

## Albanian Relations with Italy and Yugoslavia during (1925 – 1926)

M.Sc. Blerina Xhelaj

Doctoral student University of Tirana  
e-mail: blerinaxhelaj@yahoo.com

Doi:10.5901/ajis.2013.v2n9p195

### Abstract

*The theme of the Yugoslav Albanian relations, during the years 1925-1926, is of interest to researchers because it is interesting issues, broader, multilateral, and encompassing, not only in the Balkans but also further Balkans. During this period, we have a bitter political rivalry between Italy and Yugoslavia, in connection with their influenced the political, economic and ownership of concessions in Albania. For the political system pikepmaja, Albania, had just declared presidential republic, government headed by Ahmet Zog. Figure of Ahmet Zogu, dominates in this period. He chose to be oriented to Italy for several reasons. The purpose of this paper is to identify the diplomatic relations between Albania and Italy, seen in the perspective of the triangle, Italy, Yugoslavia, Albania. For the realization of the article are used archival resources of the Ministry of Foreign Affairs, and the Central Archives, of the Albanian State and other sources, of the Albanian and foreign authors.*

### 1. Introduction

After the failure of the Nolist Revolution and the failure of his government from Albania, Zog takes the reins of power on his hands. On January 5-th 1925, he was appointed as the Prime Ministry of the country, by the High Council, which was represented by Xhafer Ypi, "the only member of the High Council that was left" (Jackues, 1995). The Prime Minister declared that "the attitude of freedom was made directly with the active support of the officers from those people expected their salvation (Dako, 1990). Came to power Zog, "there were a lot of congratulation telegrams as those of Zog – Musolini" (Dajti, 1925). On January 22-nd the country was proclaimed Republic, Ahmet Zog the president of the country. The radical transformation of the regime came as a result of walking away from Albania of Prince Vid. "With his departure from Albania and taking part in the general struggle under the flag of a foreign nation, he lost the right of taking over the Albanian throne" (Dervishi, 2006).

Although in the first days of the government, Zog would pay attention to the economic development of the country and the growth sustainability and economic stability. Zog knew that he would need outside help, so he was making plans to which country he would be oriented. At first he was led by the League of Nations organization to take a loan, but with no result, because this last one would not help him, the same thing made to the Nolist government, Zog had nothing else to do that looking towards another big foreign power, which was ready to help him. Zog hoped only to two neighbor countries Italy and Yugoslavia. But he was indebted to Yugoslavia, because this last one helped him to take the reins of power and as reward she should give to them territories of Shen Naum and Vermosh in north Albania. He was afraid that he would have further problems with Yugoslavia because of lands borders.

The king Zog thought to be oriented more with Italy than Yugoslavia because there were no land borders with it, and it was a state power which possessed a great economic capital compared with Yugoslavia, which was economically weak. According to historian Fischer "the president felt secure when entering into relationship with big countries that were geographically distant" (Fishce, 1984). Although Belgrade has given the greatest contribution to Zog returning to power, he had no confidence, because obviously one day Zog would take political measures against Yugoslavia, where lived almost the half of Albania population. "Failure of Yugoslavia to respond positively to requests for assistance made Zog to take direct steps towards improving relation with Italy" (Fishce, 1984). Since 1925 Mussolini had come out of the internal crisis and intended to extend Italian penetration towards Balkans. However Zog was not very confident to Duce politics in Albania, because often their relations were characterized by misunderstandings. Italians lack confidence towards Zog, since he when he appeared in the Albanian political scene. In 1924 when Zog wanted to return to power he turned his face to Italy, where he took money to cooperate with oppositions forces. The first negotiations began on January 20. "Between Albania and Italy was signed a secret pact sea-dealer, which gave to Italy the status of the most favored nation, (Fishce, 1984).

