

The historical context of Peja's economic development in 1973

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Abstract:

The purpose of our work is to treat in a scientific way the historical context of the economic development of Peja city and its suburbs in 1973. Kosovo's economy specifically Peja's after the Second World War started to rebuild in light of this country's people. During the first days after World War II the nationalization of the scattering industrial objects started, most of which were mills, sawmills for wood refinement and roof tiles and bricks fabrics. The economic development of Kosovo immediately after the Second World War, for a very long time, was not able to fit into the dynamic growth of the whole Jugosllavia. The period between 1966 and 1970 marks the most stable and successful phase of Kosovo's economic development. During this time there were two medium-term plans established for the development in the whole country. The Social Plan 1966-1970 and the Social Plan 1971-1975. Peja as part of Kosovo, grew economically after year 1970 particularly when fabrics opened and the development of this city increased to a great extent. The study is supported with unpublished documents which are offered to the reader for the first time. The unpublished archived materials in the Intercommunal Archive of Peja are put to use with proper caution and a great help was given from the relevant literature which tackled the problematic topic we are elaborating on.

Key words: Economy, Kosovo, Peja

I. HISTORICAL CONTEXT OF ECONOMIC DEVELOPMENT IN KOSOVO AFTER WORLD WAR II

In between the two World Wars Kosovo, as part of SKS Monarchy, did not develop properly because the pressure under this Monarchy did not let Kosovo to grow as a territory. The job done at that time was meager; building Peje-Cakorr, Prishtine-Mitrovice-Rashke streets and the construction of Prishtine-Peje railroad and also the beginning of construction of Prishtine-Kurshmuli railroad.¹ Regarding the mines, the opening of "Trepca" mine and its mine craft in Zvecan was of great importance, then the start of mines in Ajvali, Kishnice, Novoberde, Deve, Siriniq, Obiliq and Golesh. The usage of all these mines was completed by foreign capitalists, except the "Kosova" mine in Obiliq and the mine of Golesh in Magure.

In the industrial buildings and mines of Kosovo the foreign capital represented 72.8%.² In the aforementioned period, there were 9 mills, 7 construction material fabrics, 6 sawmills and electric centrals in Gjilan, Prishtine, Prizren, Mitrovice, Elez Han, Gjakove, Peje and Ferizaj.³ During the nazi-fascist break in Kosovo, the invaders were interested on using Kosovo's natural resources as much as possible, especially chrome, zinc and lead mines etc.⁴ Whereas the economic development of Kosovo after World War II was done in two stages. During the first period 1945-1947 the rhythms of Kosovo's economic development were extremely slow not only when compared to developed territories but also to the undeveloped territories of Yugoslavia. At that time, in Yugoslavia, the investment means were given without return liability, because Kosovo was not given such means the increase of social product for capitol was negative for 1.3% Yugoslavia

¹ Ali Hadri, *Lëvizja nacionalçlirimtare në Kosovë 1941-1945*, Prishtinë, 1971, 460.

² Ibid.

³ Ibid.

⁴ Ibid.

evolved in this field.⁵ Investments in Kosovo's economy until year 1957 were symbolic. The second period of Kosovo's economic development 1957-1975 was characterized with a relative and absolute growth compared to the first stage. However, the conditions of using investment means were unfavorable for Kosovo since only 8% of industrial buildings were built with means which were not required to be returned, whereas in other territories of Yugoslavia such means were offered at 27%. In this way Kosovo's industry was overloaded with obligations which were 2,6 times greater than the average of the country, they had to be returned and this stopped the chance of accumulation. The conditions in which Kosovo's economy was developed brought even greater differences of Kosovo's economic development compared to the developed and somewhat developed territories of Yugoslavia, which means that Kosovo's economy did not grow as it was expected, instead, it stagnated for a relatively long period. Despite the resources in mines, Kosovo still did not grow economically as it was expected, this is supported by the fact that in 1948 in Yugoslavia's economy Kosovo participated with 2.5% whereas in 1974 Kosovo participated with 2.0%. Although this stagnation was present, compared to the other territories of Yugoslavia, Kosovo's economy within this period marked an increase of production by 7.5 times, and that of social product by 4.5 times. During the second stage two branches of economy developed in Kosovo, in these branches 126 types of industrial productions were being produced which not only fulfilled Kosovo's needs with such articles but were also sold in the foreign market. Plans for periods 1966-1970 and 1971-1975, predicted the construction of many fabrics and various buildings.⁶ But because of the lack of investment means from their accumulation, also because of the Federative Funds for the development of undeveloped territories, Kosovo's economy did not manage to finish the construction of 175 buildings

