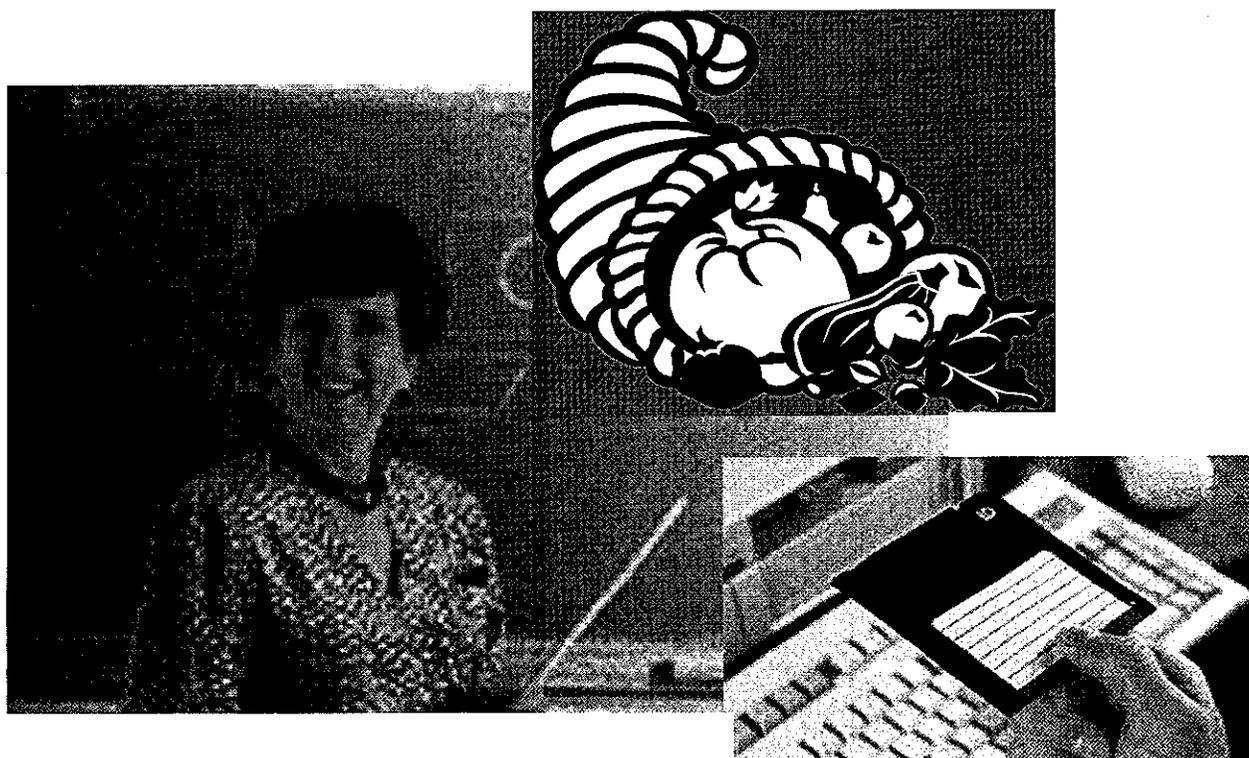


# ***Final Report***

## **SARA Project Republic of Albania Agricultural University Strengthening Component**



A development assistance project collaboratively implemented by the Agricultural University of Tirana, The Office of International Research and Development (OIRD), and the Department of Agricultural and Applied Economics (CALs), Virginia Polytechnic Institute & State University (Virginia Tech)

under a subcontract with Winrock International, Prime Contractor for

**Support for Agricultural Restructuring in Albania (SARA)**  
USAID Contract No. EUR-0049-C-00-4017-00

# Agricultural University of Tirana Strengthening Component (SARA-AUT)

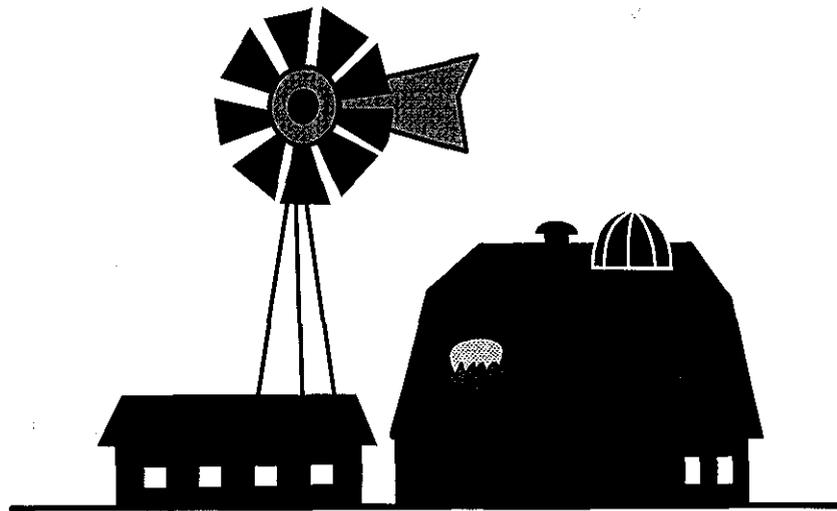
## *Final Report for 1994 - 1998*

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*The authors dedicate this report  
to the memory of*

*Dr. Ludwig M. Eisgruber  
1931 - 1999*

*He served as consultant to this project and made many valuable contributions,  
especially in the development of the overall AUI curriculum.*

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# The Agricultural University Strengthening Component

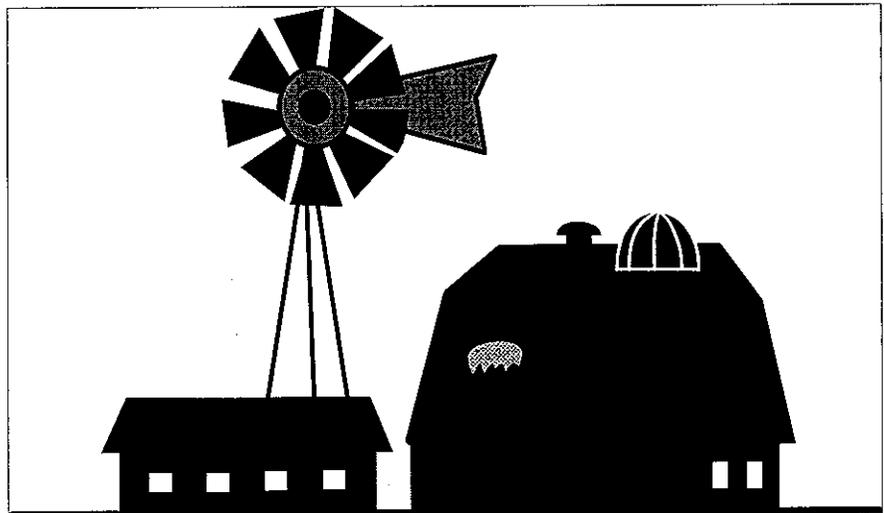
The Agricultural University of Tirana (AUT) was founded in 1951 as the Higher Institute of Agriculture. During the next 39 years, average enrollment was high - 3,000 or more. Graduates were fed into the nationalized agri-food system for life-long careers.

With the transition to a market-oriented economy in 1991, all of the universities in Albania had to rethink their missions and the way academic degree programs were structured. Programs in economics and business in particular had to be revamped.

The relevant departments at AUT (agricultural economics and agribusiness) consisted of about 30 professors (called "pedagogues") who were generally graduated from AUT itself.

With the isolation that had previously existed in Albania, the ability of these professors to undertake a change in their curriculum and related work was limited.

It was fortunate that Virginia Tech professors George McDowell and Jim Littlefield initiated a U.S. Information Service-funded project to help in the change.



In 1992, another project was being designed to assist Albania with the drastic changes taking place in its agriculture. The project effort became known as SARA - short for Support for Agricultural Restructuring in Albania.

The efforts of McDowell and Littlefield were then able to be incorporated in the the five-year SARA Project (1994 to 1998) with the award of a subcontract to Virginia Tech to undertake a "strengthening" of the two departments. Thus "SARA-AUT" was born.

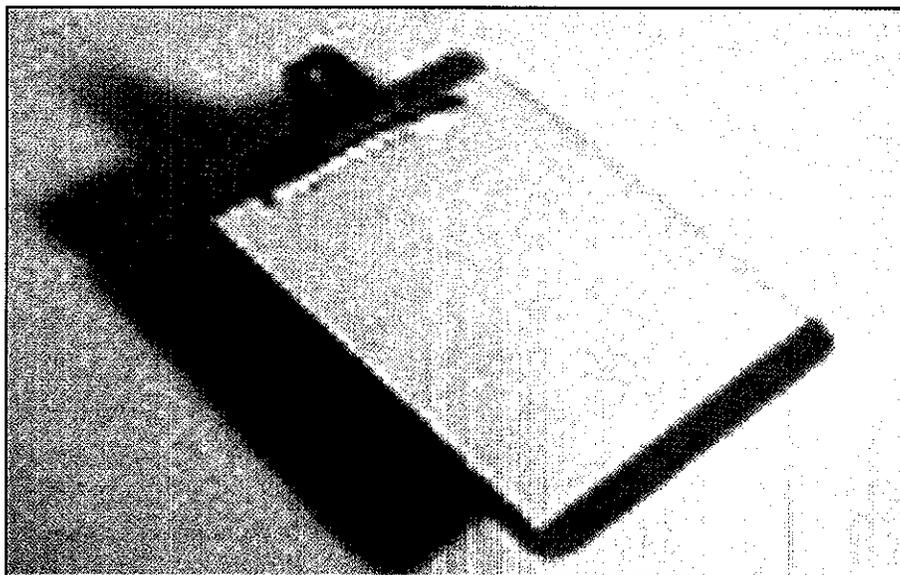
This report summarizes the institutional development objectives, tasks / activities, and outcomes of the SARA-AUT component. These include curriculum revision, faculty development, information systems, applied research, and agribusiness outreach activities. Also described are participant trainee management and commodity procurement.

*" after the transition, programs in economics and business in Albania's universities had to be revamped..."*

## Background — Albania and the Development of Human Resources for the Agricultural Sector

In the 1990s, agriculture remains the industry contributing the most to GDP (50%) and the principal occupation of Albania. Albania has not been able progress to a higher level of industrialization due in part to the way the land (and related resources) became divided up into very small parcels in the privatization wave of 1991-1992.

Agriculture in Albania has become characterized by a dual structure with a few large scale firms but a preponderance of small, family-sized units. The small farms have been unable to utilize the services of the university-trained "agronoms" and the emerging firms are not advanced enough to warrant the employment of professional managers.



will exceed the demand and students will opt for business careers, but also that over time this situation will likely become reversed.

When agriculturists and agricultural economists/agribusiness advisors are needed, it is clear however, that the demand will be for

also to begin a major program aimed at gaining wide acceptance of the rule of law and practice of civic procedures.

AUT has seen an infusion of assistance from not only the SARA-AUT component but also from the German GTZ project (in agricultural sciences, forestry, and veterinary medicine). These investments — in time of restructuring the agriculture — are vitally important to preserve a productive agriculture in Albania and to update and modernize it wherever possible.

The various elements of the SARA-AUT project were designed to achieve results in a period of five (5) years. In spite of interruptions along the way, these results were attained on schedule.

*"....the supply of agricultural graduates is presently exceeding supply and students opt for business careers, but over time this situation will be reversed..."*

The AUT was established to supply graduates to a constantly intensifying agricultural sector. The present day situation has made it necessary for AUT to rethink its role in the overall structure of the Albania system of higher education.

It is easy to conclude that the supply of agricultural graduates in the 1990s

high quality, well-trained graduates.

This is the primary reason to restructure programs in agricultural economics and agribusiness at AUT. The restructuring was recommended to include a heavy emphasis on not only economic reasoning, problem-solving skills, agribusiness outreach, but

# Background - Agricultural University of Tirana and Programs in Agricultural Economics / Agribusiness

## AUT OVERVIEW

The Agricultural University of Tirana is located in the suburb of Kamza Kodra, 10 km from central Tirana. The University is currently organized into the following three (3) Faculties:

- Agriculture
- Veterinary Medicine
- Forestry

There are also two support departments (Informatics and Extension and Education in Agriculture).

