The 20th century ends as it began: with the humiliated and exploited masses taking to the streets. In Albania this time. The combination of economic crisis, fraud during the May 1996 elections, and the collapse of the financial organisations running the pyramid schemes stripped the Berisha regime of all legitimacy, and exposed it as the number one enemy of the overwhelming majority of Albanians.

The subsequent social explosion quickly brought forth a fairly well structured popular administration, which challenged the Berisha regime, in a situation of dual power. The balance of forces quickly shifted against the President, and a third force, the leadership of the Socialist Party and the rest of the old opposition, stepped into the vacuum of power, and assumed the dominant position. For how long? Nobody knows.

How exotic Albania seems! The mass of analysis and comment produced by the Western media all leads us to one conclusion: Albania is totally unique, and the Albanians do not belong to the "civilised world".

The revolt erupted because Albanians are so naive that "pyramid" schemes separated most of them from their savings. These schemes were run by financial institutions which could never exist elsewhere. The insurrection opposes the country's two tribes, northern Tosks and southern Ghegs. The civil war can only lead to a "chaos" which, for Albania, has never been far below the surface.

How comforting to know that the Albanian case is unique in Western Europe, that the popular revolt there has no similarity with the revolutions of the past, and order can only be re-established from outside. Because, at the end of the day, and whether you see them as noble savages, or poor bastards, the Albanians are unable to enter the modern world without the aid of the civilised nations.

Reality check

All this is rubbish. Albanians are no more naive than the five million Romanians, three million Russians and half-million Bulgarians who have "invested" their savings in pyramid schemes. Many Macedonians continue to risk their savings in this way.

Unstable pyramid investment schemes, like Vefa in Albania, and MMM in Russia are not some invention of the post-communist era. Pyramid schemes were invented in the USA in the 1930s, and were "for a while" fantastically popular in Western Europe.

The real difference between Luxembourg in the 1930s and Albania in 1996 is the IMF pressure which obliged Tirana to abolish guarantees on bank deposits, and liberalise the banking and financial sector to the point that pyramid schemes offering monthly interest rates of up to 100% became legally possible.

This wasn't a "mistake" by the authorities and the IMF, but a deliberate attempt to encourage the primitive accumulation of capital which Albania's fledgling bourgeoisie so badly needs. One new banking company, Vefa quickly became a holding company controlling at least 240 enterprises, from a super-market chain to petrol stations, seaside hotels and food processing plants.
The total fraud exceeds US$2 billion, or 80% of the country's Gross Domestic Product — the total value of goods and services produced in a year. The capitalists would have rightly considered this exploit to be a major success if only the armed insurrection had not occurred.

The IMF, World Bank and other international institutions are not just guilty of "selective blindness" towards the pyramid schemes. For several years, they had been boosting the myth of an Albanian economy growing at an unparalleled rate of over 10%/year. Albania was a model, they argued. And President Sali Berisha was a true soldier of neo-liberalism.

This is another falsehood. "They made fools out of us" admits an expert at Vienna's prestigious Institute of Comparative Studies. In fact, Albania's five years of economic reform are "catastrophic". Since the industrial base was almost totally destroyed in the early period, "it was not difficult to produce high growth rates for the foreseeable future". The starting point was so low that any growth was impressive in statistical terms.

Industry has been almost totally dismantled, and a majority of peasants, particularly in the south, have abandoned the agricultural sector. Unemployment affects up to 80% of the population. The only fast-growing sectors of the economy are those linked to the black market and organised crime (smuggling of all types, and marijuana cultivation). Berisha's capitalist Albania would have gone bankrupt years ago, were it not for the pitiful sums sent home by the 500,000 Albanians working illegally, in slave-like conditions, in Greece, Italy and other countries.

A nation-wide uprising

The south of Albania is traditionally more prosperous, more politicised and more restless, and the north poorer, quieter and more conservative. But the recent insurrection was a nation-wide phenomenon. It started in the towns of the south (Vlore, Saranda, Gjirokastre, Tepelene, and Delvino). But ten days later citizens in the north began to take to the streets. Western media reports of a Northern "counter-revolt" in support of Berisha are completely false. Even in the President's home town, Bajram Curri, the people burned all symbols of the detested regime, and chanted "down with Berisha".