⁵ Këshilli Popullor i Kosovës dhe Metohisë 1943-1953, Prishtinë, 1955, 71.

⁶ Plani afatmesëm i zhvillimit të Kosovës 1966-1970, Prishtinë, 1966, 88.

within years 1969-1975. In the socio-economic plan of development of Kosovo in 1971-1975 an important place was given to industrial development, which slowly started growing significantly. During the period of economic growth after World War II in Kosovo, we may add that the underdevelopment of economy was surpassed with an increase of the living standard and a notable improvement of living conditions. At this time there were many industrial centers formed in Kosovo namely in Prishtine, Mitrovice, Peje, Gjakove, Prizren. These were the core of a stable economic development in Kosovo during 1966-1974.⁷

II. THE DYNAMIC OF PEJA'S ECONOMIC DEVELOPMENT IN 1973

Peja's economic development in 1973 happened as part of intensive activities for the appliance of precautions for economic stabilization, constitutional amendments and President Tito's letter and Executive Bureau of LKJ.⁸ In 1973 the intensive politic of activities on treating and establishing constitutional changes was developed, essential cases for the further development of socio-economic system were being treated. With economic measures which were taken for stabilizing the economy in 1973 the economic liquidity was improved, the number of organizations of united work in blocked accounts decreased and the great number of losses from previous years was covered. Additionally, conditions for a more successful economy were made possible. In social production based on material balances of production in 1973 the broader social production of international economy increased to 27.6% in comparison to 3.0% less in 1972 than it was expected with

⁷ Nuri Bashota, *Ekonomia e KSAK të Kosovës dhe transformimi I saj në shoqërinë socialist*, "KOSOVA", nr. 13/14, Prishtinë, 1985, 21-44.

⁸ Arkivi Ndërkomunal - Pejë (më tej ANP), Fondi : Enti për zhvillim ekonomik dhe planifikim shoqëror, Kutija 194, 22.

Peja's development possibilities in 1973.⁹ The increase of social production in 1973 was present in all economic branches but more significantly in industrial, forestry, transport, trading, hostelry, craftsmanship branches and other economic branches whereas in social construction branches, their production increased by 5.8% compared to the social production in 1972. In industrial branches remarkable increase was reached by Ramiz Sadiku, a fabric of automotive parts which had a production of 59%. Even the other organizations of united work were not able to accomplish the great volume of social production compared to 1972, excluding the Harvest Combine and Oniks united work. The Harvest Combine reached a social production which was 17% lower whereas that of Oniks was 11.6% lower. In transport, remarkable increase of social production was achieved by organizations such as Kosovotrans 43.3%, Shumtrans 27.1%, whereas organizations of united work such as the Park of machineries of construction enterprises Izgradnja accomplished the increase in production, particularly Agrometohija 47.4% and Zhitopromet 58.6%.¹⁰ In craftsmanship as well, the organizations for united work reached an increase in social production, especially Metohijaremont 141.9% and Bistrica 60.9%. In 1973 a huge role in social production was played by industry 31.4%, then agricultural economy 23.2%, and trade 16.5%. Other branches participated in a smaller scale. For instance, forestry with 1.1% and construction with 7.7%. The national income in 1973 was increased by 26.4% and that of social economy by 37.1% whereas that of individual economy increased by 7.9% which means that compared to the predictions for year 1973 for the general economy to increase by 4.8%, social economy by 3.6% and individual economy to increase by 1.4%. The most notable increase of national income in 1973 was marked by branches of industry, forestry,

⁹ Ibid.

