

**ECONOMIC AND TRADE DIPLOMACY
AND ITS CHALLENGES. THE EARLY STAGES
OF THE ORGANIZATION AND IMPLEMENTATION
OF ECONOMIC DIPLOMACY IN ALBANIA ***

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Abstract: *Economic diplomacy is an essential and valued facet of foreign policy. States widely use it to achieve their objectives. This research provides an in-depth analysis of economic diplomacy during the Albanian state's early years, viewed through the lens of diplomatic and international studies. The diplomatic corps and missions of the time played a significant and unique role in its practice. The cooperation between central institutions, diplomatic bodies, and the participation of the business sector produced the first outcomes indicative of effective economic diplomacy. Joint chambers of commerce, international tourism and the display of domestic products at international fairs were all early steps of economic diplomacy. The extensive archival sources from the Ministry of Foreign Affairs related to diplomatic activities for product promotion underscore the significance assigned by the state to various forms of economic diplomacy.*

Keywords: *economic diplomacy, international lobbying, diplomatic missions, foreign investments.*

Rezumat: *Diplomația economică și comercială și provocările ei. Etapele timpurii ale organizării și implementării diplomației economice în Albania. Diplomația economică este una dintre cele mai importante și apreciate forme de politică externă, utilizată pe scară largă pentru a atinge obiectivele de stat. Acest articol oferă o analiză aprofundată a exercitării diplomației economice de către statul albanez în deceniile trei și patru ale secolului XX, văzută prin prisma studiilor diplomatice și internaționale. În acest*

context, corpul diplomatic și misiunile diplomatice ale vremii au jucat un rol semnificativ și unic în practica sa. Cooperarea dintre instituțiile centrale și corpurile diplomatice, precum și implicarea comunității de afaceri, au dus la primele rezultate ale unei diplomații economice de succes. Prezentarea produselor interne la târgurile internaționale, promovarea turismului pe scena internațională și înființarea camerelor de comerț comune au fost expresii ale formelor embrionare ale diplomației economice în practică. Numeroasele surse istorice și arhivele din Ministerul Afacerilor Externe, legate de activitățile diplomatice pentru promovarea produselor, evidențiază, de asemenea, importanța pe care statul albanez o acorda diverselor forme de diplomație economică.

INTRODUCTION

Economic and trade diplomacy, as devised by governments, aims to promote economic prosperity, regional cooperation, and national security. It is an integral component of (and concurrently a tool of) foreign policy, encompassing the process of making decisions and implementing economic strategies¹. Economic security involves economic prosperity and political stability, prompting states to engage in economic diplomacy using various instruments that integrate economic and political factors.

Economic diplomacy is a multidisciplinary research area of international economics, political economy, and international relations. Its objective is to influence intergovernmental decisions concerning economic operations undertaken by governments and other non-state entities, including the actions of governments and their international networks. Hence, economic diplomacy refers to the strategic use of government relations and influence to facilitate global trade and investment using state representations (embassies, consulates), domestic institutions (investment and export promotion offices), and bilateral diplomatic engagements (trade and state visits)².

Within this framework, governments have implemented various approaches in their foreign policy to ensure economic stability. Therefore,

¹ Nicholas Bayne, Stephen Woolcock, *What is Economic Diplomacy*, in Nicholas Bayne, Stephen Woolcock (Eds.), *The New Economic Diplomacy. Decision-Making and Negotiation in International Economic Relations*, Aldershot – Burlington VT, Ashgate Publishing, 2003, pp. 3-22.

² Maaïke Okano-Heijmans, *Conceptualizing Economic Diplomacy. The Crossroads of International Relations, Economics, IPE and Diplomatic Studies*, in Peter A. G. van Bergeijk, Maaïke Okano-Heijmans, Jan Melissen (Eds.), *Economic Diplomacy, Economic and Political Perspectives*, Leiden – Boston, Martinus Nijhoff Publishers, 2011, p. 14-23.

diplomacy has relied on trade to back up its operations. In every era of human history, the growth of commerce has been the driving force behind conflicts, dialogues, and alliances among sovereign nations. The prevailing belief is that trade has significantly influenced international relations. In international affairs, trade diplomacy refers to a state's deliberate attempts to increase its exports. Principally, it enforces export policies and promotes the country's products in global markets. Trade diplomacy has also attracted academic attention. Significant academic research focuses on trade diplomacy in the context of export promotion. English-language studies are most prevalent concerning the broad topic of economic and trade diplomacy. However, extensive research into the origins and early practices is limited. This study is particularly valuable as it includes a case study of a country in its early days. The role of diplomatic missions in leveraging economic and trade diplomacy is analysed for the first time in Albanian academic literature. There are no previous scientific papers in Albania or elsewhere regarding this topic for the specified timeframe (1920-1935). Archival resources from the Ministry of Europe and Foreign Affairs provided new insights through unpublished data.

This study aims to comprehensively analyse the early forms of economic and trade diplomacy in the first years of the Albanian state (1920-1935). It includes efforts to attract foreign investors, promote Albanian products abroad, establish chambers of commerce (either Albanian or joint) outside of Albania, promote tourism, protect the interests of Albanian traders, and address the challenges associated with developing regional cooperation.

The study's timeframe predominantly aligns with King Zog's rule (1928-1939). It is important to emphasise that Ahmet Zogu was the head of the Albanian government from 1922 to 1924 (the first Zog government), and from 1925 he led several governments until 1928 when he proclaimed himself King Zog the First. During this time, the first major initiatives were implemented to create a modern state administration, using European countries as models. The country began to align with the West by adopting legislation and state structures similar to European countries. Albania of that time was seen as a country of the Orient, particularly because its independence in 1912 was the last among other countries in the region that had once been part of the Ottoman Empire.

The government of the time commenced implementing early forms of what would later be called economic and trade diplomacy to strengthen its position, particularly its financial resources. Embassies and the diplomatic corps accredited abroad bore the heavy burden of promoting the country and attracting foreign investments.

UNDERSTANDING AND CONTENT OF ECONOMIC DIPLOMACY

A comprehensive study of economic diplomacy can be achieved by integrating two notions, diplomacy and economics. Economic diplomacy involves the analysis and understanding of these two domains. Engaging in negotiations to protect the economic interests of a state at bilateral, regional, and international levels may be considered a more straightforward understanding of economic diplomacy. Nevertheless, economic diplomacy can be defined in several ways, contingent upon the specific formulation of the term to reflect the area of activity and research. The best method to convey meaning or describe a term is to raise essential questions. In this particular case, one of the questions could be: what is the respective role of diplomacy and economics within economic diplomacy? Considering this paradigm, the economic component can be evaluated in three ways. The first topic of discussion is economic objectives, namely the enhancement of economic well-being. The second topic pertains to economic methods, while the third concerns economic incentives.

Conversely, the question arises: what precisely constitutes diplomacy? Indeed, economics and diplomacy exhibit distinct characteristics in the evolving context of international relations. However, it is important to note that their cooperation has become deeply ingrained, driven by shared goals for state policies.

Economic diplomacy is an interdisciplinary subject covering international economics, international political economy, and international relations, aiming to influence intergovernmental decisions regarding economic activities pursued by governments and various non-state actors. These include the activities of governments and their global networks. Based on this, Peter A. G. van Bergeijk³ defines economic diplomacy as the use of governmental relations and influence to promote international trade and investments through state representations (embassies, consulates), domestic institutions (investment and export promotion offices), and bilateral diplomatic activities (trade and state visits).

