Tarifa *supra* note 187.

³⁶⁴ Alia *supra* note 220.

³⁶⁵ Tarifa *supra* note 187.

³⁶⁶ *Ibid.*

towns but, with more time to organize their campaign, had reached out to rural voters and increased their support significantly in the countryside. The deterioration in the economic situation, which reached catastrophic levels during the winter of 1991-92, had an increasing impact on the political process.

Albania was the last East European country after the fall of Berlin wall to undertake a dramatic political and economic change. The conservative attitude opposing change was even more rigid than elsewhere³⁶⁷. In many other former communist countries, reforms for the changing of the old system had already begun during the early eighties. In Albania only sporadic and isolated attempts at opposition, openness and reform were made. Cultural, artistic and intellectual dissent was always present but never well organized and coherent. The weak democratic traditions and the scarce accompanying institutions were totally repressed by the totalitarian society adopted during the socialist era (Biberaj, 1990). The trade union movement and organization was part of the old ideological system and collapsed with it leaving an empty space, so a new experience is going to be established here. Furthermore, since 1967, it was the only country that proclaimed it atheist and all kinds of religious practices were prohibited by law. All these make the Albanian political and institutional transition different and more complex. However, this late entry of Albania in the process of transformation gave a chance to learn from the experience of the other ex-socialist countries and to not repeat their possible errors.

The collapse of communism in Albania that came about very quickly found the Albanian society not prepared either in the political aspect or in the economic one. During the December 1990 to March 1992 when the Democratic Party won the elections, Albanian society changed from rigid communism to a multi-party system, sanctioning private property, freedom of speech and of the press, freedom to move and live anywhere in the country, freedom to travel abroad, etc. This pace of radical change and the lack of experience and adequate preparation for it have led to many errors. A new populist mentality grew; social violence raged; the idea that in order to move ahead everything of the past must first be destroyed reigned; social uncertainty had increased while the legal system was still weak³⁶⁸. As a result of the political chaos and the speed of changes land was abandoned and production was paralyzed for at least two years; the illusion of the "golden spoon" was being perpetuated³⁶⁹. All this, tended to bring to

³⁶⁷ Muco, *supra* note 66, at 19.

³⁶⁸ *Ibid.* p. 23.

³⁶⁹ After the Second World War and the victory of communism, Albania like several other countries shared the illusion that the communist system was the most just and efficient. This illusion of well being for all was symbolized by the promise that every one would eat with a "golden spoon". Now that the

disrepute the original intentions of the Albanian economic transformation, and created room for delusion and less credibility. The tendency to switch on extreme positions in political and economic decisions shows a degree of amateurism, making Albanian reform more unique and the economic stabilization and liberalization more difficult.

At the start of democratic changes, after more than forty-five years of total isolation and collectivization, Albanians understood freedom as the: "*unhindered pursuit of personal gains at the expense of society and public good*"³⁷⁰. The story of the "*Albanians as masters of their own fates*" of the communist was told in the speeches of the Democrat leaders throughout the second half of 1996 and the first half of 1997.

In consideration of the above facts and looking more closely at the initial conditions, the Albanian case could be classified as very different from the other countries of Central and Eastern Europe. Albania suffered considerable political instability, mostly in the first two years of reform, with many changes in government in a short time. Democratic practice still remained weak during transition time. Moreover the story had not finished for Albania. The crisis of 1997 showed the mutual impact that political instability, lack of democracy and economic problems could produce and block the economic development³⁷¹. On the other side Albanian democratic transformation happened along with other intense political events in the region. War in Bosnia and the impositions of sanctions on Yugoslavia affected the Albanian political factors. At the same time, minority problems and nationalist feelings had considerable impact on politics and politicians and the tensions in the region complicated political solutions for the appropriate recovery.

It is clear that the period of economic and institutional transformation will be a time of experiments. But systemic changes affect people's lives and make them impatient with experiments, which tend to slow down the economic reform as they adjust their knowledge, experience and their behavior towards it. Yet, in order for reform to be successful, the attitude of the people must change and it seems that this will take a long time. The entire process of transformation is influenced by social factors and mentalities, deeply rooted in the past, but also recently created by the new environment of transition. Both are strongly disruptive of well-known theoretical schemes. For example, in the beginning of reforms, as a result of the old mentalities and the inherited practice, almost

system is changing, a similar illusion, especially in the beginning, appeared: capitalism is considered a kind of "deus ex machine" that will miraculously solve all problems overnight. Muco, Marta, "*Economic Transition in Albania*", 1997, p.23

³⁷⁰ Kajsiu, Blendi. "*Ligjerimi Steril*" 2005, p. 12.

³⁷¹ Muco, *supra* note 66, at 25.

no one seems to understand that wages could not increase *a priori*³⁷² unless production increased or quality improved³⁷³. Still after three years, the practice of paying taxes regularly is not rooted in the individuals and firms behavior in the market. Yet, the new rules for interpersonal relations in enterprises and different levels of government offices have not fully replaced the old experience. It was difficult to understand that rising profits as the main motivation in the new system has nothing to do with dishonesty and the abandonment of individual moral values³⁷⁴. Still, in certain levels of Albanian society new experiences of market economy often get confused with fraud, falsification, and lack of honesty and sincerity toward the client.

The most widespread mentality that could be considered as a serious barrier for the economic reform is the nostalgia for a *paternalistic model*³⁷⁵, manifesting itself in a veneration of authority and, therefore, the state³⁷⁶. The demise of this model made people feel abandoned, under the daily threat of unemployment and full of uncertainty of tomorrow, which are new feelings for them. This mentality, inherited from socialism, is the result of an ideology in which the state was considered as a parent, and represents a danger on the road to the market and democracy and tends to suffocate an individual's free initiative as well as his adjustment and motivation in the market. As a result of this legacy sometimes a new way of paternalism seems to appear among the new decision-makers and politicians in their tendency to control economic decisions avoiding the role of market. There is a tendency for a new wave of centralization and control of decisions, especially over the state enterprises sector, on wages, on partial privatization of their assets, on the use of profits, on the nomination of the board of directors, etc., as well as on other aspects of relations between the center, ministries and local government. This tendency fuels uncertainty and encourage gradualism and slowness in economic transformation.

Among many other characteristics, one of the main characteristics that Albanian elite and society has inherited from the communist regime is the strong identification of the party with the state. The party that wins the elections is considered as the complete ruler

³⁷² Apriori: existing in the mind prior to and independent of experience, as a faculty or character trait. <http://www.britannica.com/EBchecked/topic/117/a-priori-knowledge>, <last accessed on 15/10/2011>.

³⁷³ Muco, *supra* note 66, at 29.

³⁷⁴ *Ibid.* p.30.

³⁷⁵ Paternalism: A policy or practice of treating or governing people in a fatherly manner, especially by providing for their needs without giving them rights or responsibilities.

<http://www.answers.com/topic/paternalism>, <last accessed on 15/10/2011>.

³⁷⁶ Muco, *supra* note 66, at 30.

of the state.

Nevertheless, these considerations are not meant to cast doubt upon the important role of the state in economic transition. On the contrary, the role of the state is essential in major points of transition especially in macroeconomic, legal and institutional aspects. Thus managing and preparing the process of privatizing the large public sector, which, as experience has shown, could not be completed in a year or two, macroeconomic stabilization, the social safety net and the problem of poverty in Albania are another broad area. The role of the state there is still indispensable. A large dose of state regulation is still needed to shift from a hyper centralized planned economy, as Albania was, to a market economy.

Another way of Albanians thinking, which tends to slow the economic reform, is the *populist mentality*³⁷⁷. It is connected with a strategy and political means used everywhere in the world. This is a strategy used also by all Albanian political forces especially during the electoral campaigns. After that, as the stabilization and liberalization progress and some hard times of social and economic costs came, populism expects the government to do what the crowd in the street asks. It becomes a barrier to the deeper reform while some politicians or trade unions are worrying about their popularity and are seeking for easy ways. This mentality is clearly reflected in the position of the newly created trade unions. Instead of fighting for constructive ideas in the creation of the labor market, often they become the carriers of the populist mentality or, in the worst case as in the past regime, politically servile to the government. Populist mentality was present more than ever during the last crisis. On the one hand, neither the government nor the opposition tended to explain to the people the danger of uncertain financial schemes. On the other hand, the enraged public considered the delayed interference of the government sometimes indispensable at other times inappropriate.

³⁷⁷ Populism: A political philosophy supporting the rights and power of the people in their struggle against the privileged elite.

<http://www.britannica.com/EBchecked/topic/470472/populism>, <last accessed on 15/10/2011>.

3. Pyramid Schemes Phenomenon

During the 1995 and 1996 period, apart from the disintegration of Yugoslavia, the Albanian state also underwent hard times. In the spring of 1997 the Albanian state collapsed, representing a classic case of state failure where the structures that should have guaranteed the rule of law failed completely and as a consequence resulted in many civilian victims³⁷⁸.

The pyramid scheme³⁷⁹ phenomenon in Albania was important because its scale with regard to the size of economy as whole was unprecedented, and because the political and social consequences of the collapse of the pyramid schemes were profound. At their peak, the nominal value of the pyramid schemes' liabilities amounted to almost half of the country's GDP. When the schemes collapsed, there was uncontained rioting, the government fell, and the country descended into anarchy and a quasi civil war occurred in which some 2.000 people were killed³⁸⁰.

As mentioned above, Albania started the transition process from central planning as the most isolated, most undeveloped and poorest country in Europe. The result was that when transition eventually began, in 1991 the country was reduced to desperate poverty and the vast bulk of the population was completely unfamiliar with market institutions or practices³⁸¹. Albania's progress during the early transition years was impressive. The impressive macroeconomic performance reflected in large part wholesale dismantling of controls; early privatization of agriculture, retail trade, and small and medium enterprises; and improvement of financial discipline at the budgetary and state enterprise levels.

However, by early 1996 it was clear that many problems had not been solved, and the others were reemerging. Structural reform had stalled, especially in the critical area

³⁷⁸ Centre for Policy Studies "In Search of Responsive Government. State Building and Economic Growth in the Balkans", Central European University, Budapest, 2003, p. 36

³⁷⁹ Pyramid scheme is a fraudulent moneymaking scheme in which people are recruited to make payments to others above them in a hierarchy while expecting to receive payments from people recruited below them. Eventually the number of new recruits fails to sustain the payment structure, and the scheme collapses with most people losing the money they paid in.

<http://www.answers.com/topic/pyramid-scheme>, <last accessed on 29/10/2011>.

³⁸⁰ Jarvis, Chris, "The Rise and Fall of the Pyramid Schemes in Albania", IMF Staff Papers, Vol.47, No.1, 2000, p. 2.

³⁸¹ Muco, *supra* note 66, at 11.

of banking³⁸².

One of the most important reasons for the growth of the pyramid scheme phenomenon was the inadequacy of the formal financial system. The three state banks that dominated the deposit-taking market (holding over 90% of deposits) were not reliable intermediaries of savings, and private banks were late to emerge and not particularly interested in attracting domestic currency deposits, paying their attention mostly to trade financing. The problem in the state banks was not low interest rates: to ensure that depositors were offered interest rates that are positive in real terms, the bank of Albania set minimum interest rates on time deposits, and from mid-1993 onward these were consistently above the prevailing rate of inflation. However, the payment system was seriously inadequate. In September 1996, the average completion time for payment transaction between accounts at different branches of the same state-owned bank required 5-6 days, and the completion time when the transaction involved accounts at different state-owned banks eventually exceeded 15 days³⁸³. As a result of these problems, and of a general distrust of the banks, the public tended to hold an unusually high proportion of their financial assets in cash and was on the lookout for alternative investment opportunities. On the lending side, the banks' problem was even worse, leading to the emergence of an informal credit market³⁸⁴. Banking supervision and regulation were rudimentary, and this, combined with a culture under which loans from state banks were often regarded by borrowers as gifts, led to a growing bad loan problem. By the end of 1994, 27% of loans made since June 1992 when the state banks began operations, were nonperforming. By the end of 1995, in two of three state-owned banks, overdue loans accounted for almost half of total outstanding loans³⁸⁵. In response to the banks' poor credit evaluation and loan collection, the Bank of Albania imposed bank-by-bank credit ceilings. These were set at levels that were well below what the banks wanted and insufficient to meet the demands for credit to the private sector at prevailing interest rates. The defective banking system made Bank of Albania's measures sensible and, necessary indeed. A result, however, was that businesses increasingly turned for credit to the informal credit market, which had been flourishing in Albania since the transition began and was generally tolerated by the authorities³⁸⁶.

Two events set the stage for the pyramid scheme-mania of late 1996:

³⁸² Jarvis, *supra* note 380, at 3.

³⁸³ *Ibid.*

³⁸⁴ *Ibid.*

³⁸⁵ *Ibid.*

³⁸⁶ *Ibid.*

1) the suspension of UN (United Nations) sanctions against the former Socialist Federal Republic of Yugoslavia in December 1995 and;

2) the campaign and outcome of the Albanian parliamentary elections of May 1996.