¹⁰ ANP , Fondi : Enti për zhvillim ekonomik dhe planifikim shoqëror, Kutija 191, 35.

transport, trade, hostelry, craftsmanship and other economic branches. In 1973 the greatest participation was represented by industry with 26.1% then, agricultural economy with 25.3%, trade with 18.3%. Other branches participated with lower production capacity including forestry with 1.1% and construction with 8.7%. An increase by 37.5% in industrial production was expected for year 1975. The greatest increase of production for year 1973 was accomplished by Ramiz Sadiku the Fabric of automotive parts and the industry of Industrial Agricultural Combine. Activity in the industrial field in 1973 developed in light of the activity of many groups involved in economic politics.¹¹ The activity in metal refinery particularly that of Ramiz Sadiku Fabric of automotive parts grew to a great extent: unfavorable relations between the prices of raw materials and final products, the great level of dependency on import of reproduction materials, frequent interruptions of electricity etc. The forestry industry namely, the Harvesting Combine in 1973 had the lowest production level. At this point, the production of all products stagnated, especially that of light tiles of construction, iver tiles and construction carpentry. In shoe leather industry specifically the leather and shoe Combine reached the biggest increase of production by 14.5%. Nevertheless, the further production increase of this Combine faced great challenges. The main reason was the insufficiency of reproductive material, insufficiency of circular means and the insufficiency of electricity. The price increase of damp leather affected the production of leather and fur. Industrial production of groceries particularly that of industrial capacity of Industrial Agricultural Combine was greater. In most of the cases, Malti Fabric had a great impact on such increase, capacity of which was more notable in the end of 1972. Greater production volume pull Beer Factory, while Sugar Factory and Alcohol Factory marked a decrease. Production in the foodstuffs

¹¹ ANP , Fondi : Enti për zhvillim ekonomik dhe planifikim shoqëror, Kutija 178, 20.

industry in 1973 was held in great demand conditions for products of the limited availability of the raw materials supply. Within the industry of building materials in 1973 they worked two basic organizations of associated labor Oniks and Brick Factory. Both these organizations realized greater production volume by 4.1%. Particular problem for the basic organization of associated labor Oniks presented equipment of outdated to the dynamism and processing of marble. The total volume of agricultural production in 1973 was 8.7%. The largest added volume of production was realized to the vineyards 96,2% and to orchards 13,2%. Such increased production of vineyards-orchards in 1973 was driven by favorable climatic conditions. Significant increase in arboriculture production amounted social sector to 222.2%, while the individual sector 9%. In viticultural production also achieved greater production for 96.2% of that increase in the social sector for 153.1% and 5.2% for the individual. The total arable production in 1973 achieved greater growth to 6.3% in all weather fluctuations. Individual sector realized greater volume of production by 10.9% while social sector pull the small volume production to 33.1%. Production of wheat carried out in 1973 on average there were 23 quintals per 1 hectare.¹² In 1973, the collection of cattle prices increased and also grew the price of milk. Seen through price and turnover cattle and livestock products were carried out taking the requirements in the market. Such performance of stock prices influenced the greatest achievement in the food value of cattle and themselves on general agricultural production. On this basis such livestock production and gathering price took place overall performance physical volume of livestock production in 1973 to 7%. In the social sector was realized physical volume by 6.3%, while in the private sector to 7.1%. Milk production in 1973 was realized at the level of 1972. In assortments of forest products in 1973 was worth 15.9%. In 1973 it increased production of wood for mechanical processing

¹² ANP , Fondi : Enti për zhvillim ekonomik dhe planifikim shoqëror, Kutija 182, 29.