Okano-Heijmans' analysis starts from the premise that economic diplomacy can be defined as actions taken by the state and the dynamic environment in which the state operates. Economic diplomacy cannot overlook that other actors, such as private actors and other interest groups, influence the state's activities. Governments design economic diplomacy to enhance economic prosperity and national security.

³ *Ibid.*

In contemporary times, state strategies for achieving economic objectives—linked to the success of international talks and cooperation—are used to assess the efficacy of its policies, among other things, such as political and administrative objectives. Therefore, state economic diplomacy has adjusted and broadened to encompass various strategies. The concept of economic diplomacy is readily adaptable to changes in response to circumstances, the environment, and economic trends.

Susan Strange's study, *International Economics and International Relations. A Case of Mutual Neglect*⁴ is noteworthy because it highlights the significance of examining the independent evolution of economic studies and international relations, mainly due to the rapid development of the international economic system. A new method of studying international relations that incorporates international politics and international economic interactions is needed. Strange's thesis rests on the claim that economic power cannot exist without the capacity to impose economic restrictions and measures, which are ultimately decided by political authority⁵.

Nicholas Bayne and Stephen Woolcock⁶ are two prominent scholars in economic diplomacy. According to their perspective, economic diplomacy refers to the governance of economic interactions between states in the early 21st century. It encompasses the decision-making processes at the state level, the subsequent discussions in the international arena, and the interplay between these processes. Therefore, it primarily involves bilateral discussions between governments to establish international economic agreements, including those intended to prevent double taxation, protect and promote investments, or facilitate tourism cooperation, among other examples. Hence, economic diplomacy encompasses not just the state's activities but the ever-changing context in which it functions, all while being interconnected with the state's domestic policy.

Peter AG Van Bergeijk and Selwyn Moons (2009) argue in *Economic Diplomacy and Economic Security* that economic diplomacy has three dimensions⁷: a) using political influence to promote interstate trade, enhance market efficiency,

⁴ Susan Strange, *International Economics and International Relations. A Case of Mutual Neglect*, in "International Affairs", Vol. 46, 1970, No. 2, pp. 304-315, <https://doi.org/10.2307/2613829> (Accessed on 26.08.2024).

⁵ Susan Strange, *The Retreat of the State. The Diffusion of Power in the World Economy*, Cambridge, Cambridge University Press, 1996, p. 25.

⁶ Nikolas Bayne, Stephen Woolcock, *What is Economic Diplomacy*, pp. 3-22.

⁷ It should be emphasised that it includes multilateral negotiations within the framework of international organisations such as the World Trade Organisation, the International Monetary Fund, etc.

lower costs and risks from cross-border exchanges (trade diplomacy falls under this category); b) using economic tools to raise the cost of conflict, stabilise long-term political relationships, and achieve mutual benefits in state-to-state cooperation, thereby enhancing economic security; and c) the methods used to seek the establishment of an international politico-economic framework at the periphery or global level, capable of facilitating the above goals.

International economic diplomacy is the strategic use of diplomatic methods to accomplish economic goals. Kishan S. Rana⁸ defines economic diplomacy as the strategic actions of governments to promote their national interests across several sectors such as trade, investment, and other forms of economic gain. This methodology includes bilateral, peripheral, or multilateral aspects.

The multilateral aspects pertain to the organisation of the additional mechanisms of economic diplomacy, namely the decision-making procedures and the methodologies used for negotiations. The decision-making process for formulating and executing economic diplomacy inherently encompasses not just state structures but also additional cooperation structures, such as the European Union, and multilateral international organisations.

Economic diplomacy can also be analysed from two specific perspectives: as a tool and as a process. As a tool, it is valued as an important mechanism of foreign economic policy, development policy, negotiations with businesses (international business diplomacy), and above all, traditional foreign policy. Simultaneously, it can be examined as a process, since the decision-making process in the foreign policy system is experiencing a major transformation due to the growing significance of international economic policies. Furthermore, economic diplomacy can be assessed according to the analytical method employed. From this perspective, there are four categories⁹: firstly, bilateral economic diplomacy, which concerns relations and negotiations between two states; secondly, peripheral economic diplomacy, which concerns negotiations for regional trade agreements at different levels. The main role in regional cooperation is not only played by the state but also by an increasing number of societal actors, such as businesspeople, environmental movements, human rights organisations, etc.

⁸ Kishan S. Rana, *Economic Diplomacy: The Experience of Developing Countries*, in Nicholas Bayne, Stephen Woolcock (Eds.), *The New Economic Diplomacy. Decision-Making and Negotiation in International Economic Relations* (Second edition), Aldershot – Burlington VT, Ashgate Publishing, 2007, pp. 201-220.

⁹ Gorazd Justinek, *Evaluation of the Economic Diplomacy Model in the Republic of Slovenia*, in "Trade and Global Markets", Vol. 4, 2011, No. 4, p. 408-409, <https://doi.org/10.1504/IJTGM.2011.042864> (Accessed on 28.08.2024).

Thirdly, inter-peripheral economic diplomacy, which is related to inter-peripheral cooperation. Inter-peripheral relations mainly refer to cooperation between different peripheral organisations. Fourthly, multilateral economic diplomacy. Cooperation within the framework of international organisations with global reach (such as the United Nations), as well as organisations like the World Trade Organisation or the G7/8-G20. This represents a form of exercising economic diplomacy that is continuously gaining prominence.

Stephen Woolcock¹⁰ presents a tripartite framework for examining economic diplomacy, which involves contrasting three key aspects: a) the clash between politics and economics, b) the clash between internal and external pressures, and c) the clash between governments and other entities, such as civil society organisations and corporations.

Theory is essential for understanding facts, interpreting specific developments in economic diplomacy, and significantly influencing international negotiations. In addition to mercantilism, international regimes, international interests, and the notion of relative economic power, the appropriate policies may include key trends in international relations, such as realist theory, the model of interaction, imperialism, and dependency theory.

THE STATE AS THE PRIMARY ACTOR IN THE PRACTICE OF ECONOMIC DIPLOMACY

The following part delineates the theoretical and contextual framework, emphasising the state's role as the primary actor in economic diplomacy and its long-standing importance in international relations. It outlines the basic principles of foreign policy and the internal factors that shape a state's global interactions. By exploring these factors, the section underscores the significance of economic diplomacy as a vital tool of foreign policy, highlighting its historical evolution and relevance in advancing national interests through trade, investment, and regional cooperation. Archival research of records demonstrating the practical use of these concepts over the early years of the Albanian state follows the theoretical approach. The archival study builds on the theoretical insights by providing empirical evidence of how Albania, as a newly established state, used economic diplomacy to promote its products, attract foreign investments, and foster international trade relations. This connection between the theoretical

¹⁰ Stephen Woolcock, *Theoretical Analysis of Economic Diplomacy*, in Nicholas Bayne, Stephen Woolcock (Eds.), *The New Economic Diplomacy...*, 2003, p. 23.

foundation and the archival analysis underscores the interplay between the concept of economic diplomacy and its real-world implementation in the context of Albania's early diplomatic efforts.

Despite the emergence of various actors on the international stage, the state remains the primary actor, invariably positioned at the centre of international politics. The global reality, as we know it today, is shaped by the existence of states. The state model is now applied globally, as evidenced by colonisation, which did not lead to the development of alternative forms of political and social organisation but facilitated the globalisation of the state notion. Foreign policy has conventionally been considered the domain of high politics, expressed through diplomatic efforts or strategic initiatives.

