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Central European University in part fulfilment of the  
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**Small scale farmers in Albania:  
Survival strategies, land fragmentation and sustainability**

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**ABSTRACT OF THESIS** submitted by:

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Agriculture sector in Central and Eastern European countries has developed through different pathways in comparison to the Western Europe. Small scale farmers are sometimes marginalized by the Common Agriculture Policy reforms and are often considered as an obstacle to development policies. This study explored agricultural sustainability concerns in Albania by analyzing the socio-economic context of survival strategies and the environmental implications of land fragmentation. Survival strategies of Albanian small scale farmers were more aligned towards market exchange, whereas redistribution and reciprocity strategies were less encountered. This disproportion raises implications for developing a sustainable agriculture model. Constructing links in order to balance the three modes of economic integration through: building new market structures, promoting forms of cooperation amongst farmers and fostering the participation of public organizations; will contribute to address socio-economic pressures and increase sustainability. With regards to land fragmentation, farmers are endowing informal initiatives mostly to address physical and activity fragmentation, whereas social fragmentation appears to be the least addressed. This latter issue requires a deeper and multi-faceted solution especially due to the high rate of migration and the decline of young people participating in agricultural activities. Multifunctionality of agriculture represents a development concept that addresses the economic, social and environmental considerations of agricultural activities and aspects of development for the rural areas. Even though it encompasses a wide range of concerns in the rural areas, there are various reasons why multifunctionality practices may be difficult to implement under the current socio-economic development in Albania.

**Keywords:** transition post-communist countries, Albania, agriculture, small scale farmers, survival strategies, land fragmentation, sustainability, multifunctionality, EU accession.

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# 1. INTRODUCTION

## *1.1 Research background and problem definition*

Agriculture remains one of the most important sectors for the transition countries of Central and Eastern Europe. It represents a large share of their economies with more than 90% of its territory and almost half of the living population in rural areas (EC 2007). With regards to agricultural development, Albania is working to improve and adapt its development policies in order to comply with the European Standards and the Common Agricultural Policy. This process of adaptation for accession to the European Union represents an ongoing challenge for the appropriate structural decision framework, regarding the future of agriculture development and its close relationship with rural development policy.

The implementation of the Common Agricultural Policy (CAP) in the new member states of CEECs represents an important point of interest which has led to a lot of controversies regarding the suitability and efficiency of this policy in reality. Many scholars have written about the implementation of the CAP and the main critique of it stands for the little adaptability of this policy towards the current conditions of especially CEECs countries (Chaplin *et al.* 2004; Davidova *et al.* 2012; Gorton *et al.* 2009; Mincyte 2011b; Zellei 2001). The implementation of the EU agricultural policy instruments in the new member states has given rise to institutional problems in regards to the implementation of the new adaptive legislation. According to Gorton *et al.* (2009) there are several reasons why the EU CAP has not been successful in the CEECs as for instance: the difference in socio-economic conditions of the rural areas between the new member states and the western ones, the CAP model is mostly suitable for the Western European family farm model, and

the balance between the measurements offered by the CAP and the administrative capacity and institutional reorganization of the current transition countries.

Development of the agriculture sector in Central and Eastern European countries (CEECs) has proceeded through different pathways in comparison to the development in Western Europe. The literature in this contexts shows that these countries have experienced somehow similar patterns of development (Gardner and Lerman 2006; Lerman 2001; Sharman 2003), although there are important differences highly dependent on the agrarian reform implemented in each of them (Gorton *et al.* 2009; Macours and Swinnen 2000; Mathijs and Swinnen 1998). After the demise of the communist regime in the late 1980's and early 1990's these countries have had to face the transitional period from a command state and planned economy towards a free market. In the road for accession to the European Union, they were required to adapt and integrate their development policies with the new requirements of the Common Agriculture Policy and as well as implement the approximation of the *environmental acquis* of the European Union.

Albania's agriculture development after the demise of the socialist regime has been characterized by a high rate of land fragmentation which resulted from the decollectivization process in the beginning of the 90's. The number of small scale farmers is high, accounting for 320,000 small farms having an average total area of 1-1.2ha which is fragmented in small parcels with an average of 0.27ha and representing 39% of the total land area (Doko *et al.* 2011). At the present time, farms with an average area of less than 2ha represent 70% of the total agricultural land, whilst the country average farm size is 1.26 ha (Doko *et al.* 2011). The majority of farmers fall under the category of small scale farmers, although there is not a clear division on the regulatory or national framework for categorizing them. Government officials confirm that in several cases the categorization for small farms is not only based on size but also on productivity of farms and their commercial rate; however

a clear division is missing. Hubbard (2009) addresses the issue of defining the “smallness” of small scale farms in the EU especially after the accession of new member states, and confirms that there exists a considerable difference amongst countries. The average size farm of the EU 12 (new member states) is 6ha whereas the average farm size of the EU 15 (established member states) is 22ha leading to an average farm size of 13ha for the EU 27. These numbers remain relative as the differences amongst states are high and what is consider small for one country may be considered large in another. The majority of farms in the EU 12 account for a farm size of less than 10ha and they represent more than 50% of the EU 27 farms. Under these conditions development policies for small scale farmers in Albania, in the light of EU accession may face challenges in policy adaptation and implementation phase.

The survival strategies employed by small scale farmers are seen as an instrument of rural communities and households to respond to the pressure of the macro-socio economical processes (Meert 2000; Pile 1991; Redclift 1986). Exploring the current survival strategies of small scale and sometimes marginalized farmers under such conditions is a first step towards building up the foundation for a functional future sustainable agricultural sector and rural livelihoods. There exists a wide literature regarding the transformation of the transition countries, although is an evident need to bring together different perspectives from these “transitional societies” from various disciplines regarding their historical, social, cultural, economic and environment context. By examining the survival strategies of farmers and their individual approaches for development I hope to illustrate the socio-economic situation that small scale farmers are facing today and to explore the opportunities for constructing sustainable agriculture.

On the other hand land fragmentation has been seen as one of the most important factors influencing the development of the agriculture sector in Albania (Deininger *et al.* 2012; Müller and

Sikor 2006; Müller and Munroe 2008; Sikor *et al.* 2009). The significance of this issue is correlated with future development perspectives moreover, it is highly important to understand its impacts upon the sustainability of the agricultural system. Through the promotion of alternatives that mitigate the negative effects of land fragmentation and by using the opportunities offered by its ecological benefits, the agricultural sector may move towards more sustainable farming practices. At the same time, environmental considerations gain higher relevance when the principles of sustainable agriculture emphasize the need for a balanced approach amongst social, economic and environment spheres.

In the current conditions, it seems viable that policies, decision making programs or practices regarding small scale farmers will represent a good opportunity for this sector to revitalize in the near future. Small scale farmers are sometimes marginalized by the reforms implemented under the Common Agriculture Policy (Davidova *et al.* 2012; Mincyte 2011a; Mincyte 2011b), and there are discrepancies in defining the role of small scale farmers in the CAP whose are sometimes considered as an obstacle to development policies (Hubbard 2009). Henceforth, it is necessary to apply research methods and approaches for the development of small scale farmers and build new organizational structures and effective institutions that will improve the diversification of agricultural practices, construct future sustainable livelihoods and increase their quality of life (Chaplin *et al.* 2004; Davidova *et al.* 2012; Mincyte 2011b; Renting *et al.* 2005).

## ***1.2 Research aim and objectives***

The aim of this research is to explore the impacts of the survival strategies employed by small scale farmers in Albania and land fragmentation implications for sustainability and additionally to look at future alternatives for sustainable agriculture development in the light of the EU accession.

The main objectives of this research are defined as follows:

- To assess the feasibility of the survival strategies on a households' everyday life and on future perspective opportunities.
- To identify the range of problems and constraints that farmers are facing today and to discuss the gaps of interaction with state actors and other stakeholders.
- To evaluate new alternatives for future sustainable development of small scale farmers.
- To understand the need for more “personalized” and appropriate policy transfer based on local patterns of development.

### ***1.3 Research questions***

In light of the overall aim and the above objectives my research questions are:

- How are small scale farmers employing survival strategies and what are the issues affecting the development of a sustainable agriculture model?
- How does land fragmentation affects sustainability and what are the future opportunities of development?

### ***1.4 Theoretical framework***

The theoretical framework of this research is rooted in existing theories regarding development patterns and sustainability issues of small scale farmers in the transition countries of Central and Eastern Europe and household survival strategies based on modes of economic integration. I will bring together these three distinct bodies of literature and analytical approaches in order to represent

a broader chronicle of the economic, socio-cultural and environment struggles of a transition country. By merging these diverse frameworks together I will look at sustainability concerns by analyzing the socio-economic context of survival strategies and the environmental implications of land fragmentation.

I will use a wide range of analytical approaches to describe and analyze the patterns of agriculture development in post-communist transition countries. Based on the modes of economic integration developed by Meert (2000) and Meert *et al.* (2002) I will explore the survival strategies, how they affect farmers' practices and what are the opportunities towards developing a sustainable agriculture. The three dimensional aspects of land fragmentation developed by Sabates-Wheeler (2002) will be used to underline the impacts of land fragmentation and to explore new alternatives to overcome its constraints. I will use the ecological approach of land fragmentation according to Bentley (1987) to identify the opportunities of land fragmentation with regards to environmental consideration and sustainability. Moreover, the concept of multifunctionality by Ploeg and Renting (2004) will be explored as an alternative for future sustainable development of small scale farmers.

There is a wide literature from various disciplines and theory domains concerning the transformation of the Central and Eastern European countries. Embracing the premise that the structural changes that occurred in the region require an interdisciplinary approach, scholars have sought to address various emerging issues such as: land ownership rights and property relationships (Buchowski 2001; Burawoy and Verdery 1999; De Waal 2004; Verdery 2003), organizational changes and new institutional frameworks (Gatzweiler *et al.* 2001; Lerman 2001), forms of cooperation and new market infrastructure (Chaplin *et al.* 2004; Gardner and Lerman 2006), social capital change and peoples' perception (Bridger and Pine 2013), as well as environmental concerns and sustainable



development in the light of the new state regime (Gatzweiler 2005; Gatzweiler *et al.* 2001; Mincyte 2011b; Schwartz 2005; Sikor 2004; Sikor 2009; Zellei 2001).

Moreover, Buchowski (2001) points out that the transitional processes that are occurring in CEECs require not only insights from critics in the social sciences, whose at times fail to replicate the common knowledge in reality, but also an anthropological approach which combines ethnographic details with theoretical insights. This approach is highly important under the conditions that the transitional processes currently taking place represent a complex range of issues that merge political and macroeconomic domains with the social cultural struggles on the micro-local scale. Local traditions and peoples' perception on changing in this transitional process are crucial points to take in consideration. In order to analyze and understand the macro-processes of the transitional pathways undergoing in the CEECs, ethnographic studies and qualitative research help to comprehend connections between people and the contemporary struggles reflected in strategies for survival along the transformation process (Bridger and Pine 2013; Buchowski 2001; Burawoy and Verdery 1999). That is the reason that, in my research I am combining the data collected from my interviews with my observations and stories of small scale farmers in Albania.

Transition countries emerged in the light of building new realities with a totally new economic order whereas neoliberal economists have pushed through the theory of *shock therapy* in order to overcome the transition process and build a new economic system. In spite of this, Burawoy and Verdery (1999: 6) argue against this theory as misleading and inappropriate given the characteristics of the transition system: "*Shock therapy is the wrong medicine not only because of its single-minded concern to destroy but also because it destabilizes the institutional framework of economic decision-making*". The western model of capitalism and democracy has been always a goal for eastern countries, whose have fought to implement induced western policies (Burawoy and Verdery 1999). However, the western

categorization may not always be adaptable and functional in eastern European realities as the shades of the old regime are still prominent. In order to achieve this goal they are often required to give up on local tradition, historical community values and build a new system which is more compatible with the western model (Brandtstädter 2007). Thus, the newly emerged model system sometimes is seen as a possible threat putting at stake the national or local well grounded traditions as the differences in cultural identities and socio-economic patterns often lead to social struggles. The skeleton of my research is based in these theories of countries in transition which I consider as the backbone of my study and utilize them to support the wide range of specific problems that these countries are faced nowadays.

Being faced with the insecurities of the new social and economic system farmers develop survival strategies that are a representation of how the macroeconomic situation reflects to the micro scale sphere of interventions and activities. Scholars have identified different types of survival strategies although mostly under a western context (Meert 2000; Pile 1991; Redclift 1986; Vemiminen *et al.* 2003). Given that there is a lack of theoretical grounded typology for the survival strategies in the CEECs, for the purpose of this research I will use the model developed by Meert (2000) which is based in the three modes of economic integration by Polanyi (1944) (Figure 1). Exploring the survival strategies of farmers will help to frame the socio and economic patterns of agriculture development.

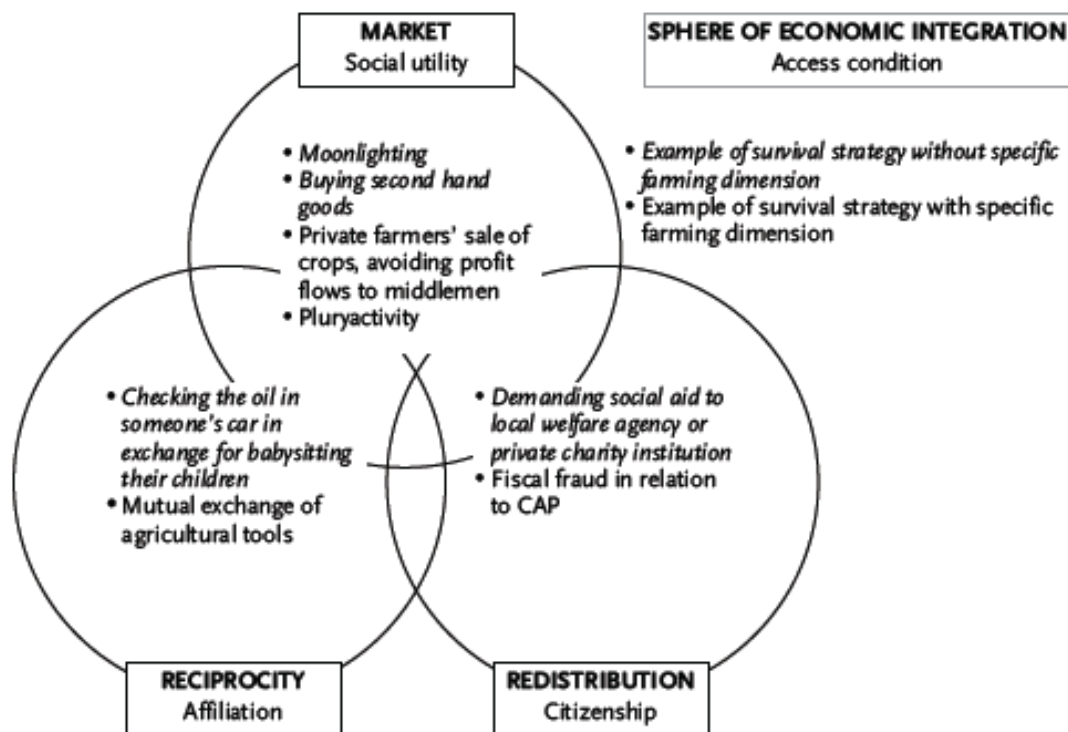


Figure 1: The spheres of economic integration and some examples to illustrate (Source: Meert (2000))

Agriculture is a sector which impacts not only the social and economic life, but also the environment assets related to farming practices. Therefore, there are several implications for sustainability of agriculture when considering the interaction between the socio-economic development and the environment assets. Tilman *et al.* (2002: 676) state that: “The goal of sustainable agriculture is to maximize the net benefits that society receives from agricultural production of food and fibre and from ecosystem services”. The key principles that stand for sustainable agriculture are: integration of biological and ecological processes, minimization of non-renewable inputs, the use of farmers’ local knowledge and skills, and collective management of common-pool resources (Pretty 2008). Therefore, the concept of sustainability in agriculture development stands for a balanced integration of farm practices which take into consideration the opportunities offered by the natural ecosystems.

The change of the overall system in the CEECs and especially regarding the ownership and property regime, has drawn attention into the discussion regarding fate and transformation of environmental assets and the development of sustainable agriculture. Sikor (2009) argues that besides the benefits and rights that the new ownership system brought for rural property, it also derived legal obligations especially in terms of management of environmental resources. Further he states that agricultural practices should be inherently connected and interdependent with environmental assets and can contribute to resource protection. In the same argument Sikor (2004) brings out the linkage between the agrarian reform and the environmental changes in the transition countries. He points out the role of the state in governance for managing common pool resources and the need to tackle the divergence between legal rights and rights in practice.

Land fragmentation and alternatives for consolidation have been one the main challenges for restructuring the transitional agricultural system in the CEECs. Addressing this issue does not only represent opportunities in terms of socio-economic and ecological aspects (Bentley 1987), but also challenges in terms of the appropriate and reconstituted new structures whose highlight the gap between national legacies and the one offered by the Common Agricultural Policy (Van Dijk 2007). In this research the environmental implications of land fragmentation will be used to evaluate the sustainability of the agricultural sector.

High scale of fragmentation in Albania is also related to a high number of small scale farmers. Smallholder farming systems accompanied by an agro ecological approach represent a great alternative for agriculture development and furthermore contribute to environmental conservation, enhance food security, increase the productivity of small farmers and empower local communities (Altieri 2000). In the same context Amekawa (2011) agrees that the interaction between the agro

ecological practices and multifunctionality of agriculture can contribute to build sustainable livelihoods for small scale farmers in developing countries.

Although small scale farmers are often considered to bring more benefits to the overall agricultural system such as: protection of biodiversity and ecological assets, increased variety of polycultures, and more sustainable practices (Altieri 2008) on the other side there is a discrepancy reflected in the EU policies which seems to marginalize more this category of small scale producers (Mincyte 2011a; Mincyte 2011b). Small scale farmers are sometimes marginalized by the reforms implemented under the CAP as sustainable development policies are often built to counter industrialization in the context of western societies without taking in consideration the different development patterns of transition countries (Mincyte 2011b). In this research study, future opportunities for development of this category will be analyzed with emphasis on multifunctionality practices. Investigating farmers' activities and practices will lead to a better appreciation of the current status of small scale farm production moreover help to create more flexible policies in the future.

The complexity of issues regarding the socio-economic transformation of the CEECs countries gives rise to environmental concerns and modes of approaching sustainable agriculture development. The concept of sustainability stands at the interface of social, economic and ecological systems. While working within this framework I will explore and analyze the micro-scale economic and social context of the transition process reflected in the survival strategies by further identifying their influence on small scale farmers' development in Albania. On the other side I will seek to describe the connection between socio-economic aspects and environmental issues of land fragmentation and the unfolding uncertainties of macro institutions in order to develop sustainable agriculture in the light of the EU accession.

### *1.5 Outline of the chapters*

To give an overview of this research: Chapter 2 outlines the methodology and the field research in Albania. Further, Chapter 3 discusses agricultural development in Central and Eastern European Countries and specific characteristics of Albanian agriculture and the three selected regions of this study. Next, Chapter 4 examines the survival strategies of small scale farmers by presenting the main findings from the field research, and explores the challenges for building a sustainable agriculture development. Then, Chapter 5 discusses the issues concerning land fragmentation in Albania and environmental considerations, and also explores the main challenges and opportunities of multifunctionality in agriculture in the light of EU accession. Finally, Chapter 6 highlights the main findings of this research with regards to transition countries, survival strategies, land fragmentation and development of sustainable agriculture.