and the troops for cutting eat them, as well as logging.¹³ They also produced 134 m³ cellulose wood, while wood production to processing and heating was smaller. Forestry constantly accompanied a number of problems of a subjective nature and objective, such as: Dilution of labor, frequent sick leaves, cutting without permission in social forestry, property and legal relations without purified and small investment for both care growth and exploitation of forests. But the construction development was directly dependent on general economic trends, especially the intensity and structure of investment spending. The nominal value of construction works performed during 1973 was 66.4 million dinars. Social construction increased the nominal value of construction works for 16,9%, while construction of individual reduce the nominal value of the works carried out for 2.2%. The activity of construction companies in 1973 was under the action of raising the prices of transport services, electricity and fuels and the increase in personal income hasten the construction work. The value of rendered services during traffic for traffic fulfill services for 1973 was 24.2%. Rendered services of social communication were larger by 27% while individual traffic to 7%. Increase the volume of transportation of passengers in public traffic was the result of increasing the number of buses and the opening of new lines in the city. In telecommunications in 1973 it was installed new telephone exchange with 3,000 new numbers. Basic organizations of associated labor and public communication associate very different problems. In the context of trade turnover in 1973 in Peja balance it was 24% of the retail turnover was 25.5%, while wholesale turnover by 18.9%.¹⁴ In the general circulation embodied for 1973 retail turnover participated with 77.9%, of wholesale turnover 22.1%. In retail turnover made by the company 17 Nentori during the 1973

¹³ ANP , Fondi : Enti për zhvillim ekonomik dhe planifikim shoqëror, Kutija 186, 60.

¹⁴ ANP , Fondi : Enti për zhvillim ekonomik dhe planifikim shoqëror, Kutija 190, 12.

participated with 32.5% and other participants in retail turnover by 67.5%.¹⁵ It is noted that participation in the retailing trade enterprise 17 Nentori was added year by year. The trade turnover took place on the impact of general economic conditions, along with the expressed intention of stabilizing the economy and reducing all consumption patterns in real targets. In addition to the trade turnover affect the large increase of the price of living expenses.¹⁶ On the volume of turnover in 1973 affected the inadequate capacity, lack of circular means and insufficient linkage of the commercial organizations with productive ones. However, the volume of trade turnover in Peja during 1973 reached relatively positive results. With all the added volume of turnover in 1973, the market supply was not favorable due to the temporary presence of some food products such as tableware, sugar, coffee, oil, fruits, products from meat etc. The total volume of hotel services in 1973 was 32.5% greater social services of hotel catering to 42,1%, while the volume of individual hotel services catering to 40%. In total volume of realized catering services catering social enterprise hotel Metohija attended by 81%. Increased volume of hotel tourist services in 1973 was the result of solid equipping tourist hotel capacity, the greater demand of tourism and services, increasing social standards, etc. The total volume of tourist traffic in 1973 by observing the number of overnight stays was higher by 26%, while the number of foreign tourists was 34.4%.¹⁷

¹⁵ ANP , Fondi : Enti për zhvillim ekonomik dhe planifikim shoqëror, Kutija 191, 36.

¹⁶ ANP , Fondi : Enti për zhvillim ekonomik dhe planifikim shoqëror, Kutija 194, 17.

¹⁷ ANP , Fondi : Enti për zhvillim ekonomik dhe planifikim shoqëror, Kutija 186, 19.