In January 1925 Zog informed Duraco that he intended to know Italian interest towards Albania, at the begging Mussolini didn't want to accept this request as word circulated "Zog planned to mobilize British and Yugoslav officers for the organization of the Albania gendarmerie..." (Fishce, 1984). Zog felt the Italy reaction during this time, so he avoided Belgrade. Zog wanted the orientation to Italy for another reason: it produced more industrial products, where Albania was more interested in, on the other hand its neighbors had only agricultural products, a sector of economy covered by Albanians themselves. During this time a big interest was shown by the big powers such as Britain, USA etc.. At first these countries said that they're coming for humanitarian purposes in Albania leaving camp free Italian influence, until discovered that Albania's territory was very rich in various resources such as: kerosene, diesel etc.. Zog chose this moment to be given the concession of using oil to the Britain – Persian company. In the international circumstances had a major influence Britain and France. After they hid the other Balkan countries like Yugoslavia with France and Italy that had begun its close politics with Britain. The orientation towards Italy and Britain said as the doors open politics, with which Zog "started to follow with his coming into force, giving priority to these powers" (Shkencave, 1984). Ahmet Zog and his clique met all the interests of foreign monopoly capital, "which is helping the regime of A. Zog to come to power and keep standing, had asked and asking more and more big concessions" (Fishta, 1989). In the beginning of 1925 when Zog declared open doors politics for foreign capital, "this last one launched a 'peace' offensive unprecedented in Albania till then (Fishta, 1989). In February 1925 to the Britain – Persian company was awarded the right to seek oil concessions in an area of 220 thousand hectares of land and the right to exploit only 60 thousand of it. But giving concessions to Britain will increase the rivalry between it and Italy. Albanian politics went through the enjoyment of British interests in the country. "The research would become in no more than 4 areas oil, bitumen, gas, and clay" (Dervishi, 2006).

Rome government intervened close to Foreign Office in London against this concession by giving explanation to them, that making this concession had not only economic but even strategic importance. Mussolini presented as fact the agreement of November where priority was given to Italy and Albanian territory. These complaints went not in deaf ears because Britain made some concessions to Rome where on "March 20-th 1925 reached an agreement in connection with kerosene separation in Albania" (Dervishi, 2006). Imperialist powers, especially Britain by promises given to Italy "retreated from their plans and left free hand to Italian capital, to act in damage of Albanian state independence" (Fishta, 1989). At first created SVEAS agreement (society for the economic development of Albania). In Italy began the negotiations to establish a bank, this has been suggested by Zog himself, which aimed to reduce Italian discontent created for granting oil concessions to Britain society. In March 1925 the Tirana government made a contract with the financial group, which will take over the creation of the national bank and the latter had to found a loan state. The loan was granted by Italy. Among Albanian party represented by Finance Minister Myfit Libohova and financial group representing Mussolini's government signed a document, according to which "the formation of Bank's core capital of Albanian citizens can have up to 49 percent of shares, and foreign nationals not less than 51 percent of shares" (Duka, 2007).

If the shares wouldn't been bought by Albanian citizens, than these shares would be pass on Italian society hands, but they were never bought by the Albanian citizens, for various reasons, and behind it were hidden the Italian hand. These actions went again to the Italian hands. "The bank won the right to issue Albanian banknotes (Duka, 2007). As clearly seen Zog politics were directed mainly towards Italy. I think that affected several factors such as: not having a political sustainability in Albania during 1922-1925, the difficult economic situation which was faced Albania country when Zog came to power, the lack of support that was made to Zog from the Nation League for giving a grant to him, pushed the King Zog to the Italian arms. Greater privileges assured the Italian capital in the field of industry.

In March 1925 the Italian enterprise "Italian State Railway" took in concession 50 thousand hectares of land with the right of exploitation only in 30 thousand hectares for which was created a special society (AIPA). "In Albania gained access a great number of companies such as AIPA, SEIA, SESA, SKAIA, SAIPA, etc" (Fishta, 1989). Later on Italian mining society of bitumen in Selenica got the concession of 2140 hectares of land for oil exploration with the right of exploitation of 800 hectares. In 1926, were taken greater concessions from the foreign companies in kerosene, gas, bitumen, asphalt, etc.. Searches would become only in three areas: "In the area Rrase – Kajan – Kozare with a surface of 510 hectares. In the area Murriz – Cakran – Bumun – Bicak with a surface of 18800 hectares. In the area Karbunar – Vjose 2010 hectares" (Dervishi, 2006). To Italy was given many privileges even in the fields of agriculture, "where the Italian capital intervened in the agriculture of Durres area through SAIPA society" (Fishta, 1989).

According to archival sources, said that "the Government of Albania, which will now be called after the government gives the company Adria-Aero - Lloyd, who will be called from now on we run the company on 10 - year, exclusive rights of the aviation service in Albania. Albanian aircraft will have weapons of Albania (MPJ, Dosja 345, 1925). Among this Italy showed a big interest in the communications network, according Iliaz Fishta "through the company Adria, Aero, Llojd took

over the monopoly of air transport in Albania" (Fishta, 1989). Yugoslav capital can't compete the Italian capital because was weak. Yugoslavia made several attempts to broke down the influence of Italian capital.