## 2. METHODOLOGY

### *2.1 Research “twist”*

In the preliminary stage when I was developing ideas on focusing my research on agricultural activities in Albania, the early aim of the research was to explore the multifunctionality practices of small scale farmers in Albania. I came across the concept of “multifunctionality” during my research in various agricultural topics. I continued to deepen my research by reading more about the socio-economic and environmental opportunities of this new concept which I considered as a great potential alternative for the future development of the agricultural sector in Albania. I did a very thorough literature review of many scholarly articles regarding the multifunctionality topic and similar emerging topics by keeping my research focused on the Central and Eastern European countries. Henceforth my early stage literature review and my research design were built with regard to this main theme, the multifunctional practices of small scale framers.

Given that I consider myself a local person, was also presuming to have some knowledge about the actual situation of the agricultural sector in Albania I decided to explore more this topic and to do my research on this specific matter. However, after I went to Albania where I did my field research and traveled a lot in the pre-selected regions, I had a more realistic and close perception to the real situation on the ground. During my time there, I conducted interviews with government officials and further on with farmers in different villages and regions. Despite my previous assumptions on my first research questions, I started to realize that what I was researching for, multifunctionality practices, were missing or in better cases were in a very early stage of development. Nevertheless I continued my research, and this time focusing more on issues that farmers were pointing out as being their most prominent problems regarding their agricultural activities on farms. Traveling

around, meeting farmers and trying to be part of their daily life for a couple of hours made me realize a lot of new things and gave me a more realistic view of the current situation of the agricultural sector today in Albania and especially the everyday reality of farmers.

After leaving my research site and concluding my field work I started to analyze my interviews with the farmers. During the long process of investigating through my interviews I decided to review my early stage research questions and tried to build my new research framework closer to the main actual findings. The decision for this “twist” on my research question was taken in order to give a better approach and representation to the most important issues that the agricultural sector and especially small scale farmers are facing nowadays in Albania. On the other hand, I will dedicate a section of this thesis to the constraints and opportunities that multifunctionality represents for a transition country. Given the outlook of my research, I tried to apply a grounded theory approach; thus meaning that I built up my theoretical and analytical framework based in the results of my collected data on-ground.

## ***2.2 Research design and data collection***

My research design went through different stages of development and adaptation along the road. In the first phase I did a literature review with regards to agriculture development in Central and Eastern European Countries and transition countries, the constraints of adapting EU policies in the new member countries, agricultural structure in Albania as well as on multifunctionality practices and new pathways of development for small scale farmers. The review allowed me to construct a complex point of view of the wide range of problems that these countries are facing today in the light of EU membership, policy transfer and adaptation of the current Common Agriculture Policy, as well as with regards to the social, historical and cultural perception of farmers. After my field



research and the change in objectives of my thesis, I did a complementary literature review, this time regarding the newly emerged issues such as: survival strategies on marginal farms, the development of sustainable livelihoods in rural areas and pathways for building a sustainable model of agriculture and land fragmentation concerns. Accordingly, my theoretical framework is based on agriculture development pathways in transition and post-communist countries, survival strategies on marginal farms and environmental implications of land fragmentation.

In addition to this literature review and after setting my background for the research, the next step was to select my analytical framework and choose the analysis method most appropriate for the selected case study. As for any research, it is necessary and very important to have quantitative data but also use qualitative data depending on specific topics. As the former ones are useful in order to describe and have an overall overview of the system on a larger scale, the latter ones are helpful to identify the main practices that are currently being implemented by farmers in this transitional period. In this research, quantitative data are used when available and depending on the objectives will analyze and interpret them.

Prior to the field research, I decided to choose a methodology aligned towards a qualitative and ethnographic approach for the above mentioned reasons as well as in order to assess non-tangible indicators. Keeping that in consideration and studies of other scholars in this area which consider the qualitative methods as a mean on understanding others' experience and getting subjective perception, the methods in this research are qualitative consisting of interviews with the stakeholders (Ritchie and Lewis 2003; Seidman 2006; Strauss and Corbin 1990).

### 2.2.1 Region Selection

The selection of the three regions where I conducted my interviews was made during the screening process and according to a set of criteria. These criteria were selected on the basis of the objectives set and they are: geographical conditions, the economic development of the area, migration patterns, employment opportunities and agricultural traditions. The local demographic, social and economic characteristics are important features that influence the overall development of a region as well as farmers' strategies (Kizos *et al.* 2011). Taking in consideration the above criteria I selected three regions in Albania with the below characteristics:

- ***Korca*** region, which is situated in the eastern part, represents a region with:
  - lowlands and hilly landscape,
  - traditional on agricultural activities, mostly cultivation of orchards,
  - high off-farm employment opportunities and
  - seasonal migration patterns.
- ***Kukes*** region, situated in the northern part, represents a region with:
  - a mountainous landscape,
  - traditional mostly on animal husbandry activities,
  - low off-farm employment opportunities and
  - a high rate of migration.
- ***Lushnja*** region, situated in the central-western part, represent a region with
  - lowlands and coastal proximity,
  - traditional intensive agriculture activities,
  - high off farm opportunities and
  - a low level of migration rate.

The choice of these criteria which resulted in the selection of these three specific regions was important because of the magnitude of variations that the regions represent in terms of agricultural development and general socio-economic conditions. These factors gain importance in analysis as the reflected strategies employed by farmers are inherently intertwined and dependent from the overall development of the regions.

As with regards to sampling selection the snowball sampling method was employed (Biernacki and Waldorf 1981). Primarily, within each of the regions I established a contact point and later I identified farmers in a recommendation basis amongst them. In all the three regions I had the opportunity to travel in different villages which had different characteristics of development, and in total I realized 30 interviews, 10 in each of the regions.

### **2.2.2 Interviewing Process**

My primary source of data collection was from conducting interviews with farmers in different regions and with government officials at the Ministry of Agriculture, Food and Consumer Protection of Albania. The aim of these interviews was to have a clear idea about the activities that the farmers are applying on their farms, collect their concerns and difficulties that are influencing their strategies and as well evaluate the possible potential for future engagement and development of multifunctionality practices. Even though the main aim of my research experienced a shift since the beginning of the research, the information that I collected through my interviews allowed me to explore and collect useful data and information that was consistent with the successive research aim.

I prepared two formats for my interviews which were addressed to the farmers and to the government officials. The format of the interviews realized with the farmers was a semi-structured

open ended interview and lasted between 30-90 minutes. I had prepared a questionnaire in support of my interviews (see for details the Appendix) , which consisted of different sections including: data on farm size and activity, agricultural practices used, household composition and incomes, the rate of satisfaction for agriculture, problems encountered on farm activities, participation in organizations or help received by different actors. Although all the farmers were willing to conduct the interview they were a bit suspicious and cautious about recording the interviews, thus they were not recorded. Under these conditions I had to take a lot of notes during the interviews and afterwards I tried to highlight and write down particular issues that rose during the interviewing process. All farmers were asked for a written signed consent for the interview and they were provided with an approval and information document of my project.

For the interviews with the government officials I used a more structured interview format, given that it was required a formal communication and they were recorded with the consent of the participants. The interviews were held with government officials from different sectors: the director of the directory of Irrigation and Soil Protection, the director of Research and Extension Service, Science and Agricultural Information and the director of Monitoring and Analysis. In essence, the interviews tried to identify the implementation status of the policies and the problems that the agriculture sector is facing today in Albania in terms of policy adaptation and alignment with the new European Union Common Agricultural Policy.

### *2.3 Target Group*

In light of the structural organization and the main findings of this research, the target group is defined to:

- Policy makers and administrative state officials responsible for compiling the national regulatory and legislative framework on future accession to EU;
- Nonprofit organizations interested in developing and implementing programs/projects in the field of strengthening the role of rural communities and increasing the capacities and knowledge of farmers regarding agricultural practices;
- Academic researchers in the area of exploring new alternatives for developing sustainable livelihoods in transition countries.

## ***2.4 Research Scope***

The scope of my research study is limited to agricultural activities of small scale farmers in three different regions of Albania. Survival strategies of these marginal farms are analyzed in the light of creating new sustainable livelihoods in the process of agricultural and rural development future prospects. Further, land fragmentation issues represent another important role which is connected to socio-economic and environmental considerations. This research is aiming to demonstrate the complexity of finding appropriate development pathways aligned with the actual social and cultural perception of farmers and new agricultural policies in accordance with the European Union Common Agricultural Policy.

## ***2.5 Research Limitation***

There are certain limitations related to the work of this research. Giving the short timeline of this research the study is restricted only to three regions of Albania. Albanian regions vary considerably in terms of geographical conditions and climate, rural employment, market access as well as

infrastructure development. Although under general terms the situation may be the same as in other regions, different characteristics of these latter ones may present variability of issues and problems. This research consisted of interviews with farmers and government officials. Unfortunately, given the short period of time I did not realize to get any contacts with non government organization or other institutions.

One form of gathering the insights and the perceptions of farmers was by observing. Being a local and not having problems understanding my surrounding environment gave me the opportunity to “intrude” into farmers’ everyday life and helped me fully understand their perspectives and difficulties. On the other hand, being a part of that reality may have sometimes jeopardized my objective perception by missing or neglecting specific attitudes. Furthermore, the lack of recorded interviews may have led to the loss of some information during the interviews.

Another limitation of the study which was related to the short term of field research was the limited number of the interviewees which would not allow making any significant statistical analysis. Nevertheless after the interviews in each of the regions, besides the distinctive insights gathered, a saturation point was reached where it was perceivable that no new information could be subtracted anymore. The part of the questionnaire that was related to financial terms and incomes of farmers to my opinion has been not entirely reliable as farmers may not have responded honestly; therefore it will be used only to show general trends.

### 3. PATTERNS OF AGRICULTURE DEVELOPMENT IN TRANSITION COUNTRIES

#### *3.1 Agriculture in post-communist countries*

Development of agriculture sector in the Central and Eastern European countries (CEECs) has undergone through different pathways in comparison to the development in Western Europe. After the demise of the communist regime in the late 1980's and early 1990's these countries have had to face the transitional period from a command state and planned economy towards a free market. In the road for accession in the European Union, they were required to adapt and integrate their development policies with the new requirements of the Common Agriculture Policy and as well as implement the approximation of the *environmental acquis* of the EU. The transition of these economies has shown different patterns of development and has experienced diverse and fundamental changes mostly due to the nature of the agrarian reform implemented by each of the states in various ways. The main problems that the countries are facing today in the agricultural sector are: decollectivization and land ownership, implementation of the Common Agricultural Policy (CAP), environmental deterioration, and challenges of different farming systems.

After the demise of the socialist regime on CEECs countries, the breakup of large scale agricultural holdings into individual farms has characterized most countries (Figure 2). As seen from the figures, Albania has had the lowest share of private land in the 1990s and after the redistribution of the land in 1991 the situation changed in the opposite side, by privatizing all the land. One of the main characteristics of the agriculture sector development in the CEECs is the decollectivization process and the issues with land ownership. The literature in this contexts shows that these countries have experienced somehow similar patterns of development (Gardner and Lerman 2006; Lerman 2001;

CEE countries	Individual land	
	1990	1997
Albania	4	100
Slovenia	92	96
Poland	77	82
Romania	12	67
Hungary	6	54
Bulgaria	13	52
Czech Republic	5	38
Slovakia	5	11
Latvia	5	95
Lithuania	9	67
Estonia	6	63
Average CEE	21	66

Figure 2: Share of land in individual use in CEE (percent of agricultural land) 1990 and 1997 (Source: Lerman, 2001)

Sharman 2003), although important differences highly dependent on the agrarian reform implemented are noticed (Gorton *et al.* 2009; Macours and Swinnen 2000; Mathijs and Swinnen 1998; Verdery 2003).

Mathijs and Swinnen (1998) have assessed the impact and nature of the decollectivization process in several

countries, showing that different patterns of development has been noticed not just between different states but also within one country and depending also on the time variable. One of their findings regarding the decollectivization process is closely related to the production and efficiency level of cooperative farms; showing that countries with low level of productivity of cooperative farms have had higher rates of decollectivization (such as Albania). Inversely countries with high level of cooperative productivity have experienced lower levels on the decollectivization process and have conserved such systems, thus increasing their benefits (such as Hungary). The factors that have influenced the decollectivization process in the CEECs countries are: the labor productivity and economies of scale, the trade system, market imperfections and risk, the land reform, privatization and decollectivization regulations (Mathijs and Swinnen 1998).

Another problem associated with the decollectivization process is the performance of the old and new cooperatives that emerged during this process. According to Gardner and Lerman (2006), the new cooperatives of agriculture in transition countries are facing problems in the marketing and the input supply. In addition, Sharman (2003) highlights that even though some countries may have experienced similar economic development, the patterns of organization and institutional



arrangements are different. Thus, in this context is important to take in consideration not only the political legacy and institutional reform but also the historical development related to social and economical features of the country.

The decollectivization process in these transition countries took place in a very short period of time and very quickly, thus being faced with a lot of difficulties as the whole political and economical system changed. Under these circumstances, the poor land management policy and a flawed process of recreation of property ownership led to the creation of problematic realities for farmers in social and economical terms. Verdery (2003) explains how this new reality and the new emerging system in a Transylvanian context, led to a series of important changes which went through different stages of development. She emphasizes that the decollectivization process, the creation of the farmers association and afterwards the new pathway that the land market followed, resulted in negative outcomes for the farmers. She further describes this process as “*the vanishing hectare*” where farmers were caught in this new complex system web and lost their land rights and properties as assets along the way of this transitional process.

The implementation of the CAP in the new member states of CEECs represents another point of interest which has led to a lot of controversies discussions regarding the suitability and efficiency of this policy in reality. Many scholars have written regarding the implementation of the CAP and the main critique of the implementation of the CAP stands for the little adaptability of this policy towards the current conditions of the CEECs countries (Chaplin *et al.* 2004; Davidova *et al.* 2012; Gorton *et al.* 2009; Mincyte 2011b; Zellei 2001). The implementation of the EU agricultural policy instruments in the new member states has given rise to institutional problems in regards to the implementation of the new adaptive legislation.

Gorton *et al.* (2009) assess the suitability of the CAP for the CEECs countries and discusses how the transfer of the policy does not reflect appropriately the real situation and the range of problems of the new accession countries. He argues that the largest allocation of funds for the CEECs countries was primarily for one of the axis of the policy which entails increase of competitiveness in agriculture and focuses on the direct payments (see also Râmniceanu and Ackrill (2007)). As a consequence less incentive is given to farmers to participate or innovate in off-farm practices, or applying agro environmental measures whereby the expenditures for the improvement of quality of life for farmers are minimalistic. The aim of the CAP is not only to focus on the agriculture as a sectoral policy but to crosslink it with the wider objectives of a Rural Development Policy, but presently this aim seems to be not very well tackled (Chaplin *et al.* 2004; Gorton *et al.* 2009; Sikor 2004). According to Gorton *et al.* (2009) there are several reasons why the EU CAP has been poorly successful in the CEECs: the difference in socio-economic conditions of the rural areas between the new member states and the western ones, the CAP model is mostly suitable for the Western European family farm model, the balance between the measurements of the CAP and the administrative capacity and institutional reorganization.

The transitional period and the agrarian reform that accompanied the CEECs countries have resulted to significant environmental changes. The issues of post socialist governance, changes in institutions and management of common pool resources have substantially impacted the environment such as: water pollution problems, soil degradation, deterioration of environment or the infrastructure of agriculture/irrigation etc (Sikor 2004). Furthermore, Gatzweiler *et al.* (2001) discusses the impacts of environmental change in the CEECs countries and how the farming practices and institutional setup can lead to different outcomes in terms of creating a sustainable agriculture. Consequently, changes are required in the policy levels and institutions as well as on the

construction and design of farming systems that are adaptable to the development of agriculture in these countries. These interventions should be developed and must take in consideration historical changes, social attitudes as well as local actors which are the cornerstone of success (Chaplin *et al.* 2004; Gatzweiler *et al.* 2001; Zellei 2001).

Another important issue of concern is the performance and development of farming systems and especially with regards to small scale farmers and their efficiency in the sector. Chaplin *et al.* (2004) and Davidova *et al.* (2012) agree that the adjustments needed for an adequate implementation of the legislation is a very important task to take in consideration, as the nature of agriculture is much more diverse in the CEECs countries in comparison to the western european model. In an analysis of the three CEECs: Czech Republic, Poland and Hungary, Chaplin *et al.* (2004) make a critique over one of the CAP programs (the Special Accession Programme for Agriculture and Rural Development) as moderately efficient and adequate to the present situation of small scale farmers and furthermore proposing a new alternative way of implementation of programs in these countries. Beckmann and Dissing (2004) make the same critiques regarding several programmes for accession countries and they state that in most of the cases the implementation of administrative legislation and regulation have been very slow and quite inefficient for the actual situation of CEECs and the “bottom-up” approach promoted by the EU has failed on the implementation stage. In addition, Mincyte (2011b) presents an excellent example of how the implementation of the CAP in Lithuania has marginalized the small scale subsistence farmers which represent a large share of the sector. Under this perspective, it is very important that the policy transfer and the institutional framework that have to be implemented in new member states has to properly fit and merge with the patterns of development in these countries, in order to give a successful outcome.

To sum up, it is evident that important differences exist between the eastern and western countries in agricultural development. The privatization, decollectivization process and the increase in agricultural inefficiencies have led to high rates of unemployment and poor rural development, thus leading to the marginalization of rural areas in the CEECs. In these conditions it is necessary to assess thoroughly the policies and strategies offered by the European Union CAP to the CEECs and evaluate better alternatives for successful implementation according to regional patterns of development.

### ***3.2 Albanian agriculture development***

#### **3.2.1 Country characteristics**

Albania has an area of 28.748 km<sup>2</sup> and is situated in the south-eastern part of Europe in the Balkan Peninsula. More than 70% of its territory is hilly-mountainous whereas only 30% represents lowlands areas. On the western part the coastline extends in both Adriatic and Ionian Sea reaches 476 km and represents its boarder with Italy and Greece in the south. Albania has a populatin of 3,400,000 with 50% of it living in rural areas. The climate is mediterranean near the coastal areas with average yearly temperatures 12-16°C and continental in the mountainious areas with average yearly temperatures 4-12°C. The average yearly rainfall is 1300mm/year and the water resources are conisdered to be high with a total surface area of 43km<sup>2</sup> (Doko *et al.* 2011; Skreli 2007).