The western press all talk of civil war. Where is the evidence? The army and police literally dissolved at the beginning of the insurrection, and the regime sought, in vain, to identify and fortify a social base. The civil war is an invention of western "Albania specialists". In reality, the immense majority of the Albanian population rose up. The small bourgeois layers, and the various servants of the regime preferred to keep their heads down, and wait for better days.

No "tribal" division, no pro-Berisha resistance, no civil war, and no massacres. Yes, there was an element of chaos, an element of "anarchy". But let's be clear. The bourgeois media presented this anarchy as the result of the collapse of the Albanian state, the institutions, and, above all, the repressive state forces — the army and police. After all, our rulers argue, since order and law require a (bourgeois) state, an army and a police force, the collapse of these pillars of peace can only lead to anarchy. Right?

Dual power

Wrong! In only 4-5 days, people in the areas of revolt began to organise themselves, and create self-management and self-defence organs for each town or village. Then completely new municipal and district councils were elected.
And the self-defence groups were transformed into fairly well disciplined partisan units, with clearly defined responsibilities, using former officers, and deserters from the Albanian Army.

For two weeks there was no regional co-ordination of these local self-management bodies. Then eight southern towns agreed to form a "National Committee of Public Salvation", composed of representatives of each "autonomous communal council". A further five towns quickly joined them. This was the beginning of a dual power situation. The rebels had appropriated almost all the attributes of state power—police, army, and civil administration.

There is still a shortage of information about the way these new organs of popular power actually operate. But it is clear that important decisions are taken at daily public meetings, usually in the town square. A large majority of the population participate. In Vlore and Gjirokastre public meetings overturned the conciliatory positions of their leaders, and re-stated that Berisha's resignation was an essential pre-condition to any settlement. On a number of occasions since then, local leaders have bent under pressure from western ambassadors, and agreed to all kinds of concessions, only to fail to win support for these policies in the general assemblies. The masses refuse to give up their arms until the regime is overturned, and Berisha kicked out.

When northern towns joined the revolt, they created similar self-management structures. By 12-13 March, there were two Albanias. Tirana, the capital, was under Berisha's control, with agents of the "Shik" secret police patrolling all areas. Outside Tirana, the whole of the county was in revolt!

People, parties, and presidents

No surprise that the insurrection was not led by, and declared itself independent from the country's opposition parties. There is a huge gulf between the radicalism of the demands of the armed populace (resignation and trial of Sali Berisha, dismantling of the regime and the secret police, reorganisation of the state on a new basis, full reimbursement of the money stolen from the people through the pyramid schemes, punishment of those responsible, as an example to the others) and the conciliatory attitude which most opposition parties have adapted towards President Berisha.

Apart from the Democratic Alliance, Albania's political parties have been extremely moderate—a moderation which fails to hide their own fear of a self-managed popular movement which, in the final analysis, no longer has need of their services! Since the insurrection began in Vlore on February 28th, opposition leaders have been overtaken by the events, and have recognised that they are threatened with becoming irrelevant. Their own social base was melting away: the more the rank and file of the opposition parties radicalised, the deeper it became involved in the transformation of the revolt into an authentic revolution.

Before the uprising, no-one would have imagined that the leaders of all opposition parties would accept Berisha's authority, and sit down with him to discuss, and express support for, his proposals. Yet this is how the "opposition" has reacted to the uprising.

While Sali Berisha denounced the "red terrorists" who he said were behind the revolt, the Socialist Party (ex-Communist) agreed to join Berisha's "National Unity" government. As if they didn't realise who's members the president was labelling as "red terrorists." The acting Socialist Party leader Bashkim Fino even became Prime Minister, while the undisputed leader of his party, Fatos Nano, remained in the prison cell where Berisha sent him in 1994!
The Wretched of the Earth Rise Up

Total confusion

The rank and file having disappeared, the Socialist Party leadership found itself without roots, and began to tear itself apart. Bashkim Fino met with leaders of the insurrection in Gjirokastre (where he used to be mayor), and recognised the "essential role" of the "people in arms." Meanwhile, a Socialist Party spokesperson denounced the costs of "anarchy" and called for a return to "the normal situation which existed before."

It surely seemed to the insurgent population that the opposition parties were, if not allies of Berisha, then certainly objectively acting in the President's interest. There was only one response possible: the National Public Salvation Committee immediately declared itself to be independent of all the political parties, and demanded that it participate directly in the negotiations, as a "third pole."

