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Opportunities for Sustainable Rural Development in Albania*

Introduction

Since the collapse of communism, Albania has been faced with the dilemma of how best to achieve economic reform, development and growth. So far the motto has been 'Go towards Europe', but how exactly this is to be achieved is open to controversy. Clear answers are more difficult to find when one realizes that even in Western Europe many are critical of the development path that has been followed, a path which has produced many social and environmental problems. Events are moving quickly and finding the right direction in a period of massive change is problematic.

In spite of the high growth rate estimated in the two last years in Albania (11 and 8%) there is evidence of unsustainability from the rural development point of view, where accelerated rural depopulation is the most crucial point.

In this paper attempts are made to argue that a high percentage of the rural population, compared with European countries, is not entirely a result of lack of free movement. It is mostly historical continuance, strongly linked with geographic conditions. Each policy stimulating the depopulation process or leaving market forces act alone will lead to an unsustainable pattern of rural development.

Afterwards a description of some advantages and opportunities for rural sustainable development is given, challenging for inside and outside institutional support.

The profile of Albania's economy during 1930s

From the 15th until the early 20th century, the territory comprising modern-day Albania remained under Ottoman administration. The low

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level of development inherited by the Ottoman empire could not be improved significantly between World War I and II; Albania remained a typical rural country.

In 1923, 84,1% of the population lived in rural areas, almost totally based on agriculture. During 1930s industry consisted of only a few small enterprises, which were almost entirely dependent on raw-materials from the agricultural sector.

Agriculture was the backbone of the economy, despite its primitive stage. About 393,000 hectares of arable land, 1,200,000 hectares of pastures and meadows and about 600,000 fruit trees fed about 830,000 inhabitants of Albania, before the Second World War [Statistical Yearbook of the People's Republic of Albania, 1959], which means about 0.5 hectare per capita of arable land, 1.5 hectare per capita of pastures and meadows and 3–4 fruit trees per person.

Strong rural orientation is also evident in view of livestock heads. In 1927 the country had around 1.5 million goats, 1 million sheep, and 310,000 cattle or 3 sheep and goats per capita and 1 cattle for every 2–3 persons [Selenica, T., 1927]. It is significant that Albania was ranked the first amongst most of the other European countries in relation to the number of sheep, goats and cattle. It is also significant that the number of oxen was 127,00, which means approximately one couple of oxen for every 10 peasants or for each large family. This is because at that time the only source of energy was human and animal-drawn power.

The productivity was low both in crop and livestock production. The main crop was maize, which was cultivated for many years on the same plot and the yield did not exceed 15 quintals per hectare. As Prof. Lorenconi [1930] has pointed out, the basic menu of the Albanian peasant used to be home-made maize bread with fresh cheese, some vegetables and a little yoghurt.

The dominance of the agricultural sector over the whole economy is also obvious as regards the country's exports. The most important exported products during 1921–1927 were livestock and their by-products, like butter, cheese, fat, wool, skins, eggs, fish, and olives, dry beans, etc.

Socio-economic relations in rural areas were typically semi-feudal. According to one survey, at that time, about 213,000 ha were the property of 165 families, mainly in the plain area of Albania. Indeed, such land possessions were large-scale only formally because the production was in fact, based on small farms, personally managed by every peasant in the village. The peasant (*bujku*) used to take land from the total property of the landlord, according to his needs, which included both arable and other land, but he was obliged to give 1/3 of the crop production to the landlord. Besides, he paid one tenth of the crop to the state. Taking into consideration some other costs, like guarding and contribution to the church etc.,

the farmer was often left with only half of the production. In this system the landlord provided neither inputs and tools nor management and control. His sole interest was to take his share. However, sometimes to ensure peasant protection, which was a feature of the feudal system, the landlord would give some seeds or flavour before harvesting time, usually with small interest or sometimes without it. The support for the peasant family was also evident in some social aspects.

What we want to emphasise here is that agriculture traditionally was exercised on a small scale and, at the same time, in extensive units.

Agriculture under the communist regime

Under communism, Marxist ideology ruled agriculture. The economic system represented an extreme form of centralism and autarchy. All land was state owned or was clustered into state-dominated agricultural cooperatives. Marketing of inputs and outputs was fully controlled by the state, and prices and subsidies were set with no relation to costs. Labour movement was not free, either within the rural areas or between rural and urban areas. It was restricted and controlled.

The country was self-sufficient in agriculture, but at a high cost that eventually became unbearable for the economy and contributed to the collapse of the economic system at the end of the 1980s.