### 3.2.2 Early agriculture development before the 1990s

#### 3.2.2.1 *Patterns of agriculture before the Second World War*

Agriculture has always been one of the main activities and living resources for Albanians. Being in a very strategic geographical position and between the borders of three different cultures Europe, Asia and Africa, its development has been characterized by their strong impact during the history. The earlier agricultural laws were confined under the *Kanun* (set of traditional laws) which were defined rules regarding the use of land and the relationship between the land and the peasants. The *Kanun* laws have been a traditional way for life organization and have been very important throughout hundreds of years. In terms of legacy they represent the first manifestation of state sovereignty for self organization and governance. The most prominent of these *Kanun* is the “*Kanuni i Leke Dukagjinit*” (The Kanun of Leke Dukagjini) which has been widely spread in mountainous and remote areas (Agolli and Nezha 2003). In this set of laws, private ownership has its own legacy and land was declared as “*e shenjte dhe e paprekshme*” sacred and untouched. These last two definitions for land properties are still very prominent nowadays, particularly in mountainous areas, north of Albania. In the Kanun of Leke Dukagjini there are specified rules for agricultural activities and the elements that are more distinguished on it are: the peasants and its activity, the land and livestock and the right for water. Apparently these sets of rules were important in order to organize the management of common resources as well as the agricultural activities of farmers. (Agolli and Nezha 2003)

Under the Byzantine period around the IX century and till the XIV century, was set a very strong legal regime regarding the rights of land and ownership. The byzantine agricultural law represents

one of the first documents with legal and agricultural importance. It contains 85 articles whose mostly deal with: land and ownership, crop fields, vineyards, livestock and working animals, as well as with some basic agro-technical processes of working the land. The main aim of this reform was to strongly bond the peasants with the land and to remove their right of ownership. Here is noticeable the formation of the byzantine feudalism system, which removed the rights of peasant over the land and made them serfs of their land with the only right of labor on it. (Shundi 2003)

The ottoman invasion has been certainly one of the most influential periods in Albanian agriculture and not only. Given the long lasting period of almost five centuries (1481 until 1912) the land legal regime endured a substantial transformation which was based in general rules of the Ottoman Empire. During this period all land was registered and converted to state owned. Peasants did not have the right of land ownership, which was attributed to feudal lords (as given by the sultan), but they had the right of use accompanied by obliging financial terms towards the owners of the land. Consequently these normative rules contributed to the extreme impoverishment and marginalization of poor peasants. As a result, during the following decades substantial changes took place and land ownership became now available for smallholder peasants, being converted now in manors. This part of the society began to grow, as now their land ownership was recognized, and they extended their activity by buying more land. In this period, it is distinctive the creation of this new social class which had extended their land ownership in larger areas and become more powerful as well as the poor class of peasants or otherwise called villains which still remained the most marginalized and without ownership of land. The implementation of these rules and laws were only applicable in the coastal and lowland areas as well as near the main cities and villages, whereas in the mountainous areas the *Kanun* was the only recognized form of social organization. The power of the *Kanun* was

remarkable and irreplaceable where the land was considered sacred and untouchable. (Agolli and Nezha 2003)

After the declaration of independence in 1912, the situation did not change very much. The newly created state and government kept in place the old rules and laws of the Ottoman Empire until new ones were created. The marginalized part of landless peasants was still representing the majority of the population, where land now was concentrated in the hand of powerful manors. The attempt for several agrarian reforms and redistribution of land to peasants which had very little or not at all land was not successful and its effects were minimalistic. (Agolli and Nezha 2003)

#### *3.2.2.2 The communism period*

By the end of the Second World War, 3% of owners had in ownership 27% of all agricultural land, whilst 14% of peasant families did not own any land at all (Agolli and Nezha 2003). Under these conditions, in 1946 begun to take place the agrarian reform which was very successful and provided the redistribution of land in predetermined rules for use and ownership. State owned land as well as manors land over 40ha was equally distributed in a family basis by attributing 5ha of land for each family (Agolli and Nezha 2003). Furthermore the law sequestered the land of owners that did not work the land themselves and enforced the distribution of land by giving it to farmers with the condition of working the land. Likewise, peasants became owners of their lands, although with high restrictions as they could not sell or rent the land but only work on it. By the end of this reform, the feudalism characteristics of the agricultural sector until now were totally dismantled and totally eradicated. By the year 1950, private individuals owned 81.4% of the land whereas 8.6% belonged to the state or cooperatives (Lusho and Papa 1998). The redistribution of land diminished the

number of state owned land, religious land, and big owners of land and gave the opportunity to all the peasants for land ownership.

Right after this reform took place the new communist regime prevailed and on the following years the construction of the so called “Scientific Socialism”. The creation of cooperatives was the first step that got extended in all the country and by the year 1967 all land was collectivized in agricultural cooperatives and state owned enterprises which entailed the previous state owned lands (Lusho and Papa 1998). By this time private land totally disappeared and on the 1976 Constitution, land was declared as exclusively state owned (Agolli and Nezha 2003).

For the first 30 years the development of agriculture experienced high growth rates and farmers which now had no more private land were working and were employed in the cooperatives. In comparison to the previous years when agriculture was undeveloped and the mechanization was inexistent, now farmers were satisfied and content with the creation of cooperatives and the benefits that emerged in the first period. In the beginning, farmers were allowed to have their own little gardens and some cattle for themselves, but unfortunately that did not last long as everything was sequestered after the “state owned” law (Agolli and Nezha 2003; Lusho and Papa 1998). In the long run the socialist economic system did not manage to increase the further welfare of people and the country was entering a big crisis.

During communism regime and under the socialist slogan “*to convert our mountains in fertile agricultural lands*”, a wide range of conversion from forest or pasture land to agricultural land took place. This long and hard process, especially for the working population occurred for 20 years from 1960 till 1980 (Doko *et al.* 2011). Although the hard and immense work, these areas were unsuitable for agricultural production, firstly because the terrain and the quality of land were not in great



conditions and secondly because these harsh landscapes would make very difficult the agricultural activities and the working process. Nowadays the majority of these areas are abandoned and they represent 10-16% of all agricultural land (Doko *et al.* 2011). As these areas now are currently abandoned, an extended and uncontrolled overgrazing problem is emerging.

### **3.2.3 Current agriculture development after the 1990s**

After the collapse of the communist regime in the 1990, Albania is faced with on-growing challenges regarding future development in different sectors of the social and economic life. The changes in the political and economic system led to substantial structural changes in agriculture. The land was redistributed to the peasants according to the Law “On the Land” Nr. 7501 dated 19.7.1991, and did not take in consideration previous ownership of land. Parts of agricultural land were illegally occupied and part of it was converted to building plots. This process was a consequence of a chaotic and unplanned internal movement of rural population towards the urban areas and led to a partly degradation of the environment in these areas. Another distinctive part of this migration process was the destruction and degradation of a lot of forest and agricultural areas especially orchards.

Agricultural land in Albania represents only 26% of its total land, whereas 76% it is forest, pasture or other type and agriculture represents the major employment sector in Albania, counting for 50% of the employed population, albeit its GDP contribution is only of 16.9% (Doko *et al.* 2011; MAFCP 2012; Skreli 2007). Albania has one of the lowest rates of arable land per person accounting for only 0.24ha/person (Lusho and Papa 1998) which is related to the high percentage of hilly and mountainous areas.

Seen from the social and cultural lenses, the failed and problematic agrarian reform, land fragmentation and the difficult economic situation of the country has led to a “disconnection” from the land for most of the rural communities. Due to lack of economic incentives and difficulties of property management the rural areas have experienced a major migration towards the urban ones or towards off-farm activities (Costa 2008; Sikor *et al.* 2009). The decrease of land connection amongst people, feed-in also from a negative historical memory of collectives’ farms from the communist time, have caused a negative effect in regards to poor farms development, land abandonment as well as a continuous environmental degradation.

Having a similar pattern as the Central and Eastern Europe post-communist countries (Mathijs and Noev 2004), agriculture in Albania was developed under the collectivization and intensive model. According to Lerman (2001), the agriculture reform after the '90 was one of the most drastic and took a very different pathway from that of similar countries, regarding the privatization, land reform and the restructuring of farms, where more than 95% of all agriculture land was distributed by being privatized and fragmented to around 490,000 individual farmers (Cungu and Swinnen 1999). Agriculture sector was very important and represented one of the main pillars of economic development of the country, accounting for more than 50% of the GDP, although it declined by half after the '90 (Costa 2008; Cungu and Swinnen 1999; Macours and Swinnen 2000). In spite of that, the severe changes that accompanied the social and economic development during the transition years, reversed and inclined the importance and the nature of the agriculture sector.

Land fragmentation is evaluated to play a critical constraint for agriculture development in Albania (Deininger *et al.* 2012; Müller and Sikor 2006; Müller and Munroe 2008; Sikor *et al.* 2009), although on the other hand Deininger *et al.* (2012) argues that a consolidation of all these dispersed small farms with varied landscapes as a result of the fragmentation may also reduce the benefits related to

diversification. Consequently a meaningful approach and high rate of specialization will be needed for land consolidation policies. From the policy makers' perspective, the need for land consolidation will lead to rural development and should be one of the main priorities, although on the other hand the way how this process should take place still remains one of the big questions in place.

Government implication on fragmented policy-making has shown to have a detrimental impact on the development of the agriculture sector in Albania (Cungu and Swinnen 1999; Sikor *et al.* 2009). According to this literature, the land reform in early '90 resulted to a high fragmentation of the land (average area 1.2 ha) which gave birth to a complexity of issues embodying also social conflicts. It is argued that the process of land fragmentation led to land abandonment and decline in agricultural domestic products and shift to non-agricultural activities (see for example Sikor *et al.* (2009)).

According to Müller and Munroe (2008) the cropland abandonment during the transition period has taken various patterns such as: small family farmers supported by the emigrants remittances, high rate of migration from remote villages towards the urban areas as well as increase in percentage of subsistence farming. The internal large scale migration from rural areas towards urban gave another negative percussion to the agriculture sector (McCarthy *et al.* 2009). This process was also related to a change of social perception regarding land connection throughout rural communities. On the other hand, due to the low efficiency and productivity of the sector, the increase of subsidies for imports has led to a deficiency of the domestic products. Moreover, poorly managed or even lack of permanent market places has augmented the difficulty of subsistence farming and increased the emergent need for restructuring of farms (Costa 2008; Sikor *et al.* 2009). In a comparative study by Mathijs and Noev (2004) on subsistence farming in Central and Eastern Europe, the results show that the level of these farms is about 7% in Albania. The main causes identified are: deficiencies in

market facilities and cooperation practices and the lack of appropriate institutionalized policies and incentives. Therefore, it is important to revitalize and strengthen the market structure and the traditional production by giving emphasis on the promotion of local identity values. Other important issues on fostering agricultural activities are: developing market connectivity (Deininger *et al.* 2012) in order to decrease rural unemployment and poverty and instigate educational programs for local communities to raise knowledge and awareness on sustainable practices.

The land fragmentation in the country has also led to the creation of highly diverse landscapes, patterns and activities involved in them. The site specific characteristics and the highly diverse landscapes of farms in Albania would represent a good opportunity for multifunctionality measures in agriculture, which will contribute to the protection and conservation of biodiversity, improve farmer practices and quality of life in the rural areas. However, to approach this orientation and implement it successfully it is highly important the need for policy instruments by the state for financial encouragement of farmers and requires economic and institutional reforms.

### ***3.3 Development characteristics of the selected regions***

The development of agriculture in the three selected regions Kukesi, Korca and Lushnja is rather different and varies in terms of: the typology of land, geographical and climate conditions, soil quality, various cultivated crops and cultures, employment opportunities, market access and flexibility as well as regional exports. During my field research in Albania I had the opportunity to visit several villages in each of the regions, which allowed me to have a deeper understanding of the most critical issues and the current development in the areas. In total I conducted 30 interviews, ten in each region, and beside that I had the opportunity to meet many more and visit a couple of households and their families.

### 3.3.1 Region of Kukesi

The region of Kukesi is situated in the northeastern side of Albania and close to the border with Kosovo. It has a total population of 45,624 inhabitants and a density of 48 inhabitants/km<sup>2</sup> where 76% lives in rural areas (INSTAT 2013). The landscape in this region has the characteristics of a hilly and mountainous area with an average altitude of 350m from the sea level and a continental climate with harsh winters and hot summers (Kabo 1991). Agricultural land in the region represents only 10.6% of the land structure whereas the rest is composed by forestry, pasture and other type of non-agricultural land (MAFCP 2012).

During the communism period the area has had a developed mining and extracting industry sector, which after the change of the regime in the 1990 was abandoned. Consequently, during the last twenty years the region has experienced high rates of both internal migrations towards the capital or other urban areas as well as emigration towards other countries. Agriculture has been moderately developed in the region, mostly due to the specific climatic conditions and the steep and harsh landscape which has been mostly suitable for animal husbandry development. The average farm size in the region is 0.71ha, whereas the average parcel size is 0.16ha (MAFCP 2012).

As with regards to land management issues, this region altogether with other adjacent areas has been one of the last undergoing the collectivization process during the communist regime, (Agolli and Nezha 2003; De Waal 2004). Further on, after the collapse of the regime in 1990, land distribution was not made according to the national law in place as in the rest of the country. Instead, farmers in these areas re-distributed their land prior to their previous ownership before the collectivization process. This feature regarding the land distribution in this region was due to several reasons: 1) the collectivization process happened very late in comparison to other regions in the country 2) the

climatic and geographical condition are mountainous and the very steep and rocky lands on the area, has led to a low level of agricultural development; 3) people in this region have very strong perception about the “connection” with land and the customary law represented by the *Kanun* legacy has always been very prominent on several issues including land rights. This latter one and the social and cultural development of the inhabitants in these areas have been the main reason why land was redistributed based on previous ownership. Land rights and ownership in this area has always constituted an important part of the family and has been called sacred for centuries, issue which continues to be very sensitive for the inhabitants of the region.

Nowadays, the main sector of employment in the area is agriculture, followed by the public sector. The employment in the private sector is mostly related to infrastructure investment in the area as well as on different services and the trade sector. The unemployment rate in the region is high, rating for 22% (D.A.K 2012). Most of the families in the rural areas base their main source of income on agricultural activities and livestock, as well as remittances from family members in migration.

In this region, given the harsh conditions of the mountainous landscape as well as the climate the main cultures cultivated by the farmers are: potatoes, beans, wheat, corn, orchards such as walnut trees, cherries, plums, pears, apples, as well as some farmers are recently cultivating vegetables (mostly in glasshouses) and grapes on small vineyards. Farmers are also cultivating fodder and forage given that in this region the livestock production is more developed. It consists mostly of cows, sheep and goats, which are used for dairy products and as a meat source.

### 3.3.2 Region of Korca

The region of Korca is situated in the southeastern part of Albania close to the border with Greece. It has a total population of 138,898 inhabitants and a density of 80 inhabitants/km<sup>2</sup> where 54% lives in rural areas (INSTAT 2013). The average altitude from the sea level of 850m is higher than in the other two regions and it has a mediterranean continental climate with cold winters and hot summers (Kabo 1991). Agricultural land in the region represents 24.5% of the land structure whereas the rest is composed by forestry, pasture and other type of non-agricultural land (MAFCP 2012).

The main activity in this region remains agriculture, although other activities such as artisanal crafting or construction businesses and services sector including tourism are increasing and developing. Being close to the Greek border and given the priority that its geographical position offers the region has experienced economical development throughout the last decades. The migration rate in the region is flexible as seasonal emigration is very characteristic of the area given the proximity with the neighborhood countries. After the distribution of land in 1991 according to the Law “On the Land” Nr. 7501 dated 19.7.1991 farmers in the region of Korca acquired their land from the de-collectivization of the previous state cooperatives. The land was distributed based on the number of households’ members (per capita) and nowadays the average farm size is 1.31ha whereas the average size of parcels is 0.29ha (MAFCP 2012).

The main known and traditional culture cultivated in Korca region is apples. Besides that, the variety of crops includes: wheat, corn, beans, potatoes, orchards, vineyards and in some cases forage and fodder for cattle and livestock grazing. The animal husbandry sector it is not that much developed in this region and farmers do not prefer to have cattle as there are more oriented towards agriculture production, especially fruit and nut trees.

### 3.3.3 Region of Lushnja

The region of Lushnja is situated in the center western part of Albania close to the seaside. It has a total population of 143,276 inhabitants and a higher density in comparison to the other two regions of 204 inhabitants/km<sup>2</sup> where 73% lives in rural areas (INSTAT 2013). Given that it is situated very close to the seaside the average altitude from the sea level is very low, rating for 15m with a very mild mediterranean climate (Kabo 1991). Agricultural land in the region represents 64.5% of the land structure whereas the rest is composed by forestry, pasture and other type of non-agricultural land (MAFCP 2012).

This region has always been one of the most developed and intensive ones in terms of agriculture production. This has come mostly due to the appropriate landscape composed by lowlands and the closeness with the seaside which makes the climate mild and gives a greater variety for crops cultivation. During the communism period a lot of the areas in the region that were swamps and marsh were converted to agricultural lands. Although the process of drying the swamps in the region was accompanied by the necessary infrastructure with channels and irrigation systems, this area is prone to continuous flooding. This problem has become more prominent nowadays because after the 1990 the irrigation system has degraded continuously and the maintenance service is low which also increases additional pressure on farmers' activities.

Similarly as in the Korca region, land was distributed according to the Law "On the Land" Nr. 7501 dated 19.7.1991. The average farm size is greater than in the other two regions counting for 1.7ha, whereas the average parcel size is 0.37ha (MAFCP 2012). The main cultures cultivated in the region are: a great variety of vegetables and fruits (watermelon, melon, oranges, carrots, broccoli, cabbage, tomatoes, pepper etc), wheat, corn, fodder and forage (mostly for crop rotation), orchards, vineyards



and glasshouses for different crops and new seedlings. Similarly to the Korca region, the animal husbandry sector is not very developed as farmers find more beneficial to dedicate their time to agricultural production.

To sum up, the three regions have considerable different specifics amongst them and the overall characteristics are presented in Table1. Agriculture represent the main activity in the three regions, however the region of Lushnja is the one that has always had a more intensive agricultural sector fact which is closely related to the high percentage of available agricultural land. This region has the largest share of farms and the size of the farm parcels is slightly higher than in the other two regions. In the other two regions Kukesi and Korca whose have more hilly and mountainous landscapes there is a lower percentage of agricultural land and the size of farms and parcel is lower than in the Lushnja region. A distinctive characteristic of all the three regions is the expansion in farm size and farm parcel during the last decade, which shows a tendency of farm consolidation.

		Kukesi	Korca	Lushnja
Population	Total	45,624	138,898	143,276
	Rural (%)	76	54	73
	Density (inh/km <sup>2</sup> )	48	80	204
Land distribution	Total land (ha)	237,348	371,032	189,069
	Agricultural land (%)	10.6	24.5	64.5
Farm size (ha)	2000	0.44	1.24	1.49
	2011	0.71	1.31	1.7
Parcel size (ha)	2000	0.13	0.17	0.26
	2011	0.16	0.29	0.37
Farms	Total farms	10,373	30,284	56,695
	% of farms with sales	87.7	96.2	97.1

Table 1: General characteristics of the regions (Source: Generated data from INSTAT 2013, MAFCP 2012)

### ***3.4 National framework and legislation***

Having the status of a country with an economy in transition, Albania is coping with a complex matrix of reforms which will make possible the end of the transition period. The low level of economic development and continuous instability in the political arena, associated with inadequate land management policies (Cungu and Swinnen 1999) has led to cropland abandonment and a very poor and mismanaged rural development (Müller and Munroe 2008; Sikor *et al.* 2009). The most important challenge for the government will be the design and implementation of a comprehensive package and a portfolio of reforms to improve the outcomes of the ongoing transition from a collectivized and centralized agriculture towards a market based and more efficient sector (Deininger *et al.* 2012) and in the same time coping with the requirements of the Common Agriculture Policy (Mathijs and Noev 2004) as well as prioritizing the needs for a successful rural development strategy.

Law no. 7501 dated 19.7.1991 “On the land” has been one of the most debated and the most controversial laws in the last two decades in Albania. It was this law which set the principles and rules for the distribution of land after the demise of the communism. The most contested issue regarding this law was that it ignored and dismissed the former land ownership (before the 1945 when the decollectivization process took place). This has led to a complicated and sometimes questionable legacy of this law. According to this law, collective farms land and state farms land were distributed to villagers in a per capita basis and land cannot be sold but just rent or given with concession. Nonetheless, the main effect of this law regarding agricultural land was the fragmentation of land in very small parcels. Officials at the Ministry of Agriculture in Albania confirmed that is actually in process the draft proposal for a law regarding future consolidation.