## ECONOMICS AND BUSINESS AT AUT

The Faculty of Agriculture is home to the Departments of Agricultural Economics & Rural Development and Farm & Agribusiness Management. These two departments grant the degrees "Agrarian Economist" and "Agri-business Economist", respectively. The SARA project assistance became targeted on these units

early as pedagogues from the departments were seen as becoming key participants in the entire project.

## ENROLLMENTS

The table (at right) shows the recent high enrollment figures for the two departments reflecting Albanian students' demand for economics and business programs. This has continued through the end of the decade. Additional large student numbers emanated from "correspondence" programs, but these are being contracted to enable pedagogues to focus on teaching quality with the regularly enrolled students.

## STAFF STRENGTH AND TEACHING LOAD

At the end of 1998, the two departments had a total of 30 pedagogues teaching and 6 in training programs in the U.S. (17 in economics and 19 in

## AUT ENROLLMENT LEVELS AUT 1996-97 (regular student numbers only)

Faculty of Agriculture	
Ag Econ / Rural Dev	138
Farm / Agribus Mgmt	133
Agronomy	54
Horticulture	11
Animal Production	26
Food Science	0
Faculty of Forestry	
Faculty of Veterinary Medicine	
TOTAL	738
Correspondence Students	
(90% are Ag Econ / AgBiz)	444

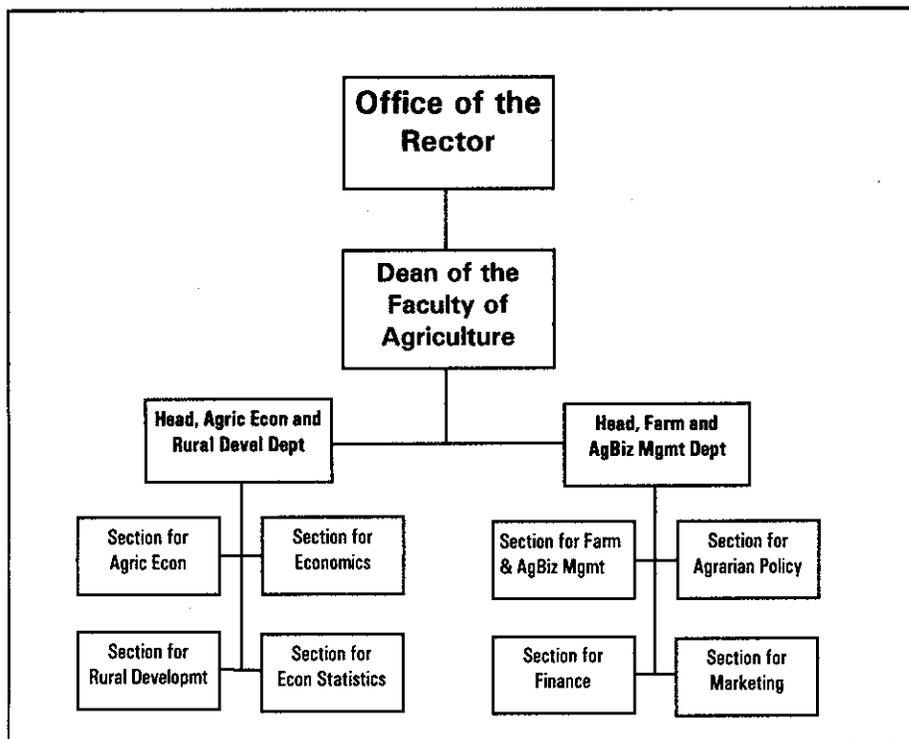
agribusiness). The number of courses taught per year by pedagogues is about 1.5. The time in class is significant and there are lengthy examination periods.

## STAFF DEVELOPMENT

AUT grants a doctorate degree emphasizing thesis research. About 2/3 of the pedagogues in the two departments have the doctorate. Only a few external research projects and no projects with agribusiness were being done. At the beginning of SARA, conditions at the campus were not conducive to good teaching.

## NEEDS AND INTERVENTIONS

In 1993, the major needs of the two departments were in the areas of curriculum upgrading and printed class materials, staff training, information systems, research guidance, and initiation of contacts with private sector firms. To address these needs, the SARA Project interventions were carefully thought out so as to benefit the two departments and the entire AUT.



# Project Components

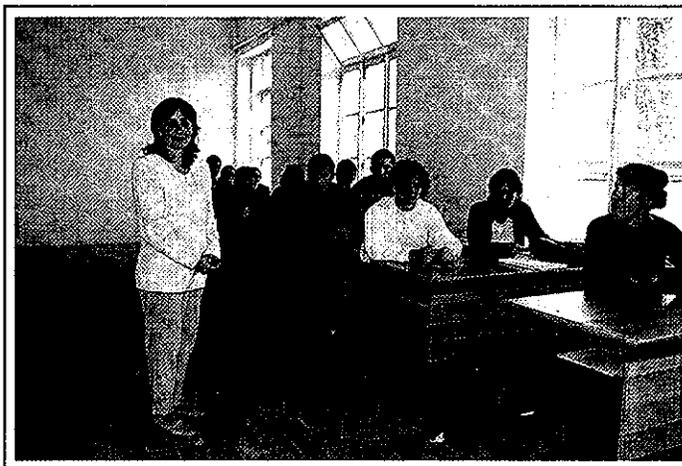
The needs of the Agricultural University of Tirana that could be best met by a USAID Project intervention were in the economics and business areas. There was a need, however, to extend benefits over the campus as a whole, particularly in the area of information technology and support for scientific laboratory facilities. The modes of

intervention were principally **Technical Assistance** (see box below), **Training**, and provision of **Equipment and Supplies**. The project design therefore included five principal outputs. In addition, a general goal of increasing collaboration among AUT pedagogues and other entities in Albania was deemed to be important. The output categories are as follows:

- Curriculum Improvement
- Faculty Development
- Information Systems Development
- Applied Research
- Agribusiness Outreach Activities
- Collaboration with Other Entities
- *Support Elements*
  - ⇒ Campus Backstopping
  - ⇒ Participant Trainee Management
  - ⇒ Procurement and Logistics

## A Note on Technical Assistance Advising in SARA-AUT Project Component

Technical Assistance Advising was the backbone of the Virginia Tech subcontract to support the development of the target departments at the Agricultural University of Tirana. At the outset advising was aimed at helping AUT pedagogues to develop basic skills in communications and familiarization / review of key concepts and contributions in economics and business. The AUT pedagogues learned quickly. In the last half of the project, emphasis was placed on carrying out the technical assistance using senior level professors from the U.S. A core group of 12 advisors carried out an average of three visits each — working with pedagogues on curriculum, student notes, research, and extension / outreach advising. The technical assistance work was complemented by the training activity as several AUT pedagogues were able to visit their advisors in the US.



# Curriculum Improvement

## BACKGROUND

Prior to the SARA Project, the curricula in the economics and business departments at AUT were oriented toward supplying graduates who would staff the ministries, district offices, etc. (for planning and policy jobs) and who would also staff the state farms and commune offices (for accounting and reporting jobs).

In those days few jobs needed "business entrepreneurial skills" or "neoclassical microeconomic analysis". By the years 1991 and 1992, pedagogues at AUT were aware of the need to drastically revise the curriculum. The SARA Project design therefore included curriculum revision as one of its major outputs.

The years 1992 and 1993 were involved with project approvals and selection of contractors. During this time, inputs from other other sources had an immediate impact to change the curricula in terms of course names and identification of source material.

While this progress was commendable, it did not ensure that the pedagogues had the knowledge base to teach the newly adopted curricula.

## SARA PROJECT INITIAL TASKS TO STRENGTHEN SKILLS

When the SARA project began operation in early 1994, it was quickly realized that significant efforts would be required to develop strong economic analysis skills (and strong business

planning and operations skills) among the teaching staff. This began to be done with the "journeyman" (ABD) advisors who originally came to AUT beginning in the Fall of 1994. In all there were four such advisors working in microeconomics/international trade, rural development, macroeconomics, and business administration.

This task was also supplanted with numerous opportunities for pedagogues to translate economics and business materials and to prepare case studies for their classes. In addition, pedagogues were lined up with research project involvement to help strengthen their understanding of economics and business.

## SARA PROJECT CURRICULUM REVISION ACTIVITIES

At the beginning of 1996, AUT pedagogues were becoming more aware of issues in curriculum design. Revisions that were adopted in 1993 began to appear to have problems. The SARA curriculum review process began with gaining consensus on what the pedagogues wanted based on this experience. One aim of the advisory staff, headed by Dr. Ludwig Eisgruber, was to try to improve the quality of learning by students (and their ability to become problem solvers) as opposed to the objective of maximizing the quantity of courses and material being taught.

One outcome of this process was the development of a "common core" of courses to more closely link the foundations

in the two departments. Also it was necessary to closely scrutinize the content of each course to see if redundant material could be eliminated and more advanced material added.

Finally, and most importantly, was the need to encourage pedagogues to write "Student Notes", essentially mini-texts for the main course that they are assigned to teach. The Student Notes, accomplished by means of contracts for financial payments with the SARA Project, were designed to present the core outline of the material, problem-solving techniques, and Albanian examples.

## RESULTS

The Revised Curriculum was approved in final form in May 1998 and was started for the entering class of October 1998. It will be another year before students start taking courses that are required under the new curriculum.

The Compendium of Course Outlines provides course descriptions, outlines, and syllabi for the roughly 50 courses that are in the present curriculum (and the courses that will emerge after the revised curriculum is adopted).

The total number of Student Notes (each with approximately 50 pages) approved for printing was 32. This corresponds to about one per pedagogue over the two departments.

# Training of Pedagogues and AUT Staff Members

## BACKGROUND

The strengthening of the capabilities of the pedagogues and staff members of AUT was to be accomplished primarily through the Technical Assistance Advising elements of SARA (curriculum, research, agribusiness outreach / extension). Still it was desirable to accomplish formal long-term degree-type training and well-specified short-term training assignments in order to give pedagogues intensive exposure to U.S. university training systems.

## LONG-TERM TRAINING

The original project design for the SARA Project specified that there would be 6 two-year training assignments. Despite difficulties in qualifying candidates in English, it was possible to fill 5 of the slots by July 1995. Four of these utilized the Masters programs in Agricultural and Applied Economics at Virginia Tech. The other program was carried out at Washington State University in Rural Sociology and Agricultural Economics.

As result of the long-term training, three individuals returned to AUT by the end of 1998; two had Masters degrees. The other 4 were able to secure funding from non-SARA sources to pursue Ph.D. degrees in the U.S. and were planning to rejoin

the AUT by the end of 1999. The higher level of educational attainment of the U.S. graduates is expected to significantly strengthen the two departments.

## SHORT-TERM TRAINING

The objective of the short-term training programs was to have pedagogues and AUT staff intensively study various topics in the U.S. for periods up to 6 months. Unfortunately the reality of short-term programs is that trainees seldom can be gone for more than 10 to 12 weeks and more often, only 6 to 8 weeks. In the period 1994 to 1995, five short-term programs were implemented. It was not until June 1997 that short-term programs were programmed more rapidly in a wide number of areas. By the end of the SARA Project a total of 22 short-term training assignments had been completed. In the latter phase, several trainees worked in the US with the senior-level professors who had been carrying out advising assignments in Albania.

## LOCAL TRAINING

Locally-arranged training was a major activity in the first 2 years of the project. Intensive English-language training was given to over 30 peda-

gogues and staff members with the beneficial effect of allowing better interaction with advisors and a high rate of language qualification for U.S.-based short-term training. Over 2/3 of the pedagogues have good to excellent English skills.

Computer training quickly became a mainstay of local training activities with many pedagogues becoming not only "computer literate", but also becoming proficient in software spreadsheets, presentation, statistics/econometrics, and linear programming.

Eight pedagogues used a local training experience to visit economists and business professors at the University of Skopje in April 1998.

# Strengthen Library and Information Systems

## BACKGROUND

The SARA Project design included a major upgrade of facilities that would benefit not only the two target departments, but would enhance the capabilities of AUT as a whole. The aim was to bring in state of the art technology in information systems, namely computers and printing technology. In general the idea succeeded.