## 2. Rivalry Italian – Yugoslavian for concessions in Albania

The return of the king Zog in power is dedicated to the Yugoslavian, who hoped that with his coming to power, they would be able to secure concessions in Albanian territory. The relations of Belgrade with Tirana were broken since the government of Nolist government, where the latter had not created spaces for enterprising concessions on its part for them.

During this time, there was a war for concessions between Italian, Yugoslavian, English, French and American capital, and where between all those, was dominating the Italian and English capital. They would start a war to secure as much as they could concessions in Albanian territory. Often these countries to make the king Zog and his government for them, borrowed him whenever needed. Albania was rich in kerosene and diesel, and England and Italy were interested for them. Claims emerged from Yugoslavia, but its capital was in a challenge encounter with the Italian one, which possessed a greater and sustainable quantity than the Yugoslavian. In this time began a hard rivalry between the Italian – Yugoslav, who once promised each other that would not influence in the Albania's internal affairs. When the king Zog was in need of economic assistance, Italy was ready to help him, but Zog knew very well that behind this help was a pay back. Zog opened the way for the penetration of the Italian capital in Albania. Italian – Yugoslavian rivalry was not seen only in economic terms, but also in political terms.

Having an impact on the economic side, the Albanian neighbors would have an influence on the political side as well. They aimed to the access to the Albanian shore on the Adriatic Sea. When Zog regained power he found an empty government budget. He immediately tried to turn towards the Italian power; this was due to the various economic, political and historical reasons. However Italy was able to obtain a big influence on the Albanian economy, where was awarded the right to use thousands hectares of land for the exploration of oil and kerosene.

At first it was given to the English – Persian corporate, thus creating a rivalry between Italy and Albania. The Italian – British aggravation would culminate when Britain would provide a loan to Albania for the building of an Albanian Bank. Giving to Italy the concession of establishing the bank began the open rivalry between Italy and Yugoslavia. According to documents found in the archives of "Foreign Affairs Ministry" Belgrade said: "Yugoslav government is unhappy from the political behavior of the Albanian government in the case of Albanian National Bank" (MPJ, Dosja 105, 1925).

Yugoslavia felt disappointed from Zog, because he had given priority Italy in the concessions field, thus breaking the secret agreement between Zog and Pashic, one of the points of which stated that: "for every concession that Albania will give to other countries, it is obliged to take the Yugoslavia consent" (MPJ, Dosja 105, 1925). Yugoslavians felt frightened by the approach of Zog with Italy, and very disappointed by that, because Zog was returned to power helped by Belgrade.

Zog had some reasons that were oriented towards Italy and the main reason was that; it was a state power, was developed from the economic point of view, the major capital possessed, had no close ties to the lands as with Yugoslavia, etc. Yugoslavia knew that if Zog needed help from outside, it was not able to help him financially. Yugoslavia proved conscious, knowing some privileges to Italy for economically dominated in Albanian territory. Italy showed vigilance in the international area. It challenged both its strongest competent states for checking Albanian monopoly. Britain was challenged by Italy diplomatically and Yugoslavia had an economically rivalry. Yugoslavia introduced Italy the access to establish the bank of Albania, but with the condition to be part of the agreement. Italy didn't accept this fact because wanted to be the only power in Albania. Italy didn't hesitate to sign the first agreement with Zog government, where it took the Bank concessions, SVEAS loan, and kerosene concessions. Belgrade discontent reacted immediately, filling itself insulted and betrayed by her two neighbors. Yugoslavia presented a request to Italian government, where it was agreed to establish the bank with an equal capital, which would be financed from Yugoslavia and Italy. Rome did not accept this, because wanted to be the strongest power in Albania, where in this way, it would be strengthened and would take other concessions in this country. And with all these according to Pashic, Zog was in debt with Yugoslavian, because they helped him regained the power.

On September 2-nd, became the foundation of the Albanian Bank. The National Bank centered in Rome and would be directed by a 7 member's staff. Its director was Mario Alberti. "Albania is recognized the right to possess 51% of the initial capital or 12.5 million gold francs. Italy had 320000 shares; she left Albania 50000 shares, the remaining shares were divided between Switzerland, Yugoslavia and Belgium (Swire, 2005). Zog does not take into consideration Yugoslavia and did not keep the promises made. Yugoslavian press exploded in a series of accusations against the

Italians whom according to Lazarevic minister will soon be the Albania "grave" (Milo, 1992). Yugoslavia made continuous efforts through press statements telling that Italy would dominate Albania not only economically but even politically.