Another important law which aims to integrate agriculture to rural development is the Law no.9817 dated 22.10.2007 “On agriculture and rural development”. The main aspects of it accounting for rural development through agriculture entail:

- Improvement of agriculture competitiveness and agro industry in rural areas
- Land management and improvement of environment
- Improvement of the quality of life and promotion of economic activities in rural areas
- Improvement of local governance and instigation of local development potentials

The Agency for Agriculture and Rural Development (Paying Agency) was created according to the above mentioned law and has started his function since January 2009. The main aim and objectives of this agency are to administrate the state funds and programs for direct support of agriculture and rural development and it is responsible for the implementation of policy measures on agricultural and rural development. Although a new structure, it has been expanding its services throughout the last years on national measures and support schemes for agricultural production.

Last year was launched the IPARD-like Grant Scheme in the framework of the IPA 2011 project “Support to Agriculture and Rural Development” with the main objective of increasing awareness and capacity of actors involved in rural development and facilitating the development of agro-food sector and quality farming. This scheme provides considerable funds for the farmers and food processors and will contribute to increasing the competitiveness of the agro-food sector. Another important law approved last year is Law no.38 dated 05.04.2012 “On agricultural cooperation” which set up the basis for new forms of cooperation amongst farmers. This law gain more

importance especially for creating new cooperation amongst farmers, whose currently are at a very low level of implementation.

Other laws regarding agricultural activities has been drafted and approved, in most of the cases to comply with EU directives and regulations. In this regard it is noticeable a very good and large legislation framework but the implementation status has encountered some pitfalls. While the central government has succeeded on creating the legislative framework for adoption of agricultural laws, it has failed on creating regional implementation structures and financial instruments in order to secure a successful execution of these new policies.

## 4. SURVIVAL STRATEGIES OF SMALL SCALE FARMERS

In this chapter I will explore and analyze the current survival strategies of small scale farmers in the regions that I focused my research. In this exploratory process I will answer my first research question on: *How are small scale farmers employing survival strategies and what are the issues affecting the development of a sustainable agriculture model?* First, I will define farms marginality and the survival strategies based on the modes of economic integration and the sustainable agricultural model. Based on this categorization I will explore the survival strategies related to market exchange, redistribution and reciprocity. Alongside this, I will identify the intertwined relationship between the different modes of economic integration and analyze the opportunities and barriers for development of sustainable agriculture. By following this balanced approach I will show that despite the dissimilarities of each region the majority of the survival strategies correspond to market exchange, whereas the redistribution and reciprocity types of strategies are rarely encountered. Further I will argue that the disproportion between the different types of survival strategies represent an impediment for the development of small scale farmers and sustainable agriculture in Albania.

### 4.1 *Defining marginality and survival strategies*

During the last decades of economic transition, agricultural development in Albania is dealing with important challenges which are influencing rural families' and farmers' activities regarding the way they shape their survival strategies. Both social and historic settings are very important to identify and understand the current pathway that agriculture has followed during the last decades. Given that the rural population in Albania represents half of its entire population and furthermore agriculture represents the major source of employment, the necessity to understand the system and the characteristics of its evolvement throughout these transitional processes becomes of high

importance. It represents a transitional developing system caught in a web of consequential transformation of institutional and social networks.

The majority of farms in Albania are characterized by their small size accompanied by fragmented plots in different parcels and a high degree of self supporting farmers. Defining the marginality aspects of these farms and evaluating the survival strategies clearly involves an economic evaluation of the activities and choices that take place in the household and farm level as well as other social and cultural aspects which are important for the local development. Marginal farms can be distinguished and characterized based on structural difficulties and constraints related to financial and economic problems they encounter in their farms. These categories include 1) farms which are too small to adapt to the necessary development and modernization techniques and 2) farms which face poor financial and economic management (Meert *et al.* 2005; Vemimmen *et al.* 2003). In this context, the small scale farms object of this research study fall under the first category.

There is a lack in literature for defining theoretically the typologies for survival strategies in agriculture in transition countries, although the term has been used by scholars of various disciplines. The term “survival strategies” is used to define the structural relationship between farmers and selected activities to adapt and to meet their immediate needs in a constantly changing environment (Redclift 1986). The choice of these survival strategies is closely connected and dependent on social and economic characteristics of these systems and local development characteristics. Moreover, according to a study from Pile (1991) the survival strategies that farmers use are related to either the households or the economy and he distinguishes between: a) the *familial privatism* which involve farmers’ social relationship such as patriarchy and succession and b) the *vocational privatism* which involves farmers’ economic relationships such as labor and capital. All these features are intertwined and very important to define the identity and continuity of farmers’

strategies as they are components of farm management decisions. In this research, the differentiation of survival strategies according to these categories is not clearly separated; instead it is included inside the analytical context regarding the social and economic perspective.

On the other hand, according to Meert (2000: 327) *“Survival strategies belong to the sphere of recursive consciousness as well as to the sphere of discursive consciousness because only unconscious acts are excluded from any strategic character. They involve the individual’s or household’s intentions to battle macro-social obstacles that obstruct their intentions and goals”*. Thus, survival strategies represent the choices of households’ farmers in a micro-level faced with the constraints and opportunities by the socio-economic domain whose are defined by the macro-level development. The importance of understanding and analyzing these strategies stands on the broader examination of distinguishing between different applied forms of survival which depend on social - historical context and political and economic forms of development. Alongside this, Meert (2000) asserts that the three modes of economic integration of Polanyi (1944): market exchange, redistribution and reciprocity define and categorize these different types of survival strategies. He argues that households in rural areas faced with poverty attempt to implement survival strategies and escape marginalization by combining market exchange access, redistribution alternatives or reciprocity links using social networks. Farming plays an important role for the agricultural sector and the economic development of rural areas. Thus the sustainable local development of the farming system is tightly connected with the macro-level economic development and more importantly how is reflected and implemented in local communities which are faced with endogenous and exogenous pressures. The development of sustainable agriculture has to take in consideration the local and social specifics of rural communities and achieve a well balanced combination approach of these three forms of economic integration (Figure 3) (Meert *et al.* 2002). In this way, we have the transformation from the current model (the left side of the Figure 3)

which is in crises from the economic restructuring of markets, the demographic transition of households and the restructuring of the welfare state towards a model of sustainable economic agriculture (right side of the Figure 3) which accounts for markets as a social utility, affiliation of reciprocity links and foster citizenship by redistribution.

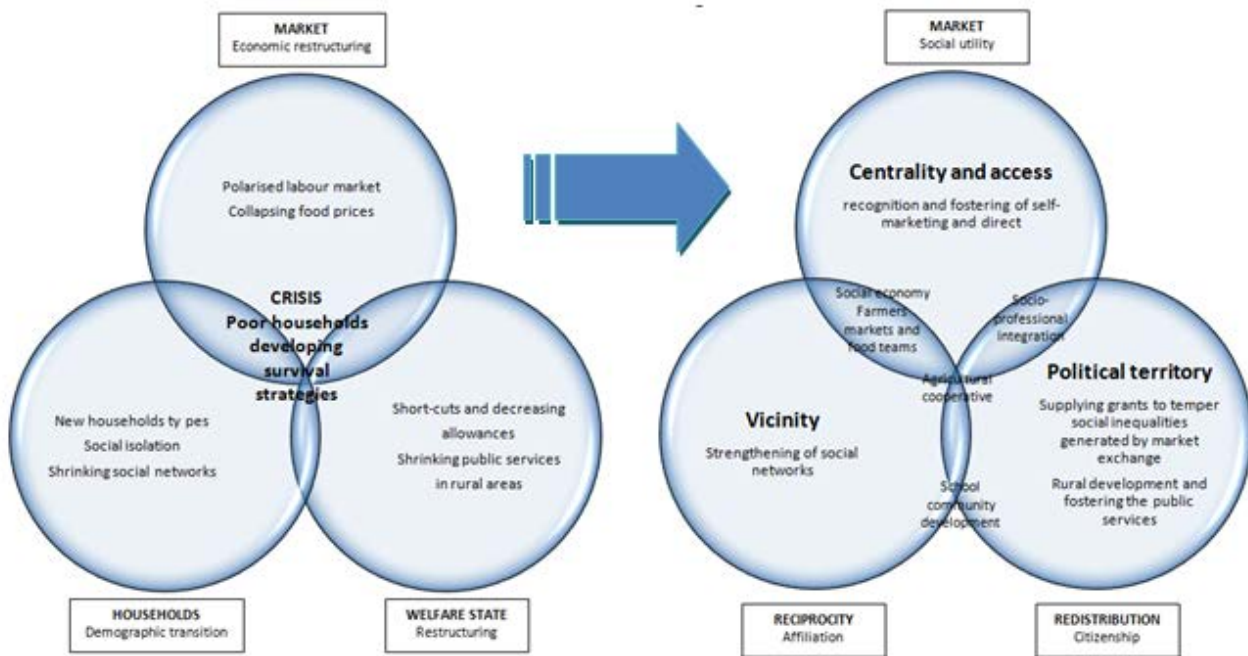


Figure 3: The spheres of economic integration; the crises of the western welfare (left side) and the model of sustainable development of agriculture (right side) Source: (Meert et al. 2002)

Vemimmen *et al.* (2003) categorize survival strategies in two levels: 1) survival strategies at household level, which include activities on the reciprocity and redistribution sphere and, 2) survival strategies at professional level, which include activities based on market exchange. Moreover, based in an exploratory research of marginal farms Meert *et al.* (2005) classify the survival strategies based on the three modes of economic integration and on-farm and off-farm strategies (see Table 2 for examples). Given the low availability in data regarding on-farm and off-farm activities, it is not possible for this research to separate between these two types of survival strategies. The authors



have used this classification with the intention of identifying opportunities for diversification activities of marginal farms, issue which may be relevant for future research in Albania.

	Within agriculture	Outside agriculture	
Market	Innovative marketing of produce	On-farm	Holiday farms
		Off-farm	Non agricultural employment
Redistribution	Investment support by the state	On-farm	Support measures linked to nature conservation
		Off-farm	Support from public social services, charity aid
Reciprocity	Cooperation with other farmers during harvest without remuneration	On-farm	Non-remunerated support by relatives to arrange rooms for holiday activities on farm
		Off-farm	Non-remunerated support from relatives to repair the households' dwelling

Table 2: Household survival strategies and the modes of economic integration (Meert et al. 2005)

According to the classification above (Vemimmen *et al.* 2003) and the data collected in the field research, the characteristics of the farms in the selected regions fall under the category of farms which are too small to adapt to the necessary development and modernization techniques. In the next sections I will use the categorization by Meert (2000) and Vemimmen *et al.* (2003) to explore the survival strategies that farmers are implementing nowadays. Moreover, based on the model of sustainable development of agriculture by Meert *et al.* (2002) I will explore the intertwined nature of the three modes of economic integration and identify opportunities and challenges. Given the apparent mutual relationship amongst the three different spheres, I will follow a balanced approach and I will explore these new alternatives by incorporating the new farmers' markets in the market exchange sphere, the agriculture cooperation in the redistribution sphere and the social networking and organizations in the reciprocity sphere.

## ***4.2 Survival strategies at professional level***

### **4.2.1 Market exchange strategies**

After the change of the regime from a state led economy towards the free market, Albania has experienced a macroeconomic destabilization especially influencing market access and trading terms. Sarris *et al.* (1999) argue that markets structures especially in transition economies are ill developed and suffer from lack of appropriate necessary structures leading to increased rates of inefficiencies. Thus the economic environment of opening the country to competitive markets as well as new importing subsidies regulations is continuing to have a detrimental effect on the domestic production of agricultural sector. Given the instability and the poor development of market structures, farmers tend to be less conducive to expansion and growth.

Market exchange represents one of the three modes of economic integration which includes all activities that use money as an exchange tool (Meert *et al.* 2002). Households' farmers use this social utility by producing goods and services which are marketable and provide a source of income for farmers. In the three regions where I conducted my field research, the main activity of farmers consists of selling their products to the local markets. As a general overview, all farmers claim that if they manage to sell their products at the market their profits can cover the main expenses and make a profit. Consequently, market access and trade pricing represent one of the major concerns for farmers. During one of the visits that I had at one of the farms in Shishtavec (Kukes), Ademi explained to me how important is for him to sell his products in the local market. He is employed as a teacher at the elementary school of the village, whilst his wife is unemployed and currently taking care of their garden and their field crops. Given that this village is situated in a remote area,

they have the difficulty of transportation to the market and they only go to the market, which is almost one hour away, only once in two weeks. They sell mostly potatoes, onions, nuts and in some cases rose hip and mountain tea. Besides the local market, they have attempted to trade their products in Kosovo, which is very close to this village. However, they do not go often across the border as they have difficulties with customs officers. Selling their products to the market is the second source of income for this family, after the income from the salary of Adem as a teacher. They claim that the worst season for them is winter, because the village gets isolated from the heavy snow and they cannot market their products for entire months (in the worst weather scenario), thus reducing their market income sources.

Farmers that have arranged personal contacts with middlemen or local market points have been more successful in creating a secure linkage for their products sale and seem to be less affected by instabilities of market prices or other inefficiencies. Regarding this issue, Swinnen and Gow (1999) confirm that innovative contracts between farmers and food processors give a positive incentive towards better prices for producers, investment stability and technology improvements. This alternative represents a good opportunity for small scale farmers whose are faced with the insecurities of market prices instability and thus hindering their future investments on agricultural production. In order to achieve these forms of trading, the creation of networks is necessary and would help organizing and promoting contract farming. This feature is mostly noticeable in the region of Lushnja, where their main products are vegetables such as: tomatoes, cucumber, carrots, broccoli, cabbage, peppers, melon, etc. The majority of the farmers that I interviewed had made contracts with middlemen or different collectors from the city or from the capital. This alternative gives farmers more security regarding the sales and marketing of their products, although they were concerned and unsatisfied about the impact of the subsidies for imported agricultural goods.

On the other hand those farmers that have poor connections or lack of connectedness with markets or middlemen find this process very difficult and problematic for marketing their products. One of the farmers in the Kukesi region expresses his concerns:

*“...it is difficult when you don’t have a secure and stable market exchange. We take our products to the local markets but the prices that we can get don’t always cover our production costs, it is hard to compete with import prices. I am self satisfied because the profits are at the very minimal limit. We just work to survive and nothing more”.*

One of the farmers that I met in the region of Korca, sells dairy products to different customers in the city. He has six cows and ten sheep and has been selling his products for more than ten years now in the city of Korca. He goes to the city every other day, and sells milk and also cheese and meat depending on the demand of his customers. He knows that this marketing process is illegal under the new regulations of food security, health and hygiene. He has tried to market his products to some specialized collectors in the region, but the prices offered by these collection points are too low and for him is not at all beneficial to choose this way of marketing. This example shows clearly the struggle of farmers which are faced with marketing difficulties in light of financial problems. Instead of choosing legal forms of marketing which raises the costs for their production they choose to sell their products informally. This represents one of the future challenges for small scale farmers, in face of the requirements of food and safety from the EU regulations. These latter ones pose a severe risk for these marginalized small farmers that cannot afford to comply with all the obligations. On the other hand it raises concerns about sustainability issues with regards to the transfer of the EU policy and regulations (see Mincyte (2011a) for more insights regarding a similar case for small scale farmers in Lithuania).

As market exchange represents one of the main important modes of economic integration, it is necessary to create stable markets near to consumers and develop new mechanisms of flexibility for

market trading in order to build a sustainable and efficient food chain. Market failures and the poor infrastructure of markets have created a difficult environment for farmers and trading terms. In this regard, one of the government officials expressed the willingness and approach to address market management by private public ownerships or better entirely private markets. According to him, the management of these markets by the state has led to high deficiencies, and the management by private will improve the management and the performance of these markets.

#### 4.2.1.1 *New farmers' markets*

According to the sustainable development of agriculture model of Meert *et al.* (2002) the reconfiguration of markets as a social utility stands between the intersection of the two modes of economic integration: market and reciprocity. Accordingly, the new forms of markets emerging from this intertwined process must balance the access of direct self-marketing of farmers markets with a strengthened social network. Van der Ploeg *et al.* (2012: 153) describe and explore the necessity of new emerging *nested markets* which are new alternatives from a social struggle resistance against the big multinational food empires and offer a new connection between producers and consumers. “[T]he newly emerging, nested markets are undoubtedly a response to the main food and agricultural markets that are increasingly governed by food empires. Whereas the latter tend to eliminate specificity, rootedness and connectedness, these newly constructed nested markets make them central features”. The three main characteristics of these nested markets are: 1) *specificity*, which accounts for the farming style, quality of products and the production process itself, 2) *rootedness*, which entails the social and material elements that help resist preempting by large food empires and promotion of local and regional identities, and 3) *connectedness*, which promotes horizontal hierarchical patterns and fosters the relationship between producers and consumers network (Van der Ploeg *et al.* 2012). These markets and the features that they imply induce changes for the development of agro-ecological production

as well as contribute in building new networks and tied relationships between producers and consumers whilst it gives more emphasis to social relations generated by the distribution process. Nested markets differ from the traditional markets where relations between retailers and producer are the main characteristic, by giving more emphasis to specific local features and modes of production, by promoting sustainable livelihoods and supporting local values and redistribution patterns.

These type of nested markets can be found in Albania although in the majority of cases are genuinely formed and without a formal perception from farmers themselves. In the small mountainous village of Shishtavec (Kukes), farmers are very proud of their lamb meat quality and one of them was explaining to me the uniqueness of their meat products “...*it is the best quality of lamb meat you can find in the region, as we have here the best grazing areas to feed them and animals are free to graze wherever they want*”. Even though farmers are conscious of the quality of certain specific products, a lack of social organization and promotion of these products which bear traditional values in the region sometimes result in deprivation as a cause of the traditional market chain structure. Consequently, there is a need to foster and contribute more regarding the rootedness and connectedness of these new nested markets in Albania. These two last features are necessary to promote via the rise of awareness, the spread of knowledge and increased cooperation from stronger social networks and public organizations.

In a study regarding the perception around the relationship between consumers and selling points Winter *et al.* (2010) presented score points results on the behavior of consumer regarding farms shops and supermarkets (Figure 4). As seen from the results, farm shops scored more in the sphere of relationships and connectedness, quality and freshness of products, traditional and environmentally friendly, whereas supermarkets scored more in fields regarding their commerciality

and availability as well as infrastructure and accessibility. The connection and behavior of consumers towards these two different selling forms show what they entail and how different is what is offered to the consumers. Whilst one form offers more opportunities in terms of accessibility and constant supply, the other promotes more connectedness and contributes to more social and sustainable features.

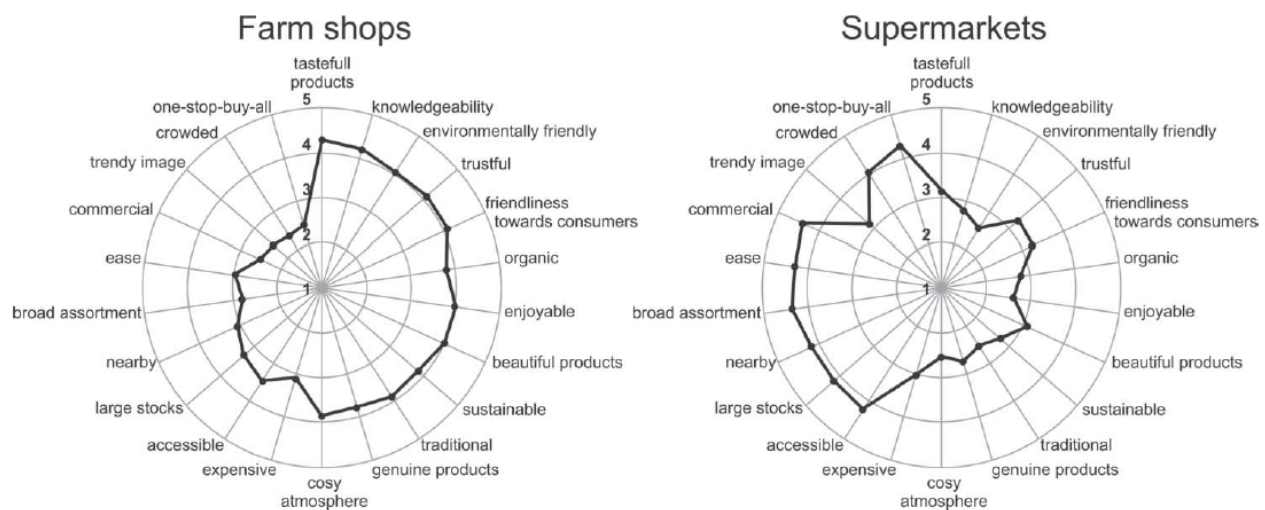


Figure 4: Consumers score view on farm shops and supermarkets Source: Winter et al. (2010)

### 4.3 Survival strategies at household level

#### 4.3.1 Redistribution strategies

The redistribution sphere is that mode of economic integration which helps tempering the negative effects that can emerge from the market exchange sphere such as inequalities or social exclusion by the intervention of states' help (Meert 2000). In other words, the state intervenes in redistributing goods, services or charitable funds in order to help the marginalized part of the society. Currently, this mode of economic integration is mostly a characteristic of western welfare states, as it requires

higher economic and financial integrity of the state, which in the case of Albania is still in moderately low levels.