Past agricultural production trends reflected government policy and expenditures in the sector. During the 1950s and 1960s there was a rapid increase in agricultural output, reflecting a 53% expansion in arable land and a 20% annual increase in fertilizer availability.

In the 1960s, responding to the country's rapid population growth, the State Planning Commission emphasized grain and vegetable production, which experienced average annual growth rates of about 13%. Agricultural output grew at a slower rate in the 1970s. The government continued to stress food self-sufficiency, as principal growth crops were wheat, sugar beets, sunflower and milk products with annual growth rates between 6–9%. During the 1980s agricultural growth slowed down considerably. Wheat, maize and vegetable production only slightly exceeded population growth (estimated at 1.9%). Only livestock and tobacco products experienced significantly positive growth rates reflecting the increased priority placed on these commodities in private plots and increasing farmer autonomy over livestock and livestock products.

Between 1989–1991 agro-industrial crop production suffered most experienced annual output decreases from 30–60%, while food production 5–24%. Only meat and milk production increased by 10% a year as livestock became increasingly privately owned (Agricultural Strategy, 1992). Agriculture has traditionally been the main source of employment in the

country. The share of employment in 1981 was 49.8 in agriculture and 21.2 and 29% in the industry and service sectors respectively. This share has increased during the past years due to the deterioration of its industrial base and only a small increase in the service sector.

Albania's agricultural exports over 1988–1990, mainly livestock, fruits and vegetables, potatoes and tobacco averaged about 37% of the value of exports.

The rural profile in transition

About 60% of Albania's population currently live in the countryside. Revolution and reform have transformed the rural population, changing some 400,000 collectivized agricultural and state farm families into a new class of private landowners with very small holdings. This new small farm sector is facing serious challenges in terms of basic farm implements, input supplies, marketing channels, and access to credit, especially in isolated rural areas. It has been reported that 90% of farmers did not use fertilizer in 1991/1992 (IFDC, *Fertilizer in Albania: Situation, Analysis, and Recommendations*, February 1992).

The principal feature of the rural economy is the scarcity of land in relation to the rural population. The average area of agricultural land per family nationwide is 1.4 ha, although in four districts it falls below 1 ha, far below subsistence level. Almost 900, 000 ha of natural and improved pastures are, however, available for livestock production to supplement agricultural incomes. Subsistence level is clearly reflected by the number of livestock per farmer, where the majority have 1 cow, 1–10 sheep or goats.

Arable land is particularly scarce in mountain districts, where land-holding per family averages less than 1 ha; arable land is not sufficient to support the present population. Furthermore, the farm land is divided into parcels with an average 3.3 parcels per farm. Under the old central planning system, mountain populations were sustained by subsidizing agricultural production: agricultural cooperatives and state farms in unproductive hilly and mountain areas paid less for their inputs and received more revenue for their output than productive farms in coastal areas. Because of the small sized plots and uncertain economic and institutional environment, most farmers are subsistence-oriented and prefer to keep their wheat and make their own bread. They are still unwilling to specialize to their comparative advantage, or grow agro-industrial crops that require off-farm processing.

Land distribution has been the cornerstone for agricultural reform, and the early successes in agriculture have been based on the integration of the private sector into the production and distribution of farm products. To avoid a chaotic and unregulated land market, the government has decided

that sales of agricultural land in a given district will be allowed when the land registration system is in place and all claims for compensation by former owners have been resolved. It is foreseen that a set of restrictions is going to be introduced at the initial stage of application of land market, with the aim of reducing the land fragmentation process.

The social safety net in rural areas

Albania, like other former socialist countries in Central and Eastern Europe, had an extensive social system prior to the transition to a market economy: employment was guaranteed, wages were set to reflect equity considerations rather than efficiency, prices of essential commodities were highly subsidized, the health and education system provided universal coverage, and most people were eligible for pension, sick pay, maternity allowances and other benefits. The collapse of the former system in 1989–1991 and structural adjustment reforms initiated in 1991 have resulted in the need to develop a new social safety net scheme in order to shield the most vulnerable population groups from the unavoidable costs of adjustment.

Ex-workers of agricultural cooperatives, which predominated in rural mountain areas, were assumed to have received land. In reality, however, many ex-cooperatives workers in rural mountain areas inadequate for subsistence, almost all lack inputs and basic tools, and some remain landless.