## EARLY SUCCESSES

As early as June 1994, the SARA-AUT project was assessing how the library could be upgraded and how modern computer and printing technology could be installed. By mid-1995, equipment and supplies began to arrive.

The library building was upgraded by AUT and new books from the U.S. were catalogued and placed into use. The library's reference room was outfitted with a CD-ROM based bibliographic information retrieval system as well as with numerous key reference texts.

A container load of library shelving material was donated to AUT by the Main Library at Virginia Tech. Installed in the refurbished "open stacks" area, these shelves became home to over 300 carefully selected books from SARA Project and hundreds more

texts that came from the GTZ, EC-Tempus, and other projects that were able to support AUT development.

In the area of printing technology, it was decided that cost-efficient Risograph technology would be utilized instead of offset printing. The former could be interfaced with computers and could generate page-sized notes for students as well as doubled sided pages for soft-cover books and monographs. Cutting and binding equipment was also procured.

To introduce computer technology to pedagogues and students it was decided to develop two laboratories, one in Economics and one in Agronomy. Each was divided into 2 parts: a students section and a pedagogues section. The copiers (and the print shop) were only good as long as there was electric current. As low voltage and outage were a common occurrence in Kamza, it was decided to complement the facilities with a pair of 35 KW generators. Backup power was also provided to the SARA-AUT offices.

## UTILIZATION

It was a major concern that considerable sums of money were spent on equipment. To get utilization of the facilities required coordination with the staff responsible for comput-

ers, printing, and library systems. The success was mixed. Success was achieved in the library and in the computer labs, but more coordination was needed to achieve full use of the print shop.

## AFTERMATH AND FUTURE

The destruction of the AUT campus in March 1997 forced the SARA project advisors and USAID administrators to think carefully about programming the remaining commodity funds available to AUT (about 1/3 of the total). Excellent cooperation with the GTZ Project and other donors was achieved and a decision was made to replace as much of the equipment items as the budget would permit.

At the end of the project, the rebuilt facilities included a branch library for economics and business; a students' computer lab in Economics; a pedagogues' computer lab and conference room; and a print shop operating with one Risograph machine. The reception of these facilities by the University and the pedagogues has been highly favorable and the rates of utilization have far exceeded what was experienced in the earlier phase. Difficulties for AUT remain in keeping the facilities operating, but good fiscal budgeting (establishment of funds for paying recurrent costs) was started in 1998-99.

# Improve Applied Research Capacity

## SECOND PHASE RESEARCH

The research projects performed in the second phase were designed to encourage pedagogues to really think about some appropriate issues to be researched and the setting up of testable hypotheses. This was worked in case-by-case consultation involving the U.S. advisors and the teams of Albanian pedagogue researchers.

In all, seven (7) new projects were launched in 1997-98 using a format which emphasized specific objectives in the proposal and a contract mechanism which monitored the step-by-step progress which was achieved by the researchers. The results of these projects are summarized in Appendix F.

## EXTENSION OF RESULTS

One objective of the latter set of projects was for the researchers to summarize the results and present findings and recommendations in public meeting with representatives of ministries and private sector associations. The sessions that were held were extremely valuable for the pedagogues and the attendees alike.

## BACKGROUND

It is important to note that AUT had an established research capability prior to the inception of the SARA Project. In the agricultural sciences (agronomy, horticulture, etc.), it possible to find evidence of good research in Albania. In "economic and administration", however, the application of research was often ideologically clouded with a thrust to justify the legitimacy of the command economy system.

## DEMONSTRATING RESEARCH

In the first two years of the project, pedagogue skills in economic theory and business research had not progressed sufficiently fast to allow them to launch their own project. The SARA-AUT component worked with the Agribusiness Center and the Policy and Statistics components to place pedagogues into basic research project work: gathering data, analysis, and presentation of findings. Through this "experiential" exposure to research, pedagogues often saw the process as a set of mechanical steps. It was necessary that this be done, and then later on attempts to infuse these researchers with the skill of addressing the "right questions" could be attempted.

## RESEARCH METHODOLOGY

In the project activities during

1997 and 1998, more effort was devoted to teaching Research Methodology and then attempting to have pedagogues properly identify researchable topics in Agricultural Economics and Agribusiness.

Two separate training sessions were given on research methodology for economists and business researchers. While these were successful on the surface, it was clear that considerable effort is needed to make methodology a more interesting topic. The vocabulary and the semantics of subtle arguments are difficult for non-English speakers to comprehend the essential message: that testable hypotheses must be formulated on the basis of some a priori theoretical construct. Too often pedagogues would desire to rush out with a questionnaire to gather data without thinking exactly why. In the end they would simply present the data as an end in itself.

It is also noted that in 1997-98, more advising was commenced in the area of econometrics and the use of computer packages (e.g., SPSS and Shazam) to analyze data sets.

# Increase Agribusiness Extension and Outreach

## BACKGROUND

One of the objectives of the overall SARA Project was to assist the start-up and development of agricultural business activities in Albania. The privatization of the Albanian economy occurred months even years before anyone thought possible and resulted in thousands of micro-scale farms and firms. This meant that every program / project and government agency was immensely challenged by having to deal with many clients. At the AUT, there had been little in the way of extension / outreach activities. Contacts between AUT and State Farms and Communes had been limited to student training programs during the summers.

During 1994 to 1997, the SARA Project assisted in a minor way with the AVATAR project in which extension outreach short course were given to GOA Extension Service workers. Some of these short courses were focused on business topics: marketing, management, and finance. In addition, AUT pedagogues in economics and agribusiness assisted with research on agribusinesses.

The objective of planning and conducting a true extension / outreach program began by identifying which clientele would be especially well-suited

for sustained contact with AUT pedagogues.

After evaluating several options, it was decided to focus on particular producers association for special topics that the individual groups would be interested in receiving. Agricultural associations were beginning to be assisted by the SARA AgriBusiness Center and the IFDC Project. Hence a three-way effort was planned and this mode prevailed for the conduct of 4 workshops by the end of the project.

## ADVISING INPUT

AUT personnel had seldom if ever dealt directly with the planning and performance of extension/outreach workshops. The SARA-AUT Component was fortunate in being able to call upon Dr. Richard Schermerhorn of the University of Georgia for help with this work.

## STRATEGIC PLANNING

This first workshop was held November 20-21, 1997 before the Horticultural Producers Association at the Chateau Linza in Tirana. Two pedagogues, Dr. Donika Kercini and Bahri Musabelliu presented several sessions of lectures and practical examples of how to assess business prospects and perform such operations as breakeven analysis, rapid

reconnaissance of markets, cash flow projections, etc.

## MARKETING

The second SARA-AUT Agribusiness Workshop was held in April 1998 in the coastal city of Durres and conducted for a combination of flour millers and food processors associations. The presentations were made by Dr. Arben Vercuni and Gjoke Uldedaj.

## FINANCIAL ACCOUNTING

This workshop was intended for accountants from firms in vegetable and meat processing. The latest accounting standards for Albanian firms were presented in case study examples. Dr. Dhimiter Nikolla and Dr. Flutura Kalemi were the presenters.

## FINANCIAL MANAGEMENT

Following on the heels of the accounting workshop, these sessions included financial managers as well as the accountants for the same set of firms. Participants learned how to analyze the performance of their firms by means of determining basic financial indicators and comparing these for different periods of time (or against industry averages). Presenters were Dr. Drini Salko, Magdalena Bregasi, and Hidajet Shehu.

## RESULTS

The agribusiness workshop objective was almost totally completed. One additional workshop would have been held in the Fall of 1998 had it not been for a second evacuation declared by the US State Department.

# AUT Collaboration With Other Projects Expanded and Deepened

## BACKGROUND

The opportunity to coordinate efforts with other development assistance was a key ingredient in the SARA-AUT Project Component being able to accomplish its five targeted objectives.

These other project efforts included the parallel SARA Project Components, the GTZ Project to strengthen the Agricultural University of Tirana, and other donor-financed projects.

In general the mode of coordination was to set up collaborative activities or to encourage pedagogues to find ways of interacting directly with the other projects.

## OTHER SARA COMPONENTS

The three other program units in the SARA Project were vitally important as a means of involving AUT pedagogues in research and agribusiness activities. The SARA-Policy Component was instrumental in getting pedagogues to study the wheat pricing and marketing situation. A major study on determinants of rural income variations was also carried out, and the SARA-ABC Component facilitated the involvement of AUT pedagogues in key market research surveys and industry studies. The net effect of these involvements was to get

AUT pedagogues to take an interest in government and private sector entities as opposed to the past where little if any interaction had been occurring.

## GTZ STRENGTHENING PROJECT AT AUT

The German government, contracting through its autonomous development assistance organization, GTZ, has committed major funding to strengthen AUT. The focus of the GTZ Project was wisely designed to complement the USAID-funded SARA Project. It focused attention on the "sciences" at AUT, namely the Faculties of Forestry and Veterinary Medicine, and the departments of Agronomy, Soil Science, Animal Production, and Food Technology. GTZ commenced short-term efforts in 1993 and posted the present long-term advisor (Dr. Joerg Lohmann) in 1995. The programmatic effort of the GTZ is similar to that of SARA with the exception that relatively few resources had to be placed into curriculum revision. The technical assistance effort focused on a major thrust to review and improve the institutional performance of all AUT units. In addition a lot of effort was devoted to visiting German professors offering "compact courses" in suitable sub-topics jointly with Albanian counterparts. GTZ has also

been carrying out an extensive program of short-term, intermediate-term, and long-term training in Germany and a comprehensive program of supplying research equipment and supplies. There were numerous areas in which GTZ and SARA collaborated including institutionalization work and planning for a Central Scientific Analytical Laboratory (CSAL). The latter effort unfortunately had to be abandoned in the wake of the March 1997 destruction of AUT and the need to achieve basic upgrading. Numerous activities at AUT were jointly sponsored by GTZ and SARA.

Since the end of the SARA project, GTZ has continued the collaboration by involving former SARA project staff in its planning activities.

## OTHER DONOR PROJECTS

Certain projects in the overall USAID portfolio of projects provided avenues for AUT pedagogue involvement. Among these was the Private Forestry Development Project (various research and training activities); the VOCA project (involvement with the National Farmers Union); the LandO' Lakes Project (collaboration on dairy research); the Central and East European Legal Initiative (CEELI) and others.

# Support Elements for the SARA-AUT Project Component

## BACKGROUND

The SARA Project was implemented in Albania as an "umbrella" project with a central administration unit supporting 4 technical component including the AUT Strengthening Component.

In the United States, the SARA-AUT Project Component was supported through major efforts to provide campus support to the long-term advisor in Tirana, to arrange for and monitor training activities at U.S. universities and other training locations, and to arrange for procurement and shipping of equipment and supplies.

## PROJECT BACKSTOPPING IN ALBANIA (SARA-ADM)

The SARA-Administration Unit was the responsibility of the the SARA prime contractor Winrock International. SARA-ADM was headed up by the SARA Project Director and the Albanian SARA Project Executive Officer. SARA-ADM established the procedures for hiring local staff support and for making payroll payment and keeping records. The Albanian central staff functions of financial accounting, training processing, and procurement meant that each component in SARA did not have to perform these functions in duplicative fashion.

## SARA-AUT SUPPORT STAFF

The SARA-AUT Component had significant activities going on which required local staff support. In general there were three (3) translators / interpreters on the staff to facilitate the work of the U.S. Advisors. One key professional on the staff was the Coordinator / Editor of Instructional Materials who kept track of all the curriculum changes, the Student Notes Contracts, and the Research contracts.

Another key professional staff member was the Computer Specialist who kept track of all computer hardware and software matters and who was responsible for computer skills training.

The SARA-AUT Component was also supported by an office manager, secretary, two drivers, guard, and janitor.

## PROJECT BACKSTOPPING IN THE U.S.

Virginia Tech as the home institution for the SARA-AUT Component was responsible for providing support for the technical assistance. The VT Home Office Coordinator was responsible for recruitment of advisors and worked closely with the University Development Advisor on overall planning of the component's activities.

The Office of International Research and Development provided logistical support to the advisors in the field.