According to the interviews I conducted with the farmers, the awareness of agricultural programs or projects that may help farmers was at really low levels. Most of them admitted to have some knowledge about the subsidies given by the state for certain cultures, and have tried to align their future production towards these opportunities. However, some of them have had the opportunity to take part in different projects organized by organizations such as SNV (Netherlands Development Organization), USAID (United States Agency for International Development) and GIZ (German Agency for International Cooperation), but still these projects remain in a small number and within a limited amount of scale and size. Some farmers confirmed to have received technical aid from these organizations, material aid such as seedlings and in several cases also financial aid. Kosta, a farmer in the region of Korca, told me how with the help of a project from SNV (Netherlands Development Organization) he built an apple storehouse. He was very satisfied with this project, as this storehouse gives him more flexibility for trading and marketing his main product, apples. This same project offered help for other farmers in the region, but I did not have the opportunity to meet any of them.

Regarding support policies, farmers acknowledge the existence of several aids from the government especially regarding subsidies for different crops and cultures for cultivation. Applying for these aids require the fulfillment of certain conditions of land size, livestock number or intensity of orchards, which in several cases cannot be reached from these small scale farmers as long as their possibilities are constrained by financial terms and they require bigger investments in the beginning. A small part of the interviewed farmers are not very satisfied with the subsidizing aid offered and one of them referenced to it as: “*ghost subsidies*”. This farmer explained to me that often these subsidies are



addressed to farmers that have larger areas of land and a high number of livestock, thus the small farmers would not always benefit from these schemes, because they cannot fulfill the necessary requirements. However, besides these complaints most of the farmers admitted that in one or several cases they have benefited from different subsidy schemes such as for: orchards, irrigation systems, plastic material for glasshouses, vineyards, livestock and barns and apiculture. For instance, Pirro, a farmer in the Korca region, has benefited from the subsidizing schemes of the government for apiculture. He has increased the number of barns and has also participated in several trainings. He has now increased the number of his customers and also has made contracts with several shops in the city of Korca.

On the other side, government officials express that subsidy schemes and grants have been available for farmers since 2007. According to them, the application form and process regarding the access of these subsidies is dependent on the feasibility of farmers' projects and their successfulness in meeting the set of criteria. Besides these factors, they agree that the small size of farms and the lack of appropriate knowledge of farmers are important issues influencing their future opportunities.

Another prominent problem which is expressed more as a form of deficiency is the credit market access. Moreover, this issue it is a very important part of the redistribution sphere inside the sustainable agricultural model (Meert *et al.* 2002). Besides the economic difficulties that farmers encounter in the production process, financing problems are overwhelmingly influencing their future expansion. The farmers interviewed were very skeptical about credits apply as they identify them with very high interest and increased risk of paying back the loans. Taking upon this, Lemel and Dubali (2000) found that the main concerns from the farmers' perspective in Albania regarding credit loans were: long and complicated procedures and fear of inability to pay back and debt, whereas the lending institutions problems were regarding the availability of immovable collateral.

Hence, institutional factors are very important and the development of this sector has been slow and neither well adapted nor functional regarding agricultural investments, as these are considered high risk investments. In general farmers have been supported more from different foreign projects or programs that have offered the opportunity of low interest rates. Financial support is one of the main factors which influence farmers' strategies, thus a better regulatory framework accompanied with functional lending institutions will improve the credit market and increase farmers' opportunities and the need to invest or expand their activities.

#### *4.3.1.1 Cooperation and structures for support*

Agricultural cooperation is found between the intersections of the three modes of economic integration, thus implying the need for a well balanced approach. Cooperation and collective action is very important for the agricultural sector, especially in countries in transition of Central and Eastern Europe. Given the former enforcement of these cooperation forms and the historical legacy which induced a very specific economic and social system, nowadays it is a difficult challenge to rebuild updated and successful structures of cooperation. Scholars have been arguing about the appropriate forms of development and the cooperation nature most suitable for the transition countries of Central and Eastern Europe. Some of them argue that given the historical context the cooperative farm structure will be less viable than the new emerging individual middle-size farms (Sarris *et al.* 1999), as the current cooperatives emerged after the regime change has proved to be unsuccessful in the transition countries and not viable on the long-term (Gardner and Lerman 2006), and they have a high dependency on social capital (Valentinov *et al.* 2004). Some others argue that new emerging forms of cooperatives and bottom up initiatives represent a required transitional form towards more flexible and developed market economies (Deininger 1995; Kelemen and Megyesi 2007; Tisenkopfs *et al.* 2011).

As in other similar transition countries of Central and Easter Europe, the communist regime in Albania brought the creation of the cooperatives and collective farms. During this period private ownership was abolished and a high importance was given to the state-led collective farms. By the end of the collectivization process almost 96% of all agricultural land was owned by the cooperatives and state farms, whereas only 0.1ha per family was allowed for private use (Pata and Osmani 1994). Although these forms of cooperation and the collectivization process were promoted as a form for increasing economic performance and improving community engagement, in reality they failed to accomplish their mission and resulted in a series of negative consequences in terms of economic profitability as well as influencing social capital. Collective cooperatives have still nowadays negative connotations in farmers' memories. Berti, one of the farmers interviewed in the Korca region explained how it was working in the cooperatives in those days:

*"We did not have land, you know our own property, it did not exist anymore as the state took us even the small plots that we use to plant for our family need. We did not have any choice of working anywhere else and working for the cooperative was giving us just the bare minimum to survive and plus we had to deal with the chief coordinators whose morals and efficiency were quite questionable. I am very glad that this period ended and I do not see any future perspective for creating any new cooperatives anymore."*

It is noteworthy that, even after more than twenty years from the dismantling of these cooperation forms, the negative memories are still very noticeable amongst farmers. Seemingly, it is not only the bitter memory associated with the failure and the oppression of the former system, but as well the influence that this longstanding process represent in terms of building trust and collaboration between the farmers and bridging social capital. This represents a big constraint when dealing with new forms of cooperation between farmers as their skepticism in this regard does not allow for fruitful future collaboration, as Nasi another farmer explains:

*"My wife and I worked for fifteen years on the cooperatives. We were a young couple and we were living with my family which was quite large. We were working hard very hard, in order to have the opportunity for more products, but that did not matter...In the end we were all getting the same, as everything was divided equally*

*and we were in socialism where everybody should be the same... I know that other farmers would not mind to work as much, but at the end they would receive the same as us. That was not fair, not at all, but feeling responsible for something that was not ours was difficult to achieve.”*

Government officials agree that the creation of new forms of cooperation represent one of the main opportunities especially for small scale farmers to collaborate with each other and increase profitability. Accordingly, they express a positive perspective on the issue and highlight the legislative support in this concern. Last year, in order to support this initiative, the government approved the new Law no.38 dated 05.04.2012 “On agricultural cooperation”, which promotes different modes of cooperation between farmers and the creation of new cooperatives. As this law is in an early phase of implementation and not yet widely acknowledged among farmers, it has not resulted in the creation of any cooperative to date and I did not encounter any examples amongst the farmers I interviewed. However, even with a lack of adequate legal and state support, farmers have participated in other forms of cooperation based on business forms of organization (see for more Lusho and Papa (1998)). The cooperation as an organizational form in this case has come more as a need to overcome the negative effects of land fragmentation, lower transaction costs and higher market access.

In the context of the transition countries of Central and Eastern Europe, the organizational cooperative agricultural structures represent a major necessity given the characteristics of the existing economic system and the new challenges of the market economy. Deininger (1995) describes and evaluates the efficiency of the two main organizational forms of agricultural cooperatives: service cooperatives and collective cooperatives (Table 3). By comparing their advantages and disadvantages based on empirical evidence from transition countries he highlights the overall inefficiency of the collective cooperatives.

	Advantages	Disadvantages
<b>Service cooperatives (Service provider)</b>	<ul style="list-style-type: none"> <li>• Great utilization of economies of scale</li> <li>• Enhancement of competitiveness on the market</li> <li>• Innovation of different technologies as help for farmers</li> </ul>	<ul style="list-style-type: none"> <li>• Cost of control of managing the cooperative</li> <li>• The free –riders problem</li> <li>• Lack of sufficient investments to maintain the cooperative and risk of political intervention</li> </ul>
<b>Agricultural collectives (Joint production)</b>	<ul style="list-style-type: none"> <li>• Provision of public goods</li> <li>• No significant economies of scale</li> <li>• Equity amongst members</li> </ul>	<ul style="list-style-type: none"> <li>• Problematic effort supply and supervision</li> <li>• Less employment opportunities and risk of workforce substitution</li> <li>• Low investments incentives and short term</li> </ul>

Table 3: Comparison of service cooperatives and agricultural collectives Source: Generated from Deininger (1995)

By giving evidence on collective cooperatives, especially in transition countries he argues that this form of cooperation has shown to be inefficient in comparison to both individual farms and service cooperatives whose provide more benefits for members, increase productivity and support market competitiveness. The creation of these cooperation forms would represent a good alternative especially for the current situation of farmers today in Albania, but farmers were all very suspicious and not keen to follow this alternative. One of the farmer opinions about the cooperatives: *“there is a lack of cooperation and trust between all of us and obviously in an Albanian reality it is very difficult to bring together two minds, and is more a question of old mentality amongst us”*. Another farmer in the Kukesi region told me how several years ago they attempted to create a cooperative with other farmers of his village, in order to reduce the costs for the machineries they use. However, the experience did not

last for long as some of the farmers backed up from the initiative because they had financial problems and could not comply with the initial agreement.

Social capital represents a very powerful and important factor in building functional cooperation between individuals and is very significant for organizational development. It consists of building networks and trust amongst individuals, shaping engagement and relationships as well as norms and values (Tisenkopfs *et al.* 2011). The role that social capital plays in a system shaped by a controversial historical legacy is very important in determining the characteristics of the cooperation and the collective action. Tisenkopfs *et al.* (2011) present the new cooperation forms that have emerged as a bottom up initiative of farmers' resistance against big international food supply chains. They acknowledge that the level of social capital in post-socialist transition countries is quite low thus implying that the number of collective farmers' marketing initiatives is low. Although, in their paper they present several cases of successful cooperation initiatives in the Czech Republic, Hungary (see also Kelemen and Megyesi (2007)) and Latvia, where three types of collective farmers marketing initiatives emerge:

- *Traditional*; which represent big entrepreneurial types of cooperatives more similar to the western model and more aligned towards large food chain production;
- *Multifunctional*; which represent those types of cooperatives that are multifunctional and with a pluriactive orientation of small scale farmers towards environmentally friendly and organic production;

- *Territorial*, which represent cooperative forms that entail local embeddedness and try to reinforce and promote local food networks and increase the value of traditional local products.

All the above mentioned forms of cooperation and initiatives represent a viable opportunity for small scale farmers in Albania, especially when having the characteristics of a transition economy. The myth of old cooperatives is still highly present amongst the farmers, although there are successful experiences of different modes of organization in the country. Service cooperatives are a great alternative for cooperation given the benefits they offer and the flexibility mechanisms. This alternative responds greatly to the current situation of farmers and their main concerns regarding the high costs of the machineries, inputs and market insecurities. Collectives farmers marketing initiatives seem to offer another alternative that may respond well to the current situation of farmers. Besides the first form of *traditional* initiatives, which clearly requires a higher level of coordination and is more suitable for medium scale farmers, the other two alternatives of *multifunctionality* and *territorial* initiatives can be easily adapted by small scale farmers. These bottom-up initiatives represent a feasible pathway, which foster community action, promote local markets, traditional products and food as well as integrate other activities such as agro-tourism, organic production or other multifunctional pluriactivities.

#### **4.3.2 Reciprocity strategies**

Reciprocity represents the third mode of economic integration and it gains importance due to the principle of vicinity which facilitates relationships of small scale networks especially in rural communities. This form entails those strategies which encounter as an individual response to macro-level development challenges and are based on kin related solidarity. By means of choosing

reciprocal strategies households build relationships, create trust amongst themselves and exchange goods and services more evidently in small communities, families or relatives. (Meert *et al.* 2002).

In several instances farmers use their connections or family relatives in the city to sell their specific products such as dairy products, honey, wine etc. Furthermore, in two villages situated in mountainous area, Shishtavec (Kukes) and Vithkuq (Korca), which had opportunities for tourism development, farmers use social connection with relatives in urban areas in order to bring costumers into their houses. In two farms that I visited in Vithkuq (Korce), the farmers narrated me how their relatives in the city have helped them to find guest-visitors. In a funny confession they told me that for each guest they would get in their farm, they would “reward” their relatives with products such as honey, wine or rakia. The creation of these reciprocity links as a mode of integration allows farmers to develop supportive strategies in order to respond to local development constraints and increase their opportunities. As shown by Meert *et al.* (2005) strong social networks play an important role in developing new activities on the farm and forms of diversification.

Other on farm activities implemented by farmers such as apiculture and processing of medicinal products from honey, storage and agro-processing of apples and other fruit trees, wine processing, production of rakia (traditional drink in Albania) are used as a reciprocal strategy by farmers and used for exchange in small networks such as in local shops or bars in the nearby cities. A minority of the farmers implements some agro-processing practices mostly related to products of their farm and then use their relatives as a marketing point. For instance, Pirro who lives in a mountainous village in the Korca region has been producing honey and medicinal products related to it:

*“I started it a couple of years ago and by now I have increased the number of beehives. I sent it to the city where my relatives there help me to sell it to people they know. I also been selling propolis, bee milk and royal jelly which require a lot of knowledge, and I have been to a couple of training workshops about it, and that*



*helped me... My wife also makes different types of jam, depending on the season and the fruits, but we use that just for ourselves and sometimes send it to our relatives”*

It is noticeable that besides the social networking between farmers, the advising services and agro-specialists are not functioning very well and according to the farmers have not been very helpful. One of the farmers in Kukesi, was complaining about the high costs needed to get an agronomist at his farm. He has to go to the city with the car of one of his neighbors, and get the agronomist to his farm when he has specific problems regarding his crops. Moreover he has to pay for the agronomist service, and also his neighbor for renting the car. Now he cannot afford to do this anymore, instead he tries to ask around other farmers when encountering different problems in farm. In the absence of proper and well functioning advisory bodies in these remote areas, farmers use and exchange peer knowledge on different problems regarding farm processes. The lack of such structures shows an impediment for farmers to access information and resolves various problems concerning their activity. Hence it leaves the agricultural system and the interests of these small scale farmers, barren and exposes them to future insecurities regarding development pathways.

On the other side though, there exists a factual lack of specialized structures in villages and communities needed for the support of farmers. The new structures of extensive and advisory services are still new limited in number and most of the time farmers are not aware where to get directed for this service. Although from the interview with the government official in charge of the extension and advisory body, they confirm that these structures are new and need more state support but are well functioning and responding to farmers needs. These structures are located only in the main regional centers and have a staff of 5 people, which clearly does not meet the needs of farmers in all the villages they covered. The existing extension services reach only 20% of farmers (MAFCP 2013). Chaplin *et al.* (2004) underline the need for extension and advisory structures as a mean to increase diversification on agricultural activities. Thus, the extension and the wide

promotion of these structures amongst farmers would be a necessary tool to increase their efficiency rate in rural areas.

#### *4.3.2.1 Social networks and public organizations*

Fostering social networks comes as an important feature of the reciprocal mode of economic integration in the sustainable development of agriculture model (Meert *et al.* 2002). Besides the small scale networks often created in small closed rural communities, there is a lack of public organizational non government structures or any social movements in the rural areas. Under the current situation of weak government institutions, which often provide state-led top down approaches that don't address and solve deep-seated problems in rural areas, the necessity to empower grass-roots initiatives becomes a more feasible approach.

During the communist regime public organization promoting community acting were highly dependent on the principles of the socialist state and extremely controlled. Afterwards, the creation and spread of public organizations in the country experienced a net growth. Even though during the last two decades a large number of public organizations and non-governmental organization emerged, the number of those related to agriculture is moderately limited. The majority of farmers I interviewed confirmed that there is a low level of awareness and knowledge about the activity of these organizations, whereas only a few of them admitted they have been part of or involved in different projects organized. In past cases of participating in such structures they were skeptical about the outcomes and expressed no clear benefits regarding their farming activity. Changes in social capital such as decrease of trust and engagement or low willingness to create new networks for cooperation have undermined the social domain of public organizations and hindered the development of social infrastructure. Therefore, organizations and NGOs are very important

institutions that need to provide support and build networks considering that government institutions cannot accomplish the implementation of agricultural strategies and do not provide the necessary measures and means to achieve these goals.

Public organizations and NGOs are coordinating structures that provide several benefits both for governance and marginalized farmers such as: guidance on adoption and implementation of governments strategies, providing advice and support for technology transfer, the management of environmental resources, rural education and support for extension practices; with the final goal of improving rural communities life and livelihoods (Bebbington and Farrington 1993; Farrington and Biggs 1990). Beckmann and Dissing (2004) state that in the countries of Central and Easter Europe which are undergoing a transition process, the role of organizations and NGOs in encouraging and facilitating initiatives from a bottom-up approach and contributing to rural development is of great importance. By illustrating the grass roots initiatives in the White Carpathians in Czech Republic, they underline the beneficial outcomes of such actions not only for improving socio-economic development but also for fostering local communities and improving livelihoods, promoting local values and contributing to environmental considerations, improving social networks and creating new market opportunities. Eventually, the European Union has given a high priority and attention to the LEADER programme focusing on projects and private initiatives which rise from local communities and whose objectives is to foster rural development and promote sustainable agricultural pathways.

In a comparative analysis in different countries about the role that NGOs play in creating a bridge between the public sector of the agricultural system and small marginalized farmers Mattocks and Steele (1994) confirm the great contribution of NGOs in agricultural research and extension by means of a participatory and proactive approach. On the other hand, in a study about public

organizations and participation in Latvia, Pelse (2004) found that there is a positive correlation between the level of peoples' income and the rate of participation in public organizations. The study implies that people in rural areas are more willing to participate and engage in activities and initiatives of public organizations when their incomes level increases. This fact is noticeable amongst small farmers in Albania whose have lower incomes and the level of participation is very low. Economic development and local conditions represent an important factor to take into consideration when evaluating the favorable conditions for giving rise to public organizations.