Recognizing the vulnerability of the rural mountain population, the Government developed several programme to assist them. The 1991 Land Reform Act (revised in October 1992) included a land-based income support scheme for farm families in hilly and mountainous areas with inadequate landholdings. Monthly benefits of about US 0.6–1.2 were paid to an estimated 9% of the total rural population; in north-eastern mountainous districts, an estimated 19% of the population received land-based compensation.

Clearly, Albania's budget resources are too meagre to provide subsidies for an extended period; a significant change in the socio-economic situation of the people living in the mountain areas is necessary. Programme need to be introduced that combine poverty alleviation with economic development while moving away from pure subsidy programme.

The Agricultural sector

Agriculture is the most important sector in Albania's economy: the sector's contribution to GDP was close to 35% during the 80's, 41% in 1991, and about 50% in 1992. About 50% of the labour force is employed in agriculture and forestry. During 1991–1993 crops and livestock production shared about 96% of the total value of agricultural production and both of

them have increased substantially (about 30%). About 24% (702,000 ha) of Albania is arable land. The number of persons per hectare of cultivated land (5.7) is among the highest in Eastern and Southern Europe.

Agricultural production fell drastically — 20 to 30% — over 1989–91. Once a net exporter of agricultural products Albania has become heavily dependent on food aid. This decline resulted from many factors, including confusion caused by the sudden dismantling of agricultural cooperatives (which held over 70% of agricultural land), uncertainty over the future of state farms, and scarcity of inputs. Growth rates of agriculture increased in 1992, 1993 and 1994 and were respectively 18, 14.4 and 8.2% (World Bank, 1994). However, many factors still constraint the growth of the agricultural sector and will do so for some time. Some of these constraint include inadequate input levels and marketing, relatively underdeveloped transport and communications, infrastructure, lack of responsive financial markets, and a weak public and private sector implementation capacity.

Population movement over time and some relation with sustainability concept

At the beginning of 1993 Albania had 3,166,025 inhabitants. Its population has grown significantly since the beginning of the century, especially since the end of World War II. At the turn of the century it had only 800,000 inhabitants. The main post-war increase took place between 1970 and 1988. The rate of increase was 2.1% per year, and it was the highest in Europe.

Albania is characterized by a strong majority of rural population, which is a result of geographic conditions and historical background of the country.

As we have emphasized at the beginning of this paper, historically the base of the economy and life has been rural space. In 1923 the rural population accounted for 84.1%. For three decades the percentage of the rural population was slightly reduced achieving in 1950 only 79.5% and in 1960 — 69.1%.

From 1960 to 1990 the decrease of the proportion of rural population has slowed down and only reached 64.5% in 1990. This is due, in great part, to a deliberate policy of controlling population movements, stabilizing people in the districts and even fostering opposite trends to the rural-urban migration by developing activities especially in mountainous areas, like mining and forest activities.

In the framework of economic and political reform, free movement of the population was amongst the first improvements of human rights. So, from the beginning of this decade market forces started to orient population movement, which of course continued to follow the general trend of the declining rural population, experienced everywhere. An accelerated rate of

rural depopulation is actually evident. In 1993 only 61.8% of the population were living in rural areas. This outward migration is mainly directed from mountain districts to plain districts and also towards foreign countries, mainly Greece which has absorbed 300,000 Albanian workers.

What is the trend of rural population movement?

Based on the difference in percentage of rural population between 1992 and 1993 (1.7%) and assuming that this will be the declining rate in the coming years results that the rural population was expected to be 58.4% in 1995, 49.9 in 2000 and 32.9 in 2010. It is likely that the rural depopulation rate will be accelerated if the land (agricultural) market, which is still blocked, is going to function.

The sharp decline of the rural population share leads to unsustainability, because it is related to irreversible processes. Of course, big decline means big changes in rural and urban life. Worldwide experience shows that a disruption of social and ecological equilibrium is mostly likely to take place. The economic indicators will be improved. Agricultural production will have significant growth in the short and medium term, due to the application of intensive cultivation, in plain areas, dictated by technical and technological advantages, on the one hand, and increasing demand of dense urban population, on the other hand. In the long run, ecological deterioration of intensively cultivated areas, is expected.

Historically and traditionally Albania has been a typically rural country. The climate, geographic conditions generally, and natural resources have favoured rural life. Small population is a disadvantage in relation to the industrialization or to the establishment of any kind of dominance in international economic relations. This is proved by the fact that for half of the present century, the socio-economic profile of Albania has been predominantly rural.

The rural profile has been prominent even during Communist government, despite the priority given to industrialization. It is not quite true that a high percentage of rural population is the result of lack of free movement, because, when a labour force was needed for the urban area or industrial development, it was easily activated from rural people, without any restriction. So population has been distributed on the basis of applied policies (industrialization was the priority), despite the fact that economic allocation has not always been efficient.