In foreign policy, the state engages as an active participant in international relations, endeavouring to address the interests of various global actors while strategically exerting its influence to maintain the existing order when beneficial and to initiate change when considered necessary. In other words, the state attempts, through foreign policy, to at least preserve and enhance its influence beyond its national borders¹¹. Foreign policy has always been viewed as a domain of major significance, defined by the complexity of diplomacy or strategic variables.

The history of international relations demonstrates a wide variety of foreign policies, each shaped by the unique characteristics of each state. Among the decisive internal elements of foreign policy, four major categories can be distinguished: natural, structural, cultural, and human elements¹². The natural components encompass three crucial aspects: geographical location, natural resources, and demographic status¹³.

The geographical setting covers the state's dimensions, the country's geo-strategic position, terrain morphology, and the prevailing climate conditions. The availability of natural resources largely determines the state's autonomy from outside forces, such as the European Union's reliance on energy issues. The presence of natural resources is a crucial element of a state's power, which is strategically employed in foreign policy, provided the state has the economic and technical means to exploit these resources. The demographic situation includes various factors, such as population size, structure, age, and social stratification of the population, which influence the state's foreign policy either by imposing certain limits on its power or by generating internal pressures, such as emigration

¹¹ Kenneth Waltz, *Theory of International Politics*, California, Waveland Press, 2010, p. 93.

¹² Kondilis Panagiotis, *Theory of War*, Athens, Themelio, 1999, p. 127-129

¹³ *Ibid.*

and the pursuit of new territories. The structural elements concern the nature and configuration of political and economic institutions. With political institutions, one can discern the impact of regime types and the power distribution among various administrative structures in the formulation and execution of foreign policy. In terms of economic institutions, their structure, whether market-oriented economy or centralised and the degree of development significantly influence the authority of states and their foreign policy.

Furthermore, structural elements indirectly involve the organisation, type, size, and degree of centralisation of political parties, the structure and impact of pressure groups, and the presence and participation of national, religious, and linguistic groups, among other factors. Moreover, one must consider the technological aspect, which relates to the capacity to use and shape the natural and social surroundings.

Indeed, the mere presence of natural resources does not guarantee that a state will achieve prosperity and development nor does it ensure the execution of foreign policy grounded that has tangible effects. Furthermore, the necessary technological, economic, and human capacities must be set to effectively use these resources. Equally, the state's mere possession of a vast territory does not inherently confer the status of a substantial power. Furthermore, the state must possess the necessary resources to effectively regulate and guarantee the political exploitation of the territory. Cultural and human elements¹⁴ encompass a range of elements including culture (value systems, language, religion), ideology (a state's worldview and preferred methods of governance), prevailing trends (history, co-existence, historical memory), public opinion (positive and negative representations of the "other"), the personality of the political elite, and the configuration of their perceptions. The significance of each essential component of foreign policy suggests that constructing a comprehensive theory based solely on a singular factor is inherently flawed. Moreover, the importance of these factors varies according to particular circumstances and the distinctive features that define each state actor, posing an undeniable challenge in formulating a comprehensive interpretive framework of foreign policy.

The role of economic diplomacy has grown considerably, evolving into a vital tool of foreign policy. This significance was equally apparent for Albania, which needs to establish and organise its economic diplomacy efficiently. Albania

¹⁴ Selwyn J. V. Moons, Peter A. G. van Bergeijk, *A meta-analysis of economic diplomacy and its effect on international economic flows*, Working Paper no 566, International Institute of Social Studies, October 2013, p. 6-7, <https://repub.eur.nl/pub/50074/wp566.pdf>.

strengthened its good neighbourly relations and enhanced cooperation with neighbouring nations to foster economic development, productive intergovernmental interactions, and regional stability.

ECONOMIC AND COMMERCIAL DIPLOMACY IN THE EARLY YEARS OF THE ALBANIAN STATE (1920-1935)

The following analysis focuses on the fundamental procedures and institutional frameworks of Albania's trade and economic diplomacy in the early years after gaining independence. The establishment of chambers of commerce, participation in international fairs and exhibitions, and initiatives to promote tourism as a tool of economic and cultural diplomacy are among the strategic measures the Albanian government has taken to promote economic growth and improve international trade relations. The research relies on many archival materials to provide insights into the role of diplomatic missions in supporting these activities, the administrative and legislative frameworks created to support them, and the difficulties faced when putting them into practice. Setting the groundwork for a nuanced understanding of its historical and geopolitical relevance, this section traces the development of Albania's economic diplomacy, demonstrating how it is linked to more general foreign policy goals.

Historically, the beginnings of economic and trade diplomacy for the Albanian state can be found in the years after it became an independent state. The search for economic opportunities to support the finances of the Albanian state found the Ministry of Foreign Affairs at the time fully engaged in exploiting every possible opportunity. This included efforts to attract foreign investors, promote Albanian products abroad, create chambers of commerce (either Albanian or joint) outside of Albania, promote tourism, protect the interests of Albanian traders, and more. A milestone in this process is Albania's admission to the League of Nations in 1920, as well as the final decision of the Conference of Ambassadors in 1921 regarding the recognition of the status and borders of the Albanian state¹⁵.

The responsibilities of the Consular Directorate for trade matters were clearly stated in Chapter II, Article 15 of the Organic Law of the Ministry of Foreign Affairs of 1929¹⁶: a) Collects, compiles, and distributes economic and financial

¹⁵ Ksenofon Krisafi, *The International Legal Status of Albania from the End of the London Conference of Ambassadors to the End of the First World War*, "SEEU Review", Special Edition, Vol. 10, 2014, Issue 1, p. 71.

¹⁶ The Albanian Kingdom, Ministry of Foreign Affairs, *The Organic Law of the Ministry of*

news of the country as well as of those states that are of interest to the national economy. b) Gathers various news and documents requested by foreigners about Albania and by Albanian citizens about foreign countries. c) Handles matters concerning navigation in Albanian waters for foreign countries. d) Deals with trade legislation and export, import, and transit rights.

One of the most important forms for promoting and encouraging trade relations was the creation of chambers of commerce. Albanian legations and consulates played a significant role in this regard, striving to bring traders closer together and providing support to facilitate trade procedures. A substantial body of archival data demonstrates the efforts of Albanian representatives to keep the Ministry of Foreign Affairs and the Ministry of Finance informed regarding trade activities in the countries of their accreditation. For example, Mit'hat Frashëri, from the USA, in response to the interest of the then Minister Pandeli Evangjeli regarding American capital that could potentially work in Albania, informed the Ministry of Foreign Affairs on October 29, 1922, about the importance of establishing a competent office for land and sea trade. This office was intended to establish a connection with a ministry responsible for the reports gathered by the representatives. It could have been linked to the Ministry of Public Works or Finance, but it needed to work closely with the Ministry of Foreign Affairs. This office would assign the consulates to provide reports and studies regularly regarding the country's trade with other states, organise chambers of commerce and the merchant fleet within Albania¹⁷.

