Munich, October 20 (Stankovic) -- President Kennedy's order for an "overall review" of United States policy toward Yugoslavia, revealed in Washington on 14 October 1961, has coincided with events and trends of very great importance for Yugoslavia herself. The events are causing the Yugoslav leaders great concern; the trends, however, are of more far-reaching importance and may affect the whole future of Communism in Yugoslavia and the policy of both East and West toward her.

To begin with the events: President Kennedy's announcement came only a few days before the Soviet CP Congress at which the Yugoslav "revisionists" have been roundly condemned. It came after and in great measure a consequence of the attitude taken by Tito at the Belgrade neutralist meeting. Finally, it also came at a time when the Yugoslav economy is facing serious difficulties. Tito's deputy in charge of economic affairs, Mijalko Todorovic, told the Yugoslav journalists (according to "Borba" of October 15) that not only the agricultural situation had seriously deteriorated because of bad harvest, but also industrial production has not developed according to plan. Todorovic also remarked that Yugoslav exports are far behind plan, while in the country itself there is no harmony between production and consumption. This is why some new administrative measures will be introduced, especially in the field of the distribution of personal income and in long-term planning.

The most important trend with which the Kennedy announcement coincided was the emergence of a basic struggle within the League of Communists of Yugoslavia. This struggle has always been latent: it is now coming to the surface.

Up to now Western policy has tried to use Yugoslavia as an instrument in its policy against the Communist bloc. With Tito in full command it was possible to do this without going deeply into internal Yugoslav politics. But now, though Tito is still in full control, questions about the post-Tito period are beginning to be raised.

Within the Party two factions have been formed, a fact which will not only decide the succession but will form Yugoslav policy in the future. Therefore, Western policy will not only have to follow these struggles but also will have to try to influence their outcome. The Soviets, for their part, have been trying to do
this all along. When Tito is gone their chances of success will be greatly increased.

The Factions, Their Policies and Leaders

The first open admission that two different groups existed in the Party came from Tito himself. In his final speech at the Second Plenary Session of the Central Committee of the League of Communists of Yugoslavia (held in Belgrade on 19 November 1959) Tito criticized the way in which the Central Committee members had conducted their discussion. He said the following: "One gains the impression that there are two groups in the discussion, the first composed of the economists and the other of the Communists; the latter being greatly outnumbered".

This was the classic division between "technocrats" and "apparatchiks" and it is around these two groups that the factions have formed. In Yugoslavia the first is led by Tito’s deputy Edvard Kardelj, the chief architect of the "Liberalization measures" in the economy. The "apparatchiks" are headed by another of Tito’s deputies, Aleksandar Rankovic. Rankovic has behind him a great number of fellow-Serbs, while Kardelj (although a Slovene) is generally followed by the Croats.

One must stress, however, that the two groups cannot be exclusively divided on a nationality basis; in both groups there are members of all the nationalities. Nor is the division based exclusively on any attitude toward the Soviet Union. The struggle is chiefly of an internal nature and it is considerations springing from this struggle on internal problems which affect (or will affect) the respective attitudes toward East and West.

Tito’s failure at the Belgrade "non-aligned" conference to emerge as the unquestioned leader of the neutrals not only damaged his own personal prestige abroad. It has in some extent affected his ability to prevent the two factions at home from clashing. Both factions, of course, acknowledge his leadership but had Tito’s international prestige been greatly enhanced at the conference he would probably have been able to over-awe the two factions into silence. This, however, he has not been able to do.

The fact that the struggle is still continuing and has even increased in intensity is shown by a recent exchange of opinions on the Soviet Union. A speech made by the famous Yugoslav writer Dobrica Cosic, at the Writers’ Congress in Sarajevo on September 16, reflected the opinion still cherished by some prominent people in Yugoslavia of an "undreamt-of creative intensity" in the Soviet Union. This "illusion" was attacked in "Komunist" of September 28 which countered that "something is rotten in the State of Denmark", i.e. the Soviet Union. This is an important difference in attitude; the sympathy with Moscow is expressed by what may be called the "dogmatists", who are on the whole apparatchiks. The anti-Soviet approach is the hallmark of the "liberals", who are on the whole the technocrats.
The difference of approach is reflected most clearly in internal politics. The "dogmatists" would like to tighten control at home, to prevent "anarchistic" developments in the economy which they believe have arisen from "exaggerated" and a "too speedy liberalization". This is why the Kardelj group is continually complaining about the opposition to the reforms shown by "certain people".

But the great problem for the Kardelj group of "liberals" is that "political power" is strictly in the hands of the Party leaders i.e. in the hands of "apparatchiks" who are distrustful of the technocrat "efficiency" approach. This is why they have done their utmost to sabotage Kardelj's reforms.

This can be seen from various speeches and articles in the Yugoslav papers in which unnamed opponents of the reforms are warned against their conformist views. Thus, for instance, "Borba" of June 21 of this year carried an article by Slobodan Vujica under the title "Resistance and Non-comprehension". Vujica admitted that "certain difficulties, resistance and non-comprehension have appeared in the course of the implementation of the new economic measures". In Vujica's opinion "there are two types of resistance", First of all, there is the resistance of people "badly informed" who "have not realized the essence of the new economic measures". Vujica then continued:

"Because of conformism or because of stereotyped ways of thinking practiced for years, individual people consider that the new system of the distribution of income and the new organization of production and management lead toward the atomization of the economy, toward anarchy. These people, if not resisting new measures, simply stand aside showing no interest whatsoever in anything taking place in their economic organizations.