The structure of economic sectors is an obstacle for the acceleration of rural depopulation. Agricultural sector share in the economic structure is already more than 50%. This situation is not casual. Under the influence of market forces the agricultural sector will be appropriately readjusted. It seems that, in a certain way, we will witness a redimension of the profile

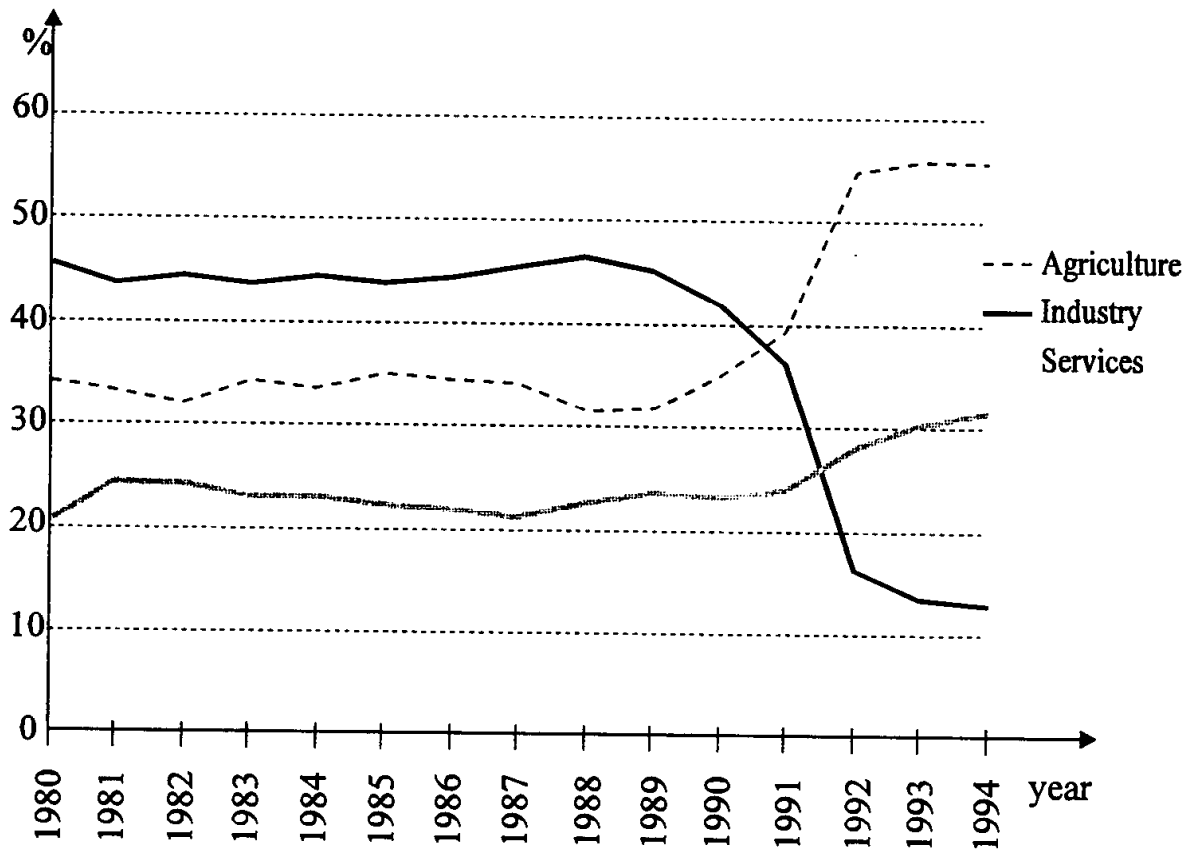


Fig. 1. Gross domestic product by sector of origin

Source: World Bank, 1994, *Albania Building a New Economy*;
ACFIP, 1995, *Albania a Growing Country*

of the 1930s. The share of industry in the 80s is not likely to be repeated, in the medium term at least (fig. 1). The agricultural sector is actually providing significantly higher growth than the industrial one.

The Greek economic structure, which has many similarities with that Albanian due to approximate geographic conditions is observed over time and it is realized that during the period 1970–1991 the share of agriculture was reduced by only 1% and industry share declined by 4%.

Observing the relation between the share of the population living in rural areas, and the share of agricultural production in GDP in some of the Eastern countries and comparing these figures with those of Albania proves that the gap in the case of Albania is narrower and ought to be wider (fig. 2). In such a situation an accelerating process of rural depopulation seems to create sustainability.

