



# Tito's Homemade Communism

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ON NOVEMBER 28, 1960, President Tito announced that Yugoslavia would adopt a new constitution in 1962, in which the role of the government in the nation's economy would be curtailed and the power of the worker would be increased. He noted the successes of the past decade and declared that the state should serve only as a co-ordinator while the citizen acted as "producer and manager." This development is another of a series of steps taken in recent years by the Yugoslav Communist leaders to "democratize" the system.

Yugoslavia is Communist in ideology, but in practice it has been distinguished by elements alien to Soviet Communism: a measure of political toleration unique among Communist systems, a mixed economy distinguished by considerable decentralized authority, and a large degree of cultural freedom. The Yugoslav experiment deserves close attention because it is an outstanding example of the impact of nationalism upon Communism, and because its continued success may well lead underdeveloped countries—many of them seeking to industrialize and modernize their economies within the framework of an authoritarian welfare state—to consider adopting certain Yugoslav policies and practices. An increasing number of these countries have come to the conclusion

that western democracy is a luxury they can ill afford at this stage of their development.

## The Differences

In present-day Yugoslavia, freedom to travel exists for foreigner and citizen alike. There are none of the proscriptions on domestic movement so characteristic of the Soviet Union, and few on travel abroad. Everywhere the foreigner is greeted with friendliness, curiosity, and a desire to communicate.

During the past decade Yugoslavia has undergone a series of fundamental transformations. These are perhaps most apparent in the economic sphere, where the régime has established institutions and policies designed to encourage a maximum of local autonomy, democratic procedures, and communal initiative. Yugoslavia has decentralized its industrial sector, granting each enterprise considerable authority to determine its own rate of capital investment, as well as the kind and quantity of goods produced.

The key institution in this democratization and decentralization program is the workers' council, which combines managerial authority with a countervailing degree of union responsibility in the policy-making process. Each enterprise is run by a workers' council. The coun-

cil draws up production plans, determines the extent of new investment, and oversees the distribution of profits. Significantly, the councils operate with minimal interference from the federal government. To encourage expanded production and increased productivity, enterprises are permitted to produce the same types of goods and to compete with one another for the available market. If this competition threatens to become disruptive rather than salutary, however, the Federal Executive Council (the key organ of governmental executive power) may intervene and effect a settlement.

Until recently, for example, one Croatian shipping firm had a monopoly on the run to the East Coast of the United States. A Slovenian firm, sensing an opportunity for profit, invested some of its capital in several fast ships and entered into competition. To avoid a prolonged commercial conflict, the government intervened, apportioning the U.S. run between the two firms.

Two Yugoslav automobile companies are now competing with each other. The firm having exclusive rights to produce the Fiat 500 and 600 in Yugoslavia is being challenged by a firm which has negotiated the right to produce the French Citroën. The firm producing the Fiats contends that the Yugoslav market cannot absorb both makes at this time and that to permit the production of Citroëns would result in squandering hard currency and an uneconomic utilization of resources. However, the firm seeking to produce Citroëns has apparently convinced the Federal Executive Council that it will not require hard currency and that imported spare parts will be financed by the export of other goods produced by the firm with no concomitant drain on the country's supply of hard currency.

The worker in Yugoslavia is free to choose his occupation, to move from one part of the country to another, and to change jobs. There are ample opportunities for him to improve his skill and status through education and on-the-job training. Unions play an important role in protecting the worker's rights and in obtaining higher wages and better working conditions. They also play an important role in the work-

ers' council of the enterprise. In function they resemble unions in Western Europe more closely than they do Soviet unions.

Another striking feature of the economic system is the prevalence of private enterprise at the artisan and retail level. Though an individual may not own a factory, he may own his own shop or small business. In Belgrade, the wealthiest individuals are reputed to be the operators of private beauty salons. (One can easily distinguish a private shop by the presence of the individual's name under the store sign.) The government no longer seeks to pressure private entrepreneurs into joining state-controlled co-operatives; it hopes in time to gain adherents to the socialized sector by proving its economic advantage.

In agriculture, as a result of de-collectivization, the peasantry has accommodated itself to the government. Again, the government hopes to win over the peasants, who own more than seventy-five per cent of the arable land, by demonstrating the advantages of state farms.