"In contrast to the first type of resistance those of the other tendency -- knowing the direction in which things have been going -- do not like to see the whole process developing in a definite direction. They are afraid of decentralization and democratization of management because they could not be bosses any longer. This is why they, in defending their positions, have invented numerous technocratic arguments as, for instance, that enterprises have been indivisible entities. In them one cannot separate by a Chinese Wall the management and leadership. Under the term of "leadership" they usually understand "political power" which they have often used to cover their professional incapabilities..."

Who are these people who would like to continue to lead and are professionally untrained? It is no doubt that Vujica had in mind "the apparatchiks". In other words, having accepted (consciously or unconsciously) Djilas' idea that the adherence to the Party should not be a decisive factor in deciding whether a person is entitled to be "the boss" in an enterprise (as has been the case so
far) - Vujica indirectly degraded the Party in a typical Djilasist way. As is well known in 1953 Milovan Djilas came into conflict with his colleagues exactly over the dilemma now laid down by Vujica. As for the problem of separation between professional and political leadership, Djilas came to the conclusion that workers' self-management could not materialize while the Party members in every workers' council or in local governmental bodies were bound by Party discipline ordering them to follow central instructions. Either one wants to have workers' councils really managing their enterprises (in which case one must accept the abolition of Party discipline), or one wants to retain one-Party control which makes the introduction of the liberal economic reforms almost impossible.

Decentralization vs. Centralism

Kardelj's policy is based almost exclusively on economic criteria. If a factory is not profitable it should go; if an industrial process is not efficient it must be replaced by one which is efficient. The corollary to this is that political interference and Party discipline are not only unnecessary but positively harmful - if they in any way undermine the economic criteria.

This concept is naturally regarded by the "apparatchiks" as a threat to their power and influence and the more the process of economic liberalization develops the greater the threat becomes, the greater is the gap between the two factions and the greater the possibilities of serious clashes. This has already happened at the local level, but the real danger is that it shows signs of spreading to the national level. Since economic development in Yugoslavia has been very uneven it is natural that the more developed areas, like Slovenia and Croatia with fairly efficient industries would not only have less to fear from the Kardelj policy but would probably have a considerable amount to gain. On the other hand in areas like Macedonia, Montenegro and even some parts of Serbia (Kosmet, for instance) where industry is often far from efficient, Kardelj's economic criteria would pose a very serious threat. Industry in these areas, in many cases, has long been dependent for its survival on the much lobbied subsidies from Belgrade (i.e. from the central government), would lose these subsidies under the Kardelj policy of complete economic decentralization. It is here where the nationalities element enters into the problem.

Slobodan Vujica wrote in "Borba" on October 13 that various local leaders were violently fighting liberalization measures by using the following slogan: "One cannot allow that a whole province remain without factories full of workers just because of the system or of certain measures". This is why Vujica suggested that "one should immediately start a concrete discussion with all people who in principle criticize the economic system and do not undertake anything to adapt their organizations to new conditions".

Vujica's colleague Milan Bajec claimed in "Borba" on October 7 that economic reforms can succeed "only if 100 per cent
economical reasons are taken as the basis". In other words, Party considerations should not be given any weight. In addition, Neda Krmpotic said in the Zagreb "Vjesnik" of October 8 that "a fierce struggle is now being waged for the implementation of new economic principles; we say struggle because in question is much more than the term "new economic system" can explain".

The prosperity of Slovenia and Croatia is resented by the more backward areas and the cause of these areas has been taken up by the "apparatchiks" mainly as an instrument to use against the technocrats. The slogan of one Yugoslavia and fair shares for all may have considerable appeal, and the fact that Kardelj is himself a Slovene and is backed by the Croatian chieftain Vladimir Bakaric, lends some support to the notion that liberalization favors some areas over others. These motives of self-interest are easily reflected in ideological attitudes. The decentralizing liberals with their insistence on more competitive freedom are faced by the centralistically minded dogmatists who appeal to the fearful with arguments that more freedom means lower standards, in spite of more work.

The clearest enunciation so far of this centralist dogmatic approach was made by Serbian premier, Milos Minic (the best friend of Rankovic) who fell back on Lenin to support his thesis that centralism was essential. In a series of recent articles in "Borba" he inferred quite clearly that the chief target of his remarks was his Slovene "colleague" Edvard Kardelj.

In the midst of the struggle for an even greater decentralization, for more rights for separate national units, Minic came out with the following assertions:

"According to Lenin, the national composition of the population is one of the most important economic factors on the basis of which autonomy is decided to be essential, but it is not the only basis, nor is the most important one amongst all the other important factors; the national composition of the population must be considered in relation to other conditions... Lenin was of the opinion that centralization is essential "in the serious, general and vital sense" in the political and economic field... Therefore it is clear that autonomy should not be established if it is required only by the national composition of the population..."

According to Minic one should differentiate between bureaucratic centralism (of the Stalinist type) and democratic centralism (which he, Minic, advocates). Minic claims that if one wants to have autonomy (local, provincial or national) "one should necessarily implement centralization in a democratic way". Then Minic continued:

"Some people here (in Yugoslavia) immediately get excited when the term centralization is even mentioned. They identify centralization with arbitrariness, bureaucracy, etc. For them centralization means bureaucracy. They make no distinction between democratic centralization and bureaucratic centralization..."
Well, as far as Yugoslavia is concerned it is no secret who "immediately gets excited" when the term centralism is even mentioned: the Croats and of late the Slovenes. This becomes quite clear when Minic (a Serb with a rather long centralistic tradition) says the following:

"These conceptions and trends arise above all in experience in the work of the republic and federal organs and in some individual cases they are mixed even with the elements of certain remnants of nationalism."

All this shows that factional lines are forming and hardening.

End