

N A T O C O N F I D E N T I A L

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MEMORANDUM

To: Political Committee

From: Acting Chairman

SITUATION IN ALBANIA

The spirit of Helsinki has not reached Albania where the Government has, on the contrary, pursued its campaign of denigration of both East and West. It is logical that the tightening-up process at home which has strengthened the hold of the Hoxha-Shehu tandem on the régime should be matched by the continuation of the basic tenets of Albanian foreign policy.

I. DOMESTIC SITUATION

2. 1975 saw the consolidation of the "hard line" which had been introduced towards the second half of 1974.

3. A series of large-scale "purges" have shaken Albania since June 1973. The upheaval had started with the weeding out of the ideological and cultural sector; the following year, a new wave of purges swept through the military sector culminating in the dismissal of the Defence Minister, his Secretary of State and his immediate staff. The consolidation of the "hard line" in 1975 was crowned by a major reshuffle in the Government and in the Party.

4. In the first phase, emphasis was placed on the fight against "all things foreign" and strict Marxist orthodoxy became the order of the day (from January 1975 until the Spring of that year) in cultural circles; the next round, with the emphasis on the "fight against bureaucracy" lasted from April until the Autumn and witnessed the removal of several Ministers and Deputy Ministers, some personalities at the top level of the Party apparatus and the dismissal or transfer to the "productive sector" (factories and farms) of an unknown number of civil servants; all these events created a feeling of anxiety among the population and led to the partial paralysis of the bureaucratic machine whose new representatives seem more inward-looking than ever in their dealings with other countries. This episode resulted in the reinforcement

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of the position held by the Prime Minister who probably brought his henchmen into the Government team and excluded all those who were against his policy or did not belong to his immediate circle. This series of purges seemed to be tailing off when, on 28th April, Enver Hoxha announced the ouster of Piro Dodbiba, Candidate member of the Politburo and Minister of Agriculture, and of Thoma Deljana, Minister of Education and Culture.

5. Last summer, the hard line took the form of a campaign against the "cruel encirclement by the imperialists and socio-imperialists" which was translated, in practical terms, by the construction of anti-aircraft shelters and defensive positions throughout the country. The closing months of 1975 saw a renewed build-up of the personality cult, notably with the publication of the new draft constitution. The latter consists primarily of a codification of the Stalinist dogmatism which is the essential feature of the régime.

6. These campaigns were probably designed to distract the public's attention from the economic situation which has never been so bad in all the post-war years. There is a shortage of energy, unprecedented inflation (about 33%), inadequate food supplies, and setbacks in agriculture. The results of the 1971-1975 Plan have remained unpublished undoubtedly because the main aims have not been achieved and the Plan for the new five-year period is still in the process of preparation.

7. The consolidation of the hard line has ostensibly been ordered by Mr. Enver Hoxha but in fact it is primarily the doing of his Prime Minister, Mr. Mehmet Shehu, who in this way has reinforced his position as probable second-in-command and potential successor to Mr. Hoxha. The Albanian leader continues to be in poor health and this is the main factor in (and an important clue to) the chief political events of the past year. Mr. Shehu, who is also in bad physical condition is, in addition to being Prime Minister, the Defence Minister (since the elimination of his predecessor, Mr. Balluku in 1974). Given his family ties with Mr. Kadri Hazbiu, the Minister for Home Affairs, he unquestionably controls the country. Moreover, his promotion to the top leadership might be helped if the rumours concerning the current poor health of Mr. Hysui Kapo, the Secretary of the Party Central Committee who has the support of Mr. Enver Hoxha, were confirmed.

8. Although nothing has been announced so far, a Party Congress might be convened before the end of the year, coinciding with the 35th anniversary of the Albanian Communist Party which will take place in November. The Congress would adopt the 1976-1980 Five-Year Plan as well as the new constitution.

II. FOREIGN POLICY

9. At present Albania's foreign policy appears to be conditioned by two main factors: the régime's ideological complexion and, despite diplomatic ties with 73 countries, a wary isolationism.

10. The determined opposition to the USSR which is apparent not only in the relations between the parties but also in relations between the governments, the reluctance to make contact with the Western world, the refusal to become part of the international scene, the distrust of, even hostility towards, the country's Balkan neighbours all go to illustrate this attitude.