**T**HESE POLICIES seem to have benefited both the régime and the individual without in any way jeopardizing the hegemony of the Communist Party. But the newly expanded availability of consumer goods has led people to work harder and longer. Thus, the tailor in Belgrade who holds down two jobs—one in a government co-operative during the day, the other in his own apartment where he operates a private business in the evening—is not unusual. Increasingly, two jobs are necessary in Yugoslavia to enjoy a reasonably high standard of living.

Rents are relatively inexpensive, but apartments are in short supply. New housing is difficult to obtain. Virtually all new housing is being built by individual industrial and commercial enterprises, and not by the government. Priority for the new apartments is given to the executives and workers employed by the particular organization financing the new construction. The self-employed and those who work in enterprises not having much capital for investment in new housing—for example, the faculty of the University of Belgrade—have little pros-

pect of obtaining new apartments. This may help explain the trend toward small families among the intelligentsia.

### Orthodox Art Is Out

In the cultural realm, Yugoslavia enjoys a measure of freedom unparalleled in any other Communist country. There are many publishing houses, each having authority to publish whatever it considers marketable. What this means in practice is that Yugoslav authors may write critically of a wide variety of subjects, but they may not challenge the fundamentals of the socialist system or the concept of Communist Party rule; nor may they criticize President Tito. Former Vice-President Milovan Djilas, who did all three, remains in prison. Though Yugoslav writers have yet to develop a literary tradition of significant social criticism, they are moving slowly in this direction. One negative aspect of this freedom, according to Yugoslav intellectuals, has been the spate of sensational pulp "literature" put on the market.

Western literature is displayed in bookstores and seen regularly on private shelves. Political and economic writings that challenge the fundamentals of the system are not readily available but may be ordered by those engaged in scholarly research.

The "socialist realist" art of the 1945-1950 period, characterized by the régime's insistence upon conformity, orthodoxy, and emulation of Soviet art, is a thing of the past. Yugoslav architects, painters, sculptors, and musicians frequently study in America and Western Europe and are very much a part of contemporary movements. There is only a small market among individuals for their work because people lack the surplus income necessary for patronage. Painters, for example, sell most of their work to cultural institutions, industrial enterprises, and government agencies.

In architecture, Yugoslavs are designing buildings of great beauty, simplicity, and imagination. These can be seen in Belgrade and other large cities. They are especially evident in the provincial cities—in **Pristina, for example—where an even greater willingness to encour-**

age drastic departures from tradition seems apparent.

Rapid strides have been taken to develop an adequate educational system. Eight years of schooling are now compulsory. Anyone completing high school and desiring admission to a university must be accepted. All students are free to choose their areas of specialization; no quotas are established by the government, as in the Soviet Union, prescribing the number of students entering any particular field. Tuition is free and a fourth of the university students also receive further scholarship aid to help defray the cost of books, room, and board. Although the free tuition has created new headaches for the régime, it has opened up new vistas to those of peasant or working-class background.

These developments—in literature, in the arts, and in education—are recent, and therefore perhaps are not so well established in the system as most Yugoslavs hope and believe. There are encouraging indications, however, that the Yugoslav political elite is convinced of the essential correctness of the present pattern of economic and social organization and does not contemplate any return to a Soviet-type system.

### After Tito, What?

In the political realm, the record is mixed. Yugoslavia remains a one-party state and no opposition to the Communist Party is permitted. But the party has increasingly removed itself from direct involvement in areas irrelevant to national security or the perpetuation of the régime. At the same time, it has encouraged a diffusion of decision-making power in such disparate areas as the workers' councils, the conduct of the universities, and the operation of social and cultural institutions.

A crucial question, rarely raised or discussed even in private conversations, is the matter of Tito's successor. A measure of the general affection and esteem felt for Tito can be seen in the minimal number of security guards who now accompany him on his travels through the country, a noticeable contrast to five or six years ago. The hope is frequently expressed that Tito will live to be a hundred. This is not only an expression of sentiment; it is also a reflec-

tion of the political unity that the sixty-eight-year-old Tito symbolizes.

At present Tito has no rival, nor is one likely to emerge as long as he lives. The members of the party's executive committee all fought together as partisans during the war. Since then they have worked as a unit in handling the various domestic and external crises that have beset the country. The bonds forged throughout this period seem stronger than any differences of opinion or quest for personal power, at least as long as Tito lives. (The Djilas affair was a notable exception to this unity.)