In this context, the "Franco-Albanian Chamber of Commerce" established in Paris, on November 1922, is worth mentioning. According to Article 2 of its Statute, the Franco-Albanian Chamber of Commerce aimed to contribute to the creation, development, and improvement of intellectual, economic, financial, trade, and various other relations between France, its colonies, and its protectorates on one side and Albania on the other¹⁸. This chamber of commerce, along with the others analysed below, significantly helped promote trade and Albania in the countries where they operated. This is exemplified by the various contacts that the Franco-Albanian Chamber of Commerce had with the legation in Paris or directly with the Ministry of Foreign Affairs, alongside the correspondence exchanged between ministries in Albania regarding the information requests

Foreign Affairs, Tirana, 'Diell' Printing House, 1929, p. 7-8.

¹⁷ The Historical Archive of the Ministry of Europe and Foreign Affairs (hereinafter **HAMEFA**), Ministeres des Affaires Entrageres, 29 October 1922, protocol number: 2407/EII.

¹⁸ HAMEFA, MPJ, no. prot: E-II-2942/II, 9 December 1922.

submitted by this Chamber¹⁹. At the same time, this Chamber regularly involved its members, who were notable personalities, in publishing articles in the French press about the economic and financial situation of Albania.

On May 11, 1922, the Albanian legation in Paris informed the Ministry of Foreign Affairs that the "International Chamber of Commerce" was seeking information regarding the number of chambers of commerce operating in Albania as well as abroad²⁰. In response to the request for information that the Ministry of Foreign Affairs sent to the Ministry of Finance, the latter confirmed on July 3, 1922, that, according to the responses from the prefectures, there was a chamber of commerce in Durrës with one president and nine members, as well as a chamber of commerce in Vlorë²¹. There were no other national or foreign chambers of commerce in any other part of Albania.

Another important Chamber of Commerce was the "Brazilian-Albanian Chamber of Commerce" (Camara De Commercio Brasileiro-Albanesa), established in São Paulo, Brazil, in 1927. According to its statute, Article 1, sections a, b, and c, this Chamber aimed to foster cultural and intellectual relations between the two countries through publications, conferences, etc., to develop economic and financial ties between the countries, and to enhance trade relations through reciprocal exports and imports of basic products between the two countries²². This Chamber

¹⁹ HAMEFA, *Chambre de Commerce Franco-Albanaise de Paris, Le Ministre D'Albanie a Paris, Monsieur le Charge d'Affaires d'Albanie à Paris*, 9 Décembre 1922. "Sekretari i Përgjithshëm i Odë së Tregtisë, në një letër dërguar Legatës Shqiptare në Paris, kërkonte informacion në lidhje me adresat e tregëtarëve shqiptarë të cilët mund të importonin ose eksportonin çdo lloj teshash pasi shumë tregëtarë francez kishin shprehur dëshirën për të vizituar Shqipërinë" [The Secretary General of the Chamber of Commerce, in a letter sent to the Albanian Legation in Paris, requested information regarding the addresses of Albanian merchants who could import or export any kind of goods, as many French merchants had expressed a desire to visit Albania].

²⁰ HAMEFA, "Delegation Albanaise a Paris: 1. " *Delegation Albanaise a Paris: 1. Oda tregtie në Paris 2. Listat e Titllave Austriake 3. Viza të motmotëshme*" [Chamber of Commerce in Paris 2. Lists of Austrian Titles 3. Annual Visas], 11 May 1922, MFA (Ministry of Foreign Affairs) protocol number: 1181.

²¹ HAMEFA, "Ministri e Financavet: Oda tregtie në Shqipnië" [Ministry of Finance: Chamber of Commerce in Albania], 3/VII/1922, MPJ protocol number: 1181/III.

²² HAMEFA, "Estatutos Da Camara De Commercio Brasileiro-Albaneza", no. prot: I 5223. "Dokument bashkëngjitur letrës së dërguar, nga Presidenti i Dhomës Tregtare Braziliano-Shqiptare Dr. C. S. Junker, Ministrisë së Punëve të Jashtme" [Document attached to the letter sent by the President of the Brazilian-Albanian Chamber of Commerce, Dr. C.S. Junker, to the Ministry of Foreign Affairs].

also gained increased political significance, as its honorary presidents were Ahmet Zogu and the President of the State of São Paulo²³.

In a letter sent by the President of the Brazilian-Albanian Chamber of Commerce, Dr C. S. Junker, to the Ministry of Foreign Affairs, several proposals were made regarding establishing honorary consulates in São Paulo, Rio de Janeiro, and Bahia. He also suggested the establishment of a consulate general in South America to oversee Brazil, Uruguay, Argentina, and Colombia, followed by the opening of a legation in Buenos Aires. At the same time, he suggested the creation of an Albanian Chamber of Commerce for all Latin America, which would continuously promote Albanian products. This would hold significant political and commercial relevance for Albania²⁴.

In 1929, another chamber of commerce was established in one of the important European countries. The Albanian legation in Paris was informed of the creation of the Albanian-Belgian Chamber of Commerce in Belgium²⁵. Iliaz Vrioni, the Minister Plenipotentiary of the Legation in France, informed the Minister of Foreign Affairs, Rauf Fico, that friends of Albania had formed a Chamber of Commerce in Brussels and sought recognition from the Albanian government to establish communication with the chambers of commerce in Albania. This was considered beneficial to Albania, serving both propaganda purposes and trade interests²⁶.

In 1929 and 1930, Maliq Libohova, the Chargé d'Affaires at the Legation in London persistently sought to establish the Albanian-British Chamber of Commerce. In his ongoing correspondence with the Ministry of Foreign Affairs, he strongly argued for the need and benefits of opening this chamber, particularly regarding the economic, tourism, and trade advantages for Albania. Following the examples of the two Chambers of Commerce in Paris and Brussels, the Albanian-British Chamber of Commerce could have been opened if the necessary funding had been secured. A part of this funding was expected from the Albanian government²⁷. Unfortunately, the opening of this chamber did not occur because the

²³ *Ibid.*

²⁴ *Ibid.*

²⁵ HAMEFA, *Legation Royale d'Albanie en France*, Paris 21 May 1929, protocol number: B-II-1590.

²⁶ *Ibid.*

²⁷ HAMEFA, *Albanian Legation London*, "Mbi krijimin e një Dhomë Tregtare Shqiptaro-Britanike. Letër dërguar Ministrinë të Punëve të Jashtme Rauf Fico" [Regarding the creation of an Albanian-British Chamber of Commerce. Letter sent to the Minister of Foreign Affairs, Rauf Fico], 28 May 1929, protocol number: B-I-2319.

Albanian government failed to supply the necessary funds.²⁸ This was due to the difficult economic and financial conditions in the country, which were further amplified by the global economic crisis that would soon affect the entire world.

The Albanian government used fairs and exhibitions to demonstrate its economic potential along with its trade products and modest industry. An examination of the archives and correspondence with the Ministry of Foreign Affairs reveals that Albania's diplomatic corps was actively establishing essential connections and promoting the country abroad. From the extensive communication between the parties, the following are the most important moments that illustrate the aforementioned arguments.

A notable instance is the letter from the Albanian Legation in London on May 2, 1922, to Prime Minister, Xhafer Bej Ypi, notifying him of correspondence from the "North Staffordshire District Council" of the "League of Nations Union"²⁹ concerning an exhibition scheduled for November of that year, in which all member states of the League of Nations were to participate.³⁰ The letter requested an exhibit of six (6) items that epitomized the most significant periods of national life in arts and industry. Following extensive discussions between the responsible ministries, approval was given to send the following items, originating from the prefectures of Elbasan and Kosovo³¹: a 100-year-old saddle valued at 24 gold napoleons; a 100-year-old velvet cloak valued at 35 gold napoleons; a linen fabric; wool carpets and rugs valued at 100-120 gold francs. Through this shipment, the Albanian government wanted to demonstrate Albania's production capabilities in light industry and textiles.