Encouraging Albania to not give concessions to Italy led to a tightening relation between Italy and Yugoslavia. After bank concessions Italy thought that would be easier to sign new agreements with Zog. He gave to Italians as well concessions in the fields of agriculture, industry, telecommunications, trade etc.. Zog to play a balanced politics with Yugoslavia gave it the right to start researches of copper and other minerals in the area of Puke. Even in this field Italy and Yugoslavia both showed a big rivalry. In this war Yugoslavia capital was represented by shares of Serbian – Albanian bank. *war was continued around the copper-rich country, which is in Puka, in Northern Albania, the countries Coman, Kabash, Cerret.*, (MPJ, Dosja 111, 1925).

In the international area was very well understood that Italy and Yugoslavia hated each other and were rivals for their interests towards Albania. The rivalry emerged in the fields of transport, where Yugoslavia was promised concessions for the construction of the road Durres – Elbasan – Kukes, and to get control for the concessions of the railway construction. There was a project of the road system headed both geographically and economically from Yugoslavia. "The eastern side of every road to Yugoslav border could be used in an event of war by Yugoslav troops. Before the Italians were able to benefit from it and would facilitate a more likely Albanian invasion from Yugoslavs rather than an Italian – Albanian invasion of Yugoslavia" (Swire, 2005). Finally also transportation sector Italian companies acquired privileges, those rivalries Yugoslavia again. Italian – Yugoslavian rivalry emerged in agricultural sector too. "The most important problem was drying swamps with an extension of 1722 square miles, which infected people with ague fields" (Swire, 2005). In relation with public works the Albanian government awarded an Italian mission to carry them out for a period of 10 years. Yugoslavs claimed that this was another preparatory step for an Italian attack to Yugoslavia through Albania (Swire, 2005).

Italian – Yugoslav rivalry also appeared in the maritime sector, as Zog had promised Pashic to sign a commercial and navigational treaty. This treaty was never signed with Yugoslavia because in March 1925 Albania would sign this treaty with Italy. "The major part of Albania treaty was been done with Italy...Yugoslavia had done many things to regulate trade ties through its borders" (Swire, 2005). Yugoslavia felt a great danger by the empowerment of Italy in Albania, and threatened by a shortage of its economic interests over Albania. Yugoslav press exploited in an attack of charges against Italy, but also blamed Zog for his wrong approach towards Yugoslavia, where theoretically he was known as Yugoslavians friend, but practically he was serving Italian interests, giving total freedom to the Italian economic impact. Yugoslavia claimed through press that she had concerns about the intentions of Italy in Albania. "If Yugoslavia continuous to be hostile to Albania and insists on its aggressive madness, the latter will be more inclined to follow the steps of Italy, which are preferable than Yugoslav bayonets (Swire, 2005).

Aggravation of Yugoslav- Albania and Italian – Albania relations was apparent after the signing of navigation treaty. Yugoslavia did not stop its attempts to influence in Albania, she demanded custom unification. When Mussolini was made aware of this, he put pressure on Zog, that the only force he could sign agreements with, was Italy. Zog did not sign the agreement justifying the fact that this treaty would negatively affect Albania and Italy. Zog to approach Yugoslavia presented to it the request to sign another trade and navigation treaty. He attempts to do anything to regulate the relationships between Albania and Yugoslavia. He sent a delegation to Belgrade led by M.Tutulani who signed a treaty of consular issues, navigation, and extradition with Nincici. This treaty will allow Yugoslavia to control Albanian trades mainly in north, and the sailing in Buna's and Shkodra's lake.

This time the treaty would not be signed by Yugoslavia because the Yugoslav parliament will not ratify it, because between Italy and Albania was signed the treaty of friendship between them in November 26-th 1926.

### 3. Conclusions

Reports that Yugoslavs were preparing an uprising, as a sign of hostility that they had to Zog and Italy, started from the beginning of Autumn 1926. In November 20-th exploded a Catholic rebellion in the North of Albania.. This revolt soon broke down and some of the rebels were executed by Yugoslavia. *Yugoslavian press implicated even Noli and alluded that Italy has taken this initiative* (Swire, 2005). F.Noli reacted immediately telling that he was not part of this rebellion and that he was removed from Albania to Vienna when Zog return to power. There are two assumptions for this rebellion.

First, it is thought by most historians that it was founded Albania from Yugoslavia itself, as protest and displeasure it had to refuse a concession by Zog.