After Tito's death there is the possibility that a Stalin-like dictator will emerge from the ensuing struggle for power, one who would seek to reorient Yugoslavia along Soviet lines. But most Yugoslavs tend to discount such an alternative, holding that decentralization and democratization have become too integral a part of the system. They point to the decollectivization of agriculture, the growing significance of the workers' councils, the spread of democratic procedures at the communal level, and the mushrooming of cultural freedom; they hold that no faction could reverse these developments and hope to survive. The economic-political consequences for the country would be so grave as to give rise to a counter-reaction to any would-be Stalin as a successor to Tito.

The national question, however—particularly the Croat-Serb antagonism—might erupt again following the death of Tito and lead to an erosion of Communist control, possibly to the disintegration of the Yugoslav state. But those who expect ethnic "particularism" to prove stronger than any "Yugoslav" feelings are mostly émigrés who tend to be influenced by their wishes. A majority of the Yugoslavs, regardless of their political attitude toward the régime, believe that the national question has been successfully resolved. They point with pride to the growth of a Yugoslav nationalism among the younger generation. Political fragmentation along national lines does not appear to be a realistic possibility.

The post-Tito leadership will probably function as a collective execu-

tive. Initially at least, it will probably be dominated by Edvard Kardelj, the party theoretician, and Aleksandar Ranković, the party strong man, and continue to rule along lines now in effect. The cohesiveness of the present party leadership is expected to carry into the post-Tito period. But more than this, the party will remain dominant because there is no organized opposition of any political consequence with the potential for effective leadership. The party, the military, the intelligentsia, and the managerial elite are loyal to the régime and have a stake in perpetuating the system.

THE PRESENT POPULARITY of the régime rests not only on regard for Tito but on the national unity resulting from Soviet belligerence.



Three other postwar developments have contributed to the régime's stability and support.

First, the organization of the state along federal lines has effectively solved Yugoslavia's most serious prewar political problem. The six federal republics—Croatia, Slovenia, Bosnia and Herzegovina, Serbia, Montenegro, and Macedonia—were established along ethnic lines with the specific purpose of reducing, and eventually eliminating, deep-rooted antagonisms among the various nationality groups. The federal solution is designed to prevent any return to the prewar situation when the Serbs dominated the government. It also seeks to give the other nationality groups a more equitable share of governmental representation. The régime's solution of the national question is unquestionably

its greatest contribution to Yugoslav unity and strength.

A concomitant of the federal solution has been the concept of Yugoslav, as opposed to any particularist, nationalism. With the passage of time a greater sense of national identity may be expected to develop, with its further strengthening of the popular commitment to the present system. To encourage national unity, the federal government seeks, through loans and taxation, to promote the economic development of the more backward areas of the country. It is also a crime to speak disparagingly against any nationality group.

Second, there is widespread acceptance of the objectives of the welfare state, particularly in the fields of education and medicine. The principal problem centers on the rapidity with which these benefits may be extended effectively to other fields and to the entire population. The introduction of free universal education, higher wage levels, socialized medicine, and expanded cultural opportunities have all enhanced the prestige of the régime. No longer is any serious thought given to attaining these objectives outside the framework of the existing system. The reason for this is a direct outcome of a third significant development: the growing political apathy of the younger generation.

Yugoslavs accept, and clearly appreciate, the need to avoid political controversies that might jeopardize the stability and prosperity of the past five years. Years of war and consequent drastic changes have drained people of revolutionary fervor. Aside from a small segment of the party and the intelligentsia, few have any interest in ideological dialogues on the "correct" road to socialism and the organization of society. The present generation is primarily interested in acquiring a higher standard of living and in enjoying Yugoslavia's current prosperity.

IT HAS BEEN SAID by social scientists that the test of a régime's ultimate character can best be seen in its treatment of its own population. If this is true, then there are signs that the Yugoslav variety of socialism may continue to move ahead slowly, seeking increasingly nonauthoritarian solutions to its complex problems.



# Russia's Farm Crisis

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FOR SEVERAL MONTHS the Soviet press and the Soviet propaganda agencies have been preparing the public for an important session of the party's Central Committee, which was originally scheduled for the middle of December. The main point on the agenda, the only one to be published, was the situation in farming. In accordance with the well-established ritual, the newspapers daily displayed the farmers' greetings to the Central Committee and their pledges to raise and improve output. Then, it was suddenly announced that the session had been postponed till January, 1961. No explanation was given, but none was needed to make Soviet people aware of a struggle over agricultural policy that was going on in the ruling group, and of the important consequences this was likely to have.