The Albanian Consulate in Vienna reported another important event aimed at promoting Albanian trade and products. The report dated March 8, 1923, indicated that the fourth Vienna Fair was to be organised from March 18 to March 24 of that year. The report emphasised the considerable importance of the fair for traders, who could easily establish agreements with local merchants, and concluded with the suggestion: "Since many traders from other countries, especially

²⁸ HAMEFA, "Mbretnyja Shqyptare Ministrija e Eknomis Komtare, Drejtoria e Tregtis e Industris" [The Albanian Kingdom, Ministry of National Economy, Directorate of Trade and Industry], 14 June 1930, addressed to the Ministry of Foreign Affairs, protocol number: B-I-304/13.

²⁹ The letter explains that the "League of Nations Union", was a society that was present everywhere and aimed to assist and strengthen the League of Nations.

³⁰ HAMEFA, "Albanian Legation London: Ekspozicion", in II May 1922, protocol number: 1133.

³¹ HAMEFA, "Ministria e P të Brendshme: Mbi sendet e kërkueme për n'ekspozicionin e Londrës" [Ministry of Internal Affairs: Regarding the items requested for the London exhibition], 3/X/1922, MPJ protocol number: A.X.1133/III.

from the Balkans, gather at this time in Vienna, it would be very good for our traders to come and participate in this fair".³² The correspondence between the Ministry of Foreign Affairs and the Consulate revealed the substantial participation of traders from Albania, especially from Shkodra.³³

The diplomatic corps has consistently tried to establish connections and promote the country in foreign markets, especially by participating in various international exhibitions. Despite being perceived internationally as a nation with negligible industry and limited export capabilities³⁴, diplomats believed that Albania could use trade exhibitions for political and commercial publicity³⁵. Therefore, Albanian legations abroad sent invitations, as did the foreign legations accredited in the country. On August 27, 1923, the British Legation in Durrës sent an invitation to the Ministry of Foreign Affairs regarding two international fairs to be organised in London and Birmingham, requesting that Albanian traders be informed about the opportunity to participate³⁶.

The extensive correspondence between foreign legations and the Ministry of Foreign Affairs, in addition to interactions between the Ministry of Foreign Affairs and other important national institutions such as the Ministry of the Interior, the Ministry of Finance, prefectures, and municipalities, regarding the participation of

³² HAMEFA, "*Konsullata e Shqipnisë Vjenë, Mbi Panagjyrin e IV të Vjenës*" [Consulate of Albania in Vienna, Regarding the IV Vienna Fair], Vienna 8 March 1923, protocol number B-X-964.

³³ HAMEFA, "*Konsullata e Shqipnisë Vjenë Mbi Panagjyrin e IV të Vjenës*" [Consulate of Albania in Vienna, Regarding the IV Vienna Fair], Vienna, 28 August 1923, protocol number B-X-2825.

³⁴ The letter sent to the Minister of Foreign Affairs, Pandeli J. Evangjeli by the Vice Consul of the Albanian Consulate in New York, C.A. Tashko, states: "*Shqipëria është e njohur si një vend i egër që s'ka produkte dhe vechanërisht industri. Shqipëtarët vetë besojnë që vendi i tyre s'ka industri-po e drejta është që ka, ndonëse që është vetëm embrionike*" [Albania is known as a wild country with no products and particularly no industry. Albanians themselves believe that their country has no industry – though the truth is that it does have, although it is only in its embryonic stage], HAMEFA, "*Mbi një ekspozicion tregëtar në New York*" [Consulate of Albania, Regarding a Trade Exhibition in New York], 14 November 1923, protocol number B-X-3768.

³⁵ *Ibid.* "Albania needs political and commercial publicity. Exhibitions not only inform foreigners about a state's products but also raise political awareness about that state. From an exhibition in the United States, Albania stands to gain immediate political propaganda and gradual commercial propaganda".

³⁶ HAMEFA, Legation d'Angleterre-Durrazzo, le 27 Aout 1923, protocol number: c-i-2849. And at the: The Historical Archive of the MEFA, "*Mbi Panairët e vitit 1924 në Anglitere*" [Regarding the Fairs of 1924 in England], Autumn I, 1923, protocol number c-i-2849/1.

Albanian traders in various exhibitions, enable the identification of products that the country could produce and export. Following numerous communications between Albanian institutions, in response to the Albanian Consulate in New York's initial request to the Ministry of Foreign Affairs³⁷ regarding participation in different exhibitions organised in New York, the following products were dispatched³⁸: a first-grade silk sheet; a second-grade silk sheet; a third-grade silk sheet; first-grade fabric, 3.5 meters; second-grade fabric, 3.75 meters; third-grade fabric, 4 meters; second-grade fishnet; third-grade fishnet; one piece of cotton fabric; one piece of silk bedding; one piece of silk pillowcase; one piece of silver photography equipment; one piece of silver box; one piece of silver walking stick handle.

Promoting the country's tourism abroad was one of the primary activities of Albanian legations. The Ministry of Foreign Affairs archive contains extensive records of correspondence between the legations and the Ministry of Foreign Affairs, along with communications from the Ministry to other ministries or national institutions regarding tourist information, administrative matters, guidelines, and requests for promotional brochures. At that time, Albania was not known for its economic or infrastructural development; however, that was exactly why it attracted tourists. Albania was seen as a still-virgin land where European and American tourists could travel back in time. The letters sent by the Albanian Consul in Vienna to Minister of Foreign Affairs Rauf Fico on August 5, 1929, states: "Those who say that Albania has nothing to offer foreigners are completely mistaken. The modern tourist, weary from the comforts of large cities, seeks nothing more than a change of life for a short time. Often, when leaving their own country, they seek the raw essence of nature and find spiritual enjoyment and true satisfaction"³⁹.

Several examples demonstrate that Albanian legations encouraged tourism. On March 27, 1929, the Albanian Consulate in Vienna notified the Ministry of Foreign Affairs that several hundred German, Austrian, and Czechoslovak tourists travelling to the Orient would stop at the port of Durrës and then travel by automobile to the capital for a visit. All institutions were asked to provide appropriate

³⁷ HAMEFA, "Consulate of Albania, New York, *"Mbi një ekspozicion tregëtar në New York"* [Regarding a Trade Exhibition in New York], 14 November 1923, protocol number B-X-3768.

³⁸ HAMEFA, "Consulate of Albania, New York, *Konsullata e Shqipërisë, Mbi Teshat të dërguara nga Ministria për ekspozicion"* [Regarding the Goods sent by the Ministry for the exhibition], 22 July 1924, protocol number: B-X-113/1.