It was an open secret that throughout the period of UN sanctions, oil and many other goods were being smuggled through Albania to SFRY³⁸⁷. Taxes on oil transit trade alone were estimated by IMF staff to amount to 1% of GDP. The involvement of pyramid scheme companies in the smuggling could not be proved, but some of the largest companies started up as “trading companies” during the period of sanctions, and they were generally believed to be involved³⁸⁸. The suspension of sanctions ended the smuggling trade. One month later, whether by coincidence or because a key source of income had disappeared and they then needed to attract more funds, the borrowing companies raised their interest rate to 6% a month. The May elections had a more direct impact. In reaction to uncertainty about the prospect of the ruling Democratic Party³⁸⁹ in the elections, and also to the new entry of other pyramid schemes into the market, the pyramid schemes raised their interest rates again, to 8% a month³⁹⁰. The outcome of elections was also crucial. The elections were widely seen as rigged, so that local government elections scheduled for October took on a greatly increased significance. In these circumstances, the government did not want to give people any unpleasant surprises. Thus the government had the tendency to ignore the growth of pyramid schemes and its hope that, problems would never materialize were increased. In early 1996, new pyramid schemes appeared. They deprived depositors by raising interest

³⁸⁷ *Ibid.* p.8

³⁸⁸ *Ibid.* p.9

³⁸⁹ The party was founded in 1990 by Aleksander Meksi, Arben Imami, Azem Hajdari, Edmond Budina, Eduard Selami, Genc Ruli, Gramoz Pashko etc. becoming the first opposition party after they were legalized. The party came to power in 1992 after winning the 1992 parliamentary election under the leadership of Sali Berisha and Aleksander Meksi and ruled until 1997. The government resigned in 1997 after a civil war nearly broke out and its socialist rivals gained power. It is part of the Union for Victory (Bashkimi per Fitoren) coalition, which received 37.1 percent of the vote in the 2001 elections and 46 members of parliament. In the July 2005 parliamentary elections, the Democratic Party won 56 of the 140 seats and its allies won 18. Two other parties also joined the new coalition (PAA & PBDNJ, 4 and 2 seats). This meant that with a combined total of 79 seats, the Democratic Party and its allies were able to form a government with Sali Berisha becoming Prime Minister.

<http://www.zeriyt.com/democratic-party-of-albania-t60936.0.html>, <last accessed on 21/10/2011>.

³⁹⁰ Jarvis, *supra* note 380, at 9.

rates, and further confused authorities. By November, the face value of liabilities had reached US\$ 1,2 billion³⁹¹. Yet even these numbers fail to capture the lunacy that gripped Albania during this period. Queues were formed to deposit funds with both the pure pyramid schemes and the longer established companies, and a massive number of depositors poured their money, especially in the high interest schemes. The crowd was composed not only of the poor and the gullible but also of those who believed that the schemes had either government support or sources of funds derived from illegal activities which would sustain their returns, and of those who appeared to believe that “when the rest of the world are mad, we must imitate them in some measure”³⁹². People sold their houses and apartments to invest in the schemes and farmers sold their livestock.

It took four months for the pyramid schemes to collapse, bringing down with them the Democratic Party government, and rushing Albania into anarchy.

The Albanian pyramid schemes were highly unusual, in that they were of a magnitude sufficient to have effects to whole economy. Nevertheless, considering that the face value of their liabilities was so large (about half of 1996 GDP), the direct effects of their rise and fall appear to have been limited. They are also difficult to identify, partly because of the limited data of their impacts on the real economy in Albania and partly because the authorities could not estimate the damage since their collapse had profound political and social effects, encouraged civil disorder, and had un-measurable ill effects on the economy.

The social effects of the Albanian pyramid schemes have been considerable and are still not known fully. In the events triggered by their collapse, more than 2,000 lives were lost. Thousands of people were impoverished either by their unwise investments in the schemes or by the destruction of their property in the ensuing violence. A government, albeit one of dubious legitimacy, was overthrown. The arms looted during the crisis were used in armed robberies in Albania and provided a ready source of weapons to Albanian separatists in neighboring Kosovo. Less tangible, but also significant, are the effects against confidence in Albania. Before the crisis, Albania was a strikingly confident place: poor and beset already by serious problems of governance and growing economic problems, but nevertheless conscious and proud of having made enormous strides since the overthrow of communism.

³⁹¹ *Ibid.*

³⁹² *Ibid.*

For some years after the crisis Albania was a much more subdued place. Confidence in the institutions of the government was shattered, crime and corruption threatened most people's lives, and there was an air of grimness and insecurity even in the capital. The resilience of the Albanian people is considerable, and it has been more severely tested in the past. But the pyramid scheme phenomenon was a sobering setback for Albania, a powerful remainder of the social costs of unchecked criminality³⁹³.

The rise and sudden collapse of the pyramid finance schemes was not an isolated phenomenon, merely the work of a handful of enterprising crooks. The pyramids were the natural product of a gangster-dominated economy, which provided a growth medium for a gigantic swindle that exploited the desperation of millions of impoverished Albanians³⁹⁴. Nor was the DP government unaware of what was going on. Berisha's ministers publicly encouraged the schemes, and siphoned off a share of the profits to finance their fraudulent election campaigns. Berisha hailed the pyramids as swallows of capitalism. Now he insists that the main responsibility lies with those who invested money in the schemes.

Until 1996, Albania was regarded as the IMF's "model pupil". Berisha was credited with bringing inflation down from over 400 per cent to only six per cent and achieving an annual growth rate of around ten per cent. "The state of contemporary Albania", commented the Financial Times (21 July 1994), "is a far cry from the desperate days of 1990". They painted a picture of "well-stocked markets, busy fields, bustling streets, and new cafes" which backed up "the president's claim of sharply rising living standards after decades of hunger and poverty". Berisha showed no modesty in claiming the credit: "Shock therapy is a bitter pill, but it is a brilliant invention. We have been prepared to sacrifice popularity by pressing ahead with reforms".

According to Emma Bonino, the EU Commissioner for Humanitarian Aid, "European investment in Albania since 1992 totaled about \$600 million, the most aid per capita given to any country. Less than a third went towards promoting civic institutions". (The Guardian, 2 April 1997) The rest went towards bolstering up the regime's police apparatus and into the flourishing businesses of Berisha's cronies.

It was only in 1996 that the IMF and the United States government changed its line on Berisha's policies. Alarmed by the spiraling growth of the pyramid schemes, the IMF suspended its credit lines to Albania and the US government refused to recognize the parliament which emerged from the rigged elections of May-June 1996. The US began to criticize Berisha for "slipping off the democratic road", particularly complaining

³⁹³ *Ibid.* p.29

³⁹⁴ Walsh, Lynn, "The rise and fall of the pyramids", Wall Street Journal, 4 April

about the involvement of government ministers in the country's thriving international drugs trade.

Yet several European governments, particularly Italy and Germany, were still actively pushing for EU financial support for Berisha's regime. The German government has been a key diplomatic and military supporter of Berisha, aiming to build up Albania against Serbia. "German advisers from the Conrad Adenauer Institute in Bonn were key architects of the Berisha re-election strategy last year, and the German metal giant Preussag has bought up Albania's chromium mines, its key industrial asset". (The Times, 6 March 1997) Germany also provided training for Albanian army officers.

• *The gangster state*

There is not a shadow of a doubt that West European governments were fully informed of what was going on in Albania³⁹⁵. Once the crisis broke, the London daily, The Independent³⁹⁶, published reports based on "frustrated intelligence sources, who have been vainly warning about what is in effect a gangster state...³⁹⁷". "Classified documents have circulated in Western capitals for the last two years citing evidence of collusion and active participation by members of the ruling Democratic Party in drugs trafficking, illegal arms trading, and, until the end of the war in Bosnia, large-scale sanctions-busting via oil sales to Serbia and Montenegro".

"Albania has turned into a repressive one-party state, where corruption is rife at all levels and a largely gangster-based economy is under the strict clientelistic³⁹⁸ control of

³⁹⁵ *Ibid.*

³⁹⁶ "The Independent" is a British newspaper published by Alexander Lebedev's Independent Print Limited. Launched in 1986, it is one of the youngest UK national daily newspapers. Originally a broadsheet newspaper, since 2003 it has been published in a tabloid format. The Independent is regarded as leaning to the left politically, although it has not affiliated itself to any political party and a range of views can be found on its editorial and comment pages. The paper had a certified average daily circulation of 183,547 copies in February 2010, down 10.88% from the previous year.

<http://www.independent.co.uk/>, <last accessed on 21/10/2011>.

³⁹⁷ <http://socialistworld.net/pubs/albania/albania03.html>, <last accessed on 13/11/2011>.

³⁹⁸ Clientelism (also seen as clientalism or clientilism) refers to a form of social organization common in many developing regions characterized by "patron-client" relationships. In such places, relatively powerful and rich "patrons" promise to provide relatively powerless and poor "clients" with jobs, protection, infrastructure, and other benefits in exchange for votes and other forms of loyalty including

the ruling party. Drugs barons from Kosovo... operate in Albania with impunity, and much of the transportation of heroin and other drugs across Albania, from Macedonia and Greece, en route to Italy, is believed to be organized by the SHIK (Albanian: Sherbimi Informativ Kombetar=National Secret Service), the state security police...³⁹⁹,

The Independent gave evidence of the key role played by Shqiponja, a company openly linked with ruling Democratic Party and involved in running arms, drugs, and other contraband. Berisha's former Interior Minister, Agron Musaraj⁴⁰⁰, was forced out of his position just before the May 1996 general elections, following pressure from the US government over his involvement in the drugs trade. The Defense Minister, Safet Zhulali⁴⁰¹, was involved in smuggling arms and other contraband. Western intelligence agencies also reported on the major smuggling activity of Albania's largest company, Vefa Holdings, the biggest company involved in the pyramid schemes⁴⁰². Vefa Holdings⁴⁰³ has always been closely linked with Berisha's government, lavishly funding the DP's election campaigns. Its chairman, Vehbi Alimucaj, was publicly backed by Berisha's former Prime Minister, Meksi. Vefa is widely believed to be involved in arms and drugs smuggling and is under investigation in Italy for its suspected links with mafia organizations in Sicily, Calabria and Puglia. One of Italy's chief anti-mafia prosecutors, Luigi Vigna, has confirmed the involvement of Italian organized crime syndicates in Albanian pyramid schemes⁴⁰⁴.

• *The pyramid fraud*

The pyramid finance schemes provided an ideal vehicle for laundering dirty drugs money. Because of the absence of savings banks, the pyramid schemes found it easy to attract savings from many thousands of poor Albanians by offering irresistible interest

labor. In some instances, patrons employ coercion, intimidation, sabotage, and even violence to maintain control, and some fail to deliver on their promises. Moreover, patrons are oftentimes unaccountable for their actions. Thus, clientelistic relationships are often corrupt and unfair, thereby obstructing the processes of implementing true sustainability.

http://www.uwsp.edu/cnr/gem/ambassador/what_is_clientelism.htm, <last accessed on 21/5/2011>.

³⁹⁹ Walsh, *supra* note 394.

⁴⁰⁰ Former Albanian Minister of Interior Agron Musaraj (1993-1996), was accused of supporting and having links to narco-trafficking groups.

⁴⁰¹ Former Albanian Defense Minister from 1992 to 1997.

⁴⁰² Walsh, *supra* note 394.

⁴⁰³ Vefa Holdings was the biggest company involved in Albanian the pyramid schemes.

⁴⁰⁴ Walsh, *supra* note 394.

rates ranging from 10 to 25 per cent a month. People sold their houses, their livestock and their possessions to invest in the schemes. Economic immigrants working in Greece and Italy also withdrew money from their bank accounts to transfer to the pyramid schemes⁴⁰⁵. The economy of the poorest country in Europe became a gigantic lottery, with a huge proportion of the population living off their dreams of unbelievable profits and interest rates. It is estimated that at least \$1.5 billion was invested in more than ten schemes, perhaps \$2 billion. About \$800 million has been invested in various Vefa subsidiaries⁴⁰⁶.

Among the ten major pyramid schemes, half of them crashed by the end of 1996 and the remaining half crashed in early 1997. The first pyramids were started in 1994, and were aimed mainly at quickly attracting capital to a number of rapidly growing capitalist firms which were exploiting the retail market, especially the trade in electrical home appliances. They promised interest rates of between 80-120 per cent annually, which they claimed could be paid out of the huge profits they were making at that time. In 1995, however, the reduction of aid from the West cut the consumer market, and at the same time the introduction of new taxes on private enterprises squeezed the profits of the companies⁴⁰⁷. On the verge of bankruptcy in late 1995, the pyramid schemes launched big advertising campaigns to draw in more investors. Competition developed between the hybrid pyramids (half-pyramid, half-business) and the pure pyramid schemes, with dubious 'charitable' foundations offering depositors no less than a 300 per cent interest rate. This was clearly unsustainable⁴⁰⁸.

The viability of pyramid schemes, unless they have other sources of funds, depends on a continuously growing number of investors. "All the (pyramid) scheme does", commented John Kay (Financial Times, 14 February 1997): "is to redistribute money from those who join the club late to those who joined early, and nothing is produced, except rich pickings for those who organize it". The whole structure depends on attracting new investors fast enough to pay out the high rates of interest. Financially, several of the pyramids were bankrupt by the summer of 1996⁴⁰⁹. But they continued to defy the laws of economic gravity because of support from Berisha's regime. Claiming credit for the illusory prosperity created by the schemes, the Democratic Party fought

⁴⁰⁵ *Ibid.*

⁴⁰⁶ Jarvis, *supra* note 380, at 10.

⁴⁰⁷ *Ibid.*

⁴⁰⁸ Malapanis, Argiris, "Albanian Workers Rebel Over Financial Fraud; Capitalist 'market reforms' ruin living standards", *Militant*, Vol.61 no.6, 10 February 1997, p. 3.

⁴⁰⁹ Jarvis, *supra* note 380, at 29.

the May 1996 elections under the slogan "With us, everybody wins".

• *The collapse*

By January 1997, however, the day of reckoning could no longer be postponed. On 15 January the first pyramid collapsed, provoking a riot. This was the first domino to fall, and within a week or so, two or three other schemes collapsed. The bubble had burst. Tirana, Lushnja, Berat, Vlore and other cities were turned into bloody battlegrounds as demonstrators clashed with riot police⁴¹⁰. Government buildings were burned or ransacked. One of the main centers of protest was Vlore, the pyramid capital, where most of the schemes originated.