Professors at VT's Department of Agricultural and Applied Economics and at the Pamplin College of Business provided much appreciated academic advising and were willing often to donate books and resource materials for lectures in the new AUT curriculum.

# Support Elements for the SARA-AUT Project Component *continued*

## WINROCK INTERNATIONAL PARTICIPANT TRAINEE MANAGEMENT SERVICES

The SARA Project had a very significant amount of Participant Training (300 p-m of long-term training and 240 p-m of short-term training). Winrock as prime contractor with several development assistance projects under contract was able to maintain a full-time participant management office to arrange for admissions, visa applications, monitoring of progress, and payment of expenses for participant programs. The monitoring and reporting requirements were supplied by the Winrock Office.

## WINROCK INTERNATIONAL PROCUREMENT SERVICES

The SARA Project (and the SARA-AUT Component in particular) entailed a significant amount of procurement. In the first half of the project, about \$650,000 worth of commodities were procured from the U.S. and shipped to Albania.

Unfortunately, the civil unrest which occurred in March 1997 resulted in most of this procurement being looted from the Kamza campus. In mid 1997, a carefully planned program to re-equip part of the facilities was begun.

Winrock's offices procured the requested items and shipped them to Albania.

# Appendix A: Advisory Staff and Short-Term Consultants: Assignment Dates and Report Titles

## 1994

1. Mr. Gerald Spittle. Computer Specialist, Virginia Tech. June 15 to July 15. "Computing Requirements at Agricultural University of Tirana"
2. Mr. Fred Nichols. Independent Consultant for Scientific Laboratory Design. July 1 to July 3. "Needs Assessment for a Central Scientific Analytical Laboratory at AUT".
3. Dr. James E. Littlefield. Professor of Marketing, Virginia Tech. September 10 to December 15. "Curriculum Development Issues and Facilities Development at AUT"
4. Mr. C. Litchfield, Ms. M. Norstedt, and Ms. L. Richardson. Librarians at Central Library, Virginia Tech. "Assesment of Library facilities at AUT and Recommendations for Improvements".
5. Mr. Christopher Grace. Private Consultant Agricultural Policy Analysis. Nov 1, 1994 to Oct 31, 1995. Involvement of AUT Pedagogues in Agricultural Policy Analysis .
6. Dr. George McDowell. University Development Advisor (long-term advisor). Virginia Tech. "Report of Progress During 1994 and Plan of Work for 1995".
11. Dr. Robert Kahn. Private Consultant for Agricultural Research Laboratory Design. June 1 to June 30. Detailed Needs Assessment for Central Scientific Analytical Laboratory.
12. Ms. G. Enkelida. Private Consultant in Agricultural Statistics. June 15 to July 31. "Statistical Analysis of Agricultural Production Functions".
13. Dr. Rodney Thompson. Professor of Finance, Virginia Tech. June 20 to June 30. "Advising on Content in Courses Addressing Financial Topics"
14. Ms. Mary Thompson. Bursar (Chief Financial Officer) at Virginia Tech. June 20 to June 30. "Assessment of Financial Record Systems at AUT".
15. Mr. Charles Litchfield and Ms. Linda Richardson. Library Staff Members, Virginia Tech. July 1 to July 30. "Detailed Library Needs Assessment"
16. Mr. Jerry Spittle, Victoria Burnett, and Terry Thornsby. Information Systems and Printing Advisors, Virginia Tech. July 1 to July 30. "Detailed Information Systems and Print Shop Needs Assessment".
17. Mr. Robert Scott. Private Agribusiness Attorney / Consultant. July 10 to August 5. "Involving AUT Pedagogues in Agribusiness Development Activities".
18. Ms. Ann Scott. Private Consultant for Administrative Systems. July 10 to August 5. "Assessment of the Administrative Systems at AUT and Recommendations".

## 1995

1. Mr. Gerald Spittle. Computer Specialist, Virginia Tech. January 10 to February 10. "Detailed Assessment of Computing Facilities Needed at AUT".
2. Mr. Terry Thornsby. Print Shop Specialist, Virginia Tech. March 5 to April 5. "Assessment of Needs for Establishing a Print Shop at Agricultural University of Tirana".
3. Dr. Norman Bellar. Private Consultant for Agricultural Statistics. March 15 to September 15. "AUT Pedagogue Research Involvement in MOAF Agricultural Statistics Planning and Operations."
4. Dr. Robert Cannell. Director of Agricultural Experiment Station and Associate Dean, Virginia Tech. April 1 to April 20. Co-Author of "Size Scope and Role of AUT" Study.
5. Dr. Emery Castle. Professor Emeritus, Agricultural Economics, Oregon State University. April 1 to April 20. Co-Author of "Size Scope and Role of AUT" Study.
6. Dr. George Norton. Professor of Agricultural Economics, Virginia Tech. April 1 to April 20. Co-Author of "Size Scope and Role of AUT" Study.
7. Mr. Robert Kegley. Private Sector Farmer, State of Virginia. April 1 to April 20. Co-Author of "Size Scope and Role of AUT" Study.
8. Dr. Herbert Stoevener. Professor of Agricultural Economics and Home Office Coordinator, Virginia Tech. April 5 to April 20. Co-Author of "Size Scope and Role of AUT" Study.
9. Dr. Dan Taylor. Professor of Agricultural Economics, Virginia Tech. April 4 to May 3. "AUT Pedagogue Research Involvement at MOAF".
10. Mr. Joe Snyder. Private Consultant in Computer Programming. April 15 to May 15. "AUT Pedagogue Involvement in Agricultural Statistics Data Collections and Processing".
19. Ms. Catherine Neumeyer. Long-Term Advisor in Economics, Virginia Tech. Nov 1, 1994 to Oct 31 1995. "End of Tour Report".
20. Ms. Deborah Wagner. Long-Term Advisor in Rural Development. Dec 1, 1994 to Nov. 30 1995. "End of Tour Report".
21. Ms. Stella Siegal. Long-Term Advisor in Business Administration / Finance. Dec 1, 1994 to Nov. 30 1995. "End of Tour Report".
22. Ms. Suzanne Thornsby. Long-Term Advisor in Economic Policy. Apr 1, 1994 to Dec. 15 1995. "End of Tour Report".
23. Dr. George McDowell. University Development Advisor (long-term advisor). Virginia Tech. "Report of Progress During 1995 and Plan of Work for 1996".

## 1996

1. Mr. John Mattson. Instructor for Business Research (local hire), Virginia Tech. March 1 1995 to February 28, 1996. "Facilitating SARA-ABC Activities to Assist AUT Pedagogues".
2. Dr. Leroy Rogers. Professor Emeritus, Agricultural Economics, Washington State University. March 15 to April 27. "Advising on Curriculum, Farm Management and Agribusiness Management".
3. Dr. Daniel B. Taylor. Professor of Agricultural Economics, Virginia Tech. April 4 to May 3. "Microeconomics, International Trade, and Economic Optimization".
4. Dr. Ludwig M. Eisgruber. Professor Emeritus, Agricultural and Resource Economics, Oregon State University. April 1 - April 30. "Overall Curriculum Advising and Advising on Agricultural Policy".
5. Dr. James E. Littlefield. Professor of Marketing, Virginia Tech. May 15 to June

15. "Curriculum Revision and Course Content Improvement in Marketing"
6. Dr. Rodney Thompson. Professor of Finance, Virginia Tech. May 31 to June 26. "Curriculum Revision and Course Content Improvement in Finance"
  7. Dr. Walden Kerns. Professor of Agricultural Economics, Virginia Tech. August 5 to August 31. "Coursework and Research Advising on Natural Resource and Environmental Economics".
  8. Ms. Suzanne Thornsby. Research Associate in Agricultural Economics, Virginia Tech. August 9 to August 23. "Coursework and Research Advising on International Agricultural Trade".
  9. Mr. Terry Thornsby. Printing Systems Advisor, Virginia Tech. August 9 to August 31. "Report on Operation of AUT Print Shop and Training of Personnel."
  10. Mr. Mark Brici. Long-Term Instructor (local hire) for English Writing Skills and Print Shop Coordination. June 1 1995 to July 31 1996. "End of Tour Report"
  11. Ms. Heidi Meinzer. Long-Term Instructor (local hire) for English as Second Language Teach and Administrative Management of SARA-AUT Component. June 1 1995 to August 31 1996. "End of Tour Report".
  12. Dr. Stanley F. Miller. Professor of Agricultural Economics. September 15 to October 15. "Course Content Advising on Production Economics, Soil and water Resource Economics"
  13. Dr. Bishu Chatterjee. Fiscal Planning Economist at California State Government. October 1 to October 30. "Microeconomics, Economic Optimization, and Research Methodology and Advising".
  14. Dr. Emerson Babb. Professor Emeritus, Agricultural Economics, Purdue University. October 1 to October 30. Curriculum Advising Support and Course Content for Financial Management and Agribusiness Management Advising".
  15. Dr. Ludwig M. Eisgruber. Professor Emeritus, Agricultural and Resource Economics, Oregon State University. October 15 to November 17. "Overall Curriculum Advising and Advising on Agricultural Policy".
  16. Dr. James E. Littlefield. Professor of Marketing, Virginia Tech. October 10 to October 25. "Curriculum Revision and Course Content Improvement in Marketing"
  17. Dr. Richard Schermerhorn. Professor of Agricultural Economics, University of Georgia. November 15 - December 14. "Agricultural Business Management course advising; Preliminary Planning for Agribusiness Workshops."
  18. Dr. Dan Tilley. Professor of Agricultural Economics at Oklahoma State University. November 15 to December 16. "Research Methodology, Econometrics and Survey Research Techniques".

## 1997

1. Dr. Donald D. Peasley. Professor of Agricultural Education, Cornell University. January 4 to February 4. "Curriculum Advising, Teaching Methods, and Methods of Evaluation".
2. Dr. Michael J. Martin. Private Consultant in Agricultural Economics. January 16 to July 16. "End of Tour Report: Effectiveness of Agribusiness - University Linkage Programs."
3. Dr. Bishu Chatterjee. Fiscal Planning Economist at California State Government. February 13 to March 14. "Micro-economics, Economic Optimization, and Research Methodology and Advising".
4. Dr. Roger Kraynick. University Development Advisor (long-term advisor since June 1, 1996). June 30 1998. "Special Mid-Assignment Report on SARA-AUT Component".
5. Dr. Emerson Babb. Professor Emeritus, Agricultural Economics, Purdue University. October 1 to October 30. Financial Management and Agribusiness Management Advising."
6. Dr. Bishu Chatterjee. Fiscal Planning Economist at California State Government.

October 15 to November 15. "Micro-economics, Economic Optimization, and Research Methodology and Advising".

7. Dr. Richard Schermerhorn. Professor of Agricultural Economics, University of Georgia. October 4 - November 4. "Agricultural Business Management Course Advising; Planning, Oversight, Evaluation for Agribusiness Workshop on Strategic Planning in Agribusiness".
8. Dr. Herbert Stoevener. Professor Emeritus, Agricultural Economics, Virginia Tech. October 26 to November 12. General Curriculum Oversight, Planning for Agricultural Knowledge Delivery System Study.
9. Dr. John Crunkilton. Professor of Agricultural Education and Technology, Virginia Tech. November 4 to November 29. Review of Extension / Outreach Programs at AUT and in Albania with Recommendations".