However, rapid rural depopulation and high congestion in urban areas almost all over the world has created serious social and environmental problems, sometimes irreversible, and the economic growth has not always been satisfied. On the contrary, many countries have faced a worsening of the economic situation. Judging even from this view it is not likely and

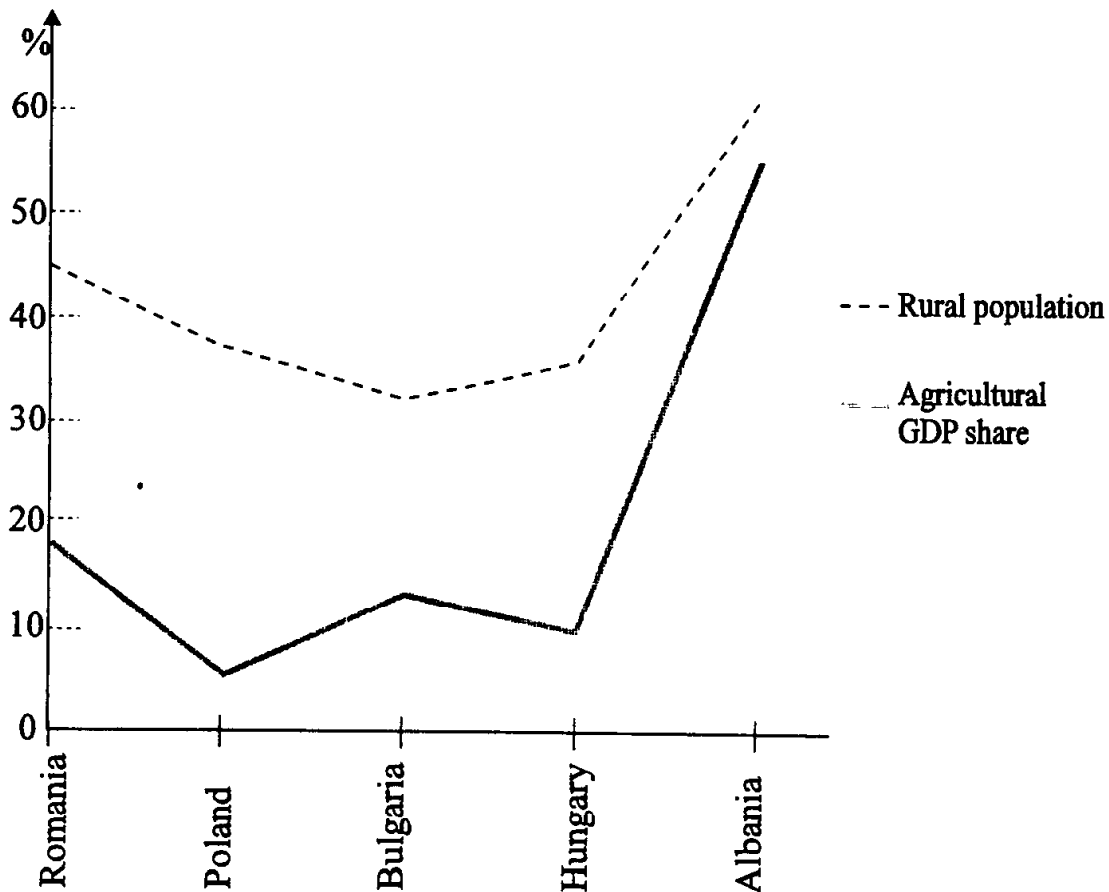


Fig. 2. Rural population and agricultural GDP share in some Eastern countries and Albania (data for Albania belong to the year 1993 and for the other countries 1991)

Source: World Bank, 1993, *World Development Report*;
Ministry of Agriculture and Food, 1993, *Agricultural and Food Statistics of Albania*

convincing that Albania with a faster rate of growth of urban population (in 1993 it was 3.7%) is going to have a higher rate of growth in the long run.

Most of the supporters of the idea that Albania must stimulate structural transformation of agriculture, believe that this is the way to provide growth. Their main argument is that this is what has happened in Europe and this should be our model too, since our motto is 'Go towards Europe'.