The government attempted to head off a popular revolt by closing down some of the investment companies and freezing their capital. Some of their bosses were arrested, and about \$300 million was handed back to investors. But this was a tiny fraction of what people had lost. The storm of fury was only just beginning. The Vefa conglomerate reduced its interest rates from eight per cent to five per cent a month, and then to only three per cent, in order to protect its capital - a disastrous cut in income for thousands of poor investors in its schemes⁴¹¹. The popular mood immediately blamed the government, which had encouraged the schemes and taken a share of the profits to buy votes in the general election.

There was clearly no way in which the government could meet the main demand of the people: repayment of their savings, which were the equivalent of about half the country's GDP. Most of the cash invested in the schemes had already disappeared, siphoned off to foreign bank accounts, or squandered on yachts, helicopters, and other millionaire luxuries. One pyramid company, Gjallica, blew some million dollars on a Miss Europa contest in Tirana. Vefa Holdings spent \$450,000 for an advert on the Eurosport TV channel, and Xhaferi spent \$400,000 for an Argentinean football star to run the local Lushnja team⁴¹².

⁴¹⁰ Walsh, *supra* note 394.

⁴¹¹ Malapanis, *supra* note 408, at 4.

⁴¹² *Ibid.* p. 5.

• *A political explosion*

The financial crisis unavoidably became a political crisis. Lacking any political answers, however, Berisha responded with a military solution. He obtained from the DP-dominated parliament exceptional powers to use military force to protect state buildings and secure communications. In reality, this was a de facto declaration of a state of emergency⁴¹³. Prime Minister Meksi denounced the “red gang” allegedly responsible for the violent protests. The opposition Forum for Democracy, a broad grouping of ten parties, including the Socialist Party, called for the government’s resignation, a caretaker administration, and new parliamentary elections. From prison, the Socialist Party leader, Fatos Nano, issued a message: “The so-called investor’s crisis is just the other side of the coin of the great election fraud of May 26”⁴¹⁴. The leader of the Social Democratic Party, Skender Gjinushi, said: “The peoples’ money was spent on buying votes”⁴¹⁵. None of the opposition parties, however, had a clear policy on the pyramid schemes. They denounced the government, but could offer no solution to thousands demanding their money back. These small, ineffective parliamentary groupings were completely by-passed by the flood tide of mass protest.

⁴¹³ Walsh, *supra* note 394.

⁴¹⁴ *Ibid.*

⁴¹⁵ *Ibid.*

4. Concluding Remarks

The influence of post-communist elite choices is explained in this chapter. Compared to the other countries of Central Europe, where the elites negotiated through round tables the main framework of rules that would establish a new democratic system, in Albania the tendency of getting and holding the maximum power prevailed and the political parties were not able to find a consensus.

Another important factor is that Albanian elites were unprepared and without concrete advice in the scope of creating an institutional and democratic system. To some extent, during the transition period Albanian elites derived from the old communist elites. Therefore, the prevalence of the communist mentality exists in most of its current leaders and politicians, as they have lived most of their lives under the communist system. At the same time, a big number of current Albanian politicians have been previously members of the Labor Party. They still think and act like communists. They have a lack of essential political skills such as negotiation, compromise, cooperation and tolerance.

Albania has also inherited significant social disconnections as a result of its totalitarian communist past. During the power of the communists, the nation was divided between two fundamental social groups: the supporters of communism and those against communism who were persecuted during that period and were called "*people's enemies*". This political climate exists even in today's politics. These attitudes are used by the politicians especially during elections since anti-communist rhetoric continues to play an important role.

While some steps were being taken towards openness in other Eastern countries, especially after the sixties, Albania adopted an even more rigidly isolationist and centralist line in political and economic policy. Presently the doors have been flung open but the consequences of isolation are still there⁴¹⁶. It takes time for the economy and for the whole social life to adapt correctly and fully to the new conditions. Although the potential of Albanians to adopt is high enough, the institutional restructuring will obviously face a more difficult time than in other ex-communist countries. In front of Albania, now more than ever, are unfolding a lot of choices to adopt the proper model, to determine its priorities, as well as timing and sequencing of economic reform. But this is a complex and non-easy task. Due to its long isolation Albania has not been a member of any international economic institutions. After the reform began, Albania overcame the isolation and restructured good relations with them but it still suffers the

⁴¹⁶ Muco, *supra* note 66, at 29.

lack of experience. Foreign advisers and technical assistance are playing a very important role and usually are very competent but, considering also the low level of knowledge inherited, they know little about Albanian specifics. Albania has to prepare, as soon as possible, its own policy makers who know the concrete conditions and can make the right policy choices. This process has already begun but training such a class of managers and specialists for implementing the task still takes time and investment.

Although Albania has an old and authentic culture in the Balkans, historical circumstances have imposed a lack of the traditions of a real democratic and civil society. The totalitarian communist system after the Second World War reinforced the old Albanian psychology of a prolonged "*fighting against enemies*"⁴¹⁷. Part of this idea was imposed objectively under the pressure of several invasions. For centuries the only way of solving the problems was the resistance and the force of weapons. The traditional pride of the Albanian people has faced for centuries, from the Roman Empire to the Soviet Union Empire, the injustice and discriminations of the great powers toward a small country⁴¹⁸. This fed the intolerance, continuous doubt and the lack of democratic solutions in the Albanian mentality. The extremes, rather than a spirit of discussions and compromise, are still appearing in the politic and economic life in Albania. The inherited idea "*with us or against us*" is still widespread and represents a serious obstacle in the new and fragile Albanian post-communist society. This entire culture and mentality legacy is strongly connected, although with invisible chains, with the ongoing economic transformation, and above all with the replacement and creation of the new institutions.

It is important to mention that although the communist past was harsh and the democratic changes were not traditional, the transition from communism to democracy moved in a peaceful way. However, this left a fertile ground for democratic malformations and a vacuum where democratic prerequisites should have been. One controversy point inherited from the communist legacy is the lack of a functioning *check-and-balance* system that defines the separation of powers and limits its misuse, limits corruption, and political interaction to the judicial system.

Finally, we can say with certainty that most of the problems of the democratization process are linked to the fact that Albanian post-communist elite has failed to do away with its individual communist past. Fifty years of dictatorship, confusion and fear are

⁴¹⁷ *Ibid.*

⁴¹⁸ Pollo Stefanaq and Puto Arben, 1981, "*The history of Albania*", Translation by Carol Wiseman and Ginnie Hole. Routledge & Kegan Paul, London.

deeply rooted in the memory of all Albanians, and the revolution against totalitarian communism in Albania should be studied as a separate case in revolutions theory⁴¹⁹. There is no belief in institutions as the state machinery of the past left deep injuries in the Albanian society. It is imperative for the Albanian political and social actors to understand that the consolidation of democracy comes through cooperation not based on self-interests but on society-oriented interests. The rules of the game should be accepted by all parties in play, *vis-a-vis* all the democratic actors in a healthy democratic environment⁴²⁰.

⁴¹⁹ Rrepishti, Sami, *"The current State of Democracy in Albania"*, Institute on East Central Europe, 1996.

⁴²⁰ *Ibid.*

Chapter V. Historical and Social Factors Influence

On the path to the establishment of the state, Albania faced innumerable problems related to the consolidation and institutionalization due to the domestic realities and threats as well as the instabilities at the regional and international levels. Albania's struggle for a viable state, security and economic prosperity basically shaped its policies⁴²¹. Conscious of these facts Albanian leaderships under different regimes developed their strategies taking into account the weakness of the Albanian state in order to provide foreign support from regional or great powers of the time convenient to their interests⁴²². This strategy was adapted in various forms under different domestic and international circumstances resulting in different consequences. Basically, the Albanian leaderships tried to utilize country's relative and circumstantial position to provide support⁴²³. Exploiting existing contingencies or using international conditions for aligning with regional or great powers are adopted as strategies in different periods for securing the support of the Albanian state. This quest for providing the necessary backing for the survival of the state sometimes affected positively by saving the country from economic break down or military threat, and sometimes negatively by sacrificing sovereignty or by being an agent of strong states or even actually being under foreign occupation. Also the level of involvement of the foreign influence varied from a patron-client relationship to relatively balanced alliance relationship in accordance with the existing conditions though keeping their asymmetry feature⁴²⁴. This characteristic trend also has an important exception as well. In fact the most talented employer of this strategy, Enver Hoxha, also became the one who realized the most drastic shift in this approach by applying a strict isolationist policy closing the country to all foreign influence and access. In the dissolution process of Ottoman Empire Albanian nationalism emerged quite late following the various nations in the Balkans most of who had already achieved their sovereignty and independence of their states. Albanians were late to disassociate themselves from the Empire and unite to develop their national

⁴²¹ Skendi, Stavro, "Religion in Albania during the Ottoman Rule" in "Balkan Cultural Studies", New York 1980, pg.152.

⁴²² Dilaver *supra* note 133, at 2.

⁴²³ Pulaha, Selami, "Traditions and changes in the economical-social relations in the Albanian lands during the first centuries of the Ottoman dominion", Studime Historike, vol.3, Tirana 1990, pg.115.

⁴²⁴ Buda, Aleks "Vëndi i shqiptarëve në historinë evropiane të shekujve VIII-XVIII" (The place of the Albanians in the European history in the VIII-XVIII centuries), in Shkrime Historike", vol.I, pg.75.

identity in order to transform it into the foundations of a nation state⁴²⁵. Unlike other Balkan nations they did not have the backing of any great power patron to defend their national cause as well. Nation building and state formation processes had to advance due to the Balkan War that de facto broke the physical linkage of Albanians with the Ottomans. In order not to be invaded and be part of other Balkan states, Albanians declared their independence in 28 November 1912. The declaration of independence did not immediately bring stability and sovereignty to Albania. From the very beginning Albania faced the problems of vulnerability and survival leading to its weaknesses as a state. Albania did not possess the necessary political, economic and military means to form, consolidate and protect itself. Despite the initial excitement of creating their state Albanians were politically divided and there was not strong political leadership to lead the country while it was being founded. Albania had neither the economic means nor the foreign support to create the state structures and sustain them⁴²⁶. Albanian state had to be formed in times of political turmoil and ongoing wars in the Balkans. The Balkan Wars followed by the World War had brought chaos and conflict to the Balkans leaving newly founded Albania vulnerable to the possible invasion of regional powers. Initial attempts for ensuring formal recognition of Albania's sovereignty and borders failed which made it face threats to its very survival. There was no order in the Balkans during the wars and Albania's existence was not a priority for many of the great powers of the time⁴²⁷. These circumstances primarily encouraged the major regional neighboring powers Serbia and Montenegro then Yugoslavia, Greece and Italy to realize their territorial aspirations over the Albanian populated parts of the previously Ottoman lands. Yugoslavia and Greece joined by Italy from the other side of the Adriatic have been the major regional actors directly influencing the foreign policy making of Albania ever since. Albania's formal recognition had become an issue for the great powers and the regional actors which made them to gather the Conference of Ambassadors representing the great powers in December 1912 to work on to determine the international status, organization and the boundaries of the Albanians claiming their sovereign state. Great powers firstly guaranteed the autonomy and neutrality of Albanian state and secured some strategic parts of its territories against foreign occupation⁴²⁸. Then in the ongoing process of the Conference in July 1913 great powers agreed on Albania's status as an autonomous principality and put its neutrality under their guarantee. Great powers

⁴²⁵ *Ibid.*

⁴²⁶ Skendi, *supra* note 421.

⁴²⁷ *Ibid.*

⁴²⁸ Pollo and Puto, *supra* note 418.

accordingly assigned a German William of Wied to Albania as the Prince who soon failed to rule the country and left leaving leave it in a power vacuum during the World War. In this period seven foreign armies (Serbian, Montenegrin, Italian, Greek, Austrian and Bulgarian and French) occupied different parts of Albanian territory during the World War and Albania became subject of secret treaties like April 1915 Treaty of London or the post-World War Greek-Italian in July 1919 agreement for partition of Albanian lands. The war time occupations and the secret treaties for sharing Albania that would result in leaving a small Albanian state under Italian protection could not be sustained due to opposition of the United States. Albanians attribute significant respect to the United States and in particular to President Wilson and his Fourteen Points that is believed by the Albanians as the basis for the securing of the existence of Albania as a state⁴²⁹. This appreciation still has an important place in the minds of the Albanians that as will be pointed out later, constitutes an important source of the pro-Americanism in Albania in the post-communist period.

⁴²⁹ Skendi, *supra* note 421.

1. Historical and political developments until 1944

The history of the Albania varies from that of its neighbors at several points, yet most of these variations do not explain the Albanian mentality. There are no “*arrival*” stories in Albanian myths. The people were just always there, the aboriginal settlers⁴³⁰. Albanians generally trace their history back to the Illyrian tribes, which evolved from the Stone Age to reach their power peak around 400 BC. The Illyrians were among the largest related tribal groups in Europe, stretching from the Danube to the region of the Epirus (halfway down the mainland of modern Greece), and from the Adriatic Sea to the rivers Morava and Vardar which, with the Varnos mountains, created an irregular boundary with the Thraks and Macedonians on the east⁴³¹.

Albanian Christians remained under the jurisdiction of the Pope until 732 when the Byzantine Emperor Leo III placed it under the Patriarchy of Constantinople. When the church finally split in 1054, southern Albania retained its tie to Constantinople but northern Albania reverted to the jurisdiction of Rome.