## 1998

1. Jesse J. Richardson, J.D. Practicing Attorney in Winchester VA and Adjunct Professor at Virginia Tech. January 4 to February 1. "Basic Law, Contract Law, and Agricultural Law".
2. Dr. Stanley F. Miller. Professor Emeritus, Agricultural and Resource Economics, Oregon State University. February 1 to February 28. Natural Resource Economics, Pest Management Economics, and Soil Management Economics.
3. Dr. Bishu Chatterjee. Fiscal Planning Economist at California State Government. March 23 to April 19. "Microeconomics, Economic Optimization, and Research Methodology and Advising".
4. Dr. Walden Kerns. Professor of Agricultural Economics, Virginia Tech. February 28 to March 25. Advising on Research and Course Materials for Natural Resource and Environmental Economics".
5. Dr. Leroy Rogers. Professor Emeritus, Agricultural Economics, Washington State University. February 28 to March 27. "Advising on Advanced Farm Management and Agribusiness Management".
6. Dr. James Littlefield. Professor of Marketing, Virginia. March 4 to March 14. "Advising on Marketing Research and Planning for an Agribusiness Outreach Workshop on Marketing Management.
7. Dr. Richard Schermerhorn. Professor of Agricultural Economics, University of Georgia. March 28 to May 2. "Agricultural Business Management course advising; Implementation of Agribusiness Workshop on Marketing".
8. Dr. Daniel B. Taylor. Professor of Agricultural Economics, Virginia Tech. April 4 to May 3. "Microeconomics, International Trade, and Economic Optimization".
7. Dr. Ludwig M. Eisgruber. Professor Emeritus, Agricultural and Resource Economics, Oregon State University. April 16 - May 19. "Overall Curriculum Advising and Advising on Agricultural Policy".
8. Dr. Emerson Babb. Professor Emeritus, Agricultural Economics, Purdue University. April 22 to 28 May. Financial Management and Agribusiness Management Advising; Planning for Agribusiness Workshop."
9. Dr. Richard Schermerhorn. Professor of Agricultural Economics, University of Georgia. May 24 to June 13. "Agricultural Business Management course advising; Implement Agribusiness Workshop on Accounting and Financial Management".
10. Dr. Rodney Thompson. Professor of Finance at Virginia Tech. May 26 to June 20, 1998. "Financial Management Advising; Planning, Oversight, Evaluation for Agribusiness Workshop on Finance".
11. Dr. Dan Tilley. Professor of Agricultural Economics at Oklahoma State University. June 9 to July 1. "Research Methodology, Econometrics and Survey Research Techniques".
12. Dr. Roger Kraynick. University Development Advisor (long-term advisor

# Appendix B: Overview of SARA-Recommended Curriculum for Departments of Agricultural Economics / Rural Development and Farm & Agribusiness Management

## LOWER DIVISION (SEMESTERS 1 - 4)

### Semester 1 (common to both departments)

Physics I (3)                      Zoology (3)  
 Gen + Inorg Chem (4)          Intro to Microeconomics (3)  
 Math I (3)                        Foreign Language I (1)

20 cr

### Semester 2 (common to both departments)

Statistical Methods I (3)        Mathematics II (3)  
 Computer Applic I (3)          Intro to Rural Sociology (3)  
 Ecology (2)                        Foreign Language (1)  
 Intro to Macroeconomics (3)

18 cr

### Semester 3 (common to both departments)

Computer Applic II (2)          Mathematics III (4)  
 Intro. to Plant Production (6)    Foreign Language (1)  
 Intro. to Animal Prod. (5)  
 Intermediate Microecon (3)

21 cr

### Semester Four (common but with some choice)

Intermediate Macroecon (3)      Technical Writing (3)  
 Econometrics (3) OR            Financial Accounting (3)  
 Econ. Optimization (3)        Statistical Methods II (3)  
 Oral Communication (3)        Foreign Language (1)

19 cr

## UPPER DIVISION (SEMESTERS 5 - 8)

### COURSES REQUIRED FOR AGRARIAN ECONOMIST DIPLOMA

#### Semester 5

Rural Development (3)  
 Agrarian Law (3)  
 Elective: AgBusiness OR General (3)

19 cr

#### Semester 6

Agric. Production Economics (3)  
 Advanced Mktg of Ag Products (3)  
 Elective: AgBusiness OR General (3)

18 cr

#### Semester 7

Econ Anal of Agric Projects (3)  
 Econ of Nat Resources & Env (3)  
 Topics Course - Writing Intens (3)  
 Elective: AgBusiness OR General

18 cr

#### Semester 8

Int'l Agric & Food Policy (3)  
 Topics in Ag Econ - Writing Intens (3)  
 four Electives: AgBiz OR Gen (12)

18 cr

### COURSES COMMON IN BOTH DIPLOMAS

#### Semester 5

Intro to Farm Mgmt (4)  
 Intro. to Agribusiness Mgmt (3)  
 Intro to Marketing (3)

#### Semester 6

Money and Financial Institutions (3)  
 Prices of Agric Commodities (3)

#### Semester 7

Agric. and Food Policy (3)  
 Int'l Mktg of Agr. Comm (3)

#### Semester 8

none

### COURSES REQUIRED FOR AGRIBUSINESS ECONOMIST DIPLOMA

#### Semester 5

Managerial Accounting (3)  
 Business Law(3)  
 Elective: Ag Econ OR General (3)

19 cr

#### Semester 6

Financial Management (3)  
 Marketing Management (3)  
 Agribusiness Management (3)  
 Elective: Ag Econ OR General (3)

18 cr

#### Semester 7

Small Bus Mgmt OR Fin Anal of Firms (3)  
 Mgmt of Human Resources (3)  
 Advanced Financial Mgmt (3)  
 Elective: Ag Econ OR General (3)

18 cr

#### Semester 8

Agribusiness Mgmt Policy (3)  
 Topics in Mgmt - Writing Intens (3)  
 four Electives: Ag Econ OR General (12)

18 cr

## DIPLOMA THESIS DIVISION (SEMESTER 9)

18 cr

Diploma Thesis. The entire 9th semester is devoted to the preparation of a diploma thesis. The thesis should be planned in conjunction with a supervisory professor no later the end of the 7th semester. The departments may consider adding an internship (practicum). Students may take additional electives with the consent of their diploma thesis advisor.

**Total Credits for diploma: 172 (78 credits in sem 1 - 4 and 91 credits in sem 5 - 9)**

## Appendix C: List of Pedagogues with Completed Student Notes Contracts

Title	Author	Start	Complete	Pages
1. Prin of Microeconomics	A. Boshnjaku & D. Suli	10 Jan 95	15 Jan 97	130
2. Money and Banking	Drini Salko	20 Sep 96	20 Feb 97	150
3. Farm Management	Maksim Meco	6 Aug 96	15 Oct 97	200
4. International Marketing	Valbona Cela	12 Oct 96	15 Mar 98	125
5. Intro to Agribus Mgmt	Bari Musabelliu	12 Dec 96	25 Apr 98	150
6. Ag Production Econ	Henrieta Themelko	12 Dec 96	30 Jun 98	150
7. Agricultural Appraisal	Dhimiter Nikolla	24 Dec 96	15 Apr 98	140
8. Econ of Agricult Dev	Stilian Apostoli	3 Mar 97	20 Dec 97	75
9. Agricultural Marketing	Arben Vercuni	2 Jul 97	20 Feb 98	150
10. Agrarian Policy II	Adrian Civici	12 Jul 96	10 Oct 97	120
11. Intermediate Micro	Dudi Suli	19 Jul 96	10 Nov 97	150
12. Agricultural Finance	Magdalena Bregasi	27 Aug 96	20 Jun 98	125
13. Intro to Econometrics	Luljeta File	15 Sep 97	5 May 98	150
14. Microeconomics Applic	Dudi Suli	15 Oct 97	20 Jan 98	100
15. Basic Statistics	Jurisan Vathi	22 Jan 97	15 Mar 98	150
16. Agricultural Economics	Stilian Apostoli	8 Dec 97	15 May 98	150
17. Intermediate Macro	Lejla Petrela	10 May 96	30 Sep 98	150
18. Agricultural Policy I	E. Skreli / A. Civici	15 Nov 96	30 Nov 98	150
19. Basics of Business	Donika Kercini	12 Dec 96	30 Sep 98	150
20. Natural Resources Eco	Natasha Hodaj	12 Dec 96	30 Sep 98	140
21. Rural Sociology	Dhimiter Baku	10 Mar 98	15 Nov 98	150
22. Prin of Macroeconomics	Mirela Elezi	13 Dec 95	30 Oct 98	150
23. Agricultural Prices	Gjoke Uldedaj	16 Oct 96	30 Oct 98	150
24. Human Resource Mgmt	Galentina Canco	28 Oct 97	30 Nov 98	150
25. Intro to Finance	Kolec Kovaci	14 Jan 97	30 Nov 98	150
26. Agricultural Law	Adelina Deneku	27 Jan 98	30 Nov 98	125
27. Agricultural Accounting	Flutura Kalemi	9 Feb 98	30 Oct 98	150
28. Environmental Econ	Natasha Hodaj	21 Oct 97	30 Sep 98	100
29. Applied Statistics	Vera Pecaj	10 Feb 98	30 Nov 98	150
30. Extension Service	Kristaq Pata	19 May 98	30 Oct 98	150
31. Economic Optimization	Henrieta Themelko	28 May 98	15 Nov 98	140
32. Econ Analysis Ag Proj	Luce Agraja	28 Jul 98	30 Nov 98	150

# Appendix D: Long-Term Participant Training Programs Conducted in the U.S.

- 1. Arben Vercuni.** Qualified on basis of excellent English Language skills (tested at Virginia Tech). Enrolled in classes January 1995 and continued with enrollment through December 1996. Major emphasis was marketing. Studied Marketing management under the direction of Dr. James E. Littlefield. Conducted special projects while at Virginia Tech. Rejoined AUT in 1997 and became appointed as Section Head for Marketing. Authored the Student Notes on Agricultural Marketing. Participated in a research project concerning impact of failed pyramid schemes on Albanian agriculture. Later undertook leadership on offering a Agribusiness Workshop on Marketing (in collaboration with Gjoke Uldedaj). Total Participant Training Time: 24 months.
- 2. Evis Petreola.** Qualified on the basis of needs in Rural Sociology / Demographic Economics and excellent English skills. Enrolled in the Department of Rural Sociology at Washington State University (WSU) in August 1995 (with program lasting 24 months). Switched to Department of Agricultural Economics in January 1996. Studied under the direction of Dr. James Barron on issues of Rural Development. Finished M.S. Program in December 1997 (with the help of a 4 month extension from SARA Project) intended to allow her to secure university funds for a Ph.D. degree. Funds were awarded and she is continuing in the Ph.D. program at WSU and expects to complete the Ph.D. in June 2000. Total SARA Participant Trainee Time: 28 months.
- 3. Lefter Daku.** Qualified on the basis of English language skills and AUT needs in Rural Development. Enrolled in the Department of Agricultural and Applied Economics at Virginia Tech in August 1995 (with an initial program duration of 24 months). Studied under the direction of Dr. Dan Taylor with special interest to study possible ways to define and implement an "agricultural knowledge and information system" in Albania. Completed the M.S. degree in December 1997. Maintained a high interest in continuing for the Ph.D. degree and secured 4 months extra time (Sep-Dec 1997) to win support from Virginia Tech for doctoral program funding. Daku's doctoral program, directed by Dr. George Norton and expected to be concluded in 1999, has direct connection with Albania via Virginia Tech's program in integrated pest management (IPM CRSP). Total SARA Participant Trainee Time: 28 months.
- 4. Rushan Halili.** Qualified on the basis of English language skills and AUT needs in Financial Economics. Enrolled in the Department of Agricultural and Applied Economics at Virginia Tech in August 1995 (with an initial program duration of 24 months). Began a course of study aimed at directly qualifying for and completing the Ph.D. degree under the direction of Dr. Wayne Purcell. Was granted a four-month extension of program (Sep.-Dec. 1997) in order to win support from Virginia Tech for doctoral program funding. Halili's doctoral program, expected to be concluded in 1999, has an indirect connection with Albania agricultural development in that it develops a quantitative method to assist planners determine the financial, economic, and social impacts of changes in typical land use and farm size. Total SARA Participant Trainee Time: 28 months.
- 6. Tofik Skera.** Qualified on the basis of English language skills and AUT needs in Microeconomics. Enrolled in the Department of Agricultural and Applied Economics at Virginia Tech in January 1996 (with an initial program duration of 24 months). Began a program of research on identifying the factors affecting the growth of the agricultural sectors in various transitional economies in Central and Eastern Europe including Albania. Was granted a 7-month extension (Feb-Jul 1998) of program in order to allow him to finish the M.S. degree. At the end of this period and SARA funding, Skera self-financed an additional semester of course work at Virginia Tech in order that he could have the opportunity to qualify for the Ph.D. degree and to win financial support for studies during calendar year 1999 and beyond. Total SARA Participant Trainee Time: 31 months.
- 6. Kolec Kovaci.** Has responsibilities for teaching "Introduction to Finance". Applied for one of the "one-year" traineeships in December 1996 and was selected on basis of needs in Agribusiness (Finance) and on basis of English qualification. Enrolled in the College of Business Administration at Virginia Tech in January 1997. At the end of 1997, was awarded a one-year extension of the traineeship so that he would be able to complete the MBA degree. Completed all work by the end of December 1998 and returned to AUT to resume teaching duties in January 1999. Total SARA Participant Trainee Time: 24 months.
- 7. Mirela Elezi.** Has responsibilities for teaching courses in "Macroeconomics" and "International Economics". Applied for one of the "one-year" traineeships in December 1996 and was selected on basis of needs in Agricultural Economics and on basis of English qualification. Enrolled in the Department of Agricultural and Applied Economics at Virginia Tech in January 1997. At the end of 1997, was awarded a one-year extension of the traineeship so that she would be able to complete the M.S. degree. Completed all work by the end of October 1998 and returned to AUT to resume teaching duties in November 1998. Total SARA Participant Trainee Time: 22 months.