³⁹ HAMEFA, "Konsulla e Mbretinisë Shqiptare në Vjenë, Mbi propagandën e turismit në Shqipëri" [Consulate of the Albanian Kingdom in Vienna, Regarding Tourism Propaganda in Albania], Ministry of Foreign Affairs. 5 August 1929, protocol number: 1648/VIII.

facilities to ensure tourist satisfaction: "Since the previous reception in Vlorë left a very good impression on foreigners, we request that this time, too, our authorities spare no effort in their welcome and ensure that these tourists are pleased in Albanian lands and depart with positive memories, as tourism today is a healthy propaganda for our country, given that it brings significant benefits to our people".⁴⁰ Following this letter, there was correspondence between the Ministry of Foreign Affairs and local authorities to exchange information and accelerate processes involving tourists.⁴¹

Given the increased interest in visiting Albania, diplomats recognised the importance of creating an entity responsible for tourism promotion, as such an institution did not exist.⁴² This proposal came from the Legation in London, noting a heightened interest from English tourists and aiming to boost tourism activity in Albania⁴³. Over the years, the National Tourism Office (NTO) was established in the care of Princess Maxhida and under the direction of the Ministry of the Interior. The NTO was created as an institution responsible for the development and promotion of tourism, and it would include a senior official from the Ministry of Foreign Affairs. At the same time, it was proposed that the country's representatives collaborate with major international tourism agencies to create Tourism Maps.⁴⁴

Promoting tourism requires the right tools for increased efficiency. The legations constantly requested the Ministry of Foreign Affairs to prepare a guide

⁴⁰ HAMEFA, "*Konsulla e Mbretinisë Shqiptare në Vjenë, më 18 Prill të k.v arrinë në Durrës disa qindra turista gjermanë*" [Consulate of the Albanian Kingdom in Vienna, on April 18, several hundred German tourists arrived in Durrës], Ministry of Foreign Affairs. 27 March 1929, protocol number: 968.

⁴¹ HAMEFA, *Ministrija e P. T'jashme, Drejtoria Politike, Mbi disa qindra turistë* [Political Directorate, Regarding Several Hundred Tourists], Ministry of Foreign Affairs. April 5, 1929, protocol number: 968/1; "*Konsullata e Mbretinisë Shqiptare në Vjenë, mbi turistat gjermanë qi dalin në 18 të k. në Durrës*" [Consulate of the Albanian Kingdom in Vienna, Regarding German Tourists Arriving in Durrës on the 18th], Ministry of Foreign Affairs. 19 April 1929, protocol number: 968/II.

⁴² HAMEFA, "*Royal Albanian Legation London, Mbi propagandën turistike*" [Royal Albanian Legation London, Regarding the tourism propaganda], Ministry of Foreign Affairs, 29 July 1929, protocol number: BI2363.

⁴³ HAMEFA, "*Royal Albanian Legation London, Mbi propagandën turistike*" [Royal Albanian Legation London, Regarding the tourism propaganda], Ministry of Foreign Affairs, 24 September 1929, protocol number: BI2363/VIII.

⁴⁴ "Tourism cards issued by royal representatives in foreign countries provided administrative conveniences (such as exemption from consular visa fees, etc.) for their holders during their stay in Albania".

(guide de voyage) or brochure highlighting the advantages of tourism in Albania, featuring tourist attractions, and providing essential information for foreign tourists. The brochure needed to be printed in various languages, such as English, Italian, German, French, etc.⁴⁵ These would be used by the country's various legations around the world to promote Albanian tourism, drawing inspiration from neighbouring countries, such as Yugoslavia and Greece. The Albanian government embraced the proposal and took the necessary political and administrative steps to prepare a comprehensive brochure. Teki Selenica, General Secretary of the Council of Ministers was assigned to oversee its preparation. The Ministry of the Interior informed the Ministry of Foreign Affairs of the government's steps and the associated costs for preparing the brochure.⁴⁶

This illustrates the ongoing interest in developing tourism as an effective means of promoting the country and its economy. At the same time, the Albanian government, following the example of other countries, implemented legislative and administrative measures to facilitate procedures for foreign tourists visiting Albania. These measures included easing visa procedures and providing information on hotel rates, intercity transportation costs, local festivals, fairs, etc.⁴⁷ The consular authorities, under the guidance of the Ministry of Foreign Affairs, adopted several measures, such as granting group visas to facilitate the movement of foreign tourists, particularly those visiting Albania in organised groups. Thus, tourists of various social or professional backgrounds visited Albania. This included Austrian students, Dutch Boy Scouts, French doctors, American students, Italian and English merchants, as well as German and Belgian tourists.⁴⁸

⁴⁵ HAMEFA, *Konsulla e Mbretarisë Shqiptare në Vjenë, Mbi propagandën e turismit në Shqipëri* [Consulate of the Albanian Kingdom in Vienna, Regarding Tourism Promotion in Albania], Ministry of Foreign Affairs, August 5, 1929, protocol number: 1648/VIII. Also, *Royal Albanian Legation London, Mbi propagandën turistike* [Royal Albanian Legation London, Regarding Tourism Promotion], Ministry of Foreign Affairs, July 29, 1929, protocol number: BI2363.

⁴⁶ HAMEFA, "*Mbretëria Shqiptare. Kryesija e Këshillit të Ministruesve*", *Ministria e P. të Jashtme* [Albanian Kingdom. Presidency of the Council of Ministers], Ministry of Foreign Affairs, September 7, 1929, protocol number: 1648/X. Also, HAMEFA, *Council of Ministers, Decision No. 775 of September 3, 1929*.

⁴⁷ HAMEFA, "*Mbretëria Shqiptare, Ministria e P. të Jashtme, Drejtoria e Punëve Administrative e Konsullore*" [Albanian Kingdom, Ministry of Foreign Affairs, Directorate of Administrative and Consular Affairs], September 1929, protocol number: 2661/I. Also *Mbretëria Shqiptare, Bashkija e Kryeqytetit, Tiranë* [Albanian Kingdom, Municipality of the Capital, Tirana], October 4, 1929, protocol number: 2661/II.

⁴⁸ HAMEFA, "*Mbretëria Shqiptare, Ministria e P. T'Jashtme, Drejtoria e P. Administrative e*

Equally noteworthy was the rise of cruise tourism, with ships primarily docked in Durrës or Vlorë, allowing travellers to explore other parts of the country.⁴⁹ The chargé d'affaires in Rome expressed increased interest in Albanian tourism from the Italian Tourism Commission. This type of tourism mostly occurred through cruise ships heading to the country's shores and ports⁵⁰. Albania revealed considerable dedication to promoting tourism at the International Tourism Congress held in Rome, sending high-level state representatives to give the event the importance it deserved⁵¹.

The Ministry of Foreign Affairs, in cooperation with the Ministry of the Interior, issued circulars to facilitate tourist visits to ports, providing instructions and orders for tourists arriving at the country ports. Even if they did not have visas, tourists were allowed to move freely to visit cities or nearby areas while their ship was docked.⁵² The report from the Ministry of the Interior for the Ministry of National Economy outlines the collective tourist trips made by cruise ships during the year 1932, noting that tourists came from various cultures and included Germans, Greeks, Italians, Yugoslavs, English, Austrians, French, etc.⁵³

At the time, automobile tourism was considered adventurous and was preferred by European and American tourists. Albania had a road network that left much to be desired and failed to connect even its main urban centres. In 1931,

Konsullore, lënda: mbi ardhjen e 30 studentave t'Universitetit te Vjenës në Durrës [Albanian Kingdom, Ministry of Foreign Affairs, Directorate of Administrative and Consular Affairs, Subject: Regarding the Arrival of 30 Students from the University of Vienna in Durrës], September 2, 1932, protocol number: 2712 IX.