Owing partly to the weakness of the Byzantine Empire, Albania, beginning in the 9th century, came under the domination, in whole or in part, of a succession of foreign powers: Bulgarians, Norman crusaders, the Angevins of southern Italy, Serbs, and Venetians. The final occupation of the country in 1347 by the Serbs caused massive migrations of Albanians abroad, especially to Greece and the Aegean islands. By the mid-14th century, Byzantine rule had come to an end in Albania, after nearly 1,000 years. A few decades later the country was confronted with a new threat, that of the Turks, who at this juncture were expanding their power in the Balkans. The Ottoman Turks invaded Albania in 1388 and completed the occupation of the country about four decades later (1430).

But after 1443, Gjergj Kastrioti (1405-68) the Albanian National Hero, known as Skenderbeu⁴³², unified the Albanian princes and lead in driving out the Turks. For the

⁴³⁰ McClear Susan, *supra* note 209, at 19.

⁴³¹ *Ibid.*

⁴³² Gjergj Kastrioti (*George Kastrioti*) (1405, *Kruja* - January 17, 1468, *Lezha*), better known as Skanderbeg, is the most prominent figure in the history of Albania. He was a descendant of the Kastrioti family, a respected family of princes in Albania. Obligated by the Ottomans to pay tribute to the Empire, and to ensure the fidelity of local rulers, Gjon Kastrioti's sons were taken by the Sultan to his court. In 1423, Gjergj Kastrioti and his three brothers were thus taken by the Turks. He attended military school and led many battles for the Ottoman Empire to victory. For his military victories, he received the title Iskander Bey Arnauti, (*Albanian: Skënderbeu Shqiptari, English: Skanderbeg, the Albanian*). In Turkish

next 25 years, fighting out of his castle in the mountain town of Kruja⁴³³, Skanderbeu stopped every Turkish offensive to retrieve Albania. The Turks wanted to use Albania territory as a platform to the invasion of Italy and Western Europe. His unequal fight against the mightiest power of the time won the esteem of Europe as well as some support in the form of money and military aid from Naples, the papacy, Venice, and Ragusa.

After he died, Albanian resistance gradually collapsed, enabling the Turks to reoccupy the country by 1506. Skanderbeg's long struggle to keep Albania free became highly significant to the Albanian people, as it strengthened their solidarity, made them more conscious of their national identity, and served later as a great source of inspiration in their struggle for national unity, freedom, and independence.

The expanding Ottoman Empire overpowered the Balkan Peninsula in the fourteenth and fifteenth centuries. At first, the feuding Albanian clans proved no match for the armies of the sultan⁴³⁴. In the fifteenth century, however, Skanderbeg united the Albanian tribes in a defensive alliance that held up the Ottoman advance for more than two decades. His family's banner, bearing a black two-headed eagle on a red field, became the flag under which the Albanian national movement rallied centuries later.

this title means Lord Alexander, comparing Kastrioti's military brilliance to that of Alexander the Great. Skanderbeg soon switched sides and came back to his native land to successfully defend Albania against the Ottoman Empire until the time of his death.

<http://www.answers.com/topic/gjergj-kastrioti-skanderbeg>, <last accessed on 11/10/2011>.

⁴³³ The ecclesiastical record of the ninth century mentioned Kruja as a bishop's see. The Byzantine held the city up to c.1190, when the first Albanian feudal state was declared at Kruja under the archon Progon (1190-8). Albania survived throughout the rule of Progon's son Gjin (1198-1206) and Dhimitrit (1206-16), but in 1216 it fell under the sway of Epiros, in 1230 under Bulgarians, and in 1240 again under Epiros. Foreign invaders continue to fight over the dying body of a torn and bleeding Albania until an Ottoman garrison was permanently stationed at Kruja in 1415. The citadel of Kruja became the scene of one of Europe's most titanic struggles. In May 1450 the Ottoman Sultan Murad II set out from Constantinople with a hundred thousand men to crush once and for all the Albanian army, which had been united since 1444 by Skanderbeg's personal recruiting campaign. He aimed to storm the citadel of Kruja and to hold the Albanian countryside with Kruja as a capital.

<http://www.albanian.com/information/countries/albania/kruja/index.html>, <last accessed on 09/10/2011>.

⁴³⁴ "Sultan" The supreme ruler of the Ottoman Empire. Officially called the padishah (Persian for high king or emperor), the sultan was at the apex of the empire's political, military, judicial, social, and religious hierarchy.

Five centuries of Ottoman rule left the Albanian people fractured along religious, regional, and tribal lines. The first Albanians to convert to Islam were young boys forcibly conscripted into the sultan's military and administration. In the early seventeenth century, however, Albanians converted to Islam in great numbers. Within a century, the Albanian Islamic community was split between Sunni Muslims⁴³⁵ and adherents to the Bektashi sect⁴³⁶. The Albanian people also became divided into two distinct tribal and dialectal groupings, the GEGs and Tosks. In the rugged northern mountains, GEG shepherds lived in a tribal society often completely independent of Ottoman rule. In the south, peasant Muslim and Orthodox Tosks worked the land for Muslim beys, provincial rulers who frequently revolted against the sultan's authority. In the nineteenth century, the Ottoman sultans tried in vain to shore up their collapsing empire by introducing a series of reforms aimed at reining in recalcitrant local officials and dousing the fires of nationalism among its myriad peoples. The power of nationalism, however, proved too strong to counteract⁴³⁷.

The growing nationalism of eighteenth century Europe was lost on the Albanians. In Europe nationalist movements were nurtured by religious and linguistic unity, the leadership of one class, the influence of foreign intellectuals and discontent with foreign rule⁴³⁸. Through the centuries fierce clan and regional loyalties and the absence of the incentives for unification present in European nations prevented the emergence of an Albanian nationalist consciousness which would unite the Albanians against their oppressors⁴³⁹. Finally, in 1878, Albanians united against foreign manipulation when the Congress of Berlin gave the Albanian regions of Gusinje and Pllav⁴⁴⁰ to the

⁴³⁵ Sunni (from Sunna, meaning "custom", having connotations of orthodoxy in theory and practice) A member of the larger of the two great divisions within Islam. The Sunnis supported the traditional (consensual) method of election to the caliphate and accepted the Umayyad line. On this issue, they divided from the Shia in the first great schism within Islam. In 1944, when the communists assumed power in Albania, about 75 percent of the country's Muslims were Sunnis.

⁴³⁶ Bektashi An order of dervishes of the Shia branch of the Muslim faith founded, according to tradition, by Hajji Bektash Wali of Khorasan, in present-day Iran, in the thirteenth century and given definitive form by Balim, a sultan of the Ottoman Empire in the sixteenth century. Bektashis continue to exist in the Balkans, primarily in Albania, where their chief monastery is at Tirana.

<http://lcweb2.loc.gov/frd/cs/altoc.html>

⁴³⁷ <http://lcweb2.loc.gov/frd/cs/altoc.html>

⁴³⁸ Anthropology of East Europe Review, Vol. 11, Nos. 1-2 Autumn, 1993.

⁴³⁹ *Ibid.*

⁴⁴⁰ Gusinje and Pllav are regions of Kosovo.

Montenegrins. Leading Albanian intellectuals established the "*League of Prizren*"⁴⁴¹ to make their will known to Berlin. They demanded autonomy within the Ottoman empire. But because Albanians sought autonomy under Istanbul rather than independence, the European powers saw them as an Ottoman tool. It was not until the revolt of the Young Turks in 1908 and the harsh, repressive measures of their new policies of "*Ottomanism*"⁴⁴² that Albanian finally began a unified revolt against the Turks.

The league had two main goals, one political and the other cultural. First, it strove (unsuccessfully) to unify all Albanian territories, at the time divided among the four vilayets⁴⁴³, or provinces, of Kosovo, Shkodra⁴⁴⁴, Manastir⁴⁴⁵, and Janina⁴⁴⁶, into one autonomous state within the framework of the Ottoman Empire. Second, it spearheaded a movement to develop Albanian language, literature, education, and culture. The Albanian League was suppressed by the Turks in 1881, in part because they were alarmed by its strong nationalistic orientation. By then, however, the league had become

⁴⁴¹ The League of Prizren (Albanian: Lidhja e Prizrenit) was created on June 10, 1878 in a mosque in Prizren, Kosovo by 300 Albanian nationalist leaders, mostly from Kosovo, Western former Yugoslav Republic of Macedonia, and Muslim leaders from Bosnia-Herzegovina and the Sandzak, in order to achieve an autonomous Albanian state, representing the former Ottoman vilayets of Shkodër or Skutari centered near Montenegro, the Illyria region, the Chameria region, Janina or Janjevo centered in Northern Epirus, Bitola in Republic of Macedonia and Kosovo. The League was the first major attempt to create a unified Albanian region since the Middle Ages when Albanian forces under Gjergj Kastrioti, Skanderbeg, had failed. *Historia e Popullit Shqiptar*, 2000, (History of Albania, 2000)

⁴⁴² A supranational and protonationalist political principle that stressed patriotism and the group feeling of all Ottoman citizens.

<http://www.answers.com/topic/ottomanism>, <last accessed on 21/01/2010>.

⁴⁴³ The Ottoman Empire was divided into provinces (vilayets, beylerbeyilik eyalets or pashaluks). As time progressed the number of provinces would vary from thirty-six to a little over twenty, until many of the provinces were lost during World War I. At the height of its power, the Empire had 29 provinces. The Provinces of Rumili and Anadolu were under the direct rule of the sultan in Istanbul. The remaining 27 provinces, were controlled by governors-general (beylerbeyis or vali).

⁴⁴⁴ Shkoder is a city located in North West Albania, in the District of Shkodër and it is the capital of the County of Shkoder. Pop. (2004 est.) 100,000. Shkodër is one of the oldest and most historic town in Albania and it is also an important cultural and economic center.

⁴⁴⁵ Formerly Monastir or Manastir, actually named Bitola; known also by several alternative names) is a city in the southwestern part of Macedonia.

⁴⁴⁶ The city of Janina is the capital of Epirus, northwestern Greece.

a powerful symbol of Albania's national awakening, and its ideas and objectives fueled the drive that culminated later in national independence.

When the Young Turks⁴⁴⁷, who seized power in Istanbul in 1908, ignored their commitments to Albanians to institute democratic reforms and to grant autonomy, Albanians embarked on an armed struggle, which, at the end of three years (1910-12), forced the Turks to agree, in effect, to grant their demands. Alarmed at the prospect of Albanian autonomy, Albania's Balkan neighbors declared war on Turkey in October 1912, and Greek, Serbian, and Montenegrin armies advanced into Albanian territories. To prevent the annihilation of the country, Albanian national delegates met at a congress in Vlora⁴⁴⁸. They were led by Ismail Qemali⁴⁴⁹, an Albanian who had held several high positions in the Ottoman government.

⁴⁴⁷ The Young Turks were a coalition of various groups favoring reformation of the administration of the Ottoman Empire. The movement was against the monarchy of Ottoman Sultan and favored a re-installation of the short-lived Kanun Esasi constitution (The Kanun Esasi was the first constitution of the Ottoman Empire. Meaning "basic law" in Ottoman Turkish, it was written by members of the Young Ottomans). They established the second constitutional era in 1908 with what would become known as the Young Turk Revolution (The Young Turk Revolution of 1908 reversed the suspension of the Ottoman parliament by Sultan Abdul Hamid II. The Revolution restored the parliament, which had been suspended by the Sultan in 1878. However, the process of supplanting the monarchic institutions with constitutional institutions and electoral policies was neither as simple nor as bloodless as the regime change. The periphery of the Empire continued to splinter under the pressures of local revolutions). The term Young Turks referred to the members of the Ottoman society who were progressive, modernist and opposed to the status quo. The movement built a rich tradition of dissent that shaped the intellectual, political and artistic life of the late Ottoman period generally transcendent to the decline and dissolution periods. Many Young Turks were not only active in the political arena, but were also artists, administrators, or scientists. The term "Young Turks" has subsequently come to signify any groups or individuals inside an organization who are progressive and seek prominence and power.

⁴⁴⁸ Vlora is the second largest port city of Albania, after Durres, with a population of about 120,000 (2007 estimate). It is located in southwestern Albania, facing the Adriatic Sea, in the District of Vlore and County of Vlore. It is one of the oldest cities of Albania with traces of civilization dating back to the 6th century BC. Ismail Qemali declared Albanian independence from the Ottoman Empire in Vlore on November 28th, 1912. At this time Vlore became the capital of Albania. The city was invaded by Italy in 1914 and in 1939.

⁴⁴⁹ Ismail Qemali, was the leader of the Albanian national movement, founder of the modern Albanian state and its first head of state and government.

• *The end of Ottoman Rule and Albanian Independence*

The Albanians once more rose against the Ottoman Empire in May 1912 and took the Macedonian capital, Skopje, by August. Stunned, the Young Turks regime acceded to some of the rebel's demands. The First Balkan War⁴⁵⁰, however, erupted before a final settlement could be worked out. Most Albanians remained neutral during the war, during which the Balkan allies, the Serbs, Bulgarians, and Greeks, quickly drove the Turks to the walls of Constantinople. The Montenegrins surrounded Shkodra with the help of northern Albanian tribes anxious to fight the Ottoman Turks. Serb forces took much of northern Albania, and the Greeks captured Janina and parts of southern Albania.