## Appendix E: Short-Term Participant Training Programs Implemented in the U.S. (cont.)

### 1994

1. **As. Prof. Lulieta Mazniku.** Director of Teaching Office at AUT. 1 July 1994 - 31 July 1994. Program aimed at studying university academic programs which was conducted at seven U.S. university campuses.

### 1995

2. **Ms. Floresha Nasho.** Director of AUT Library. 1 Feb 1995 - 15 April 1995. Virginia Tech, Main Library. Formal training and on-the-job experience in all phases of main library planning, operations, and evaluation of services.
3. **Mr. Nesret Cikalleshi.** Reference Room Librarian at AUT Library. 1 Feb - 15 April 1995. Virginia Tech, Main Library. Formal training and on-the-job experience in all phases of main library planning, operations, and evaluation of services.
4. **As. Prof. Parashqevi Rrapo.** Department Head of Inter-faculty and Informatics Department. 1 March - 31 March 1995. Virginia Tech, College of Agriculture and Life Sciences. Study tour and intensive training on academic uses of personal computers.
5. **As. Prof. Kristaq Pata.** Department Head, Department of Agricultural Economics and Rural Development. 1 June - 15 July 1995. Training program at Colorado State University, International Center for Agricultural and Rural Development and at National Agricultural Statistical Service, Washington, D.C.

### 1996 (none)

### 1997

6. **As. Prof. Dr. Petrit Rama,** AUT Rector. 22 Jan 1997 - 5 Feb 1997. Virginia Tech, Blacksburg, VA and U.S. agencies in Washington, D.C. Familiarization with U.S. University administration, academic programs, and outreach.
7. **As. Prof. Dr. Adrian Civici.** Dean, Faculty of Agriculture. 22 Jan 1997 - 5 Feb 1997. Virginia Tech, Blacksburg VA and U.S. agencies in Washington, D.C. Familiarization with U.S. University administration, academic programs, and outreach.

8. **As. Prof. Dr. Donika Kerçini.** Department of Agricultural Economics and Rural Development. 25 July to 15 September 1997. Point Loma College - School of Business, San Diego California. Tailored program by Dr. Nancy Hardison (former Fulbright Scholar at AUT) to survey teaching of course in basic business in several universities and colleges and to prepare business workshop materials.
9. **Mr. Engjëll Skreli.** Lecturer/Researcher, Department of Farm and Agribusiness Management. 25 July to 15 October 1997. Oregon State University, Corvallis OR. Tailored program by Dr. Ludwig Eisgruber (SARA-AUT Consultant) to undertake specialized training in agricultural policy analysis, to develop student notes for teaching agricultural policy, and to complete analysis of rural incomes research project.
10. **As. Prof. Dr. Drini Salko.** Department of Farm and Agribusiness Management. 9 August to 4 October 1997. Department of Farm and Agribusiness Management. Scheduled course in Agricultural Finance at Iowa State University, Ames Iowa and tailored program (with Dr. G. Rodney Thompson, SARA-AUT Consultant) related to teaching of money and banking, Virginia Tech, Blacksburg, VA.
11. **Mr. Maksim Meço.** Lecturer/Researcher, Department of Farm and Agribusiness Management. 9 August to 30 September 1997. Oregon State University, Corvallis OR. Tailored program by Dr. Leroy Rogers (SARA-AUT Consultant) to undertake specialized training in farm management research and outreach, to develop student notes for teaching farm management, and to complete analysis of rural incomes research project.
12. **Dr. Dudi Suli.** Lecturer/Researcher, Department of Agricultural Economics and Rural Development. 23 August to 15 October 1997. Scheduled Course at Economics Institute, University of Colorado, Boulder CO and tailored program by Dr. Bishu Chatterjee (SARA-AUT Consultant) at University of California, Davis to undertake coursework in microeconomics, macroeconomics, and statistics and to continue intensive training in economic optimization techniques.

### 1997 (con't.)

13. **Dr. Henrieta Themelko.** Lecturer/Researcher, Department of Agricultural Economics and Rural Development.

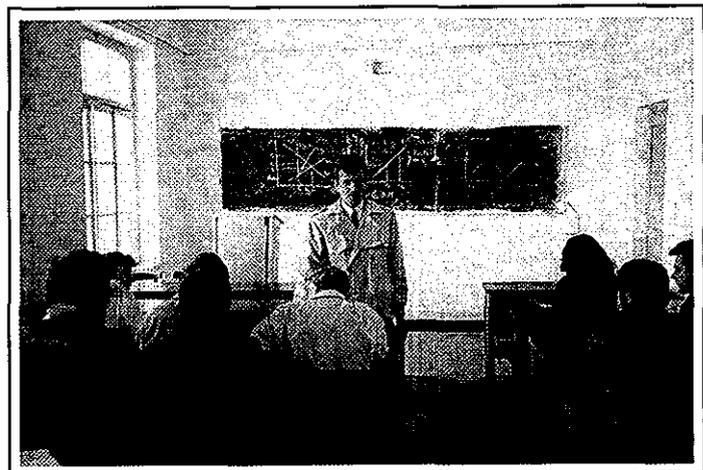
# Appendix E: Short-Term Participant Training Programs Implemented in the U.S. *(cont.)*

23 August to 15 October 1997. Scheduled Course at Economics Institute, University of Colorado, Boulder CO and tailored program by Dr. Bishu Chatterjee (SARA-AUT Consultant) at University of California, Davis to undertake coursework in microeconomics, macroeconomics, and statistics and to continue intensive training in economic optimization techniques.

14. **Dr. Lejla Petrela.** Lecturer/Researcher, Department of Agricultural Economics and Rural Development. 23 August to 15 October 1997. Scheduled Courses at Economics Institute, University of Colorado, Boulder CO to undertake two (2) terms of coursework in macroeconomics, statistics, and computer applications.
15. **Ms. Magdalena Bregasi.** Lecturer/Researcher, Department of Farm and Agribusiness Management. 12 September to 25 October 1997. University of Georgia, Athens Georgia and Oklahoma State University, Stillwater OK. Tailored programs by Dr. Richard Schermerhorn and by Dr. Dan Tilley (both SARA-AUT Consultants) to work on student notes and research methodology in financial management and to gain exposure to classroom teaching and extension outreach programs.
16. **Dr. Luljeta Shuke.** Lecturer/Researcher, Department of Agricultural Economics and Rural Development. 26 October to 6 December 1997. Oklahoma State University, Stillwater OK. Tailored program by Dr. Dan Tilley (SARA-AUT Consultant) to work on student notes and research methodology in econometrics and to gain exposure to classroom teaching techniques and econometrics software evaluation.
17. **Ms. Ardiana Sejdini.** Assistant Pedagogue, Interfaculty and Informatics Department. 6 November to 14 December 1997. Scheduled Courses at Economics Institute, University of Colorado, Boulder CO to undertake coursework in statistics and computer applications.
18. **As. Prof. Dr. Jurisan Vathi.** Department of Agricultural Economics and Rural Development. 6 November to 14 December 1997. Scheduled Courses at Economics Institute, University of Colorado, Boulder CO to undertake coursework in statistics and computer applications.

## 1998

19. **Ms. Drita Hasendoci.** Librarian, AUT Office of Administration. 28 February to 4 April, 1998. Virginia Tech, Blacksburg VA. Tailored program at Virginia Tech Main Library and Branch Libraries by Charles Litchfield and Linda Richardson (SARA-AUT Consultants) to receive training on establishment and operation of university branch libraries.
20. **Dr. Bahri Musabelliu.** Lecturer/Researcher, Department of Farm and Agribusiness Management. 27 Jun to 6 Aug 1998. Oregon State University, Stillwater OK. / Santa Clara University, Santa Clara CA / American Agricultural Economics Association meeting at Salt Lake City UT. (a) Tailored program by Dr. Ludwig Eisgruber (SARA-AUT Consultant) in Oregon. Scheduled course at Santa Clara University in Agribusiness Management. Academic meeting attendance.
21. **Dr. Avdulla Avadullai.** Lecturer/Reseracher, Department of Agricultural Economics and Rural Development. 27 Jun to 2 Aug, 1998. Scheduled Courses at Economics Institute, University of Colorado, Boulder CO to undertake coursework in microeconomics and statistics.
22. **Mr. Gjokë Uldedaj.** Lecturer/Reseracher, Department of Agricultural Economics and Rural Development. 27 Jun to 2 Aug, 1998. Scheduled Courses at Economics Institute, University of Colorado, Boulder CO to undertake coursework in marketing principles and statistics.



# Appendix F: APPLIED RESEARCH PROJECTS CARRIED OUT BY AUT PEDAGOGUES FOR SARA

## 1. WHEAT POLICY AND MARKETING IN ALBANIA

Authors: Tefik Skera. Pedagogue in Agricultural Economics / Rural Development.

Funded by SARA-Policy Component

Advisor: David Skunkel, SARA Policy Advisor

Duration: June - December 1994.

Summary: The key challenge to the agricultural sector in Albania in 1994 was ensure a stable supply of wheat to the flour millers of the country so that there would be enough bread produced to head off any food shortage. One of the requirements was to get the prices right so as to encourage the domestic production increased and lessen the requirements for imports. In 1994, the national fixed price for wheat was 12 lek/kg, but it was determined that costs of production were 13-14/kg giving farmers little incentive to harvest. Only the more distant cities provided a market (via private traders with trucks) as the prices were higher. In order to purchase wheat, millers in the major cities were purchasing imported wheat at higher prices which they tried to pass on to bakers. The bread bakers, however, were constrained by a maximum price that they could charge to consumers. The wheat policy that appeared to be logical in this case was to let the market determine the domestic wheat prices. The caveat to this recommendation, however, is that there would need to be minimum quality standards applied to wheat that was offered as a substitute for imported wheat. Politically more popular, however, was the policy proposal to restrict the quantity of imports.

## 2. ASSESSMENT OF FINANCIAL SECTOR IN ALBANIA

Authors: Mr. Rushan Halili, Dr. Drini Salko, Ms. Magdalena Bregasi. Pedagogues in Farm and Agribusiness Management. (and staff members from SARA-ABC)

Funded by: SARA AgriBusiness Center (ABC) Component

Advisors: Dr. George Metcalf, Dr. G. Rodney Thompson, and Robert Scott.

Duration: June, 1995 - February 1996

Summary: The financial sector in Albania was forced to begin to adapt to a new role even before the transition period started. The Bank of Albania (central bank) had to begin to deal more with foreign exchanges operations. The large state-owned banks also began to adapt to the transition, albeit later and perhaps not as well. The Credit and Savings bank remained as a primary bank deposits but did not extend much credit. On the other hand the Rural Commercial Bank extended considerable number of loans in the transition, but ex-

perience a very high default rate and had to be closed. The Bank of Commerce did nearly the same thing but is still solvent. The period from 1994 on (to 1997) was characterized by the rapid build-up of quasi-financial "pyramid" firms offering high (even ridiculous) returns on deposits. A reported \$2 billion of savings was diverted to these institutions before they failed with a resulting evaporation of the money invested. In this report, it is pointed out that Albania will not be able to have a viable financial sector until it backs up the law on secured lending, so that institutions can reduce the risk in lending and extend capital to borrowers who will repay.