Evidently, in the rural areas there is a clear lack of unions or participating organizations related to farmers' interests which influence the marginality of farmers and compromise the development of new local opportunities. Public organizations and NGOs help flow the information amongst farmers, increase capacity building and create networking support in order to engage and foster rural communities. They should represent the intermediary actor between the state agriculture establishment and marginalized farmers, which help filling the gaps in policy implementation domains. That is why it is of highly concern and beneficial to develop and encourage these organizational structures, especially in the rural areas and regarding agricultural development.

#### ***4.4 Balancing survival strategies***

The current survival strategies employed by households and farmers have the characteristics of purposive survival strategies, whilst supporting strategies are less significant (Meert 2000). The prevailing survival strategies are the ones encountered at the professional level (Vemimmen *et al.* 2003), which account for market exchange activities. Even though the overall socio-economic and geographical conditions of the three regions are slightly different, the survival strategies employed by farmers are similar and less diverse.

Under the influence of difficult overall economic conditions with a lack of capital and market access difficulties, deficiency in expertise and informative organizations as well as small size of farms with low agricultural production the most important mode of economic integration of survival strategies remains the market exchange. Although the local markets are one of the main sources of incomes for farmers, there exist a wide range of difficulties such as: poor market access and infrastructure, instability of market prices and lack of connection and knowledge.

The redistribution strategies are less encountered in the three regions, thus representing the inability of support from the state structures and an uneven distribution of funds and grants. Farmers often have found support from different foreign aid organizations, although not with an even distribution. The reciprocity strategies are noticed amongst farmers in the region of Korca and Kukesi, but remain at a lower level. After exploring the survival strategies of small scale farmers based on the modes of economic integration, it is evident an uneven distribution of these strategies.

As pointed out in the beginning of this chapter, a sustainable agricultural development requires an equal distribution and interaction amongst the three modes of economic integration. Henceforth, the intertwined roles and relationships, between the three spheres of economic integration such as the new farmers' market, cooperation forms, social networks and public organizations, offer a balanced and integrated approach in terms of achieving sustainability in agriculture.

## 5. LAND FRAGMENTATION AND SUSTAINABILITY CONCERNS

In the previous chapter I discussed how farmers are employing survival strategies and the opportunities for developing sustainable agriculture based on the three different modes of economic integration. In this chapter I will discuss my second research question: *“How does land fragmentation affects sustainability and what are the future opportunities of development?”* by exploring the relationship between land fragmentation, sustainable practices and future development. First, I will introduce a theoretical approach on land fragmentation and consolidation issues. Further, I will explore the land fragmentation and the three dimensional aspects of it, physical, activity and social fragmentation. Next, I will discuss the environmental implications of land fragmentation and I will argue that under the current development patterns and the particularities of the selected regions in this research study, land fragmentation can contribute positively to sustainability. Lastly, with regards to future prospects in the light of accession to the EU, I will investigate the opportunities and barriers that multifunctionality represents for the current conditions of development in Albania

### *5.1 Land fragmentation vs. land consolidation*

Land and ownership, especially in agricultural terms represent not only the basic and most important structure for household living and succession but they are highly connected to economic structures as an opportunity of incomes and empowerment in rural areas. Land fragmentation and consolidation alternatives represent an issue that has been long debated by scholars of different disciplines, where these phenomena offer advantages and disadvantages. From a western point of view, land fragmentation has been seen as the main reason for lower agricultural efficiency and which inhibits development, and according to FAO it is one of the main obstacles to achieve sustainable livelihoods development especially in transition countries (Riddell and Rembold 2002).

On the other hand, transition countries which are facing the difficulties of the impaired effects of the agrarian reform of the early 90s, are struggling with applying and adopting land consolidation strategies that are adequate and relevant to local and national conditions. I will give a broader concept regarding the debate on land fragmentation and consolidation issues and explore the importance of this topic to be tackled based on local considerations.

Land fragmentation represents one the most prominent characteristics of the agricultural system in Albania. This is a feature that although in different rates, has seemingly accompanied most of the transition countries of Central and Eastern Europe given the implementation of the agrarian reform. Henceforth, apart from the similarities of the agrarian reform, Albania represented the only case where collective or state farm land was distributed without taking into consideration any previous ownership before the collectivization process (Cungu and Swinnen 1999; Lerman 2001), whereas other countries in the region applied restitution or other selling/leasing options (Rozelle and Swinnen 2004; Verdery 2003).

Government officials recognize land fragmentation in Albania as the main factor which contributes negatively to the production rate and efficiency of small scale farmers. They emphasize that one of the main challenges of the government to improve the future of the agricultural sector is the design and implementation of an adequate legal framework that will consist of land consolidation. In this regard, a draft proposal is being prepared on land consolidation strategy for the medium and long term. In spite of this, there have been several projects and programs during the last decades which have aimed to resolve and tackle the problem of land fragmentation, although with no success and very insignificant results.

Lemel and Dubali (2000) state that two-thirds of agricultural holdings are highly fragmented and Lusho and Papa (1998) argues that land fragmentation in Albania is hindering agriculture activity and they claim that it may also influence cropland abandonment. On the other hand, the cause of the latter has proved to be a consequence of high migration and remittances (McCarthy *et al.* 2009; Miluka *et al.* 2010) as well as of other constraining forces that the country has been undergoing during the last two decades (Deininger *et al.* 2012; Mathijs and Noev 2004). Taking up these arguments, the role of land fragmentation in agriculture activity is yet to be evaluated and there is a need to put in balances the advantages or disadvantages in an Albanian context. Moreover, in a study by Bentley (1990) conducted in Portugal regarding land fragmentation effects, the results shown that the fragmentation rate did not have any effects on agricultural productivity. This case shows that it is important to take into consideration the social, economic and environmental aspects of the whole system before making early assumptions on land fragmentation outcomes.

Sabates-Wheeler (2002) claims that the majority of imposed land consolidation processes that took place in several Eastern European countries failed to accomplish their objectives, as policy based measures did not take in consideration the typical development of the agricultural sector and the socio and economic features of these transition countries. Sikor *et al.* (2009) critique the state-led consolidation processes in Central and Eastern European countries and agree that a better approach towards the solution of land fragmentation should be more community-driven and based on socio-economic local characteristics. In the same argument, Sabates-Wheeler (2002) emphasizes the need for land consolidation in transition countries not according to just a legal formal base forced by international institutions, but based on on-the-ground consolidation initiatives by local communities. Based on initiatives and real examples from other similar countries in transition, he proposes several “new informal” alternatives to address various dimensions of land fragmentation (Table 4).



	Characteristics	Informal consolidation alternatives
Physical fragmentation	Non-contiguous land parcels that are owned and tilled as a single enterprise;	<i>Temporary Informal Parcel Exchange</i> for Relieving Land Market and Physical Fragmentation Constraints
	Parcels that are distant from the owner's homes or from each other;	
	Ownership of very small parcels	
Activity Fragmentation	A mismatch between small holding size and large-scale machinery and irrigation systems;	<i>Land Consolidation</i> for Relieving Equipment and Labour Constraints
	Restricted access to equipment suitable for farming;	
	Problems of co-ordination among suppliers and market actors;	
	Lack of secure input and output markets;	
	The divorce of labour and land.	
Social Fragmentation	The nature of land reform	<i>Informal Rental Markets</i> for Relieving Labour and Land Market Constraints
	Ownership rights	
	Migration	

*Table 4: Three dimensions of land fragmentation and the alternatives of informal consolidation Source: Generated from Sabates-Wheeler (2002)*

Generally, the new approaches for land consolidation projects take into consideration only the physical fragmentation and fail to address both social and activity fragmentation and Sabates-Wheeler (2002: 1012) states that: *“With low institutional capacity, insufficient administrative and technical capacity to support new land management systems, and with land cases swamping the courts, ‘formal’ land consolidation via land markets is not a feasible possibility in the short, or even medium term”*. This issue is fairly illustrated by a project funded by the World Bank in 2001 regarding land consolidation in several villages of Albania, whose aim was to encourage land consolidation through market land transactions. In contrast to what was hoped to be achieved, this project failed on implementation as it did not take into consideration institutional problems and educational mechanisms, legal ambiguities on land ownership rights and difficulties in registration, lack of infrastructure support, social perception and marketing issues (Childress (2001) in Sabates-Wheeler (2002)).

The negative effects of land fragmentation are well known and they include: restriction of mechanization use and irrigation infrastructure, risk of abandonment due to large distances and shape size, constraints in terms of production and cost-time efficiency issues (Bentley 1987). On the other side, there are several advantages coming from land fragmentation such as: risk reduction and management, crop scheduling as well as farming in different ecological zones (Bentley 1987). The balance between the two sets of advantages and negative effects of land fragmentation is inherently related to the current conditions and development of a specific place. Thus, it is necessary that prior to designing or implementing land consolidation strategies, all influencing factors should be taken into consideration that may inhibit or improve the outcomes of this reform (Table 5).

	Advantages	Disadvantages
Fragmentation	Risk management for yields Crop scheduling and diversification Use of multiple eco-zones	Distance of land use Size and shape problems Infrastructure and development
Consolidation	Saving time and money for farmers More efficient production process and higher yields Improved infrastructure for irrigation and drainage No costs for the farmers	High administrative and infrastructural costs Disruption of ecological benefits of fragmentation e.g.: risk management, crop scheduling and multiple eco-zones Decrease of biodiversity and disruption of natural ecological borders Marginalization of small farms by prioritizing larger farms (increasing rural social stratification)

*Table 5: Characteristics of land fragmentation and consolidation Source: Generated from (Bentley 1987)*

In the next section I will follow the approach of Sabates-Wheeler (2002) and describe the aspects of land fragmentation based on the three dimensions: physical, activity and social, and identify any existing or potential informal consolidation alternatives. The debate on land fragmentation and consolidation has been generally characterized by economic and social considerations and often the

environmental impacts of these phenomena are left apart. In this regard I will follow an ecological approach and I will explore the opportunities and constraints that land fragmentation may represent for small scale farmers in terms of environmental considerations based in the advantageous alternatives as described by Bentley (1987).

## 5.2 Dimensions of land fragmentation

### 5.2.1 Physical fragmentation

Physical fragmentations accounts for the different spatial distribution, geographical conditions and size shape of an agricultural holding (Sabates-Wheeler 2002). It is a phenomenon which has accompanied most of the agrarian reforms that took place in the CEECs. The Albanian agrarian reform which took place in 1991 was very rapid and radical. Land was distributed according to the Law no. 7501 dated 19.7.1991 “On the land” and as a result approximately 480,000 farms were created, whose land was separated in different small parcels according to different categories for land type (Lusho and Papa 1998). During the last two decades the number of farms in Albania has declined by almost 26% accounting for 353,000 current farms (Doko *et al.* 2011) showing a considerable rate of land consolidation amongst the farmers. However, farms with the size of less than 2ha account for almost 90% of all farms (Figure 5) (Doko *et al.* 2011).

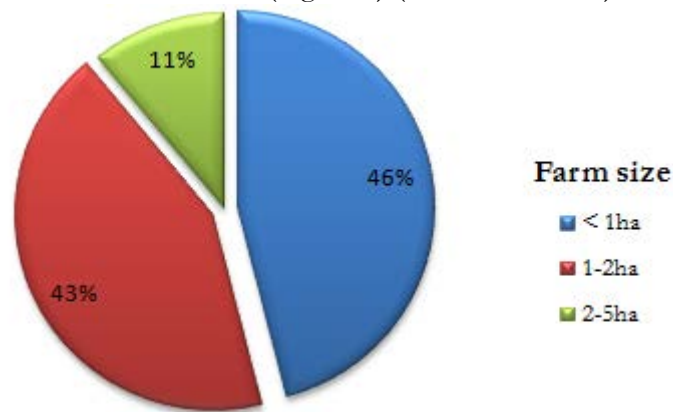


Figure 5: Distribution of farms by size. Source: Doko *et al.* 2011

The small plot size of the land and the high fragmentation rate is one of the most distinctive characteristics of the agrarian reform in Albania. However, according to a study by Lemel and Dubali (2000), the majority of the holding plots in Korca and Kukes regions, which are characterized mostly by hilly and mountainous areas, are distributed within short distances up to 15 minutes. Conversely, in the region of Lushnja, which is more characterized of plain areas, the distance of agricultural holdings from the villagers' houses is bigger (Figure 6) (Lemel and Dubali 2000).

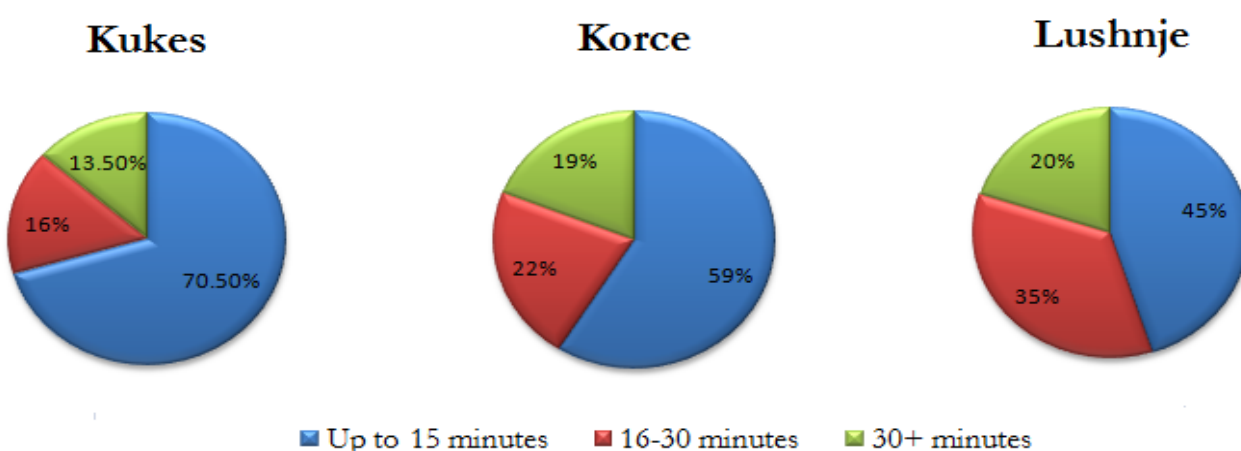


Figure 6: Distribution of agricultural land by distance. Source Lemel and Dubali, 2000

Likewise, the size of the parcels distributed varies in the three regions. In the region of Kukes, where land was distributed based to previous ownership, the size of the parcels accounting for less than 1ha represents the majority of the parcels for more than 40% of them. The situation is somehow similar in the Korca region, although the parcel size is slightly bigger, whereas in the Lushnja region, parcel sizes are bigger than in both regions (Figure 7).

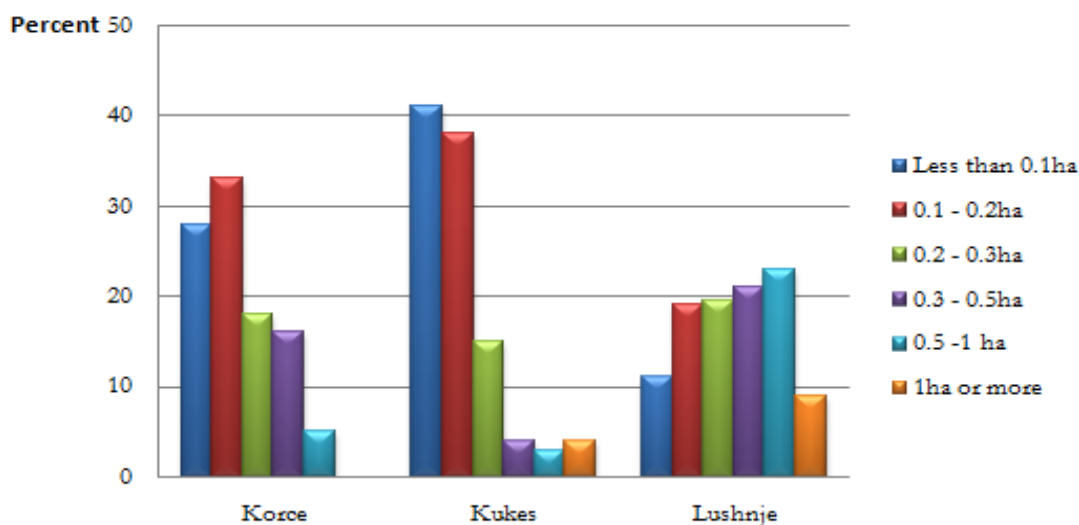


Figure 7: Parcel size distribution. Source: Lemel and Dubali, 2000

Given the fragmentation of their land in different small plots, farmers find it difficult to attend to them all at the same time, which sometimes also affects the production activity. In these conditions, farmers try to find informal arrangements how to expand their activity such as the case of Bardhi:

*“In the beginning when land was distributed our family got plenty of land. After, each of us (the brothers) got married and got our own piece of land. The plots are small and are in different parcels, and I have to spend so much time, and money to attend all of them. One of my brothers is in immigration, so I am renting his piece of land which is next to mine that is how my land got bigger and less fragmented. I have been also trying to negotiate with one of my neighbors farmers to exchange some land that is close to mine and it will be convenient to me...but it is difficult with the current land market...it has a lot of insecurities, so will see how that is going to go.”*

In this case he has tried to overcome: 1) physical fragmentation by an informal arrangement of *Temporary Informal Parcel Exchange*, where he has tried to consolidate his farmland by renting parcels adjacent to his land and 2) social fragmentation by means of *Informal Rental Markets*, where he is trying to make informal land transactions in order to avoid market land constraint, which are usually high costs and time consuming.

Land in Albania cannot be sold, only inherited or leased, thus showing the characteristics of a defective and unpredictable land market. The responsiveness of farmers regarding this problem

shows their attempt to initiate exchanges of land and transactions, or renting land plots aside their parcels in order to reduce the fragmentation rate. However, these initiatives are sporadic and not sufficient to overcome the difficulties of the land market. Bashkimi, a farmer in the Kukesi region acknowledged the improvement of its farming activity but referred to it as:

*“This development has the rhythm of a turtle. Nothing will change as long as the size of the farms remains so small. If tourism and industry are developing then people will move towards these sectors and probably rent their land to us that want to stay in the village and increase our production”.*

It is noteworthy that these activities remain informal agreements, most of the time made with the consent of farmers. Farmers feel trapped and unsafe in an environment where land rights are still being questioned and there are unsettled land disputes, formal transactions have high costs and are time consuming and credit market opportunities are still low.

### **5.2.2 Activity fragmentation**

Activity fragmentation is a feature of land fragmentation which is closely associated with physical fragmentation and accounts for the means of production and marketing (Sabates-Wheeler 2002). This type of fragmentation is a characteristic of the decollectivization process, where alongside the breakup of the large farms, the privatization of production means, machineries and irrigation systems, supply of inputs, market insecurities and credit supply still represent huge constraints for farming activities. The problems regarding the two latter ones have been discussed more in depth in the previous chapter regarding survival strategies and market exchange.

The infrastructure of the agricultural system in the countryside and lack of appropriate management represent a major problem faced today in the rural areas. After the demise of the communist regime most of this infrastructure was massively abandoned as well as damaged during the first transition

years. In the following years less has been done to recover or maintain these infrastructural assets, which are a substantial part of the agricultural sector. Most of the farmers' complaints are related to the irrigation system and the availability of water necessary for their land, as for instance the case of Afrimi from the Kukesi region:

*"The old irrigation system and all the channels that we used to get water from are not working anymore. That was the main supply of water to irrigate our lands, and was a really good one. But now nobody is maintaining those anymore so I had to build my own irrigation system in order to continue farming. I have my own well that I constructed myself and I am lucky that there is plenty of water"*

In the region of Lushnja the activity fragmentation is slightly lower considering the former agricultural intensity and the plain terrain. This is one of the regions which have always had high rates of agricultural productivity, and the former irrigation system has been highly exploited and maintained along the years. However, in the western part of the Lushnja region which is close to the coast, the salinization of soil and the degradation of soil quality has become a prominent problem for farmers. Farmers now are confirming that soil quality has been decreased and they predict the situation will worsen in the future if land management measures are not taken soon.