III. THE NATIONAL STRUCTURE OF THE ECONOMY INVOLVED IN PEJA

In the economy of Peja during 1973 are found to be involved 6625 employees of all nationalities. Below we will give a summary of the work involved and the structure of their national enterprises throughout the city of Peja. In Elektrokosova organization involved 143 employees from 71% Albanians, 13.6% Serbs, Montenegrins 10.8. Vehicle Factory Ramiz Sadiku involved 1411 employees from 65% Albanians, 8.2% Serbs, Montenegrins 13.2. Combine of the wood with 409 employees 49.6% Albanian, 16.6% Serbs, Montenegrins 16.6. Combine of Leather and Footwear from 1200 employees 43.3% Albanian, Serb 21.2%, 21.5% Montenegrins. Combine of agricultural-industrial with 1126 employees 36.4% Albanians, 29.5% Serbs, Montenegrins 33.9%. Veterinary Station with six employees, including 50% Albanians 33% Serbs, Montenegrins 16.5%. Office on plant protection with 14 employees of them Albanian 28,5 % and Montenegrin 71.5%. Organizations of associated labor Prokletija involved 93employees Albanian 44.1%, Serb 30.2% and Montenegrins25.7%.¹⁸ Izgradnja construction enterprise with 523 employees 59.6% Albanian, 23.8% Serbian and 8.3% Montenegrins. Office of Urban 11 included Albanian 36.4%, 9% Serbs, Montenegrins 54.6%. Utility company Vodovod 111 employees 74.8% Albanians, 10.8% Serbs, Montenegrins 5.2%. Beli Drin enterprise with 72 employees 33.3% Albanians, 29.2% Serbs, Montenegrins 37.5%. The section on protecting the soil from erosion by 57 employees 62.9% Albanians, 7.1% Serbs, Montenegrins 11.3. Enterprise trade 17 Nentori with 181 employees, of whom 65% Albanians, 7.1% Serbs, Montenegrins 11.3. Zhitopromet commercial enterprise with 80 employees 81.2% Albanian, 10% Serb, Montenegrin 7.6%. Kosovatrans transport company with 181

¹⁸ ANP , Fondi : Enti për zhvillim ekonomik dhe planifikim shoqëror, Kutija 178, 33.

employees 62.9% Albanians, 7.1% Serbs, Montenegrins 11.3%. Hotel Metohija enterprise with 308 employees 40.5% Albanians, 21.7% Serbs, Montenegrins 31.5%.¹⁹ Construction and trading craft enterprise Bistrica with 242 employees Albanian 51.6%, 13.2% Serbs, Montenegrins 26.2%. Metohijaremont craft enterprise with 70 employees 31.5% Albanians, 31.5% Serbs, Montenegrins 35.6%. Printing Planinka 15 involved employees 40.5% Albanians, 46.6% Serbs, Montenegrins 6.6%. Agrometohija commercial enterprise involved 130 employees 72.4% Albanian, 13% Serb, 14.6% Montenegrins. Housing Enterprise 16 employees Albanian 37.5%, 12.5% Serbs, Montenegrins 50%. Department of markets involved 18 employees 88,8% Albanian and Montenegrin 11,2%. Total included in Peja during this period the total number of employees of 6625 scheme is as follows: - Albania 3471 or 52.4% , -Serbian 1224 or 18.4%, - Montenegrin 1364 or 20.7%. According to archival documents consulted and carefully analyzed qualifying structure during this period is presented to us as follows: - faculty 1.6% - with high schools 2,4% - secondary education 5,8% - with low school 5,2%, with higher qualifications 12.9% - with half qualifications 22% - unqualified 17.7%.²⁰

CONCLUSION

Economic developments of 1945-1966 years spent in an atmosphere completely influenced by the situation and political circumstances in Kosovo and in this context in Peja. After 1966 and Peja within the overall development of Kosovo took place and thus consolidate its economy in many activities. We will mention that the economy even though nationalized achieved

¹⁹ ANP , Fondi : Enti për zhvillim ekonomik dhe planifikim shoqëror, Kutija 182, 16.

²⁰ ANP , Fondi : Enti për zhvillim ekonomik dhe planifikim shoqëror, Kutija 190, 41.

satisfactory results despite numerous objective and subjective difficulties. Opening of various factories in Peja enable the hiring of more workers with different qualifications. Albanians in Peja in this period used the political situation and so the vast majority of the work involved were ethnic Albanians. From archival documentation clearly shows that Serbs were much less involved in this period, especially Montenegrins. Also there is a trend of increasing employees with faculties to practice this past was much smaller. This is evidence of Peja overall economic development and full mouth can be called economic boom to the fact that until 1973 the dynamics of this development was not at a satisfactory level.