## 3. COMMODITY SYSTEM ANALYSIS OF THE DAIRY SUB-SECTOR IN ALBANIA

Authors: Dr. Flutura Kalemi, Dr. Jurisan Vathi, Mr. Maksim Meco, Mr. Lefter Daku, Mr. Kolec Kovaci. (and staff members from SARA-ABC).

Funded by: SARA AgriBusiness Center (ABC) Component

Advisors: Consultants Carol Finnegan and Paul Savello

Duration: July - November 1994

Summary: This report consists of two volumes. Volume I is a very detailed overview of all issues relevant to the dairy subsector in Albania. Volume II contains the reference documents. Secondary data was complemented with primary survey data on milk processing plants and their operations, primarily in the Korce area. Prepared in 1994, the descriptions of the situation in Albania was still in transition. The study identifies a key problem to be lack of a coordinated collection system and the lack of a way to encourage the private sector to develop small- to medium sized farms that could produce high quality milk for the processors supplying the urban population centers. This situation is largely still the same in 1998.

## 4. PORK MARKETING SYSTEM IN ALBANIA

Authors: Dr. Dudi Suli, Dr. Lejla Petrela, and Dr. Flutura Kalemi.

Funded by: SARA AgriBusiness Center (ABC) Component

Advisors: Suzanne Thornsby (Virginia Tech Instructor) and Lisa Tripodi (IFDC Advisor)

Duration: July - October 1995

Summary: This study was prepared for an ABC client, the Kamberi Company, which was a pyramid scheme company attempting to broaden its asset base to include agricultural enterprises. One enterprise that was attempted was domestically-produced swine that could be processed into a

# Appendix F: APPLIED RESEARCH PROJECTS CARRIED OUT BY AUT PEDAGOGUES FOR SARA (cont.)

variety of products. These included high end products such as proshute as well as a number of lower end products such as salami. In order to help Kamberi Company make the correct decision on this investment, the study on consumer preferences was carried out. The location of the market survey was set in the cities of Vlore and Fier. Over 235 consumer interviews were conducted. Respondents indicated preferences for different types of pork products and the prices that they normally paid. A survey was also conducted among wholesalers / retailers who sold pork products and also among restaurants. Questions such as description of the average level of sales, the nature of storage facilities, usual sources and prices paid, mode of transport from supplier to business, average markup, and the future direction of consumer preferences.

## 5. EVALUATION OF AGRICULTURAL TRADE POLICY IN ALBANIA

Authors: Mirela Elezi, Valbona Cela, Avdullai Avdullai, Stefan Kocollari

Funded by: SARA-Policy Component

Advisors:

Duration: October 1995 - September 1996

Summary: Albania underwent a rapid economic transformation from a very tightly controlled economy in 1989 to one based on the free-market system. As the country opened its borders, trade in world markets has become a part of the economic systems. Government policies including trade policies have been evolving and Albania has recently petitioned to join the World Trade Organization. This study examined the overall evolving Albanian economy, primarily focused on the agricultural sector, during the transition period (1991-1995). Policy changes during the critical transition phase and broad government objectives for current policy are described. Then "coefficients of protection" are calculated for ten agricultural products to evaluate the impacts of trade policy. Finally, given the the stated government goals for the agricultural sector and the coefficients of protection, conclusions are drawn regarding the effectiveness of trade policy in supporting the overall economic and political goals.

## 6. ECONOMICS OF BEE-KEEPING IN ALBANIA

Authors; Dr. Selim Dedej, Ernest Gocaj

Funded by: SARA-AUT Component

Advisor: Deborah Wagner, Instructor from Virginia Tech

Duration: October 1995 - December 1996

Summary: This study provides a very detailed description of the state of beekeeping in Albania and the situation with pro-

cessing, packaging, and marketing of honeybee products. The study found that there were about 1160 full-time beekeepers each producing about 350 kg annually corresponding to a income of \$2,000 - \$3,000 per year. The study gives a very detailed breakdown of the expenses involved and operating honey production enterprise. Data are presented so that individual honey producers can compare their costs with the average costs that are presented. Marketing remains a major problem for Albanian producers who must compete against imports coming from even lower cost countries such Bulgaria. Recommendations are made on ways that producers can keep their hives most productive and how they could take action to improve marketing and thus experience increased demand for their domestic product.

## 7. RURAL INCOME STUDY

Authors: Engjell Skreli, Maksim Meco, Bari Musabelliu, Lefter Daku, Ridvan Bode

Funded by: SARA-Policy Component

Advisor: David Skunkel, SARA Policy Advisor

Duration: October 1995 - June 1998

Summary: This study was an extensive sample-based survey of the entire country aimed at providing baseline data on the sources of farm family income in the period after the transition and after farmers had begun to settle into the operation of their farms. The study was conducted with the assistance of the 36 district agricultural offices. A stratified sample was drawn for each sub-area along the the lines of the Agricultural Statistics Survey conducted by the SARA-Statistics Office. The results were potentially very valuable for helping to determine a rural development policy. While the matter of divisions of former lands is still continuing, the survey verified that there were about 3 small parcels being held by each farmer and that this division was a serious constraint to attaining productivity of the land. The study show that off-farm income was vitally important for the families to continue to live on the land. Remittances were primarily coming from family members living and working in other Albanian cities, but a growing share of remittance were coming from family member living abroad. The snapshot picture of the state of the farm was taken largely during the height of the high level of investment being made in pyramid scheme fund. The survey shows, therefore, a significantly lowered level of livestock numbers as compared with the numbers recorded in the past.

## 8. COSTS OF PRODUCTION FOR BREAD BAKING ENTERPRISES

Authors: Valbona Cela, Kristaq Pata, Henrieta Themelko, and staff members

# Appendix F: APPLIED RESEARCH PROJECTS CARRIED OUT BY AUT PEDAGOGUES FOR SARA (cont.)

from ABC.

Funded by: SARA AgriBusiness Center (ABC) Component

Advisor: Dr. James Littlefield; ABC Advisors

Duration: June 1995 - September 1995

Summary: The bread production study was a key part of an overall effort to learn about the wheat-flour-bread production-consumption system in Albania. Using a survey questionnaire, data was gathered from a sample of 12 bakeries in Tirana. There were three different types of bakeries according to the source of fuel (either wood, diesel, electric power). The primary product of the bakeries was a standard large loaf (1.35 kg) with a selling price of 40 new lek, but other available products were also studied. The largest expense for bakers was flour (70%). Based upon the costs of inputs, it was found that many bakeries were not making very much money due to the price ceiling on bread, with about one half with a return of investment of less than six percent.

## 9. COSTS OF PRODUCTION FOR FLOUR MILLING IN ALBANIA

Authors: Valbona Cela, Kristaq Pata,  
Henrieta Themelko, Luljeta File  
and staff members from ABC.

Funded by: SARA AgriBusiness Center (ABC) Component

Advisor: Dr. James Littlefield; ABC Advisors

Duration: July 1995 - September 1995

Summary: The flour milling production study was a another key part of an overall effort to learn about the wheat-flour-bread production-consumption system in Albania. A sample of ten flour milling establishments in the Tirana - Durres area was studied through the use of a survey questionnaire instrument. In analyzing the the cost structure of these firms, it was important to find out about the sources of wheat, its costs, and condition. In general flour millers preferred to sell flour made from imported wheat based on the the more uniform and higher quality. The cost of domestic wheat was lower than for imported wheat, but the quality variation was a major problem and could cause them to lose customers. Flour millers preferred to sell higher price flour from imported wheat to bakeries who would build the cost in their product in the form of smaller loaves sold at or near the cost of a full size loaf.

## 10. ORGANIZATION AND FUNCTIONING OF FARMERS ASSOCIATIONS: THEIR SITUATIONS AND OUTLOOKS

Authors: Donika Kercini, Henrieta Themelko,  
Adrian Civici, Bari Musabelliu

Funded by: SARA-AUT Component

Advisors: Dr. George McDowell, Dr. Roger

Kraynick, Dr. Michael J. Martin

Duration: January 1995 - February 1997

Summary: During the days of the command economy in Albania, organization of the agricultural sector into communes and large state enterprise was the normal organization of activity. In 1991, the mandatory belonging to such organizations ended. Yet the need for cooperative efforts in many places continued such as in irrigation districts. Although the term "cooperative" is disliked, there is an accelerating drive to encourage the formation of "farmer associations" either for basic diversified small-scale farming, or for specialized commercial farming, or for agricultural processing, agricultural input sales, or agricultural marketing. This study attempted primarily to identify the issues facing associations for small-scale farms. It found that at least through 1996, farmers were not anxious to join. The authors developed guidelines for reconstituting the traditional cooperative structure so that the associations would be more democratic. In most cases, this meant a radical departure from the systems that were formerly used to govern these organizations. A seminar on this topic was given at AUT on February 24, 1997.

## 11. FIG PRODUCTION, PROCESSING, AND MARKETING IN ALBANIA

Authors: Natasha Hodaj

Funded by: SARA-AUT Component

Advisors: Catherine Neumeyer, Dr. Roger Kraynick

Duration: February 1996 - June 1997

Summary: Although figs are a minor crop in Albania, they are important seasonally and are important to a part of the country - namely Fier and Berat. The experience of fig production and marketing can be extended to other fruit production-processing enterprises. The state farms and enterprises that were responsible for fig production have been privatized beginning in 1992. This study focuses primarily on the experience of one firm ("Ylberi Company") in the transitional period as four partners placed together capital to first acquire the orchard land so as to sell raw figs and raw olives. The research shows how a financial feasibility study was done to make a determination on later purchasing a processing facility from which fig jam and marmalade was processed and marketed to retail outlets in Albania. The market prospects for other fruit processors is discussed.

## 12. ON-FARM RESEARCH FOR IMPROVED WATER MANAGEMENT

Authors: Sokrat Dhima, Spiro Grazdani  
(pedagogues in Soil Science Department)

## Appendix F: APPLIED RESEARCH PROJECTS CARRIED OUT BY AUT PEDAGOGUES FOR SARA (cont.)

and Interfaculty Department, respectively)

Funded by: SARA-Policy Component

Advisor: David Skunkel, Advisor for SARA-Policy  
Component.

Duration: March 1996 - July 1997

Summary: Irrigation water use in the Korce area was studied to determine if on-farm water use efficiency could be improved for typical farms growing a mix of sugar beet, wheat, and potatoes. The measurement of water use efficiency used was accomplished through use of catchment basins at the bottom of fields to determine total runoff with different irrigation application rates. The range of rates to be tested was determined through a mathematical model of the soil strata. The results showed that there was an optimum application rate for each crop and that this corresponded to a economic return for each typical farm. The results of this research were to form the basis of an extension / outreach bulletin to be prepared by the Korce Agricultural District Office.

### 13. ON-FARM RESEARCH FOR IMPROVED VEGETABLE SEEDLING PRODUCTION

Authors: Astrit Balliu and Luan Ibrahimllari  
(pedagogues in Horticulture Department  
and Agronomy Department, respectively)

Funded by: SARA-Policy Component

Advisor: David Skunkel, Advisor for SARA-Policy  
Component.

Duration: March 1996 - August 1997

Summary: The greenhouse production sector in Albania has been in existence for over two decades. A significant infrastructure and production system was established including the production of seedlings in specialized greenhouses. The technology mostly used a bare root technology in which seedlings were growing together. This system had the disadvantage of root damage at the time of transplant and the prospect of disease propagation. Albania greenhouse also used clay pots, but these were subject to breakage and were too heavy for moving before and after use. Commercial seedling production using plastic trays had not been tested in Albania. In addition the privatization of the greenhouses meant that new technology was going have to be introduced to farmers who had varying levels of experience with using new systems, so it was important to do experimental trials in actual on-farm conditions. In the study, a group of 17 farmers was selected to take part in the experiment. The plastic trays and compost were supplied to them and instructions given on the proper use. Users also grew seedlings with traditional technology. The differences were analyzed at the conclusion with all users of the plastic tray technology attaining superior yields and lower costs.