Unfortunately, without a clear-thinking political leadership, the popular movement was torn between its spontaneous dynamic, which subverted the old order, and the remnants of the population's sympathy for the opposition parties. Leading insurgents continued to demand that Berisha resign, but did not attack, verbally, those who had now associated themselves with the president. The insurgents "tolerated" Bashkim Fino's new Government of National Reconciliation, a government which protected Sali Berisha's role as President of the Republic, but at the same time the people refused to surrender their weapons, and submit to the authority of this government.

As a result, three weeks after the beginning of the insurrection, Albania had three centres of power.

The remnants of the old Berisha regime, disintegrating, but still operative, thanks to the former opposition (now government's) refusal to cut its links with "the constitutional order", and thirdly the armed population and their National Committee of Public Salvation. This "independent third pole" declared itself to be completely opposed to the old regime, but showed itself willing to make a deal with the new, Fino government.

Nature detests a vacuum

The situation was now evolving towards a hybrid, intermediary solution, which would delay the final solution of the conflict one way or the other. The ball was in the hands of the new government. The old Berisha regime was seriously weakened, the westerns embassies had stressed their support and understanding and, above all, the popular movement had no revolutionary leadership. And so, the Fino government took the initiative. A minimal state (police and army) was reconstituted, and the government proclaimed itself to be the saviour of the endangered motherland.

This government is too varied to represent a long term solution. The first public demonstration in support of the new government began with cries of "we want peace," and finished with singing of the Internationale!

Those crazy Albanians again, right? Wrong again! Most of the several thousand demonstrators were members of the Socialist Party. Their feelings might be contradictory, but they are certainly comprehensible. These people, residents of Tirana for the most part, support the government which, in effect, has ended the Berisha dictatorship, but they remain frightened by the great unknown: the Albanian people in arms. This was not the first time in the 20th century that Stalinist bureaucrats, or ex-Stalinist social-democrats, sang the Internationale to exorcise the ghost of a revolution which they see as a competitor, even a danger.
The Wretched of the Earth Rise Up

Which way forward?

As we go to press (20th March), the situation in Albania is more confused than ever. Casualties have been very limited: less than 100 deaths during three weeks of insurrection in a Balkan country where everyone is armed to the teeth. But now, for the first time, there is a real danger of anarchy, and total chaos. Hundreds of thousands of people are now motivated by hunger and desperation. To paraphrase the Internationale, "the starvelings have awoken from their slumber." Italian television has convinced people that, in Western Europe, "even the cats eat from silver plates."

People will be ready to do almost anything to satisfy their basic needs, and their (also modest) dreams.

People of good will in western Europe have been troubled by the spectacle of armed insurrection, and the collapse of Berisha's regime. The combination of economic crisis, fraud during the May 1996 elections, and the collapse of the financial organisations running the pyramid schemes stripped the Berisha regime of all legitimacy, and exposed it as the number one enemy of the overwhelming majority of Albanians.

The subsequent social explosion quickly threw up a fairly-well structured popular administration, which challenged the Tirana regime. The balance of forces quickly shifted against the Berisha regime, and it was finally a third force, the leadership of the Socialist Party and the other parties of the old opposition which stepped into the vacuum of power, and took up the dominant position.

After three weeks of general revolt, a precarious equilibrium has been installed. It could break down at any moment. On the one hand, the popular movement cruelly lacks clear perspectives. On the other hand, the remaining financial companies will almost certainly collapse. Meanwhile, Sali Berisha refuses to resign. There is little prospect of stability under the National Reconciliation Government.

Those who wish to defeat the Albanian insurrection will need time, and all the machiavellian skill of the western powers. In the meantime, the armed population may be able to exploit the hesitation of the west, and the Socialist Party bureaucrats, and become even more radical, and more explicitly plebeian. It may throw up new leaders, men and women who are able to meet the responsibilities and face the challenges which the dynamic of permanent revolution imposes in Albania today.

The Albanian insurrection is not the result of exceptional circumstances. We may see similar social earthquakes elsewhere in the Balkans, particularly in Macedonia or Bulgaria. Russian nationalist leader Alexander Lebed recently warned that Russia itself could "easily become the Albania of 1998".