11. The only power with which Albania has direct as well as relatively stable and trustful links is China, essentially for reasons related to a large ideological convergence. Moreover, China, as Hoxha sees it, has the twin advantage of being one of the poles of the Communist world, and opposed to the Soviet Union which is nearer and more threatening, as well as being able to provide the political support and the economic aid which Albania needs to preserve its international position.

RELATIONS WITH THE USSR

12. Since diplomatic relations were broken off with Moscow in 1961, Enver Hoxha's Government has maintained a harsh and unbending attitude towards the Soviet Union. A recent episode is particularly significant in this respect: Tirana has not reacted officially either to an article published in "IZVESTIA" in November to mark the 31st anniversary of the liberation of Albania or to the highly conciliatory message sent last January by the Supreme Soviet on the occasion of the 31st anniversary of the proclamation of the Albanian Republic. The only reaction to these gestures was an article published in the Albanian Communist Party's official daily denouncing the "odious and diabolical policy practised by the revisionists who veer between smiles and adulation on the one hand and pressure and encirclement on the other". This hostile language can be explained by the Soviet Union's repeated efforts to draw Albania back into its orbit. At the same time the 19th volume of Hoxha's complete works was published demonstrating the continuity of Albanian policy.

13. The almost paranoid fear of encirclement which currently permeates the Tirana Government (current defence preparations in the Northern and Eastern part of the country

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provide clear proof of this) would seem to be the logical consequence of this assessment of the situation, particularly when viewed against the possible pressure which might be exerted by Yugoslavia which has turned pro-Soviet following the death of Tito.

RELATIONS WITH THE EAST EUROPEAN COUNTRIES

14. Albania's relations with most of the other Warsaw Pact countries are generally static and cool. The only exception is Romania, with which ties have improved and even become friendly since 1964 in step with Bucharest's changing attitude toward the Soviet Union and its rapprochement with China. Relations are poorest with Bulgaria, which the Hoxha régime regards as a lackey, and an advanced military base for Soviet "social imperialism" in the Balkans.

15. Albania's failure to renew its bilateral agreements with the COMECON countries does not appear to indicate a wish to cut itself off from its former Allies. The signature of these agreements is believed to have been deferred simply for practical reasons connected with the preparation of the next Five-Year Plan which has not been completed; 1976 trade protocols with these countries have been concluded.

RELATIONS WITH YUGOSLAVIA

16. Relations between Yugoslavia and Albania are hampered by ideological and political differences, but also by Tirana's distrust of its powerful neighbour and by the presence in Yugoslavia of a large Albanian minority (Kosovo). Belgrade, on the other hand, would like to be on neighbourly terms with Albania as witness a speech made by Marshal Tito last year in which he asserted that Kosovo should form a link between the two countries.

17. Tirana was responsible for a certain deterioration in its relations with Belgrade from the second half of 1975. At that time, a number of articles were published in the Albanian press containing renewed attacks on Yugoslav "revisionism" and launching a low-key revival of the Kosovo issue; an incident at sea in December, involving a surveillance vessel from the Yugoslav Navy, which cost an Albanian fishing boat captain his life, marked the end of the cautious thaw which had been the feature of relations between the two countries over the period 1970-1975. The new Albanian attitude could probably be explained by internal political considerations; the Albanian leadership would seem to be concerned to draw attention away from the recent tension at home caused by the purges and by the struggle for the country's top position.

RELATIONS WITH CHINA

18. Since Peking's admission to the United Nations, Albania has lost its position as spokesman for Communist China; ideologically speaking, however, it is of undoubted value to the People's Republic of China. This does not mean, however, that Peking is prepared to comply with the requests for evermore economic aid which Tirana is pressing for on the grounds of its geo-political situation.

19. Certain convergent signs of a marked change in relations between Albania and China should probably be assessed against this background. The exceptional and even unique treatment accorded to Albania by the Chinese is tending to become the more ordinary treatment reserved by Peking for the small group of countries likewise governed by a "brother Party". The protestations of close friendship which continue to be made from time to time are no longer sufficient to hide the divergencies.