The majority of farmers use mechanical equipments for the cultivation of their lands and all the other processes, although sometimes due to the high fragmentation rate of their farms become very difficult. According to Doko *et al.* (2011) 38% of farmers are using machinery to work the land, 29% realize the work processes by hand, 25% use both whereas the 8% are using animals. Especially in the region of Kukesi and Korca, where the terrain is mostly hilly and mountainous, farmers expressed the difficulty of using large machineries as a consequence of small area of parcels. They admitted that several times they clean the weeds or spread the seeds themselves and they own spray pumps or other small handy equipment for use in different processes. One of the farmers in Korca showed me one of his parcels that was situated in a very steep terrain uphill. In these



conditions it is impossible for him to use machineries to work the land but only animals or in most of the cases by hand.

Based in the interviews I conducted during the field research, I did not encounter any examples to overcome activity fragmentation. Even though the constraints of the activity fragmentation, farmers yet have not found modes of informal arrangement amongst them. Cooperation problems and lack of trust amongst farmers are the main reasons why farmers are not too keen to collaborate with each other in order to solve the problems of activity fragmentation. However, in the study of Lusho and Papa (1998) regarding land fragmentation and consolidation in Albania they identify several informal cooperation initiatives amongst farmers used to overcome activity fragmentation. As suggested by Sabates-Wheeler (2002) informal agreements consisting of *Land Consolidation* for relieving equipment and labour constraints are amongst the most common in some of the CEECs countries. These initiatives represent an opportunity for the farmers, which express their concerns about the high costs of mechanization processes in their farming activities.

### 5.2.3 Social fragmentation

In the CEECs countries, social fragmentation is seen as a result of the distribution patterns of the land reform, a consequence of the regime change (Sabates-Wheeler 2002). This dimension of land fragmentation entails issues regarding the right of land and ownership and demographic changes in rural areas as a consequence of high rate of migration. According to the Law no. 7501 dated 19.7.1991 “On the land” previous ownership of land was abolished and it was based on the principle that “*law belongs to those who till it*” (Pata and Osmani 1994). The distribution process to the new owners has been a constant source of contestation and constant conflict for the previous owners of the land.

The social tension emerged from the effects of decollectivization and privatization processes has created an insecure environment for the new owners of land and their long-term investments. In the region of Kukesi this feature is not that highly encountered due to the own nature of the distribution process which was made based on previous ownerships. On the other side, in the region, the high migration rate may play an important role in social fragmentation. Besides the outflow of the workforce outside the agricultural system, the incomes from remittances has shown to have a significant impact on agricultural productivity of farms and household. Miluka *et al.* (2010) show that incomes from remittances are not used to enhance agriculture productivity, instead is being used as a strategy for moving outside of the agricultural sector. Further they show that although the total incomes in these farms are increasing the implementation of this strategy is decreasing labour efforts and aligning farmers towards less intensive forms of agriculture production, as for instance shifting from crop production towards livestock. Another study of McCarthy *et al.* (2009) on the impacts of international migration on agricultural activities shows that, although this phenomenon does not impact the agricultural incomes, it results in decrease of time that households allocate to agricultural activities and perpetuates the alienation from farming.

In the two other regions, even though I did not come across any similar issues during my interviews, land disputes may represent a potential threat in several instances. With regards to the continuity of farming inside the family in both Lushnja and Korca region farmers agreed that they would like their kids to have farming as a second alternative or a part time job, and one of the farmers explicitly said that “*land should be the last option for my kid, I don’t want him to become a farmer...maybe to have it as a second alternative in the future*”. In general their opinions of their children’ future plans were aligned out of the agricultural sector. Thus, it is a noticeable tendency that more educated people are moving towards off farm activities and other possibilities outside of the agricultural sector. Even though at

the moment this feature is slightly observed amongst current farmers, in the future it will become more prominent as this “possible” future agricultural labour force will be oriented away from rural areas and farming activities. This perspective of farmers may lead in the future towards a greater social fragmentation. Similarly as with the activity fragmentation, I did not encounter any informal agreement initiatives amongst the farmers I interviewed in the selected regions. Sabates-Wheeler (2002) suggests that leasing agreements that consist of *Informal Rental Markets* for relieving labour and land market constraints offer opportunities especially for elder people and city-dwellers.

Given the constraints that small scale farmers are facing such as: low productivity and efficiency of their farms, difficulties of transactions and high costs of inputs; the implementation of informal arrangement alternatives to overcome the three dimensions of land fragmentation seem viable and worthwhile. Childress (2001) in Sabates-Wheeler (2002) showed that both activity and social fragmentation were amongst the main reasons of failure for the project initiated by the World Bank regarding land consolidation. In a study on land fragmentation and consolidation issues in Albania, Lemel and Dubali (2000) propose different options to decrease the negative impacts of land fragmentation such as: land market solutions, parcel exchange between farmers, the improvement of the legal framework for rental and land purchases and the creation of farmers’ organizations. Some of these alternatives are already taking place and were identified during the interviews with the farmers, although in general farmers feel vulnerable as a matter of financial high risk perception and insecurities regarding land market and ownership disputes as well as lack of knowledge and cooperation.

### 5.3 Environmental implications of land fragmentation

Land fragmentation has been long debated amongst different scholars and often considered as the illness of agricultural practices and the development of rural areas. The main disadvantages of land fragmentation include: the distance amongst parcels of land, the small size and shape problems and the constraint regarding agriculture infrastructure and development. Land consolidation stands for the solution to these problems as it offers benefits such as: consolidated parcels, time and money saving for farmers, more efficient production cycle, improved infrastructure and increased rate of mechanization etc.

Besides the opportunities of land consolidation Bentley (1987: 58) states that: *“Many land consolidation schemes are an expression of an irrational prejudice against small farmers”*. Henceforth, apart from the above social and economic benefits of land consolidation, there are several environmental considerations regarding mostly the sustainability of these solutions and the connection with small farmers and farming activities. Even though the overall environment conditions of agricultural land in Albania are considered as good, farmers express their concerns with regards to the change of natural ecosystems by the overexploitation of land. Alfred, a 63 years old farmer from Divjaka explains:

*“The quality of soil is becoming a huge problem. We don’t have any more the same production rate as we used to have 10 years or 20 years ago. You know, Divjaka has the most fertile lands in the country and we have been farming this land too long now. I always try to apply crop rotation and I constantly change it depending on the crops I plant...so for example, one year I plant wheat in one plot and next year I plant fodder there and so on, but still this land is degrading I can tell the difference”*

In all the three regions visited, farmers confirmed and complained about the absence of a local specialized agronomist and advising body which would help them with their needs for a proper usage of chemicals or other farming activities. Farmers use their own experience and knowledge

about the natural ecosystems and they are aware of the impact of their agricultural activities. For instance one of the farmers was explaining how everything they put on their land has effects on it:

*“If you want to see if your land, soil is healthy and in good conditions check for the earthworm, the more the better it is for the land, it will keep it fertile and healthy. If you want to see what happens above the ground you should see how many bees are coming to your trees. If you have a lot, that s a good sign cause it shows that the air is clean and the surrounding is clean. If you do not have any, then something is wrong, probably you have sprayed too many pesticides in the wrong time and those are killing the bees. These are the two main things to check the health of your farm.”*

In this section, I will explore the ecological benefits of land fragmentation such as risk management, crop scheduling and the use of multiple zones (Bentley 1987) and how they contribute to enhance the sustainability of farming practices.

### ***Risk management***

Risk management is one of the advantages that land fragmentation offers and it is related to the opportunity of having different parcels in various conditions and quality, thus minimizing the risk of production failure (Bentley 1987). Having distant parcels help minimizing risks associated with climatic factors such as hail, drought, and flood. Farmers have the opportunity and benefits to plant the same crops in different parcels which may have diverse characteristics in terms of soil moisture, quality and wind direction. Depending on these latter ones and the weather conditions during the production years, yields will be assured for farmers thus risk would be avoided.

Farmers in the Korca and Lushnja regions that acquired their land based on the Law no. 7501 dated 19.7.1991 “On the land” had the opportunity to own different land categories. The distribution process allowed farmers to have land with diverse properties for crop farming and making their production less susceptible to the risk of microclimatic conditions. In the region of Kukesi, farmers acquired their land based on their previous ownership where parcels are distinctive for their small

size. However, given the diverse landscapes properties of the terrain in these areas the level of mechanization is low, whereas the diversity of crops planted is higher based on local varieties. By using the opportunity of planting in different parcels there is also the benefit of decreasing the use of chemical fertilizers and pesticides, which are extensively used in contiguous large farms.

### ***Crop scheduling***

Crop scheduling is a beneficial feature of land fragmentation that allows farmers to use their labour force and resources in a more economical way (Bentley 1987). The scheduling of work is an important factor for farmers, which allows them to organize the different processes of their farming activities such as harvesting, digging, plowing, and harrowing. In the regions of Kukesi and Korca, which are distinctive for owning land in different altitudes, farmers plant varieties of crops based on local characteristics, whereas in the Lushnja region local conditions vary less and farming practices are more intensive. By spreading the peak labour demand and making use of different times for the farming processes, farmers try to overcome the need for using external labour and use several cropping systems.

### ***Use of multiple eco-zones***

The use of multiple eco-zones stands mostly for mountainous areas which have opportunities of using the benefits of different altitudes to plant various crops (Bentley 1987). By implementing multiple cropping farming practices and using the diverse opportunities of the natural systems, this feature of land fragmentation can help reduce soil erosion and maintain the biodiversity in these ecosystems. For the Lushnja region, which represents a plain landscape, the presence of multiple eco-zones is limited, however in the other two regions, which are situated in hilly and mountainous terrain, the implementation of these practices is more viable.

The benefits and constraints of land fragmentation are dependent in terms of local economic development and the natural environment differences. All of the above practices and opportunities are important for farmers to increase security for their farming practices and the production process itself, alternate crop scheduling and increase their labour efficiency, and using the opportunities offered by the different eco-zones. By means of implementing these options farmers can mitigate the constraints of land fragmentation and at the same time foster the sustainability of their farming practices.

#### ***5.4 Future prospects in the context of EU accession***

Nowadays, Albania is working on improving and adapting its development policies in order to meet and comply with the European Standards and the current Common Agricultural Policy. This process of adaptation for the accession to the European Union represents an ongoing challenge for the appropriate structural decision framework, regarding the future nature of agriculture development and its close relationship with rural development policy. It is evident that agriculture and rural development are highly related and co-dependent on each other, hence both of them must be treated in complex with a final aim of improving and maintaining a high quality of life in rural areas. The latter one entails the improvement of economics in these areas, the social consideration of communities and environment protection and conservation. *“A common feature, then, of rural development policies and practices is that they are emerging as responses to the difficulties caused by the functioning of the main agricultural and food markets (i.e. they are responses to what economists refer to as major ‘market failures’)”* (Van der Ploeg *et al.* 2012: 138).

Belletti *et al.* (2003) and Ploeg and Renting (2004) state the importance of rural development and the strong correlation with the agriculture sector through new multifunctional pathways that will help to

foster local communities economically, increase the diversity of activities in rural areas and as well as contribute to the protection of natural resources and enhancement of environment management. On the other hand, Rizov (2006) argues that the environment and the pattern of development in the CEECs are distinctive from the other EU countries and are characterized by weak institutional and organizational arrangements and fragmented administrative capacity building. Hence it is necessary to find pathways to help institutional restructuring and policies and that can be adapted so that they fit and reflect the real situation of these countries and facilitate cohesion in the European community. The transformation of the CEECs agricultural sector is still undergoing through transformations in order to become efficiently functional. Ground up initiatives may play an important role for a better implementation of the new programs by fostering local communities and improving the quality of life in rural areas as well as regarding the protection of natural resources (Beckmann and Dissing 2004).

Albania's agriculture development has been characterized by a high rate of land fragmentation and decollectivization and the number of small scale farmers is very high. In the current conditions, it seems adequately viable that policies, decision making programs or practices regarding this category of farmers will represent a good opportunity for this sector to revitalize in the near future. On the other side, policy makers and government official insights regarding the development of small scale farmers is not always positive, whereby the implementation of strategies and projects is mostly directed towards commercial farms. This category of farmers is often seen as inefficient and as an impediment for future policies implementation in the light of the EU accession: *"Small farms do not provide any specific profit, but mainly meet their family needs, and today, with the market development it is recommended the creation of large farms."* (Doko et al. 2011: 37). However they recognize the importance of this category of farmers: *"[A]n agriculture based on small family farms will in future be more important for*



*the Albania economy and they should benefit more technical and financial support from state, local and foreign investors*". This dualistic perspective points out the possible divergency in the future between current national agriculture characteristics development and the European policies under the Common Agricultural Policy which may lead to contested notion of sustainability policies (see for instance Mincyte (2011b), Schwartz (2005)). Van der Ploeg (2002) points out the importance of farming economically for small scale farmers and how this approach is one of the ways to foster rural development from an economic point of view and from environmental and social considerations. Furthermore, Vemimmen *et al.* (2003) after analyzing the activity of marginalized and small scale farmers conclude that the diversification of on and off – farm activities must be accompanied by rural development strategies in order to encourage the farmers and improve the quality of their life.

#### **5.4.1 Can multifunctionality be an option?**

The concept of multifunctionality has experienced different approaches and definitions during the last 20 years from other disciplines and organizations. The Organization for Economic Co-operation and Development (OECD) has been referring to multifunctionality from an economic point of view referring to the jointness of production of commodities and externalities as well as from market perspectives of public goods. Likewise, the Food and Agriculture Organization (FAO) has defined the term of multifunctionality with more regards to the concepts of agricultural development in developing countries closely linked with sustainable livelihoods and rural development (Renting *et al.* 2009).

The role of multifunctionality associated within the reform of the EU CAP has become prominent in the decision making policy arena and the reforms regarding the European Farming Model practices are becoming the cornerstone for rural development policies. From this perspective,

agriculture is seen from a multifunctional point of view and related strongly to sustainable development (Renting *et al.* 2009) and should be considered as an approach which besides the provision of commodity goods in production it also provides other non-commodity goods (Belletti *et al.* 2003; Ploeg and Renting 2004; Râmniceanu and Ackrill 2007; Renting *et al.* 2009; Renting *et al.* 2005). These latter ones entail a broad range of activities and outputs from an environmental, social and rural development perspective. Renting *et al.* (2009) analyze multifunctionality in four different approaches: market regulation approaches, land-use approach, actor-oriented approaches and public regulation approaches.

Ploeg and Renting (2004) agree that agricultural practices are strongly related with rural development and the typology of multifunctionality practices, and aiming to achieve a paradigm shift from conventional agriculture and increase the multifunctionality of farmers. This

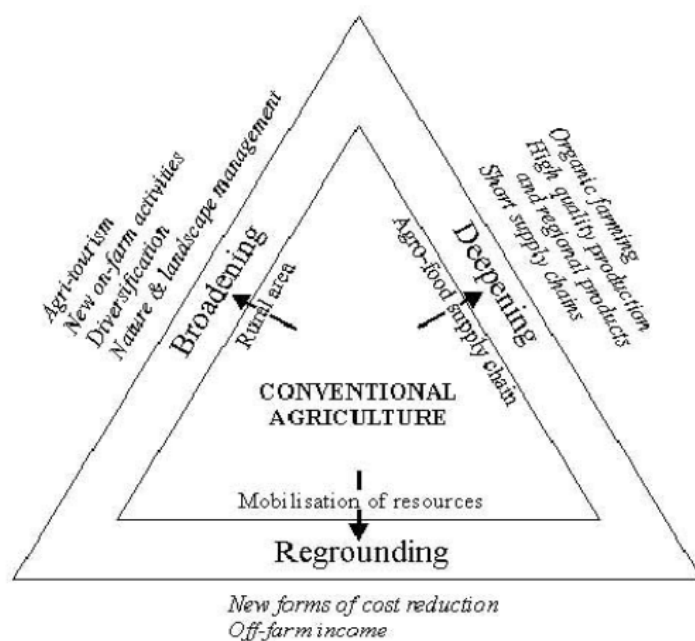


Figure 8: From conventional agriculture towards multifunctionality.

Source: Ploeg and Renting, 2004

implies a boundary shift of the rural development framework from

conventional agriculture towards increased multifunctionality through 3 main pathways (Figure 8) that can be implemented by households' farmers: 1) *broadening* refers to the increase of new non-agricultural activities, management and diversification; 2) *deepening* relates to new innovative processes and new supply chains; and 3) *regrounding* involves the mobilization of new off-farm activities and the increase of efficiency and pluri-activity.

Wilson (2008) analyzes different types of farming systems and evaluates their degree of multifunctionality based on their activities and argues that historical development changes play an important role in reflecting present and future transitional pathways. His evaluation explores pathways of transition and is based on farm-level and on ground practices, which is presumed to be the best way to measure tangible impacts. He adds that the farm level is where we can see the direct expression of multifunctionality. Another study of Kizos (2010) shows that analyzing farm activities through the three processes of broadening, deepening and regrounding is of fundamental help in order to understand the practices of small scale farmers and how they respond to market challenges by providing non-commodity goods or other services.

Râmniceanu and Ackrill (2007) give a broader definition to the term multifunctionality under the second pillar of the CAP by relating it to “rural multifunctionality”. They analyze how the new member state countries have implemented rural development policies, which included the multifunctionality of agriculture. They state that some countries have applied broader policies of rural development, whilst others have followed a narrower approach by focusing on agriculture as a sector. Furthermore, their findings show that in the pre-accession process countries have implemented more competitiveness measures (related to increased production efficiency or farm investments), whilst in the post accession period the number of multifunctionality measures (related to new environmentally friendly practices and diversification of the rural economy) has increased. They also show that countries with higher incomes have adopted more multifunctionality measures, which is evidently another issue to consider on the diversity between western and eastern European countries.

The study of Renting *et al.* (2005) gives an overview of multifunctionality practices in the CEECs and argues that given the nature of transitional agricultural development, these practices are broadly

implemented, although in slightly different terms because of the difference in social, historical, cultural and economic factors such as high rates of unemployment and migration, infrastructure degradation, collapse of agricultural structures and lack of cooperation and trust on building new cooperation links . It is clear that there is a different context of agriculture multifunctionality in these countries in comparison to the western ones, thus more research and more adequate policy reforms and regulations are needed that will correspond better to the current rural development of these countries.

The agriculture sector leading towards multifunctionality practices for small scale farmers and accompanied by a well designed and planned rural development strategy in Albania represents a good opportunity for the country to strengthen its economic growth and at the same time give a positive input towards sustainable development. Under the perspective of future expansion of their on-farm and off-farm activities, farmers in the three regions had a positive approach and most of them expressed the will and desire to take further initiatives or diversification activities in the future. Farmers that see positively a further engagement and extension of their activities include in their near future plans activities such as: agro-processing of different products, agro-tourism in some areas with high touristic potential, improvement of storage capacity especially for apples, increase of the apiculture activity, planting of new crops depending on the nearby processing industry, increase of livestock number mostly in mountainous areas, increase of glasshouse area for vegetable production and increase of new seedlings which are subsidized from the government such as orchards.