⁴⁹ HAMEFA, *"Mbretinija Shqiptare, Ministrija e P. T'Mbrendshme, Drejtoria e Korespodencës, lënda: mbi ardhjen e një grupi turistësh"* [Albanian Kingdom, Ministry of Internal Affairs, Directorate of Correspondence, Subject: Regarding the Arrival of a Group of Tourists], December 22, 1932, protocol number: B-II-4017/IX.

⁵⁰ HAMEFA, *"Legation Royale D'Albanie, Mbi turizmin në Shqipnie Legation Royale D'Albanie"* [Regarding the tourism in Albania], Rome 22 June 1933, protocol number: B.III.2779.

⁵¹ HAMEFA, *"Mbretinija Shqiptare, Ministrija e Punve të Jashtme, Drejtorija Politike, Mbi Turizmin në Shipëri"* [Albanian Kingdom, Ministry of Foreign Affairs, Political Directorate, Regarding Tourism in Albania], Tirana, October 2, 1933, protocol number: B-III-2779/III.

⁵² HAMEFA, *"Mbretinija Shqiptare, Ministeria e Punëve të Jashtme, Drejtoria e P. Administrative e Konsullore"* [Albanian Kingdom, Ministry of Foreign Affairs, Directorate of Administrative and Consular Affairs], Tirana, March 1931, protocol number: B.II.463/VI.

⁵³ HAMEFA, *"Mbretinija Shqiptare, Ministrija e P. Të Brendshme, Drejtorija e Korespodencës, Mbi udhëtimet kolektive në vitin 1932"* [Albanian Kingdom, Ministry of Internal Affairs, Directorate of Correspondence, Regarding Collective Travel in 1932], Tirana, 1933.

Albania had 1,858 km of roads.⁵⁴ Nonetheless, this was an appealing choice for European and American tourists, who viewed it as an adventurous opportunity. This form of tourism provided international publicity as various articles appeared in prestigious magazines of the time. A notable example is the article "From England to Albania," published in the British magazine *Autocar*, which describes the natural beauty, traditions, and hospitality of Albania through the eyes of Captain The O'Done, who travelled to Albanian regions by car.⁵⁵

In this context, efforts were made to establish the Albanian Automobile Club drawing inspiration from European counterparts, leading to the establishment of the Royal Tourist and Automobile Club by law in 1934.⁵⁶ The law granted the club the right to issue international certificates (trptychs) as well as customs permits for temporary exemption from customs duties for automobiles, motorcycles, bicycles, etc., entering the Kingdom for tourism purposes. This entity also participated in international conferences to promote automobile tourism⁵⁷. The push for creating such an entity arose from the increased interest in automobile tourism and the constantly changing legal and regulatory conditions governing this sector in Albania. This interest was expressed by the country's legations abroad as well as by foreign legations accredited in Albania.⁵⁸ In 1929, the British Minister in Durres, in a letter to the Ministry of Foreign Affairs, requested administrative assistance for the "Royal Automobile Club," which was part of the "Association Internationale des Automobiles Reconnus".⁵⁹ Similarly, inquiries

⁵⁴ HAMEFA, "Mbretnyja Shqyptare, Ministria e Punëve Botore, Drejtoria e Punve Botore, Drejtuar Ministrisë së P. t'Jashtme" [Albanian Kingdom, Ministry of Foreign Affairs, Directorate of Foreign Affairs, Addressed to the Ministry of Foreign Affairs], April 1, 1933, protocol number: B-II-1887/III.

⁵⁵ HAMEFA, "Legata Mbretnore e Shqipnis, Londër, Sjelljet e një artikulli mbi turizmin në Shqipëni" [Royal Albanian Legation, London, Transmission of an Article on Tourism in Albania], London, July 13, 1933, protocol number: D. XVIII.410.

⁵⁶ HAMEFA, "Mbretnija Shqiptare, Fletorja Zyrtare, Vjeti XIII" [Albanian Kingdom, Official Bulletin, Year XIII], *Tirana, Monday, July 29, 1934, No. 3*.

⁵⁷ HAMEFA, "Legation Royale D'Albanie Rome, Mbi Konferencën Turistike Ndërkombëtare" [Royal Albanian Legation, Rome, Regarding the International Tourism Conference], September 27, 1933, protocol number: B-II-2779/IV.

⁵⁸ HAMEFA, "Mbretnija Shqiptare, Ministria e Punëve T'Jashtme, Drejtorija e P. Administrative e Konsullore, Mbi Turizmin Automobilistik në Shqipnie" [Albanian Kingdom, Ministry of Foreign Affairs, Directorate of Administrative and Consular Affairs, Regarding Automobile Tourism in Albania], *Tirana, June 12, 1929*, protocol number: D.VI.1648/8.

⁵⁹ HAMEFA, "Mbretnija Shqiptare, Ministria e Punëve T'Jashtme, Drejtorija e Protokollit, Royale

were made to multiple states concerning their automobile clubs, such as the "American Automobile Association" based in Washington D.C., the French Legation for the "Association Internationale des Automobiles Reconnus," and the Albanian Consulate in Munich regarding the "Allgemeinen Automobil Club Munchen".⁶⁰ Legal regulation of automobile movement was necessary not only for tourism but also for the movement of motor vehicles for commercial purposes.

Although Albania was in the process of consolidation, the state increasingly prioritised finding various ways to develop the country's economy. Part of this responsibility also fell to the diplomatic service of the time, which, despite difficult conditions, sought to use economic diplomacy elements as efficiently as possible to "export", primarily to European countries but also to America, products "made in Albania". This was to be achieved through creating chambers of commerce, promoting Albanian products, participating in international exhibitions and fairs, creating conditions and improving infrastructure to attract foreign tourists, and easing bureaucratic procedures.

This effort was further complemented by the creation and improvement of the legal framework designed to promote foreign investments. As previously mentioned, Albania exercised forms of economic diplomacy through the optimal activation of its legations. Foreign investing was noticeable as evidenced by the numerous communications with the Ministry of Foreign Affairs, and the letter from the Consul General in Alexandria, Egypt, expressing interest in the forestry sector shown by the "Misr" bank administrator. The letter specifically emphasises "I recall, Mr. Minister, that the steps I have outlined reflect the economic policy of the Royal Government for the utilization of natural resources"⁶¹.

During the 1920s, Albania had trade agreements with several countries, both European and non-European, implementing a specific customs regime that treated the most favoured nation on a reciprocal basis⁶². For a comprehensive list

Automobil kërkon leje për me dhanë triptyques anetareve të tij [Albanian Kingdom, Ministry of Foreign Affairs, Directorate of Protocol, Royal Automobile requests permission to issue triptychs to its members], Tirana, April 29, 1929, protocol number: 1174/I.

⁶⁰ HAMEFA, "Albanian Kingdom, Ministry of Foreign Affairs, Directorate of Protocol, Royal Automobile requests permission to issue triptychs to its members", Tirana, April 29, 1929, protocol number: 1174/I.

⁶¹ HAMEFA, "ROYAUME D'ALBANIE, Consulate General a Alexandrie", 17 December 1930, protocol number: C-IV-4495. The Historical Archive of the MEFA, "Konsulat von Albanien München" München 23.iv.1929, protocol number: D.VI.723/I.

⁶² <https://www.britannica.com/topic/most-favored-nation-treatment>: "The Most Favored Nation (MFN) treatment, also known as normal trade relations, guarantees equal trade opportunities with the state to which the MFN status is granted. Essentially, it is

of the countries with whom Albania had signed these agreements, see Table 1.