### 14. COMPETITION IN THE ALBANIAN MILK AND EGG PRODUCTION, PROCESSING, AND MARKETING SUB-SECTORS

Authors: Dr. Dudi Suli and Dr. Henrieta  
Themelko

Advisors: Dr. Emerson Babb, Dr. Daniel Tilley,  
Dr. Roger Kraynick

Duration: January 1997 - July 1998

Summary: For the Tirana region, provided thorough description of the flow of milk and eggs from production through processing through distribution to wholesale / retail sales points and purchasing habits of consumers. Recorded and analyzed transactions prices for producer - processor contracts as well as spot prices and determined the gross margin for a typical small farmer. Analyzed the costs of processing for 3 largest pastuerizers/packers of milk and the prices in the market for various forms of product. Analyzed consumers' buying preferences including prices paid for various forms of milk. Analyzed dependence of milk consumption on income, education, family size, and geographic location. Consumption (adjusted for family size) was found to be positively related to income. Conclusions were that present processing capability was not being used since most consumers continue to home boil milk of all kinds. major commercialization will require specialized dairy farm, and processors willing to extend working "cool chains" out to places where consumers can buy guaranteed high quality milk.

### 15. OPPORTUNITIES AND CONSTRAINTS FOR ESTABLISHING REGIONALLY-SPECIALIZED RURAL FINANCE INSTITUTIONS IN ALBANIA

Authors: Dr. Drini Salko and Mr. Robert  
Lukac (latter is Manager at Albanian  
Development Fund - World Bank Project)

Advisor: Dr. Roger Kraynick

Duration: June 1997 - August 1998

Summary: The major constraint facing the growth and change that needs to take place in Albania is providing credit to progressive-minded farmers who can begin to consolidate small-holdings and begin to establish an agriculture that exhibits scale economies and can exploit marketing opportunities. The recent record of Albania's farmers in repaying loans from state banking organizations has not been admirable. A few foreign donor-financed credit organizations have had better experience, but Albania needs a system of self-financed credit availability. This project was intended to explore the feasibility of mobilizing regionally-specialized rural finance organizations. The project examined the existing

## Appendix F: APPLIED RESEARCH PROJECTS CARRIED OUT BY AUT PEDAGOGUES FOR SARA (cont.)

icrocredit organizations operating in Albania and the "raiffaisen" system used in Europe. Selected regions were then studied and "town-hall" meetings were organized to acquaint potential members of a regionalized rural finance institution with the the benefits and more importantly the obligations associated with such and organizations. The participants were given questionnaire surveys to carefully assess their likelihood of being upstanding members of an institution. The results appear to be promising such that if membership of such institutions are carefully controlled (by strict admission and expulsion rules), the institutions have a chance of being viable. The results were presented in a national level workshop in Tirana.

### 16. ASSESSMENT OF THE IMPACT OF PYRAMID SCHEME FAILURE ON AGRICULTURE SECTOR IN ALBANIA

Authors: Adrian Civici, Bari Musabelliu, Arben Vercuni, and Ilir Kristaq (latter is pedagogue in Agronomy)

Funded by: SARA-AUT Component

Advisor: Dr. Roger Kraynick

Duration: July 1997 - November 1998

Summary: From 1994 until early 1997, Albania's population was in fascination of a number of illicit "pyramid banking" schemes. Deposits to these funds were attracted by the promise of high returns payable after as few as 3 months. As the scheme aged and got bigger, the return rates went higher as there was a need to attract higher and higher levels of deposits. Funds were sucked from conventional banks, and from sales of assets such as houses and agricultural property. So many assets, particularly livestock and machinery, were liquidated, that there was a significant impact on the entire agricultural sector. In the end the pyramids failed (as they must always) and the money evaporated. The purpose of this project was to conduct an ex post assessment of the impact of the liquidations and other impacts that came to agriculture as well as attempting predict a recovery. The researchers examined the impacts on total farm operations for a moderately large sample in six areas. It was found that most farmers who had liquidated significant assets were able to be infused with new funds, often remittances from abroad. Those farmers who had few or no sources of income had behaved more rationally with respect to liquidating farm assets.

### 17. EVALUATION OF ALTERNATIVE LAND TAX STRUCTURE FOR ALBANIAN FARMS

Authors: Dr. Dhimiter Nikolla, Dr. Sulejman Sulce, and Dr. Fatbardh Sallaku (latter two were pedagogues in Agronomy Department)

Funded by: SARA-AUT Component

Advisor: Dr. Bishu Chatterjee, Dr. Gene

Wunderlich, Dr. Leroy Rogers, Dr. Roger

Kraynick

Duration: July 1997 - November 1998

Summary: The purpose of this research was to revenue the efficacy of the Albanian land tax system as viewed by farmers. In short, the land tax system for rural land was drawn up in 1994 without much knowledge of what factors affect incidence of taxation as perceived by taxpayers. The current system, based on the amount of area in various land capability classes, appears to be "fair" until there are comparisons among the profitability of farms operations located in different parts of the country. Some sources of inequity that have been identified are that some farms are much closer to markets (and therefore enjoy lower costs and more frequent market opportunities) and that some enjoy the benefit of irrigation services. Economic theory of taxation suggests that tax systems should be efficient and equitable. In regard to efficiency, it appears that Albania has yet to achieve a system whereby some benefits of the taxes are being sent back to taxpayers (who therefore are not encouraged to pay). The distributional issue was addressed in this study by selecting six areas and from these areas, about 200 farms selected at random to examine present tax obligations and the impact on total farm income and those that would prevail under alternative systems. Accounting for proximity to markets and for the existence of irrigation water delivery infrastructure did in fact crate a greater degree of evenness in the farm incomes. Considerable more study would be needed to create a final taxation proposal.

### 18. SHEEP AND GOAT PRODUCTION AND MARKETING SYSTEMS IN ALBANIA

Authors: Ms. Vera Pecaj and Mr. Luan Hajno

(latter is senior researcher at Zootechnic Research Institute, LaPrake)

Funded by: SARA-AUT Component

Advisor: Roger Kraynick

Duration: August 1997 - November 1998

Summary: This project was initiated with a "rapid reconnaissance" of the sheep and goat production and marketing systems in Albania. An attempt was made to identify what had been happening in the years since the command economy with its commune and state farms were operating the sheep and goat production system. A large, well-coordinated livestock management system maintained national flocks often utilizing summer pastures and then moving flocks to coastal areas in the winter. With the privatization of the flocks, such move-

# Appendix F: APPLIED RESEARCH PROJECTS CARRIED OUT BY AUT PEDAGOGUES FOR SARA (cont.)

ments ceased to occur. With small flocks being held on small family farms, production and marketing became regionalized. Marketing in particular became difficult to accomplish and farmers were often at a disadvantage with buyers. The major part of the study was aimed at identifying new trends to develop large-scale production systems (private owners with larger flocks moved among regions of the country) and to develop new privately-operated marketing places where livestock can be actively traded with interested sellers and buyers (including representative of foreign firms). Three areas of the country (Korce-Saranda, Kukes-Tirana-Durres, and Malesi-Shkoder) were studied. The more attractive marketing opportunities were seen to be enabling large flock holders to make significant profit and were enticing small flock owners to expand their operations.

## 19. ANALYSIS OF THE WILLINGNESS OF ALBANIAN FARMERS TO ADOPT SOIL- AND WATER-CONSERVING PRACTICES

Authors: Dr. Natasha Hodaj, Sokrat Dhima, Spiro Grazdani, (latter two are pedagogues in Soil Science Department and Interfaculty Department, respectively).

Funded by: SARA-AUT Component

Advisor: Dr. Roger Kraynick, Dr. Stanley Miller, Dr. Bishu Chatterjee

Duration: September 1997 - November 1998

Summary: This project aimed to determine whether farmers would act in a rational manner not to degrade a common property resource (groundwater reserve) in the interest of gaining near term profits if information on the problem was given to them. Two of the investigators had experience with a previous project (#12 above) to show that farmers could experience benefits of improved irrigation water management. The present project was conducted to show that there were optimal levels of fertilizer applications that would enable farmers to obtain desirable, but less than maximum yields. At the optimum fertilizer application there would not be any leaching of fertilizer into the groundwater which would allow farmers to pump water for home consumption and which would not contaminate the streams and the lake nearby. The physical science part of this project consisted of setting up lysimeter experiments in three different fields for 3 different crops, sugarbeets, wheat, and potatoes. The results enabled a determination of the optimal fertilizer application rates. A typical farm operation found thus found to experience a reduction in profit compared to the case when fertilizer was being overapplied. The economic experiment was to find out the willingness of farmers to experience a shortfall in revenues and

profit in order to preserve the quality of the ground- and surface water. With the information that they would only experience a ten to fifteen percent reduction in profit as a result of optimal fertilizer application, the majority of respondents revealed that they would act to farm in an environmentally-sustainable fashion. The results were obtained through a cross-section econometric method (probit) model based on 75 usable interviews.

## 20. ASSESSMENT OF THE TECHNOLOGIES AND COSTS OF PRODUCTIONS IN ALBANIAN GREENHOUSE PRODUCTION FARMS

Authors: Dr. Avdulla Avdullai, Dr. Stilian Apostoli, and Hidajet Shehu

Funded by SARA-AUT Component

Advisor: Dr. Dan Tilley, Dr. Roger Kraynick

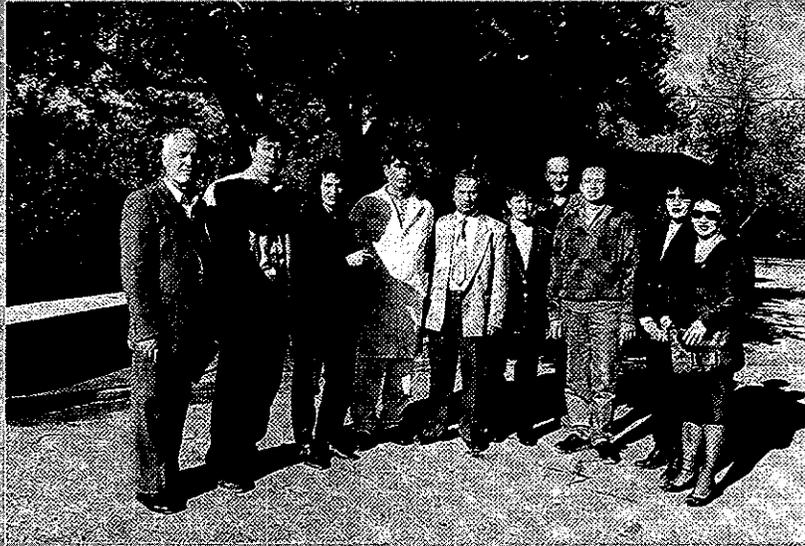
Duration: July 1997 - November 1998

Summary: This project had originally been envisioned as the beginning of a major sustained effort to construct a set of "crop enterprise budgets" for various combinations of crop, cultural practices, and regions in Albania. The objective of this project is to accurately record the use of both traditional and modern types of vegetable production in protected environments in Albania. In particular, one important sub-objective was to determine the particular constraints that farmers were facing is using various technologies new to Albania such as drip irrigation, pesticide application guidelines, etc. Another sub-objective was to see what external factors such as education level, availability effective of extension programs, availability of input supplies were having on success in their enterprises. Most respondent were very vocal that inputs, particularly high quality seeds and working capital were in very short supply. The data obtained in the survey of 45 producers in the coastal zone from Fier to Durres/Tirana, the main constraint in limiting the actual performance of greenhouse systems was not management input or know-how, but rather seeds and working capital. Market channels were also not found to be limiting. In fact, a major wholesaling point had recently come into being on the eastern outskirts of Tirana. Users of older greenhouse technologies with generally unit lower costs appear to be willing to wait until there is a more certain investment climate before making any new investments. Some of these growers had ample capital, but were being made wary of the lackluster performance of the modern units that had come into existence.

" .... the Agricultural University of Tirana will remain in its present location and will flourish once again..." Prof Dr Vjollca Ibro, Rector



On March 14, 1997 an unfortunate breakdown of civil order occurred in Albania with a vortex of destruction engulfing the Kamza campus. In the wake of the event, AUT pedagogues, staff and students mobilized efforts to restart programs in the Spring and get the campus operational by the fall of 1997.



"...better than before..."