This is a very simplistic approach of the issue. It is crucial to know that even in Western Europe many are critical of the development path that has been followed, a path which has produced many social and environmental problems. The development of an industrial agriculture has resulted in extensive rural depopulation in Western Europe as far fewer farmers and workers are required. In Britain alone, hundreds of thousands of jobs have been lost in agriculture since 1950s. The decline in the number of farms and farmers was followed by a decline in rural services and an increase in

rural deprivation. The age structure of local communities is increasingly skewed towards older inhabitants. Indeed, a vicious circle can be seen to be at work, in which the number of school children falls, schools are shut, people with young families move out and shops, bus services and other facilities decline through lack of support. In parts of southern Europe, such as Spain, the processes of abandoning small-scale, local infrastructures for education, health, and so on are also operating in parallel with the process of industrializing agriculture [Clunies-Ross, et al., 1992].

Cultural diversity is also undermined by the import of more homogeneous lifestyles and values.

A second set of courses relates to the environmental impact of industrialized agriculture, which in many areas has been little short of devastating.

Albania has specifics, since the rural area is predominantly mountainous (more than 60% of the territory). Being like that, the arable land is characterized by natural fragmentation. So, the expected consolidation and benefits from economies of scale is not likely to be present, or to be considerable, at least. The possibility of positive effects on production and cost by introducing a significant increase of mechanization is also doubtful. Replacement of a cheap labour force and drawing animal power by highly priced imported machinery, particularly since some 38% of arable land in mountainous areas is on slopes of more than 5 degrees and 19% on slopes of more than 25 degrees, does not seem to be efficient.

A recent assessment of the Department of Mechanization (Ministry of Agriculture and Food) showed that only 64% of arable land can be cultivated by tractors. In the mountain districts only about 50% of the arable land give access to tractors.

Opportunities for sustainable rural development

Market power is not evenly distributed and market forces do not necessarily ensure efficiency. It is worthwhile to ask what kind of development is required and should be planned for, rather than to just accept the outcomes that arise from the operation of market forces. When it comes to rural development, it is worth considering the limitations of the market in declining with unintended side-effects which are usually external to economic decision makers.

The central idea of sustainability is that economic development should be guided by ecological and social constraints.

Ecological sustainability. The thinking actually is that a position of economic optimum doesn't necessarily correspond to a stable ecological system: economic and ecological systems may co-exist in a disequilibrium for long periods. If economic forces push the economic system towards equilibrium, which is not ecologically sustainable [Bromley, 1991] this phenomenon is potentially very true in the case of economic transition, due

to flexibility of the economic performance, but the opposite is also true, that the economic system can and must be oriented (due to its flexibility) towards an ecologically sustainable approach.

Any transition requires great attention because the path is never clear. In order to avoid as much as possible negative impacts of transformation processes in Central and Eastern European countries and to orient them in a sustainable performance the most crucial point is inclusion of environmental protection into a broader package of economic reform. But to be successful, this should be conceptualized as a diffusing process into the whole economic reform, rather than a separated block. To illustrate this idea let's mention a case. Due to the concern for providing higher growth in agricultural production the Albanian Government recently decided to abolish the import tax for fertilizers. Questions immediately arise. What should the environmental impact be? Are there any legal constraints against the use of fertilizers? Questions like that do not have an answer.

In the 60s, 70s and 80s the use of fertilizers was rising significantly (from 12.6 kg of active substance per hectare of arable land in 1961 to 134.7 in 1986). However recently it has fallen significantly.

A socio-economic survey [Ministry of Agriculture, 1994] shows that during the 1993–1994 cropping season the total amount of fertilizers used was 46 thousand tons against 366 thousand tons in 1986, or 8 times less. This quantity is equivalent to about 20% of the total arable land in the country. Most farmers in low land areas tend to supplement mineral fertilization with animal manure. Farmers in mountainous areas use animal manure as main source of nutrients.

The same can be said for the use of pesticides and other pollutants in rural areas. In 1994 900 tons of pesticides were used in total as against 8000 tons in 1989 [Ministry of Agriculture and Food].

Most Albanian farmers are organic agricultural production farmers. Organic farming, as one of the very important approaches of rural sustainable development in Albania, does not come from the pressure of consumers, it comes from tradition and experience in agricultural production of the peasant, which was broadly applied until three decades ago. On the other hand, organic farming in Albania is a consequence of high prices of inputs, especially those externally originated.

Organic farming is not only ecologically benign, it is economically attractive, as well. Albania has a great advantage in applying organic farming, if domestically organic food will begin to flow into international distribution channels. The advantage holds, first of all, in the fact, that a cheap labour force is abundant in rural areas. Labour force has the key role in applying organic farming. The size and structure of the Albanian village family could provide additional works, creating great comparative advantages.