Secondly, there is a speculation that it could be financed by Italians themselves who were preparing to sign a treaty with Zog, which would put Albania under Italian protectorate. Zog felt powerless to cope with this uprising, and situated in serious financial conditions, would not hesitate to make ratification of the new treaty with Italy. Mussolini asked

achieving a new agreement that perhaps it would be better to divide Albania between them. Italy immediately rejected Belgrade's request because it was negotiating with Albania and do not need other. Zog asked help to Italy, which was provided immediately, but in return he must sign the pact of friendship with Italy insurance.

"The fear of permanent Serbian imperialism pushed on Albania in the arms of Italy" (Swire, 2005). On October 11, 1926 the Italian Minister presented the Albanian president's first offer for a friendship pact Italian – Albanian. Zog asked to Italy a total of 200 thousand gold francs. His request was completed. In these conditions Zog asked to Alois to sign the friendship treaty on November 26-th 1926. The pact was finally signed on November 27-th 1926. The provisions of the treaty were as follows: *"Italy and Albania, with a view to reinforcing their mutual relations of friendship and security, anyone considering their geographical position...inspired by the desire to maintain the political status quo, legal and territorial Albania.. Have decide to conclude this pact...and to this end have designated as their almighty...Aloisi baron..."* (Swire, 2005). Albanian side and Mr. Vrioni who exchanged their credentials as agreed for signing the five main points. Its core contained in article number 1 *"Italy and Albania know that any disturbance to the status quo against political, legal, and territorial Albania is against the interests of their mutual politics"* (Shkencave, 1984). Other points claimed that the pact would remain in force for five years and may be denounced or repeated a year before the expiry of the dead line. In the last section as dictated how it was adopted, can enroll in the Nations League. The signing of the pact put Albania under Italian slavery.

New convenient was introduced in the Albanian parliament on December 8-th, which was voted by almost all MPs. He remained there and without comment in the international arena, especially in Yugoslavia remained disappointed. November 30-th Nincici became acquainted with the content of the pact, and the next day he conveyed Bodrero, Italian Minister Belgrade content of the text itself. *"Nincic the first bitterly criticized Pact of Tirana, but this criticism, as rightly wrote "Freedom" National were only from perspectives of Yugoslav interests"* (Shkencave, 1984).

Nincici who had been pro – Italian policy in the Balkans felt quite disappointed by Zog and Mussolini few days after the signing of the treaty and the *"political pressure was forced to resign, which was followed by the resignation of his entire cabinet"* (Duka, 2007). In this way began antagonizing the Italian – Yugoslav relations. Belgrade remained silent; he headed toward the Great Powers in trying to convince the pact was signed only to counter Yugoslav interests in Albania. Yugoslavia felt unsupported by Britain and in these circumstances, it began to change tactics. Britain and France held a more negative attitude rewards' Italy not because they did not want to disrupt the relationship. Covenant was registered in the Nations League on February 8-th 1927.

## References

- Dajti, G. (1925, 11 5). Gazeta Dajti. Dajti , p. 3.  
Dako, K. (1990). Shenime Historike. Tirane: Tirana.  
Dervishi, K. (2006). Historia e Shteti Shqiptar. Tirane: Tirane 55.  
Duka, V. (2007). Historia e Shqiperise 1912-2000. Tirane: Kristalina KH.  
Fishce, B. (1984). Mbreti Zog dhe perpjekja per stabilitet ne Shqiperi. Tirane: Tirana.  
Fishta, I. (1989). Nderhyrja e kapitalit te huaj dhe pasojat e saj skllaveruese per Shqiperine 1925-1931. Tirane: Tirana.  
Jackues, E. (1995). Shqiptaret. Tirane: Tirane 55.  
Milo, P. (1992). Shqiperia dhe Jugollavia 1918-1927. Tirane: Tirana.  
MPJ. (1925). Dosja 105. Tirane: Ministria e Puneve te Jashtme e Shqiperise.  
MPJ. (1925). Dosja 11. Tirane: Ministria e Puneve te Jashtme e Shqiperise.  
MPJ. (1925). Dosja 111. Tirane: Ministria e Puneve te Jashtme e Shqiperise.  
MPJ. (1925). Dosja 345. Tirane: Ministria e Puneve te Jashtme e Shqiperise.  
Shkencave, A. e. (1984). Historia e Shqiperise, Vol III. Tirana: 8 Nentori.  
Shqiperise, M. e. (1925). Dosja 345. Tirane: MPJ.  
Swire, J. (2005). Shqiperia. Ngritja e nje mbreterie. Tirane: Dituria.