20. In recent months there have been rumours that the steady flow of aid which China has been giving Albania since 1961 would be reduced. Mr. Adil Carcani is believed to have been informed of the decision in June 1975 in the course of a visit to Peking the Vice Premier was then paying in order to discuss China's contribution to the implementation of the Albanian 1976-1980 Five-Year Plan. The Chinese are believed to have explained the reduction in aid by the need to give priority to the economic needs of their own country which is itself working on the implementation of its Five-Year development Plan. Nevertheless, on 28th April, Mr. Enver Hoxha personally gave credit to China for making it possible to inaugurate the pig iron and coke plant of the Elbasan Metallurgical combine; on the same occasion he violently condemned the "revisionist, counter-revolutionary and capitulating line of Teng Hsiao-Ping" and denied rumours of dissension between Peking and Tirana. It seems, however, that while "internationalism" remains the touchstone of relations between the two countries, this yardstick no longer plays its former paramount rôle in bilateral economic co-operation where the principle of autonomy or "self-reliance" is now being advocated.

21. There are other signs of a different kind which indicate that the reduction in China's aid to Albania forms part of the "fallout" from a deeper and earlier argument over the nature of the international situation, which continues to divide the leaders of the two countries. The new course of Chinese policy adopted after the signing of the Sino-American Communiqué in Shanghai has created a persistent rift between the respective foreign policy positions of Tirana and Peking.

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The Albanians continue to argue that United States imperialism is still as threatening as Soviet hegemonic activities in which the Chinese, for their part, see "the main danger". The question arises whether the removal of General Balluku in 1974 was not connected with a change of heart by the former Defence Minister in favour of the Chinese concept. In addition, the Chinese are believed to have informed the Albanians that they could not condone their refusal to take part in the recent Athens Conference on Balkan Co-operation. Chinese newspapers gave a friendly account of this meeting, a device which is tantamount in China to an implicit disavowal of Tirana's abstention. Furthermore, Chinese views on European construction and NATO have not been endorsed by Albania. Be that as it may, the respective positions of the two countries continue to diverge and Peking, since it is unable to coax Tirana along the path it favours, is modifying its attitude towards the Albanians.

22. It should be pointed out in this connection that this "lassitude" seems to originate with Peking. Despite recent signs of disenchantment (particularly during the visit of the Chinese Minister of Foreign Trade last February) the Albanian leaders are well aware that there is no source of support which could replace China unless they modify their ideological position or break out of their isolationism.

RELATIONS WITH THE WEST AND JAPAN

23. Despite remonstrations by the Chinese, Albania's policy is to have only commercial ties with the West, and extremely limited ones at that. It had been hoped that the need to purchase from the West the plant and equipment to develop Albania's industry and the possibility for the West to obtain oil in exchange would have prompted Tirana to adopt a less rigid attitude than in the past. So far, these hopes have not materialised. Furthermore, possibly to help make up for a slackening in Chinese aid, Albania, in March of this year, sent a goodwill economic mission to Japan under the Chairmanship of the Chamber of Commerce. Albania's attitude towards Greece is a different one and there seemed to be a desire to establish closer contacts.

24. As for the United States, the feelers repeatedly put out by Washington have not produced any results since the Albanian Government refuses to establish relations with a country described as the symbol of imperialism.

MULTILATERAL CO-OPERATION

25. This strict isolationist policy and the refusal to have anything to do with international co-operation (Albania confines itself to participation in the work of the United Nations) have

meant that Albania has had no hand in the principal initiatives which have been taken both at European and at regional level. It refused to participate in the CSCE on the grounds that since it would be run by the United States and the USSR it could not guarantee people's security at all. In fact Albania was afraid that the principles of the CSCE might make its frontiers more permeable to Western influences. It also turned down the invitation to attend the recent Balkan Conference in Athens so as not to find itself within a particular grouping and also for fear that the Conference might take on some political significance, over and above economic considerations. The possibility that Tirana - notwithstanding its latest attacks on the participants in the Conference - may come round to the idea of inter-Balkan co-operation by bilateral means should not, however, be ruled out.

III. CONCLUSIONS

26. The recent display of righteous unanimity and doctrinal orthodoxy by the Albanians may, perhaps, conceal serious and continuing disagreements in the leadership, public discontent and disquiet among the cadres, who have been sorely tried by successive waves of purges. Recent events have demonstrated the existence of conflicting factions at Government and Party level; the confrontation between them in the course of an ideological campaign was perhaps no more than an episode in the struggle for succession.

27. As for the policy which would be followed if one or other of the two claimants to the Enver Hoxha throne - Shehu or Kapo - were to win the day, it seems not unlikely that, given the economic recession and the present international set-up, they would be compelled to adopt more flexible positions.