⁴⁵⁰ The First Balkan War was started by an alliance made up of Bulgaria, Greece, Serbia, and Montenegro. It was a desire to liberate their kinsman and a response to repressive policies of the Young Turks. The Balkan League agreed to ally themselves to take the offensive. March 13, 1912, Serbia and Bulgaria signed a treaty which assigned northern Macedonia to Serbia, and southern Macedonia to Bulgaria. The two also contemplated war against Austria as well as Turkey if Austria destroyed the status quo. In May 1912, Greece and Bulgaria signed a similar treaty making use of military actions against Turkey. Montenegro's attachment to the league was secured by an informal arrangement with Bulgaria and Greece, and a treaty with Serbia concluded in September 1912. On October 8, 1912, Montenegro declared war against the Turks, and 10 days later the allies entered the war. Within a few weeks, Turkey had been pushed back to maintaining the defense of Constantinople. Albania, Epirus, Macedonia and Thrace were now possessions of the Balkan States. Serbia had also reached the Adriatic at Durres, which gave them an important sea port. Both Austria and Italy were opposed to this acquisition because they feared that a Serbian port on the Adriatic would ultimately become a Russian port. Also, Austria and Italy could not allow this because it might threaten the Hapsburg Monarchy. While fighting took place at Adrianople, Shkodra, and Janina, the armistice was signed, and a peace conference met at London in December, 1912. The negotiations broke down when a putsch occurred at Constantinople which brought into power a group of men who were determined upon resistance. The war resumed in Spring of 1913. Adrianople, Shkodra and Janina fell, and the fighting ended. The Treaty of London ended the First Balkan War on May 30, 1913. Turkey ceded all possessions in Europe to the allies west of a line from Enos on the Aegean Sea to Midia on the Black Sea, with the exception of Albania. The Great Powers began to draw the lines of a new Albanian State. Turkish sovereignty over Crete was withdrawn and it was united with Greece. The Aegean islands which Greece occupied were left to the Great Powers. The Treaty was followed by a quarrel over the spoils of war and caused the Second Balkan War.

<http://www.thenagain.info/webchron/easteurope/firstbalkan.html>, <last accessed on 16/09/2011>.

An assembly of eighty-three Albanian intellectuals and leaders meeting in Vlora in November 1912 declared Albania an independent country and set up a provisional government, but an ambassadorial conference that opened in London in December decided the major questions concerning the Albanians after the First Balkan War in its concluding Treaty of London of May 1913⁴⁵¹. One of Serbia's primary war aims was to gain an Adriatic port, preferably Durres⁴⁵². Austria-Hungary and Italy opposed giving Serbia an outlet to the Adriatic, which they feared would become a Russian port. They instead supported the creation of an autonomous Albania. Russia backed Serbia and Montenegro's claims to Albanian-inhabited lands. Britain and Germany remained neutral⁴⁵³. Chaired by Britain's foreign secretary, the ambassadors' conference initially decided to create an autonomous Albania under continued Ottoman rule, but with the protection of the Great Powers⁴⁵⁴. This solution, as detailed in the Treaty of London, was abandoned in the summer of 1913 when it became obvious that the Ottoman Empire would, in the Second Balkan War, lose Macedonia and hence its overland connection with the Albanian-inhabited lands.

In July 1913, the Great Powers opted to recognize an independent, neutral Albanian state ruled by a constitutional monarchy and under the protection of the Great Powers. The August 1913 Treaty of Bucharest⁴⁵⁵ established that independent Albania was a country with borders that gave the new state about 28,000 square kilometers of territory and a population of 800,000. Montenegro, whose tribesmen had resorted to terror, mass murder, and forced conversion in territories it coveted, had to surrender Shkodra. Serbia reluctantly succumbed to an ultimatum from Austria-Hungary, Germany, and Italy to withdraw from northern Albania. The treaty, however, left large areas with majority

⁴⁵¹ The Treaty of London was signed on 30 May 1913, to deal with territorial adjustments arising out of the conclusion of the First Balkan War.

<http://www.mtholyoke.edu/acad/intrel/boshtml/bos145.htm>, <last accessed on 20/11/2011>.

⁴⁵² Durres is the most ancient and one of the most economically important port cities of Albania. Durres is located on the central Albanian coast, about 33 km west of the capital Tirana. It is situated at one of the narrower points of the Adriatic Sea, opposite the Italian ports of Bari (300 km away) and Brindisi (200 km away). It has a population of around 114,000 (2003 estimate).

<http://www.opic.gov/links.2005/08/18>, <last accessed on 20/11/2011>.

⁴⁵³ <http://www.opic.gov/links>, <last accessed on 20/11/2011>.

⁴⁵⁴ *Ibid.*

⁴⁵⁵ The Treaty of Bucharest was concluded on 10 August 1913, by the delegates of Bulgaria, Romania, Serbia, Montenegro, and Greece.

<http://www.mtholyoke.edu/acad/intrel/boshtml/bos149.htm>, <last accessed on 20/11/2011>.

Albanian populations, notably Kosovo and western Macedonia, outside the new state and failed to solve the region's nationality problems.

After independence local power struggles, foreign provocations, miserable economic conditions, and modest attempts at social and religious reform fueled Albanian uprisings aimed at the prince and the control commission. Ottoman propaganda, which appealed to uneducated peasants loyal to Islam and Islamic spiritual leaders, attacked the Albanian regime as a puppet of the large landowners and Europe's Christian powers. Greece, dissatisfied that the Great Powers did not award it southern Albania, also encouraged uprisings against the Albanian government, and armed Greek bands carried out atrocities against Albanian villagers⁴⁵⁶.

Albania did not have the necessary political, economic and military resources to establish, consolidate and protect itself. Despite the initial steps of creating the independent state Albanians were politically separated and there was not a strong political leadership to lead the country while it was being founded. Albania had neither the economic means nor the foreign support to create the state structures and sustain them. Albanian state had to be formed in times of political turmoil and ongoing wars in the Balkans⁴⁵⁷. The Balkan Wars followed by the World War had brought chaos and conflict to the Balkans leaving newly founded Albania vulnerable to the possible invasion of regional powers. Initial attempts at ensuring formal recognition of Albania's sovereignty and borders failed which made it face threats to its very survival.

There was no order in the Balkans during the wars and Albania's existence was not a priority for many of the great powers of the time. These circumstances were primarily encouraging the major regional neighboring powers Serbia and Montenegro then Yugoslavia, Greece and Italy to realize their territorial aspirations over the Albanian populated parts of the previously Ottoman lands. Yugoslavia and Greece joined by Italy from the other side of the Adriatic have been the major regional actors directly influencing the foreign policy making of Albania ever since⁴⁵⁸. Albania's formal recognition had become an issue for the great powers and the regional actors which made them gather at the Conference of Ambassadors representing the great powers in December 1912 to determine the international status, organization and the boundaries of the Albanians claiming their sovereign state.

⁴⁵⁶ <http://www.opic.gov/links>, <last accessed on 20/11/2011>.

⁴⁵⁷ Vickers, *supra* note 208, at 70.

⁴⁵⁸ Pollo and Puto, *supra* note 418, at 119-20.

• *Social and Political Conditions during 1913-1939*

Under the secret Treaty of London signed in April 1915, the Triple Entente powers promised Italy that it would gain Vlora and nearby lands and a protectorate over Albania in exchange for entering the war against Austria-Hungary⁴⁵⁹. Serbia and Montenegro were promised much of northern Albania, and Greece was promised much of the country's southern half. The treaty left a tiny Albanian state that would be represented by Italy in its relations with the other major powers. In September 1918, Entente forces broke through the Central Powers' lines north of Thessaloniki and within days Austro-Hungarian forces began to withdraw from Albania. When the World War I ended on November 11, 1918, Italy's army had occupied most of Albania; Serbia held much of the country's northern mountains; Greece occupied a sliver of land within Albania's 1913 borders; and French forces occupied Korça and Shkodra as well as other regions with sizable Albanian populations, such as Kosovo, which were later handed over to Serbia⁴⁶⁰.

Albania's political confusion continued in the wake of World War I. The country lacked a single recognized government, and Albanians feared, with justification, that Greece, Yugoslavia, and Italy would succeed in extinguishing Albania's independence and carve up the country⁴⁶¹. Italian forces controlled Albanian political activity in the areas they occupied. The Serbs, who largely dictated Yugoslavia's foreign policy after World War I, strove to take over northern Albania, and the Greeks sought to control southern Albania. A delegation sent by a postwar Albanian National Assembly that met at Durres in December 1918 defended Albanian interests at the Paris Peace Conference, but the conference denied Albania official representation. The National Assembly, anxious to keep Albania intact, expressed willingness to accept Italian protection and even an Italian prince as a ruler so long as it would mean Albania did not lose territory⁴⁶².

In January 1919, the Serbs attacked the Albanian inhabitants of Gusinje and Plava with regular troops and artillery after the Albanians had appealed to Britain for protection. The Serb forces massacred some of the Albanians and forced about 35,000 people to flee to the Shkodra area. In Kosovo the Serbs subjected the Albanians to

⁴⁵⁹ "ALBANIA: A Country Study", Federal Research Division Library of Congress Edited by Raymond Zickel and Walter R. Iwaskiw, Research Completed April 1992

⁴⁶⁰ *Ibid.*

⁴⁶¹ <http://countrystudies.us/albania/25.htm>, <last accessed on 20/11/2011>.

⁴⁶² *Ibid.*

brutalities, stripped them of territory under the guise of land reform, and rewarded Serb colonists with homesteads. In response, Albanians continued guerrilla warfare in both Serbia and Montenegro.

In January 1920, at the Paris Peace Conference negotiators from France, Britain, and Greece agreed to divide Albania among Yugoslavia, Italy, and Greece as a diplomatic expedient aimed at finding a compromise solution to the territorial conflict between Italy and Yugoslavia. The deal was done behind the Albanians' backs and in the absence of a United States negotiator⁴⁶³.

Members of a second Albanian National Assembly held at Lushnja in January 1920 rejected the partition plan and warned that Albanians would take up arms to defend their country's independence and territorial integrity. The Lushnja National Assembly appointed a four-man regency to rule the country. A bicameral parliament was also created, appointing members of its own ranks to an upper chamber, the Senate. An elected lower chamber, the Chamber of Deputies, had one deputy for every 12,000 people in Albania and one for the Albanian community in the United States. In February 1920, the government moved to Tirana, which became Albania's capital⁴⁶⁴.

One month later, in March 1920, President Woodrow Wilson intervened to block the Paris agreement. The United States underscored its support for Albania's independence by recognizing an official Albanian representative to Washington, and in December the League of Nations recognized Albania's sovereignty by admitting it as a full member. The country's borders, however, remained unsettled.

Albania's new government campaigned to end Italy's occupation of the country and encouraged peasants to harass Italian forces. In September 1920, after a siege of Italian-occupied Vlora by Albanian forces, Rome abandoned its claims on Albania under the 1915 Treaty of London and withdrew its forces from all of Albania except Sazan Island at the mouth of Vlora Bay. Yugoslavia pursued a predatory policy toward Albania, and after Albanian tribesmen clashed with Serb forces occupying the northern part of the country, Yugoslav troops took to burning villages and killing and expelling civilians⁴⁶⁵. Belgrade then recruited a disgruntled Geg clan chief, Gjon Markagjoni, who led his Roman Catholic Mirdita tribesmen in a rebellion against the regency and parliament. Markagjoni proclaimed the founding of an independent "Mirdita Republic" based in Prizren, which had fallen into Serbian hands during the First Balkan War. Finally, in November 1921, Yugoslav troops invaded Albanian territory beyond the areas they were already occupying. Outraged at the Yugoslav attack and Belgrade's lies,

⁴⁶³ Pollo and Puto, *supra* note 418, at 121.

⁴⁶⁴ *Ibid.*

⁴⁶⁵ Vickers, *supra* note 208.

the League of Nations dispatched a commission composed of representatives of Britain, France, Italy, and Japan that reaffirmed Albania's 1913 borders. Yugoslavia complained bitterly but had no choice but to withdraw its troops. The so-called "Mirdita Republic" disappeared⁴⁶⁶.

Extraordinarily undeveloped, the Albania that emerged after World War I was home to something less than a million people divided into three major religious groups and two distinct classes: those people who owned land and claimed semi feudal privileges and those who did not. The landowners had always held the principal ruling posts in the country's central and southern regions, but many of them were steeped in the same Oriental conservatism that brought decay to the Ottoman Empire. The landowning elite expected that they would continue to enjoy precedence. The country's peasants, however, were beginning to dispute the landed aristocracy's control⁴⁶⁷. Muslims made up the majority of the landowning class as well as most of the pool of Ottoman-trained administrators and officials. Thus Muslims filled most of the country's administrative posts.

In northern Albania, the government directly controlled only Shkodra and its environs. The highland clans were suspicious of a constitutional government legislating in the interests of the country as a whole, and the Roman Catholic Church became the principal link between Tirana and the tribesmen. In many instances, administrative communications were addressed to priests for circulation among their parishioners⁴⁶⁸.

By June 1934, Albania had signed trade agreements with Yugoslavia and Greece, and Mussolini had suspended all payments to Tirana. An Italian attempt to intimidate the Albanians by sending a fleet of warships to Albania failed because the Albanians only allowed the forces to land unarmed. Mussolini then attempted to buy off the Albanians. In 1935 he presented the Albanian government 3 million gold francs as a gift.

Through all the turmoil of the interwar years, Albania remained Europe's most economically backward nation. Peasant farmers accounted for the vast majority of the Albanian population. Albania had practically no industry, and the country's potential for hydroelectric power was virtually untapped. Oil represented the country's main extractable resource. A pipeline between the Kucova oil field and Vlora's port expedited shipments of crude petroleum to Italy's refineries after the Italians took over the oil-drilling concessions of all other foreign companies in 1939. Albania also possessed bitumen, lignite, iron, chromite, copper, bauxite, manganese, and some gold. Shkodra had a cement factory; Korca, a brewery; and Durres and Shkodra, cigarette factories that

⁴⁶⁶ *Ibid.*

⁴⁶⁷ Pollo and Puto, *supra* note 418, at 123.

⁴⁶⁸ <http://countrystudies.us/albania/25.htm>, <last accessed on 20/11/2011>.

used locally grown tobacco.