Contemporary sources also mention trade agreements established between the Albanian state and other European countries, as well as trade conventions extending beyond the borders of Europe. Notable examples include: the Treaty of Trade and Navigation with Italy, signed in January 1924 and ratified by the Albanian government in March 1925, which granted Italy a monopoly on the transportation of passengers and goods in all Albanian ports, as well as on foreign trade in general; the Treaty of Trade and Navigation with the Kingdom of Serbs, Croats, and Slovenes, effective from June 1929; the provisional trade agreement with Great Britain, based on reciprocity and the "Most-Favoured Nation" principle, signed on June 10, 1925; the Treaty of Friendship and Trade with Japan, came into force on June 26, 1931; the provisional trade agreement with Romania, effective in 1931; trade conventions with Turkey, Greece, the USA, France, Germany, Austria, Bulgaria, Egypt, etc.

These agreements based on contemporary international treaties, created opportunities for mutual benefits; yet, as a small and underdeveloped country, Albania would necessarily derive lesser benefits.⁶³ See Table 2 in the annexes for information about Albania's import-export relations and the evolution of its foreign trade. During 13 years, Albania doubled its exports and decreased imports by nearly 30%.

CONCLUSIONS

With an emphasis on the early years of the Albanian state's formation when the foundations of the country's administrative structures were laid, this research

a method for establishing equal trade opportunities between states through initial bilateral agreements. As a principle of public international law, it establishes the sovereign equality of states concerning trade policy. As an instrument of economic policy, it provides the treaty basis for competitive international transactions.

Historically, in the early 17th century, some trade treaties included MFN provisions. Such treatment has always primarily applied to import duties, but specific provisions have extended the MFN principle to other areas of international economics – for example, the establishment of businesses by one country in the territory of another; navigation in territorial waters; rights to immovable and personal property; rights to intangible property such as patents, industrial designs, trademarks, copyrights, and literary ownership; foreign currency allocations; and taxation.”

⁶³ Hasan Banja, *Ekonomia e Shqipërisë në rrjedhat e historisë të shekullit XX* [The Economy of Albania during the 20th Century], Tirana, Emal, 2017, p. 106-107.

outlines the evolution of economic and trade diplomacy in Albania by addressing a research gap in Albanian and international literature, particularly English-language sources.

The Albanian state's efforts to establish a modern administrative structure, built on European examples, reflect its aspiration for Western alignment and regional integration. By thoroughly examining the early phases of economic diplomacy, primarily through the network of embassies and accredited diplomatic corps abroad, this study accomplishes its purpose. Such institutions significantly helped enhance the country's international standing by attracting foreign investors and promoting local products abroad.

The study emphasises the increasing role of tourism, which promotes Albania as a unique and welcoming country, despite its limited infrastructure at the time. A strategy to attract European tourists would increase the state's income and contribute efficiently to local development.

This study underscores the significance of a newly established state and its diplomatic body in addressing internal and external challenges by employing new forms of diplomacy, particularly economic diplomacy, thereby transforming it into a vital instrument for national promotion.

This research enriches the scholarly literature on economic diplomacy and elucidates the classification of state instruments that can be used to achieve national objectives, even in its early stages of development. The continued importance and implementation of these state instruments emphasise the potential of economic diplomacy as a catalyst for national progress and international engagement, consequently establishing this research as an essential contribution to the relevant field.

ANNEXES

Annexe no. 1

Table 1. *Treaties and trade agreements for special customs regimes or most favoured nation*

States	Stipulation	Decree	Legalisation	Entry in force
USA	XII.1922	21.XII.1925	-	28.XII.1925
Great Britain	10.VI.1925	15.II.1926	13.XII.1926	8.III.1926

Czechoslovakia	19.I.1926	24.VII.1926	25.XII.1926	28.VII.1926
Germany	24.VII.1926	12.VIII.1926	25.XII.1926	25.VIII.1926
British Colonies ⁶⁴	10.VI.1926	9.X.1926 (V.K)		5.X.1926
British Colonies	26.X.1926	5.X.1926 (V.K)	-	9.XI.1926
Bulgaria	31.X.1926	25.XII.1926	25.XII.1926	12.I.1926
British Colonies	3.III.1927	20.III.1927(V.K)	-	20.III.1927
Romania	14.I.1927	26.I.1927	26.IV.1927	12.II.1927
Austria	14.IV.1927	6.VI.1927	6.VI.1927	1.VII.1927
Hungary	4.XI.1927	17.V.1928	17.VIII.1928	6.VI.1928
Belgium-Luxem- burg	9.II.1929	23.IV.1929	23.IV.1929	10.VI.1929
Switzerland	10.VI.1929	16.XI.1929	17.XI.1929	3.III.1930
Egypt	21.II.1930	25.II.1930	25.II.1930	17.V.1930
Japan	-	2.I.1931	2.I.1931	-
Yugoslavia	11.VIII.1929	1.II.1930	-	
Romania	3.VII.1930	3.XII.1930		3.XII.1930
Greece	26.VI.1933	13.IX.1933	13.IX.1933	13.IX.1933
Czechoslovakia	-	29.XI.1933	29.XI.1933	-
Yugoslavia	-	8.II.1933	-	-
Greece	20.XII.1933	14.III.1934	-	-
Czechoslovakia	17.IX.1934	5.VI.1934	-	-

Treaties				
Italy	.I.1924	2.V.1925	-	5.II.1926
Yugoslavia	23.VI.1926	17.XII.1926	17.XII.1926	5.VI.1929
Greece	13.X.1926	17.XII.1926	17.XII.1926	25.XI.1928
France	28.III.1929	18.I.1930	5.V.1930	25.III.192
England	31.VII.1931	17.III.1932	17.III.1932	17.III.1932

Source: Haxhi Shkoza (2016) p. 395-396.

⁶⁴ According to the *Order in which treaties and other trade agreements have been stipulated, ensuring them a special customs regime or the treatment of the most-favoured nation based on reciprocity*", HAMEFA, V.1929, D.683, "the countries that were included in the British Colonies were": Seychelles, St Helena, Gold Coast, Nigeria, Cyprus, Fiji, Ceylon, Straits Settlements, The Tanganyika Territory, Northern Rhodesia, Vindward Islands, British Honduras, Jamaica, Hong Kong, Gambia, Bermuda, Leeward Islands, Barbados, Nyasaland, Maita, Sierra Leone, Mauritius.

Annexe no. 2

Table 2. *Development of Foreign Trade*

Year	Exports	Imports	Year	Exports	Imports
	gold franc	gold franc		gold franc	gold franc
1921	2,189,791.00	18,235,791.00	1928	14,694,203.00	32,311,583.00
1922	2,960,996.00	12,099,516.00	1929	14,682,608.00	38,643,900.00
1923	8,218,817.00	23,417,705.00	1930	12,352,063.00	33,288,900.00
1924	12,379,410.00	20,489,588.00	1931	7,509,000.00	29,513,300.00
1925	17,122,751.00	21,800,411.00	1932	4,600,360.00	22,814,500.00
1926	11,963,982.00	24,864,741.00	1933	5,746,476.00	15,938,221.00
1927	11,106,901.00	24,681,888.00	1934	4,284,331.00	12,332,708.00

Source: Haxhi Shkoza (2016) p. 416.

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