Currently the development of the agricultural sector and perception of farmers is more oriented towards modes of intensive production, and this is due mainly to economic reasons. However, with the constraint of small size farms and financial problems (Meert *et al.* 2005) it seems difficult to

employ diversification or pluriactivity activities at the current development stage. Amongst these activities the most noticeable are: direct selling, farm tourism, organic farming in a small scale and off farm employment. This latter one takes a very important place and it accounts for a large amount of farmers' incomes which also come into support for their agricultural activities. Authentic local products and the variety and quality of food present a great opportunity for future agro-tourism. In one of the villages in the mountainous area Shishtavec (Kukes) with opportunities for skiing tourism, farmers have started to gain consciousness and try to orient their strategies towards such development alternatives. Nonetheless such alternatives require state support in terms of infrastructure improvement and better management of marketing.

### ***5.5 Land fragmentation and sustainability***

Land fragmentation is considered as one of the major problems that affect small scale farmers and the agricultural sector in Albania. Land consolidation programs are often suggested as fruitful solutions to overcome the negative effects of land fragmentation. Experience has showed that land consolidating programs, which often come from an imposed western experience, may fall short to address the wide array of issues in the Eastern European countries. The transformation of these transition countries has shown to have impacted and shaped the rural realities differently in terms of social, economic and cultural development.

However, adopting land consolidation requires a full understanding of the three dimensions of land fragmentation which entails physical, activity and social fragmentation. By examining these three dimensions of land fragmentation I shown how they are reflected in farmers' everyday life and activity and how they are coping with various difficulties. In spite of the characteristics of the overall agricultural system, informal agreements such as initiatives for relieving equipment and labor

constraints, informal markets and informal parcel exchange, are found to contribute positively and help farmers to overcome the constraints of land fragmentation.

On the other hand, there exist several benefits of land fragmentation that address especially environmental considerations. By taking advantage of these opportunities which entail: risk management, crop scheduling and the use of multiple eco-zones, farmers can make use of the characteristics of these natural systems and decrease the environmental pressure of natural resources. These practices aim to keep the mechanization and input supply rate at lower levels, enhance the biodiversity of fragmented land and improve the quality of soil through crop rotation practices. Thus the ecological approach to land fragmentation represents a beneficial impetus towards the promotion of sustainable agricultural practices at the farm level.

Multifunctionality of agriculture represents a development concept that entails and addresses the economic, social and environmental considerations of agricultural activities and aspects of development for the rural areas. The orientation of policies and objectives towards this alternative may help the country to overcome difficulties related to land fragmentation and promote sustainable practices, which not only improve environmental aspects but foster rural community economics, quality of life and increase the competitiveness of the agricultural sector. Even though the benefits of multifunctional agriculture address the wide range of concerns in the rural areas, there exist various reasons why multifunctionality practices may be difficult to implement under the current socio-economic development in Albania: a) lack of capital and high risks for investment; b) expert knowledge and social networking deficiencies; c) outgoing flow of young people outside of agricultural activities and oriented towards urban areas.

## 6. CONCLUSION

The aim of this thesis was to explore the impacts of the survival strategies employed by small scale farmers in Albania and land fragmentation implications for sustainability and additionally to look at future alternatives for sustainable agriculture development in the light of the EU accession. Specifically, I based my analysis on a threefold theoretical approach that was build depending on a thorough analysis of my ground data. That allowed me to explore, in a more holistic way, the interplay amongst the patterns of development of transition post-communist countries, socio-economic aspects of survival strategies and environmental implications of land fragmentation for the development of sustainable agriculture.

The Central and Eastern European countries have been subject to a wide range of transformations affecting their social, cultural and economic development. Therefore, the transition of these economies has shown different patterns of development in comparison to the western countries and has triggered fundamental changes that have affected significantly the development of rural areas. In these ambiguous conditions, the emerged endeavored strategies are often closely tied to local conditions and experiences of local communities which vary amongst them.

By examining the survival strategies that small scale farmers employ I sought to show the influence that the macro-economic level of development have on agricultural practices. Survival strategies in the transition countries are mostly discussed in ethnographic researches by scholars representing anthropological studies, whereas there is a lack of categorization of these strategies in the literature. In spite of that, I merged my observations and stories of farmers with the classification of survival strategies based on the three modes of economic integration developed by Meert (2000).

The majority of the strategies employed by small scale farmers fall under the category of market exchange, whereas the strategies regarding distribution and reciprocity are rare. Given the fragile economic status and the need for development, markets represent the closely reachable alternative for farmers to overcome their financial problems. On the other side, the limited capacity of the state to respond to farmers' economic needs is reflected in the low level of redistribution strategies. Reciprocity strategies are encountered amongst farmers and represent a traditional reflection of their struggles in the absence of other opportunities. However, the social networks are absent of external support or help regarding advisory or extension services. The results showed a clear disproportion which further raises implications for developing a model for sustainable agriculture. The main problems identified as barriers to sustainable agriculture are: poor market structures and price instability, land ownership and difficulties for cooperation and the lack of strong social networks and public organizations. Constructing links in order to balance the three modes of economic integration which consist of: building new market structures, promoting forms of cooperation amongst farmers and fostering the participation of public organizations and NGOs; will contribute to address socio-economic pressures and increase the sustainability of the overall system.

The thesis also reflected upon land fragmentation in Albania which stands for one of the major issues concerning the development of the agricultural system. This phenomenon is considered from the government as the illness of agricultural activities and as an impediment to the development of rural areas. Even though several attempts have been taken in terms of projects and strategies to tackle land fragmentation, they have failed on accomplishing their goals as a consequence of poor evaluation regarding the three dimensions of land fragmentation: physical, activity, and social fragmentation (Childress 2001). Land consolidation programs which are conceived under a highly different western perspective, will likely fail to address the complexity of issues faced in the Central



and Eastern European Countries (Sabates-Wheeler 2002; Van Dijk 2007). Conversely, informal agreements and alternatives which surge from ground-up initiatives may offer more feasible outcomes to address the constraints of land fragmentation. In my study I found that farmers are endorsing several forms of these initiatives mostly to address physical and activity fragmentation. However, the shortcoming of supporting stakeholders, social networks and knowledge affects negatively the further instigation of these initiatives. On the other hand, social fragmentation appears to be the least addressed dimension of land fragmentation. This issue requires a deeper and multi-faceted approach especially regarding the high rate of migration and the decrease of young people participating in agricultural activities.

In spite of the negative connotations that land fragmentation have been prone to, there are several benefits especially with regards to environmental considerations. Especially in areas with diverse land fragmentation landscapes, the employment of activities such as: risk management, crop scheduling and making use of different eco-zones, imply more ecological benefits to the natural ecosystems and enhancement of biodiversity and land quality (Bentley 1987). These practices are present amongst farmers although mostly known in anecdotal ways, thus it is necessary to promote and disseminate through programs for increased awareness and knowledge. Retrieving the environmental benefits of land fragmentation, would help to diminish the socio-economic impacts of land fragmentation and increase sustainability of agricultural practices.

Under the continuous pressure for economic growth and financial prosperity, accompanied by the emergent topics on sustainability and environmental concerns, the promotion of new alternative pathways for a sustainable future of agriculture such as multifunctionality can be fruitful for a candidate state as Albania. Even though for the current development conditions of Albania this alternative may come across several difficulties, exploring different approaches which are entailed in

the EU Common Agriculture Policy and assessing their adaptability to the current development of Albanian agricultural sector represents a good opportunity for the country which is in the process of EU accession. Despite that, the success of it will depend on how the Common Agriculture Policy will be implemented and how the transfer of policy, regulation and practices will be adaptable to the current situation in the agricultural sector.

The findings of this research show that, the promotion and development of a sustainable agriculture policy should address economic, social and environmental concerns in the long-term and by taking into consideration the historical and local experience. For the Albanian agriculture future prospective, *sustainability*, would be identified as a concept which implies an ongoing and complex process under the following principles: revitalization of land-connection in local communities, increase of small farmers efficiency by spreading knowledge and advisory services, construction of an interactive link between all the stakeholders, provision of social assistance, continuous help and close partnership by developing appropriate financial mechanism, fostering and developing collective capacities and well-functioning structures, facilitation of market inclusion and promotion of local knowledge and environmentally friendly practices. The key word for the sustainability concept is intrinsically connected to *local* adaptation policies.

Being on the pathway of reforms and policy transfer, the government has a strong possibility to tackle them by a flexible farming policy linked with rural development policy. These developments and the creation of this new framework will be necessary to keep in consideration the specific characteristics and historical development of the country as well as social and cultural assets. This will not just raise and enforce the internal production and economic wealth of farmers in Albania but would also help in achieving and strengthen environmental and social concerns.

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## 8. APPENDIX

### Albanian/English

#### Formulari per Intervista me Fermeret/ Semi – structured interviews with farmers

1. Kur dhe si filluat te merreni me bujqesi ne ferme?/ How did u start farming and for how long
2. Perse keni zgjedhur te merreni me bujqesi?/Why do you farm?
3. Cilat kane qene permasat e fermes ne fillim dhe cilat jane sot?/ What is the size of the farm now and what was in the beginning?
4. Si e keni marre token (blere/trasheguar/me qira)?/ How did you get the land (buy/inherited/rented)?
5. Sa te punesuar ka ne ferme gjthesej ☐?sa nga keta jane te familjes ☐?/ Do you have employees? How many are from the family ☐?
6. Punonjesit jane me kohe te plote apo sezonal, dhe per cilin prodhim ? /If yes, what do they do and in what period are they hired?
7. Cilat jane produktet kryesore qe prodhoni ne ferme ? / Types of cultivation in the farm ?
8. Sa nga keto jane per konsum vetiak ne % ? How much is for self consumption
9. Llojet e bagetive ne ferme ?/ Livestock in the farm?
10. Cfare metodash perdorni per kultivim? How do you farm and what methods/practices do you use
11. Cfare problemesh hasni zakonisht ne ferme lidhur me kultivimin dhe si i menaxhoni veshtiresite e ndryshme (barerat e keqija/insekte/farerat/semundjet)? /What are the problems that you face on farm and how do you deal with (weeds/pests/seeds)?
12. Praktika multifunkionale ne ferme/ Multifunctional practices in the farm:

Praktika/Practices	Viti/Year	Shkakuj/ Reason it started	Kenaguesia/ Satisfaction	Perse/Why
Treg ( popullor)/ Local market			1-2-3-4-5	
Agroturizem/ Agro-tourism			1-2-3-4-5	
Artizanat bujqesor/ Traditional practices			1-2-3-4-5	
Bujqesi organike/ Organic agriculture			1-2-3-4-5	
Per eksport ne rajon/ Regional market			1-2-3-4-5	

13. Si mendoni te zgjeroni aktivitetin ne ferme, dhe sa% ne 1 vit ne 3 vite e 5 vite?/ Do you want to extend your on-farm or off-farm activities, how many % in 1, 3, 5 years?
14. Cfare makineri perdorni ne fermen tuaj? Sa ka kushtuar perafersisht?/ What type of machineries you use? How much have you spend on it?
15. Jeni te kenaqur me zhvillimin aktual te bujqesise? ☐ Po ☐ Jo/ Are you satisfied with the actual agriculture development? yes☐no☐
16. Perse/ Why
17. A duan femijet tuaj te behen fermere? ☐ Po☐ Jo/ Would your children become farmers? ☐no☐yes
18. A ju ndihmojne ne ferme? ☐Po ☐Jo / Do they help in the farm? ☐no☐yes

19. Do ti keshillonit femijet tuaj te merreshin me bujqesi? ☐ Po ☐ Jo/ Are you going to advise your children to become farmers? ☐no☐yes
20. Perse? / Why?
21. Cfare mendoni per te ardhmen e bujqesise ne Shqiperi?/ What do you think about the future of agriculture in Albania?
22. Mendoni se e ardhmja juaj do jete me e mire apo me e keqe?/ Do you think your future will be better or not?
23. Mendoni se ka politika mbeshtetese/nxitese ne sipermarrjen tuaj? Cfare ndihme merrni?/ Do you think there are programs/projects that can help your farm production? Do you receive any?
24. Cfare mendoni se mungon dhe do t'ju ndihmonte ne sipermarrjen tuaj?/ What do you think is missing and what it will help you succeed on your farm activity?
25. E shikoni pozitivisht krijimin e nje aktiviteti shtese ne fermen tuaj? /What do you think about the diversification of activities in your farm?
26. Ne cilen kategori te ardhurash vjetore perkisni? ☐ <250,000L ☐ 250,000-500,000L ☒ 500,000-750,000L ☐ 750,000-1,000,000L ☐ >1,000,000L  
☐ <250,000L; ☐ 250,000-500,000L; ☐ 500,000-750,000L; ☐ >750,000L
27. Cili eshte burimi kryesor i te ardhurave?/ What is the main source?
28. Cilat jane shpenzimet kryesore ne ferme? A merrni ndonje subvencion?/ What are the main expenses related to the farm? Do you get any subsidies?
29. A jeni ne dijeni te programeve apo projekteve qe mund t'ju ndihmojne?/ Are you aware of any programs/projects that can help you? Do you understand them?
30. A beni pjese ne ndonje organizate? Nese po, a po ju ndihmon ndopak dhe a jeni te perfshire?/ Are you part of any association/ organization? Are they doing anything to help? Are you involved?
31. A ka ndonje organizem qe te mund te te mbshtese me njohuri nese po e keni te lehte apo veshtire, (drejtoria e bujqesise, instituti i tokave, mada, faf, komuna, instituti pemetarise, instituti i pyjeve etj)/ Is there any organization or structure that supports you with services and knowledge support (state structures or regional directories) ?
32. A keni mundesi per te aplikuar per kredi?/ How is your access to loans/financial help?
33. Banim i perhershem?/ Place of living
34. Profesion kryesor?/ Main profession?
35. Perberja familjare/ Family composition?

**Intervista me administraten publike te Ministrise se Bujqesise, Ushqimit dhe Mbrojtjes se Konsumatorit. / Interview format with the administration of the Ministry of Agriculture, Food and Consumer Protection**

1. Si eshte shperndarja e tokes dhe cfare perqindje ze sot toka bujqesore? / What is the land distribution today and what percentage of the land represents agriculture land?
2. Cilat jane problemet kryesore te bujqesise sot ne Shqiperi? / What are the main problems that agriculture is facing today?
3. Cfare te ardhme apo perspektive shikoni per fermeret e vegjel? / What future do you see for small scale/large scale farmers?

4. Si jane politikat e ministrise per sa i perket copezimit (fragmentimit) te tokes dhe ceshtjeve qe i takojne fermereve te vegjel ne Shqiperi? / What are the ministry's policies and future perspective on land fragmentation and the issues of small scale farming today in Albania?
5. A ekzistojne programe per konsolidimin e tokes dhe/apo per fermeret e vegjel? / Are there any programs for land consolidation or/and for small scale farmers?
6. Cfare niveli prioriteti perfaqesojne fermeret e vegjel ne politikat ekzistuese si edhe ne ato te ardhme te ministrise? / What level of priority represents the small scale farmer on the existing and future policies of the ministry?
7. Cilat jane problemet qe po hasin fermeret e vegjel sot? / What are the biggest problems small scale farmers are facing today?
8. Cfare eshte bere persa i perket ketyre problemeve dhe a ekziston ndonje ndihme per ta? / What has been done in this concern and what kind of support is available?
9. Cfare perqindje e buxhetit i eshte alokuar programeve/projekteve per fermeret e vegjel? / What percentage of the budget is allocated to the programs/projects for small scale farmers?
10. Cilat jane incentivat apo subvencionet qe fermeret e vegjel po marrin sot? Ne cfare fushe konsistojne keto ndihma? / What are the incentives and/or subsidies that the small scale farmers are receiving today? What areas does it include?
11. Si e shikoni lidhjen midis zhvillimit rural dhe bujqesise? What is the connection between Rural Development and agriculture today?
12. Ne strategjine e Zhvillimit Rural 2007-2013 permendet se Plani Kombetar Strategjik synon qe te forcoje rolin shumefunksional te bujqesise ne Shqiperi. Mund te me thoni se cfare eshte arritur ne keto vite persa i perket ketij plani? / On the Rural Development strategy 2007-2013 is mentioned that The National Strategy Plan that comes under this strategy aims at strengthening the multifunctional role of agriculture in Albania. Can you please tell me what have been the main achievements of the implementation status of this plan?
13. A ekzistojne programe/projekte ne baze te te cilave promovohen praktikat shumefunksionale? / Are there any programs/projects on which multifunctionality practices are promoted?
14. Aktivitetet jo-bujqesore ne nje ferme perfaqesojne nje burim shtese te ardhurash per familjet fermere ne zonat rurale. Keto aktivite kerkojne nje baze ligjore si dhe mbeshtetje nga programet e zhvillimit rural per aktivitetet ne ferme. Cfare eshte bere ne kete fushe dhe a ka pasur problem/perfitime deri me tani? / Non-agricultural activities on a farm represent an important additional source of income for rural families that are active in the field of agriculture. Such activities need a legal base in a new regulation regarding the additional activities on farms and support from the rural development programs available for on-farm activities. What has been done in this area? What have been the main problems?

15. Cfare eshte bere per sa I perket konsolidimit te tregut te pronave apo rregulloreve tregtare lidhur me promovimin e bizneseve rurale jashte ferme? / What has been done in regards to consolidation of property markets and commercial regulations in order to promote non-farm rural enterprises?
16. Cfare eshte bere per sa I perket programeve te zhvillimit rural lidhur me feramat turistike apo agro-aktivitete te tjera ne ferme? / What has been done with regards to rural development programs regarding farm-tourism and other agro related activities on farm?
17. Ligji I ri “Mbi kooperimin e orgnizatave bujqesore” ka per synim krijimin e strukturave te reja te bashkepunimit per fermeret. A ka struktura te cilat te ofrojne ndihme per fermeret? Si ka ecur deri me tani implementimi I ketij ligji dhe a mund te me thoni disa shifra mbi krijimin e ketyre bashkepunimeve? / What about the farmers’ organizations and/associations. The new law “On the associations of agricultural cooperation” is trying to create new structures of cooperation for the farmers. Are there any new structures in place to provide the adequate help and assistance to the farmers? What is the implementation status and do you have any numbers regarding the creation of these new associations?
18. Cilat mendoni se jane problemet kryesore per krijimin e kooperativave sot? / What are the main problems for the cooperatives today?
19. Ne Planin Kombetar Strategjik te Strategjise se Zhvillimit Rural permendet krijimi I qendrave keshillimore qe kane ndihmojne per synim te fermereve te vegjel dhe te mesem per sherbimet zgjeruese. Cili eshte roli dhe statusi I ketyre qendrave sot? A kane fermeret dijeni per keto qendra dhe a jane te pefshire? / On the National Strategy Plan of the Rural Development Strategy is mention the creation of advisory centers that will help the small and medium scale farmers especially on the extension services. What are the role and the status of these centers now? Are farmers aware of these structures and are they being involved?
20. Cila eshte politika e ministrise persa I takon ndikimeve mjedisore te bujqesise si dhe lidhur me rregulloret e Bashkimit Evropian si psh: mbrojtja e biodiversitetit, cilesia e ujit dhe tokes etj. ? / What is the policy on the environmental effects of farming in relations to the EU regulations such as biodiversity protection, land and water quality?
21. Si e shikoni sektorin e bujqesise ne rrugen per hyrje ne Bashkimin Evropian? Cili eshte mendimi juaj ne lidhje me negociatat, problemet e perfitimet e mundshme? / How do you see the agriculture in the road for EU accession? What do you think about the negotiations, the problems or the benefits of it?
22. Cfare mund te me thoni persa i takon perafritimit te legjislacionit me ate te Bashkimit Evropian dhe Politikes se Perbashket Bujqesore? Mendoni se do te jete I lehte zbatimi I rregulloreve apo ligjeve te reja? / As with regards to the adaptation of legislation with the EU and the CAP, do you think that it will be easy to implement the new regulations and legislation?