During much of the interwar period, Italians held most of the technical jobs in the Albanian economy. Albania's main exports were petroleum, animal skins, cheese, livestock, and eggs and prime imports were grain and other foodstuffs, metal products, and machinery. In 1939 the value of Albania's imports outstripped that of its exports by about four times. About 70 percent of Albania's exports went to Italy. Italian factories furnished about 40 percent of Albania's imports, and the Italian government paid for the rest.

The Albanians had Europe's highest birthrate and infant mortality rate, and life expectancy for men was about thirty-eight years. The American Red Cross opened schools and hospitals at Durrës and Tirana. One Red Cross worker founded an Albanian chapter of the Boy Scouts that all boys between twelve and eighteen years old were subsequently required to join by law⁴⁶⁹. Although hundreds of schools opened across the country, in 1938 only 36 percent of all Albanian children of school age were receiving education of any kind⁴⁷⁰.

• *Zog's Kingdom*

Albania's first political parties emerged only after World War I. Even more than in other parts of the Balkans, political parties were evanescent gatherings centered on prominent persons who created temporary alliances to achieve their personal aims. The major conservative party, the Progressive Party, attracted some northern clan chiefs and prominent Muslim landholders of southern Albania whose main platform was firm opposition to any agricultural reform program that would transfer their lands to the peasantry⁴⁷¹. The country's biggest landowner, Shefqet Bey Verlaci, led the Progressive Party. The Popular Party's ranks included the reform-minded Orthodox bishop of Durres, Fan S. Noli⁴⁷², who was imbued with Western ideas at his alma mater, Harvard

⁴⁶⁹ <http://www.opic.gov/links>, <last accessed on 14/10/2011>.

⁴⁷⁰ *Ibid.*

⁴⁷¹ Vickers, *supra* note 208.

⁴⁷² Fan Noli (January 6, 1882 – March 13, 1965) was an Albanian-American writer, scholar, diplomat, politician, historian, orator, and founder of the Albanian Orthodox Church, who served as prime minister and regent of Albania in 1924. Fan Noli is venerated in Albania as a champion of literature, history, theology, diplomacy, journalism, music and national unity. He played an important role in the consolidation of Albanian as the national language of Albania with numerous translations of world literature masterpieces.

University, and had even translated Shakespeare and Ibsen into Albanian. The Popular Party also included Ahmed Zogu⁴⁷³, the twenty-four-year-old son of the chief of the Mati, a central Albanian Muslim tribe. The future King Zog drew his support from some northern clans and kept an armed gang in his service, but many Geg clan leaders refused to support either main party.

Interwar Albanian governments appeared and disappeared in rapid succession. Between July and December 1921 alone, the premiership changed hands five times. The Popular Party's head, Xhafer Ypi, formed a government in December 1921 with Noli as foreign minister and Zogu as internal affairs minister, but Noli resigned soon after Zogu resorted to repression in an attempt to disarm the lowland Albanians despite the fact that bearing arms was a traditional custom. When the government's enemies attacked Tirana in early 1922, Zogu stayed in the capital and, with the help of the British ambassador, repulsed the assault⁴⁷⁴. He took over the premiership later in the year and turned his back on the Popular Party by announcing his engagement to the daughter of the Progressive Party leader, Shefqet Beg Verlaci.

Zogu's supporters organized themselves into the Government Party. Noli and other Western-oriented leaders formed the Opposition Party of Democrats, which attracted all of Zogu's many personal enemies, ideological opponents, and people left unrewarded by his political machine. Ideologically, the Democrats included a broad sweep of people who advocated everything from conservative Islam to Noli's dreams of rapid modernization. Opposition to Zogu was formidable. Orthodox peasants in Albania's southern lowlands loathed Zogu because he supported the Muslim landowners' efforts to block land reform; Shkodra's citizens felt shortchanged because their city did not become Albania's capital, and nationalists were dissatisfied because Zogu's government did not press Albania's claims to Kosovo or speak up more energetically for the rights of the ethnic Albanian minorities in present-day Yugoslavia and Greece.

Zogu's party handily won elections for a National Assembly in early 1924. Zogu soon stepped aside, however, handing over the premiership to Verlaci in the wake of a financial scandal and an assassination attempt by a young radical that left Zogu wounded. The opposition withdrew from the assembly after the leader of a radical youth

⁴⁷³ Ahmed Bey Zogu (October 8, 1895–April 9, 1961) was an Albanian prime minister (1922-1924), president (1925-1928), and king (1928-1939 and 1943-1946, the latter period in name only). Zogu crowned himself King of the Albanians on September 1, 1928 and declared a constitutional monarchy similar to the contemporary regime in Italy. He created a strong police force and claimed to be a successor of Gjergj Kastriot Skanderbeg.

⁴⁷⁴ History of Albania, *supra* note 282.

organization, Avni Rustemi⁴⁷⁵, was murdered in the street outside the parliament building. Noli's supporters blamed the murder on Zogu's Mati clansmen, who continued to practice blood vengeance. After the walkout, discontent mounted, and by July 1924 a peasant-backed insurgency had won control of Tirana Noli became prime minister, and Zogu fled to Yugoslavia.

Fan Noli, an idealist, rejected demands for new elections on the grounds that Albania needed a "paternal" government⁴⁷⁶. In a manifesto describing his government's program, Noli called for abolishing feudalism, resisting Italian domination, and establishing a Western-style constitutional government. Scaling back the bureaucracy, strengthening local government, assisting peasants, throwing Albania open to foreign investment, and improving the country's bleak transportation, public health, and education facilities filled out the Noli government's overly ambitious agenda. Noli encountered resistance to his program from people who had helped him oust Zogu, and he never attracted the foreign aid necessary to carry out his reform plans. Noli criticized the League of Nations for failing to settle the threat facing Albania on its land borders⁴⁷⁷.

Under Fan Noli, the government set up a special tribunal that passed death sentences, in absentia, on Zogu, Verlaci, and others and confiscated their property. In Yugoslavia Zogu recruited a mercenary army, and Belgrade furnished the Albanian leader with weapons, about 1,000 Yugoslav army regulars, and refugee troops from the Russian Civil War to mount an invasion that the Serbs hoped would bring them disputed areas along the border⁴⁷⁸. After Noli's regime decided to establish diplomatic relations with the Soviet Union, a bitter enemy of the Serbian ruling family, Belgrade began making

⁴⁷⁵ Avni Rustemi (born 1895-1924) was an Albanian, teacher, activist and member of the Albanian parliament. Rustemi was the leader of the democratic organization "Bashkimi", and member of the democratic opposition in the Albanian National Assembly preceding the Revolution of June 1924. Avni Rustemi was an eminent democratic ideologist. His ideology, expressed through different forms of speeches and journalism, became a strong weapon for the democratic Albanian youth. In his speeches he claimed that "*when the government does not fulfill the needs of the people, then this need must be fulfilled with the organized interest of people to push government to do so*". For the solution to the country's crisis, Avni Rustemi pointed at the development of the independent national economy. He is quoted saying that without an independent economy, there can be no independent politics. His ideology was further enforced in the National Assembly of 1924, where he was chosen as a deputy of the people from ex-prefecture of Kosovo. He bravely criticized the bureaucratic system of that time and the ignorance of the governing classes while fiercely defending traditional values and the human rights of the Albanians living in ethnic Albania. In time of turmoil and intense class contradictions in the country, anti-Rustemi forces led by Ahmet Zogu organized the assassination of Avni Rustemi on June 10, 1924, aiming to strike at the democratic-bourgeois revolution. The assassination of the eminent democratic leader sparked the Noli Revolution on June 10, 1924.

⁴⁷⁶ Pearson, Owen, "*Albania and King Zog: independence, republic and monarchy 1908-1939*", Volume 1 of *Albania in the twentieth century*, Volume 1 of *Albania and King Zog*, I.B.Tauris, 2004

⁴⁷⁷ *Ibid.*

⁴⁷⁸ Thernstrom, Stephan, "*Harvard encyclopedia of American ethnic groups Library of Congress*", 1980, page 26

wild allegations that the Albanian regime was about to embrace Bolshevism. On December 13, 1924, Zogu's Yugoslav-backed army crossed into Albanian territory. By Christmas Eve, Zogu had reclaimed the capital, and Noli and his government had fled to Italy⁴⁷⁹.

Zogu quickly smothered Albania's experiment in parliamentary democracy. Looking after the interests of the large landowners, clan chiefs, and others with a vested interest in maintaining the old order, he undertook no serious reform measures. The parliament quickly adopted a new constitution, proclaimed Albania a republic, and granted Zogu dictatorial powers that allowed him to appoint and dismiss ministers, veto legislation, and name all major administrative personnel and a third of the Senate⁴⁸⁰. On January 31, Zogu was elected president for a seven-year term. Opposition parties and civil liberties disappeared; opponents of the regime were murdered; and the press suffered strict censorship. Zogu ruled Albania using four military governors responsible to him alone. He appointed clan chieftains as reserve army officers who were kept on call to protect the regime against domestic or foreign threats⁴⁸¹.

With Yugoslav military assistance, Ahmed Bey Zogu, the son of a clan chieftain, emerged victorious from an internal political power struggle in late 1924. Zogu, however, quickly turned his back on Belgrade and looked to Benito Mussolini's Italy for patronage. In 1928 Zogu coaxed the country's parliament into declaring Albania a kingdom and himself king. King Zog remained a hidebound conservative, and Albania was the only Balkan state where the government did not introduce a comprehensive land reform between the two world wars. Mussolini's forces finally overthrew Zog when they occupied Albania in 1939.

In 1928 Zog secured the parliament's consent to its own dissolution. A new constituent assembly amended the constitution, making Albania a kingdom and transforming Zogu into Zog I, "King of the Albanians". International recognition arrived forthwith, but many Albanians regarded their country's nascent dynasty as a tragic farce. The new constitution abolished the Senate, creating a unicameral National Assembly, but King Zog retained the dictatorial powers he had enjoyed as President Zogu⁴⁸².

Zog remained sensitive to steadily mounting disillusion with Italy's domination of Albania. The Albanian army, though always less than 15,000-strong, sapped the country's funds, and the Italians' monopoly on training the armed forces rankled public

⁴⁷⁹ Pearson, Owen *supra* note 476.

⁴⁸⁰ *Ibid*

⁴⁸¹ Glenny, Misha "The Balkans (Nationalism, War and the Great Powers, 1804-1999)", 2000, p. 11.

⁴⁸² *Ibid*

opinion. As a counterweight, Zog kept British officers in the Gendarmerie despite strong Italian pressure to remove them. In 1931 Zog openly stood up to the Italians, refusing to renew the 1926 First Treaty of Tirana. In 1932 and 1933, Albania could not make the interest payments on its loans from the Society for the Economic Development of Albania. In response, Rome turned up the pressure, demanding that Tirana name Italians to direct the Gendarmerie; join Italy in a customs union; grant Italy control of the country's sugar, telegraph, and electrical monopolies; teach the Italian language in all Albanian schools; and admit Italian colonists⁴⁸³. Zog refused. Instead, he ordered the national budget slashed by 30 percent, dismissed the Italian military advisers, and nationalized Italian-run Roman Catholic schools in the northern part of the country.

• *World War II*

Between 1941 and 1944, communist partisans and nationalist guerrillas fought Italian and German occupation forces, and more often each other, in a brutal struggle to take control of Albania. Backed by Yugoslavia's communists and armed with British and United States weaponry, Albania's partisans defeated the nationalists in a civil war fought between Italy's capitulation in September 1943 and the withdrawal of German forces from Albania in late 1944⁴⁸⁴.

Faced with an illiterate, agrarian, and mostly Muslim society monitored by Zog's security police, Albania's communist movement attracted few adherents in the interwar period. In fact, the country had no fully-fledged communist party before World War II. In 1930 the Comintern⁴⁸⁵ dispatched Ali Kelmendi⁴⁸⁶ to Albania to organize communist cells. However, Albania had no working class for the communist to exploit, and Marxism appealed to only a minute number of quarrelsome, Western-educated,

⁴⁸³ History of Albania, *supra* note 282.

⁴⁸⁴ Vickers, *supra* note 208.

⁴⁸⁵ The Comintern (Communist International), also known as the Third International, was an international Communist organization founded in March 1919 by Lenin and the Russian Communist Party, which intended to fight "by all available means, including armed force, for the overthrow of the international bourgeoisie and for the creation of an international Soviet republic as a transition stage to the complete abolition of the State". The Comintern represented a split from the Second International in response to the latter's failure to form a unified coalition against the First World War, which the Third Internationalists regarded as a bourgeois imperialist war.

⁴⁸⁶ Ali Kelmendi (1900 Pec, Kosovo – February 11, 1939 France) was an Albanian communist, an organizer of the communist movement in Albania.

mostly Tosks, intellectuals and to land peasants, miners, and other persons discontented with Albania's obsolete social and economic structures. Forced to flee Albania, Kelmendi fought in Garibaldi International Brigade during the Spanish Civil war and later moved to France, where together with other communists he published a newspaper. Paris became the Albanian communist's hub until Nazi deportations depleted their ranks after the fall of France in 1940⁴⁸⁷.

In October 1941, the leader of Communist Party of the Yugoslavia, Josip Broz Tito, dispatched agents to Albania to forge the country's disparate, impotent communist factions into a monolithic party organization. Within a month, they had established a Yugoslav-dominated Albanian Communist Party of 130 members under the leadership of Hoxha and an eleven-man Central Committee. The party at first had little mass appeal, and even its youth organization netted few recruits. In mid-1942, however, party leaders increased their popularity by heeding Tito's order to muffle their Marxist-Leninist propaganda and call instead for national liberation. In September 1942, the party organized a popular front organization, the National Liberation Movement (NLM), from a number of resistance groups, including several that were strongly anticommunist⁴⁸⁸. During the war, the NLM's communist-dominated partisans, in the form of the National Liberation Army, did not heed warnings from the Italian occupiers that there would be reprisals for guerrilla attacks. Partisan leaders, on the contrary, counted on using the lust for revenge such reprisals would elicit to win recruits.