Biodiversity. From 1970–1991 the genetic fund of wild plants and animals has experienced slight changes. Concerning the spontaneous plants no extinction of species has been noticed, but naturally their area has been narrowed in the zones, where new agricultural lands have been cultivated. Generally speaking this flora remains rich and diverse. As regards to fauna, changes are more evident. Thus many fur animal species have been decreasing, due to poaching [Ministry of Health and Environmental Protection, 1993].

While Albania's overall low level of development has prevented severe stresses on its ecology the country suffers from problems of deforestation and soil erosion.

Albania's forest resources, which are still state owned, are reasonably and quite evenly distributed throughout the country. Forests cover more than 1 million hectares or 36% of the total area. The whole package forest preservation/soil conservation has now become the most important aspect of the Albanian government's forest resources strategy. The situation becomes more serious when we take into account the fact that the agricultural sector has a prevailing role in the country, and problems related to the rapid increase of livestock have to be faced. About 300 thousand ha of forests and bushes, mainly in the mountains and hilly regions have been turned into cultivated land and pastures without taking preventive measures against erosion. It has been estimated that Albania loses 1.5 mm of soil annually and in some zones of high erosive intensity, this value reaches 4 to 7 mm [Ministry of Health and Environmental Protection, 1993].

Social sustainability. 'Social sustainability' is defined as 'the ability to maintain desired social values, traditions, cultures or other social characteristics' [Barbier, E.B., 1987].

Social sustainability in the context of rural development should also include: village size and structure of rural population from the age and sex point of view.

Villages in Albania represent the historical continuity of the rural community, they remained autonomously administered during 450 years of Ottoman rule and survived decades of forced cooperativization. Villages are coherent and structured entities with a strong feeling of identity. The tradition is not destroyed. Villagers still collect money to help families in case of death or marriage and proudly remember the council of old men headed by the village chief used to organize community tasks. Villages have traditionally managed resources such as pastures and irrigation and served as the basic unit for local development and participation.

It is estimated that the average size of a family is 5.25 members. The group of families with 4–6 members has expanded during the 3 last decades (from 39.1 to 53.7%), while the group with 7–10 people has been reduced

(from 32.5 to 24.1%). The table clearly shows that the patterns are similar to those in urban areas (tab. 1).

Table 1

Distribution of population by family members

Number of members	1960		1989	
	urban	rural	urban	rural
1	8.5	4.9	5.9	3.0
2 up to 3	21.3	14.4	31.6	17.2
4 up to 6	45.5	39.1	57.2	53.7
7 up to 10	22.5	32.55	5.2	24.1

Source: Statistical Yearbook of People's Republic of Albania, 1989.

The average village population is 688 inhabitants and there are only 8% of villages with less than 200 inhabitants. The biggest share (54%) belongs to villages with 200–700 inhabitants.

The commune (there are 315 all over the country), which in most cases has been established in place of former joint cooperatives, includes 9 villages on average, with a population of 6332 inhabitants. Looking at the structure of the rural population by sex, it results that it closely resembles the total population structure. The percentage of males is 51.5–52.5, while these figures are 51.3–51.6 for the total population. From the age point of view, one can say that is the youngest population Europe. The average age of a household head is 49 years, with about 23 years of farming experience. The number of adults and young people per family on average are respectively 3.5 and 2.6.

The education level of the population has gradually increased in the countryside and it can be said that the rural population has a good level of education. The average schooling of the farm households' head is eight years. Rural infrastructure has improved in recent decades. For example, the number of primary schools in urban areas increased from 187 to 245 between 1970 and 1990, while in rural areas the number increased from 1187 to 1481 [Statistical Yearbook of Albania, 1991].

The dynamism of rural life is shown even by the expansion of buildings, in the last three decades in rural areas significantly obvious (about 50% of buildings have been constructed after 1970).

Endogenous rural development concept and its perspective in Albania. Under the former regime, central planning was a binding institution for all social actors, and there was little autonomy left to the districts, state farms and cooperatives.

In the new democratic state a decentralization process has taken place,

which has given more political power to local institutions, districts, communes and villages. State farms and cooperatives have been abolished.

'The organization and functioning of local administration is based on the principles of self-governing, independence, local autonomy and decentralization' (art. 3, Law 7570, dated 6 March 1992).

The new system, introduced in July 1992, reduced local government to two levels: districts and communes. The structure is modeled on Western European systems that have a small agricultural population and does away with the village category. Given Albania's much higher rural population and compact social structure of the village this may be a mistake.