Soviet farming has now had two lean years after four or five fat ones. There were exceptionally bad climatic conditions and poor crops in 1959 and again in 1960. Although nature may be a "nonpolitical factor," a depression in farming, especially in Soviet farming, usually has political repercussions, because it lays bare the weaknesses of the technical and economic organization of agriculture and of the government's policy. The two bad harvests have been two blows to Khrushchev's policy and prestige, blows that are all the more telling because much of his prestige rested on the presumed success of his reforms in farming and the resulting improvement in Soviet standards of living. Already at the December, 1959, session of the Central Committee these reforms came under attack; and they are under even heavier fire just now.

KHRUSHCHEV'S successes have up to a point been quite real but, as it turns out, not quite stable. By means of a whole series of concessions to the farmers, by freeing them from rigid government control, raising prices for agricultural produce, and selling the stocks of the machine tractor stations to the kolkhozes,

Khrushchev had given the farmers incentives that had been denied to them ever since the beginning of collectivization.

Consequently, between 1953 and 1958 grain output went up steadily from 85 million tons (the average for the last five years of the Stalin era) to the bumper crop of 141 million tons in 1958. In the same years government purchases of grain, mostly wheat, on which the provisioning of the towns depends, went up from 32 to 57 million tons, those of milk and dairy produce from 12 to 25 million tons, and those of meat from 5 to 7.5 million tons. These increases enabled the government not only to improve considerably the Soviet town dweller's diet but also to export foodstuffs to Poland and Hungary and to countries outside the Soviet bloc.

Khrushchev's price policy was reflected in rural incomes derived from food sales. These rose from about 35 billion rubles in the early 1950's to 135 billion in 1958. The peasantry had all the more reason to be contented because this net gain of 100 billion rubles was accompanied by a drop of about twenty per cent in the prices of those industrial goods the farmers purchased from town.

## 'Within a Few Years'

It is not known exactly just how bad the 1960 harvest was. The fact that the government has not yet published the relevant figures indicates that it has been bad enough. According to optimistic estimates that may be deduced from some official statements, the grain harvest declined from the high mark of 141 million tons to around 110 million tons. A pessimistic but probably too extreme estimate puts the figure much lower. Even in the light of the optimistic estimate, the agricultural surplus that made possible recent improvements in Soviet living standards has shrunk greatly for the time being.

This need not lead to a substantial deterioration in the nation's diet. It must be assumed that during the

fat years the government has laid in stocks on which it can now draw. But what it does mean is that the popular expectation of a further rapid continuous and even startling improvement in living conditions is bound to be frustrated. Gone are the days when the Soviet premier repeated on every occasion the boisterous prediction that "within a few years" the Soviet citizen would catch up with the American in meat consumption. The propagandists do their best to make people forget that that unfortunate prediction was ever uttered.

The effect of the setback to Soviet farming is more immediately felt outside the Soviet Union, in the other Communist-ruled countries. It so happens that China and Eastern Europe have also had bad harvests these last two years and have looked to Moscow for help. As early as last summer, Moscow issued a grave warning to its allies that it would not have large surpluses in 1960 and that they must fend for themselves. The question was certainly raised again during the recent conference of Communist leaders in Moscow, and the response could not have been reassuring to Khrushchev's clients. This probably accounts for the speeding up of collectivization in Hungary, announced by Kadar on his return from Moscow. It is true that increased pressure for collectivization may cause Hungarian peasants to produce less than they have produced hitherto; but the collectivist organization may nevertheless enable the Kadar government to extract more from them and so secure in some measure the provisioning of the towns. The situation is more critical in Poland, where resistance to collectivization is powerful not only among the peasantry but in Gomulka's own party and entourage, and where food shortages appear to have been worse than elsewhere in Eastern Europe.

## Experiment in the Virgin Lands

Khrushchev has staked a great deal on the plowing up, in 1954-1957, of the eighty million acres of virgin land, most of it in the steppe of Kazakhstan. He has set up there about 1,200 new giant sovkhozes, or state-owned farms, the produce of which was to make his food policy