With the overthrow of Mussolini's fascist regime and Italy's surrender in 1943, the Italian military and police establishment in Albania buckled. Albanian fighters overwhelmed five Italian divisions, and enthusiastic recruits flocked to the guerrilla forces. The communists took control of most of Albania's southern cities. British agents working in Albania during the war fed the Albanian resistance fighters with information that the Allies were planning a major invasion of the Balkans and urged the disparate Albanian groups to unite their efforts. In August 1943, the Allies convinced communist and Balli Kombetar leaders to meet in the village near Tirana and form a Committee for the Salvation of Albania (Komiteti i Shpëtimimit të Shqipërisë) that would coordinate their guerrilla operations. The two groups eventually ended all collaboration, however, over a disagreement on the postwar status of Kosovo⁴⁸⁹.

Germany occupied Albania in September 1943, dropping paratroopers into Tirana before the Albanian guerrillas could take the capital, and the German army soon drove the guerrillas into the hills and to the south. Berlin subsequently announced it would

⁴⁸⁷ Vickers, *supra* note 208.

⁴⁸⁸ History of Albania, *supra* note 282.

⁴⁸⁹ *Ibid.*

recognize the independence of a neutral Albania and organized an Albanian government, police, and military. The Germans did not exert heavy-handed control over Albania's administration. Rather, they sought to gain popular support by backing causes popular with Albanians, especially the annexation of Kosovo⁴⁹⁰.

Albania stood in an unenviable position after World War II. Greece and Yugoslavia hungered for Albanian lands they had lost or claimed. The NLF's strong links with Yugoslavia's communists, who also enjoyed British military and diplomatic support, guaranteed that Belgrade would play a key role in Albania's postwar order. The Allies never recognized an Albanian government in exile or King Zog, nor did they ever raise the question of Albania or its borders at any of the major wartime conferences. No reliable statistics on Albania's wartime losses exist, but the United Nations Relief and Rehabilitation Administration reported about 30,000 Albanian war dead, 200 destroyed villages, 18,000 destroyed houses, and about 100,000 people left homeless. Albanian official statistics claim somewhat higher losses⁴⁹¹.

Albania remained decades behind the other Balkan countries in educational and social development. Illiteracy plagued almost the entire population. About 90 percent of the country's peasants practiced subsistence agriculture, using ancient methods, such as wooden plows. Much of the country's richest farmland lay under water in malaria, infested coastal marshlands. Albania lacked a banking system, a railroad, a modern port, an efficient military, a university, or a modern press.

⁴⁹⁰ *Ibid.*

⁴⁹¹ Pollo and Puto, *supra* note 418.

2. Albanian's Social and Cultural Legacies of the Past

The establishment of communism found Albania a very backward country, largely agrarian with a great mass of peasantry, and a Muslim and semi-feudal society, which was very traditional, conservative and patriarchal⁴⁹².

Although Albania has an old and authentic culture in the Balkans, historical circumstances have imposed a lack of the traditions of a real democratic and civil society. The totalitarian communist system after the Second World War reinforced the old Albanian psychology of a prolonged "*fighting against enemies*". Part of this idea was imposed objectively under the pressure of several invasions. For centuries the only way of solving the problems was the resistance and the force of weapons. The traditional pride of the Albanian people has faced for centuries, from the Roman Empire to the Soviet Union Empire, the injustice and discriminations of the great powers toward a small country⁴⁹³. This fed the intolerance, continued doubt and the lack of democratic solutions in the Albanian mentality. The extremes, rather than a spirit of discussions and compromise, are still appearing in the politic and economic life in Albania. The inherited idea "*with us or against us*" is still widespread and represents a serious obstacle in the new and fragile Albanian post-communist society⁴⁹⁴. This entire culture and mentality is strongly connected, although with invisible chains, with the ongoing economic transformation and above all with the replacement and creation of the new institutions.

Albanian society remains, a Balkan-Mediterranean culture and the associated mentality. This culture is marked by hostility between individuals and the state and rural conflicts⁴⁹⁵. Albanian society is dominated by clan interests. Gifts and bribes are exchanged as a way of attenuating the excesses of exploitation and repression⁴⁹⁶. Albanian society is based on the notion of the honor of the family, which leads to the violence of the blood feud⁴⁹⁷, "*blood vengeance or vendetta*⁴⁹⁸", if this honor is violated.

⁴⁹² Bogdani, and Loughlin, *supra* note 35, at 27.

⁴⁹³ *Ibid.* p. 378.

⁴⁹⁴ Pano, Nicholas C., "*The Columbia History of Eastern Europe in the Twentieth Century: Albania*". 1992, Joseph Held ed., Columbia University Press, NY, pp.17-65.

⁴⁹⁵ Bogdani, and Loughlin, *supra* note 35, at 29.

⁴⁹⁶ *Ibid.*

⁴⁹⁷ In this article, *blood feud*, *blood vengeance* and *vendetta* will be used as synonyms.

⁴⁹⁸ Blood Vengeance, Vendetta: A feud between two families or clans, that arises out of a slaying and is perpetuated by retaliatory acts of revenge.

Vendetta, [Ital.,=vengeance], feud between members of two kinship groups to avenge a wrong done to a

This means that there exists a sub-culture that stops any attempt to create a really civil society based on the rule of law. Additionally, like other societies of the Balkans, this culture perverts formal political and administrative institutions by transforming them into instruments of cronyism, nepotism and *clientilism*⁴⁹⁹.

The blood feud mainly exists in the Albanian district of Shkodra, and the surrounding districts of Puke and Malesia e Madhe, where some families live in fear of blood vengeance. The law and order vacuum created by the collapse of communism sent many Albanians back to the ancient customary laws of their tribal roots. These laws include the right to murder to avenge an earlier killing. They are regulated by the customary law known as the Kanun, used by Albanians during the centuries of foreign occupation, when there was no central authority. Ismet Elezi, professor of law and a specialist in the Kanun says: "The Kanun sanctions blood feuds and regulates them from all points of view and first they established the rule: whoever kills will be killed. Blood is avenged with blood⁵⁰⁰."

In one village north of Shkodra, two families live confined to their own homes because of blood feuds. Gjin (is the name of family head), whose family is the potential target in one feud, explained that he personally had not killed anyone but the feud related to events involving his father around 60 years ago.

Here is the story of Gjin's blood feud:

"Five years ago, the family of a man who was killed came to my home and said to me that my father was involved in the killing of our uncle, so they'd come to seek blood" he said.

relative. Although the term originated in Corsica, the custom has also been practiced in other parts of Italy, in other European countries, and among the Arabs. It generally reflects a society where the family is the only social unit with authority or where there is no centralized government to compel order. After a society attains cohesion and will no longer tolerate private vengeance, composition for offenses may be compelled. In time the state itself punishes antisocial acts, and a system of criminal law takes form. The vendetta may prevail also where the government is feared or distrusted to such an extent that private justice is considered more equitable. The obligation to carry on the vendetta usually rests primarily on the male who is next of kin to the wronged person. Among some peoples, vengeance may be taken on any member of the group of the person who has done the wrong. The most striking form of the vendetta is the blood feud, or the taking of a life for a life. While the vendetta is almost universally proscribed by law, it persists in areas that are remote or lack trusted police protection.

<http://www.answers.com/topic/vendetta>, <last accessed on 14/10/2011>.

⁴⁹⁹ Bogdani, and Louglin, *supra* note 35, at 29.

⁵⁰⁰ Mortimer, Majlinda., Toader, Anca; "Blood feuds blight Albanian lives" BBC News, Shkodra, Albania
<http://news.bbc.co.uk/2/hi/europe/4273020.stm>, <last accessed on 18/05/2011>.

“When I heard about this, I decided to take my family away, because I didn’t want to have any confrontation”.

Gjin said that the event involving his father had taken place immediately after the liberation of Albania, probably in 1945 or 1946.

“I was very young at the time and I don't know what happened” he said.

“I asked the elders of the village that I used to live in if they knew anything about it. As far as they were concerned, my father wasn’t involved”.

However, this has not been accepted by the family that seeks a killing in Gjin's family.

Gjin also said he was more afraid now because while Kanun law states that boys under 16 cannot be included in the killing, the tradition is being broken by the vengeful. It has led him to withdraw his youngest son from school. “There have even been cases of children being killed” he added.

“For them, killing my son is greater revenge, rather than doing something to me, because I am older than my son”.

In an effort to end to this perpetual cycle of revenge, the Albanian government has set up programs for children affected by blood feuds. Each local authority tries to identify the children who do not attend school because they are in hiding or confined to their homes. But Gjin’s wife explained that in her family’s case, the state had not helped because they had not been told. “The police are not involved here, because this has to do with the Kanun” she said. “It’s between the families. If we go and ask for the police to help this thing will get even worse.

Note: This is one of the many blood feud really stories in Albania. The story is summarized by the author, based on a BBC news-story.

Beside the problems of the past and ethnicity, a growing debate has been raised regarding the weakness of the Albanian state. It has been accepted that state weakness is a common feature present throughout the country. As a consequence of the state weakness in Albania, a number of problems can be observed. Above all, the incapability of the Albanian state brought about the issue of state legitimacy in citizens perceptions. Albania became illegitimate in the eyes of many of its citizens. This was so because the latter saw the state not only dominated by a certain ethnic or political group but more

importantly, as serving only that group's particular interests⁵⁰¹.

It was this lack of trust in the institutions of Albania that made the governments seem un-representative and disloyal. Such a weakness, primarily related to non-representation of all its citizens, resulted in the collapse of the state itself (the disintegration of Yugoslavia and the Albanian anarchy in 1997)⁵⁰².

In describing the situation and in trying to find the reasons that led the region towards chaos and violent conflicts it can be suggested that one needs to look also at the political cultures of these countries. Taking a political culture approach, one should examine whether democratic norms are widely held in a given society⁵⁰³.

This is even because of the legacies of its past where the more recent communist experience had a common impact in the political culture of the Albania⁵⁰⁴. Such negative circumstances where a political culture of dialogue, tolerance, and compromise is missing will be reflected in Albania's future political systems⁵⁰⁵. The political nature of the state that has been developed in Albania was that of authoritarianism and/or nationalism. Though such politics intended to bring stability and save the state from disintegrating, it often appeared unable to avoid strong confrontation with its citizens and most notably with the ethnic groups⁵⁰⁶.

The best explanation of Albanian situation may be found if we look at the citizen-state relations. In Albania, the old-type of state-citizens relations is the main reason that led the country towards disorder and dissolution⁵⁰⁷. If the region is

⁵⁰¹ Bechev, Dimitar and Andreev Svetlozar, "Top-Down vs. Bottom-Up Aspects of the EU Institution-Building Strategies in the Western Balkans", Occasional Paper No. 3/05, South East European Studies Programme, European Studies Centre, University of Oxford, Oxford, February 2005, p. 6.

⁵⁰² Krastev, Ivan, "The Balkans: Democracy Without Choices", Journal of Democracy, Vol. 13, No. 3, 2002, p.44.

⁵⁰³ Kubicek, Paul, "The Application and Acceptance of Democratic Norms in the Eastward Enlargement", in Helene Sjursen (ed.), Enlargement in Perspective, ARENA, Oslo, 2005, p. 184

⁵⁰⁴ Anastasakis, Othon and Bojicic-Dzelilovic, Vesna, "Regional Co-operation and European Integration", The Hellenic Observatory, The European Institute, The London School of Economics and Political Science, London, July 2002, p. 6.

Available at: <http://www.wiiw.ac.at/balkan/files/EBO%202.pdf>

⁵⁰⁵ Bugajski, *supra* note 358, at 9.

⁵⁰⁶ *Ibid.*

⁵⁰⁷ *Ibid.* p.56.

considered as a whole, it can be argued that from one side we have the citizens demanding their rights (in the liberal context) and on the other side their state failing to provide such rights to their citizens. Being recognized a citizen of a country irrespective of your ethnicity or political views is a key element of liberal democracy. All citizens should enjoy the benefits offered by the states. Any rejection of citizen's basic democratic rights may lead those who are excluded, to becoming a source of threat to the whole polity. The kind of relationship between the state and its citizens will depend on the state's attitude; whether it is open and inclusive or exclusive. When the state ceases to represent the interests of all its citizens, the excluded communities perceive this as a threat and may react. Such contradictions between state-citizens have been edging drastically leading the region into dramatically violent conflicts⁵⁰⁸.

It is especially so in Albania that the state-citizens relationship needs to be considered. In Albania cases of conflict have been created as a result of the exclusion by the state or dissatisfaction with the state of a part of its community and as a consequence, those who are excluded become a source of threat.

⁵⁰⁸ *Ibid.*

3. Concluding Remarks

Albanian culture has been strong enough to resist assimilation by others even though Albania occupies a strategic location, historically and politically. At the southern entrance to the Adriatic, Albania was the steppingstone from which the Romans moved to the east. As the crossroads, many different peoples have passed through or maintained dominion, but the Albanian people have largely been able to maintain their unique identity. The Albanians have been recognized as indigenous peoples who, based on their unique language, and are considered among the oldest groups of peoples in Europe. There is no significant difference between Albania and its neighbors other than reliance upon the Kanun.