In the village there is a representative council elected for two years, 'in open meeting' (Law No 7605, dated 15. 09. 1992). The village is led by an 'informal mayor', who is appointed by the representative council of the village(..) (Law No. 7605, dated 15. 09. 1992).

The future of the Albanian village, seems to be closely related to new attitudes, developed in the framework of endogenous development, rather than a classical approach of agricultural development as a function of industrialization and urbanization.

Endogenous development as a promising alternative should put the village in the centre of local government.

Endogenous development patterns are founded mainly, though not exclusively on locally available resources, such as the local ecology, the local labour force, local knowledge, local patterns for linking production to consumption, etc. Hence, endogenous development might revitalize and dynamize those local resources, which would otherwise probably become superfluous [van der Ploeg, J.D. and Sacomondi, V., 1993].

Van der Ploeg emphasizes the strong relation between sustainability, local initiative and action: 'the re-linking of agriculture to natural (instead of artificial) growth factors requires re-localization. Hence, sustainability in agriculture will require again »art de la localité«, »the art of farming«; will, as it were, be reinvented and reassessed' [van der Ploeg, 1992].

This challenge has a particular interest for ex-centrally planned countries, because there the farmer became a worker and his work was directed even in small details from a far distance and by an unknown specialist (or bureaucrat).

Sustainable livelihoods. Social and ecological sustainability must be seen to be reciprocally linked. One way of approaching this issue is through the concept of 'Sustainable livelihoods', developed most notably by Robert Chambers (1983; 1992). Concerned mainly with the rural poor in Third World countries Chambers has developed an approach to sustainable development which puts at its heart the question of how 'people can be enabled to gain adequate secure, decent and sustainable livelihoods in rural

areas'. The first priority is not the environment or production, but rural livelihoods, stressing both the satisfaction of basic needs and long-term security. The essence of this approach is to reserve 'top down' thinking by empowering people and giving them the resources to manage their own livelihoods. These resources include: equitable and secure right and access to resources, access to basic services; and safety nets of support. This approach of putting people first means that development agencies must strengthen their training methods, spend time in the field living with rural people, direct expertise to neglected gaps in local knowledge bases, and sponsor new initiatives [Murdoch, J., Ward, N., Lowe, P., 1992].

Judging the case of Albania where the majority of farmers have become subsistence-oriented the focusing of sustainable livelihoods approach seems quite relevant. Starting and analyzing the essence of this approach, which implies reversing top-down thinking first, one can say that it is indispensable in the condition when the opposite has been applied for many years. Empowering the people by giving the resources to manage, secondly, is closely and reciprocally related to the first one.

Conclusions and recommendations

The country's challenge will be to find the appropriate mix of categories, instruments or interventions, which the Government will use for promoting environmental and natural resource management (these include: institutional measures, indirect interventions and direct interventions). Given the limited amount of resources available for environmental management and investment, Albania has to focus its initial efforts on institutional strengthening and indirect policy intervention, since these are likely to yield far more benefits with lower costs.

— Farmers' participation, the linking of all elements and actions of various agencies can help create a self-reliance and a sustainable agricultural development. It is indispensable for Albanian politicians and decision makers to have in focus the suggestion of Agency for International Development (AID) that 'sustainability implies that designers, implementers and evaluators must give attention to the social soundness of agricultural programme and projects. They must be responsible to the broader objectives, needs and capabilities of the target population, who determine the direction and rates of adoption of sustainable agricultural practices'.

— An education role is needed to promote a broader understanding of agriculture, that it will make possible for farmers as well as decision-makers to take an active part in developing sustainable agricultural system.

— The main challenge for the next few years is to create an environment that will increase productivity on small plots and induce farmers to market their production and specialize according to their comparative advantage.

— Agricultural technology should concern and enhance the resource base through the inclusion of concepts of nutrient cycling, reduction of external inputs, coordination and cooperation of all those involved in development processes.

— Agricultural production should be linked to the development of local agro-industries with the view of building a local production chain. This would increase off-farm employment opportunities, as it is unbelievable, that agricultural production alone can sustain rural households, especially in mountain areas.

— Albania's agriculture and food industry has to emphasize export-oriented quality production, including firstly introduction of organic food and secondly rapidly increasing its export.

— Pluriactivity in rural areas is crucial. It needs great governmental support, first (not so much in financial terms). Afterwards it is for local government to play a key role. An endogenous rural development approach should be introduced as a promising alternative in Albania; charging more the local government. However, at the initial stage it should be closely linked with central government, due to lack of complete legislation.

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