But what is Kanun? Kanuni i Leke Dukagjinit (The Canon of Leke Dukagjini) is the most widely known comprehensive summary of traditional Albanian law ever published in Albanian language. For centuries, the Kanuni i Leke Dukagjini has strictly ruled all important aspects of social life in Kosova and in the Northern Albania. Customary law is however not only characteristic of Albanian culture. In general, customary law endured among all Balkan peoples, particularly in rural environments, until the present day. Kanuni had been promulgated by the real historical person Leke Dukagjini. It is most widely known for the predominance of blood feud and vendetta as its intrinsic principles. The rules on blood feud form are only a very small part of the Cannon and not its core, as is often erroneously believed. The Kanun also allows for the possibility of the blood being redeemed. Women, however, according to these ancient rules, are considered to be of a lower social status: they do not share either the rights and privileges or the responsibilities of men. Kanuni also maintains values that are still considered unquestionable today: these include the given word or "besa", the sacredness of promise, and the respect for guests and friends.

The basic principles of the Kanun can be summarized as follows.

The foundation of it all is the principle of personal honor. Next is the equality of persons. From these derives a third principle, the freedom of each to act in accordance with his honor, within the limits of the law, without being subject to another's command. And the fourth principle is the word of honor, besa which creates a situation of inviolable trust.

"An offence to honor is not paid for with property, but by spilling of blood or a

*magnanimous pardon*⁵⁰⁹.

At the same time it specifies the ways of dishonoring a man, of which the most important are calling him a liar in front of other men; insulting his wife; taking his weapons; or violating his hospitality. ... This was very much a man's world. ... Women had their honor, but it existed through, and was defended by, men⁵¹⁰.

Albanian nation has been overrun by all of its neighbors, occasionally importing elements of the occupying people, but essentially maintaining a unique language and cultural identity; an identity maintained in spite of dissection by modern international borders. The most important is the traditional family structure of social and clan interaction that became codified as the Kanuni i Leke Dukagjinit. It is, however, the Kanuni i Leke Dukagjinit, that is the most unique aspect of the Albanian society. It sets up the rules upon which the culture is based, focusing on the concept of honor.

The continued existence of the Kanun these days lead us to the hypothesis that Albania's historical legacy of the Ottoman Empire has been the most important factor that is hampering its successful transition to a modern democracy.

This phenomenon is the old Albania custom of "*hakmarrja*" or the blood feud, a custom of revenge killing in northern part of the country. Its origin does back to the 15th century, during the Ottoman regime, when the north part Albanians did not accept the Ottoman rule and control, and established their own system of self-administration.

The most powerful historical and social influence is firstly that of being part of the Ottoman Empire for almost five hundred years. Most countries of Central Europe shared a number of historical experiences with the Western European countries such as the Renaissance, the Reformation the Enlightenment and 19th century industrialization revolution. Additionally, in these countries private property was not totally abolished or confiscated and they were not forced to change their religion. During this entire time, they maintained their links with the Western countries. On the other hand, Albania became first part of the Byzantine Empire and then, for five centuries, part of the Ottoman Empire with its sultanate imperial system and legacy of patrimonial rule⁵¹¹. Albania inherited the under-developed state and society relationship, weak institutional and structures as well as a shattered society. Albania had never experienced and developed a pure democracy as well as political pluralism.

⁵⁰⁹ Malcolm, "*Kosovo: A Short History*" London: Paperback, 1998, p. 18-19.

⁵¹⁰ *Ibid.*

⁵¹¹ Bogdani, and Loughlin, *supra* note 35, at 29.

Conclusion

On October 12, 2011 the European Commission reconfirmed the EU's commitment that the future of the Western Balkans lies in the European Union. At the same time the Commission adopted its annual overview of enlargement strategy and progress made towards EU accession in the Western Balkans, Turkey and Iceland. On December 01 2011 European Parliament approved Croatia's accession as the 28th member of the EU. But for Albania, the European Parliament stated that:

“Albania's domestic political scene has been largely dominated by the continuation of the political stalemate and further confrontational developments. Violent clashes between antigovernment protestors and police led to the death of four persons and amplified the climate of mistrust between political forces, as well as “vis-a-vis” certain State institutions. The local elections in May, although assessed as competitive and transparent, were decisively marked by shortcomings which need to be addressed. In particular, the controversy surrounding the vote count of misplaced ballots for the Tirana mayor increased polarization between the ruling majority and the opposition”⁵¹².

To be a member of European Union, it is immediate that the political forces in Albania re-establish and maintain a level of political dialogue that would allow the proper functioning of key democratic institutions, notably the parliament and judicial system, and progress on the EU integration path. The significant shortcomings identified in the last two elections warrant a comprehensive electoral reform that would benefit from external independent advice and consensus among political parties.

Overall, Albania has made limited progress in meeting the political criteria for membership and the twelve key priorities⁵¹³ for the opening of accession negotiations. Notably, democracy and rule of law, the continuation of the political stalemate, further confrontational developments and increasing mistrust between majority and opposition have negatively impacted.

⁵¹² Communication from the Commission to the European Parliament and the Council “Enlargement Strategy and Main Challenges 2011-2012”, COM(2011)666 final)

⁵¹³ The key priorities concern the following areas: the proper functioning of parliament; adopting reinforced majority laws; appointment procedures and appointments for key institutions; electoral reform; the conduct of elections; public administration reform; rule of law and judicial reform; fighting corruption; fighting organized crime; addressing property issues; reinforcing human rights and implementing anti-discrimination policies; improving the treatment of detainees and applying recommendations of the Ombudsman.

The aim of this study was to explain the most important factors that have hindered the consolidation of the rule of law in Albania and to analyze why this consolidation has been a very difficult process.

In order to better fulfill this aim, we first conceptualized the meaning of the rule of law and its characteristics. Although there are many definitions of the rule of law, for the purpose of this study we analyzed only the two following features that are considered as the essence of the rule of law. Firstly, all people (including the politicians and government) should be ruled by the law and obey it. Secondly, the law should be such that people should be able to be guided by it.

The analysis proved that the rule of law in Albania is a very serious problem. Government members, executive agencies and their branches, local governments, and politically powerful organizations and individuals often present reluctance to respect applicable laws and prescribed processes. The peculiarity of Albanian society is that corruption is present at all of its levels. At the same time, there are serious doubts about the degree to which the self-interests have trapped the Albanian state. Cozy relationship of private and government interests persist as a serious problem, and critical conflicts of interest are common. In addition, organized crime activities have soared, by expanding their activities in fields such as narcotics, trafficking, racketeering and goods smuggling and has or has had patrons and protectors within the government.

The discussion of the present social and political situation, judicial system and the rule of law in Chapter I, also found that Albania faces an infinite variety of problems and its society needs to be reformed. However, these reforms are progressing very slowly. The policy-makers in Albania are mainly elitists, but they are not always capable of performing the necessary reforms, which are excellent on paper, but are not implemented sufficiently. Even though Albanian politicians are in favor of EU membership, this can be considered more as rhetoric than a true aspiration. The high level of corruption and the links of a large number of politicians with organized crime is a strong argument that EU membership is a goal that Albanian politicians are not interested in realizing. This for the simple reason that the EU membership means an end to the practice of using Albanian resources for personal profit, and this will bring in no more dirty money. Another negative factor is the under-utilization of the human resource that can be marshaled in the aid of the process of democratization. For instance, intellectuals, academics, people of immense talent and Albanian educated in the west, are not provided strong incentives or even encouragement to return to Albania and lead the reform process.

This study highlighted the geographical, communist period, post-communist elite

choices and historical and social factors that have influenced the Albanian rule of law making its enforcement difficult and unique.

The hypothesis of this study is that in the above-mentioned four factors, the Albanian case presents its unique set of features. Therefore, these features have influenced and determined the negative performance of institutions and rule of law in Albania. The international influence, the influence of the exceptionally brutal character of Albanian communist regime and the choices made by the elites during the transition are important factors that explain the difficulties that Albania is experiencing in the transition period. However, there are many arguments that can explain that the historical and social influence is the most important factor in determining the trajectory of the institutional framework in Albania.

Geographic position and western influence played a negative role in domestic developments. Compared to the other Central European Countries, at the beginning of the transition, Albania found itself in a war region. Therefore, the possibilities for openness and exchange with the West were very few. Chapter II confirmed that Albania presents different patterns from the successful countries. The first reason is that the EU was totally passive to the developments in Albania. The second is that, aiming for the stability of the region, EU supported the post-communist regime of that time, despite several authoritarian characteristics, especially in terms of establishing the rule of law and the separation of powers. From this viewpoint, the international impact was negative in Albania. It was different in the countries of Central Europe, where the strategy of interest helped with faster development of the institutions. In this direction, the countries of Central Europe received significant assistance and support from the EU at the beginning of transition, while Albania was ignored. The delay in preventing the pyramid schemes phenomenon in Albania, as well as the delay to prevent the Kosovo war is the main evidence.

The impact of the communist period was confirmed in Chapter III. The Albanians, indeed, suffered longer and more silently from Communism than any other nation in Eastern Europe. Few people knew, or cared, about the brutality of its leaders or the persecution of its people. Although other Central and East European countries experienced similar forms of authoritarianism, Albania, the most backward country in the region, was uniquely isolated from the rest of the world and deprived of any foundation for democratic participation. Indeed, it was isolated even from the former Communist Bloc. It did not undergo any period of liberalization such as that

experienced by other East European countries in the post-Stalinist era, where a cultural form developed opposing totalitarian terror, and encouraging criticism and a more open interpretation of official ideology.

The Albanian communist regime was the harshest regime in the World and, thereby in the early transition period the conditions in terms of institutions were worse.

The influence of post-communist elite choices is explained in Chapter IV. Compared to the other countries of Central Europe, where the elites negotiated through round tables the main framework of rules that would establish a new democratic system, in Albania the tendency of getting and holding the maximum power prevailed and the political parties were not able to find a consensus.

Another important factor is that Albanian elites were unprepared and did not have any knowledge about the challenge of creating an institutional and democratic system. During the transition period a large number of Albanian elites derived from the old communist elites. Therefore, communist mentality exists in most of its current leaders and politicians, as they have lived most of their lives under the communist system. At the same time, a considered number of current Albanian politicians have been previously members of the Labor Party. They still think and act like communists. They have a lack of essential political skills such as negotiation, compromise, cooperation and tolerance. It is necessary to mention here that a big number of them do not have any academic or professional background. In Albania there are very few intellectuals of real ability and responsibility within the political elite that have the necessary capability to conduct political and institutional reforms. This chapter also stressed that the politics in Albania is considered the most profitable and is the choice profession for getting rich very quickly. Albanian politicians enjoy the highest living standards. Just a short time after coming into office, they possess very expensive cars and houses. Politics in Albania is considered a game where the winner takes all and the loser takes nothing.

At the last of Chapter IV, we conclude that with these kinds of politicians that place their own interest above those of the country and the people, the establishment of the rule of law will be even more difficult.

After analyzing and explaining the above-mentioned factors, our conclusion is that there are many arguments which can explain that the historical and social influence is the most important factor in determining the trajectory of the rule of law enforcement in Albania.

The most decisive historical and social influence is having been part of the Ottoman Empire for almost five hundred years and this argued in Chapter V. Most countries of Central Europe shared a number of historical experiences with Western European countries such as the Renaissance, the Enlightenment and 19th century Industrialization Revolution. Additionally, in these countries, private property was not totally abolished or confiscated and they were not forced to change their religion. During this entire time, they maintained their links with the Western countries. On the other hand, Albania first became part of the Byzantine Empire and then, for five hundred years, part of the Ottoman Empire with its sultanate system and legacy of ancestral rule. Albania inherited the under-developed state and society relationship, weak institutional and structures as well as a shattered society. Albania had never experienced and developed a pure democracy as well as political pluralism.

The main argument that confirms our hypothesis consists on the behavior of many Albanians that the law and its enforcement are not obligatory but negotiable. The culture of rights and duties must be developed. Self-justice and blood feuds predominate over institutional justice. During the centuries the Kanun has run through generations of families, resulting with the death of many young people.

The present existence of Kanun leads us to the hypothesis that Albania's historical legacy of the Ottoman Empire has been the most important factor that is hampering its successful transition to a modern democracy.

The mentality of a large number of Albanians is that the law and its enforcement are not obligatory, but something that can be negotiated. Another characteristic is that in Albania, violation of the rule of law begins with the politicians and public administration officials. Experience has proved that if the state tolerates law-breaking, the individual people will understand that their own interests are in fact best served by acting illegally themselves. Therefore, in Albania the idea that all are equal before the law must be developed.

Each branch of the government has some level of control or oversight over the actions of the other branches. In a parliamentary system, like Albania, the powers of the executive and legislative branches are combined. Judicial independence means that judges are independent from political influences when they make their decisions. An independent judiciary is essential to maintaining the rule of law. Judges should not be pressured by the political parties, private interests or popular opinion when they are called upon to determine what the law requires. Keeping the judiciary independent of these influences ensures that everyone has a fair chance to make their case in court and

that judges will be impartial in making their decisions.

These problems lead to the conclusion that the energetic measures by all Albanian political forces and Albanian people as well as more consensus and support by international sources are necessary for a better performance.

Beside the problems of the past and ethnicity, a growing debate has been raised regarding the weakness of the Albanian state. It has been accepted that state weakness is a common feature present throughout the country. The incapability of the Albanian state brought about the issue of state legitimacy in citizens perceptions. Albania became illegitimate in the eyes of many of its citizens. This was so because the latter saw the state not only dominated by a certain ethnic or political group but more importantly, as serving only that group's particular interests

The best explanation of Albanian situation may be found if we look at the citizen-state relations. In Albania, the old-type of state-citizens relations is the main reason that led the country towards disorder and dissolution.

It is especially so in Albania that the state-citizens relationship needs to be considered. In Albania cases of conflict have been created as a result of the exclusion by the state or dissatisfaction with the state of a part of its community and as a consequence, those who are excluded become a source of threat.

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