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Yugoslavia's Workers Self-Management

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Transcription of a video by O. Ressler, recorded in Belgrade, Serbia, 23 min., 2003

Yugoslavian self-management was a modern system in its time. It was a hybrid of various forms of economic organization. It was not planned socialism like in the Soviet Union, but also not a pure market economy. It was something in between. Yugoslavian socialism was an economy with social property, but also many other forms of property. This system was very popular in its era, not only among the left, but also among the other political powers. There were quite diverse organizational elements. In Yugoslavia there was a relatively strict cadre administration, a party cadre administration, on the one hand, but on the other, direct democracy, especially in factories: on the one hand, party control – on the other, worker control. Naturally, they were not always opposed to one another, as the ruling party and the worker shared the same ideology; that was the communist, the left ideology. But there were several conflicts between these powers.

The real, direct democracy took place only at the lower levels. This is where there was actually a democracy, where everyone participated in decision-making. But like all other communist countries, there wasn't much democracy at the upper levels. It was a hard cadre party that controlled this direct democracy down below. That was one way it was a mixture. The other was the mixture between planned and market economies. Especially after 1965, there was a relatively liberalized market economy in Yugoslavia. That was an answer to the Soviet Union. The entire ideology of Yugoslavia's self-management was a kind of third way, which the Yugoslavian socialist functionaries constantly emphasized. It was not planned socialism but also not capitalism. We are between these opposites; we are not an extreme; we are a true self-governed democracy. And this ideology of the third way also enabled a very flexible foreign policy, which was of concrete benefit in the East and also the West.

The decisions in the production plants were made independently; the workers' councils were sovereign. But, on the other hand, they were under the auspices of the ruling party. One should differentiate several issues, those where the workers' councils were sovereign, and the others, where they were dependent on the decrees from above. In the distribution of income in the firms, the workers' councils – in which all workers were present, not only the skilled ones – were sovereign in their decisions: How much income should be distributed? How much should be put aside for other purposes? Etc. But, in the production plants, there were also several expert questions, where the worker controls were not sovereign. These were the purely technical questions, engineering issues, technology, etc. There, the experts were sovereign. It is possible to say that there were three areas: one concerning the questions for experts, a second area for the distribution issues

within the plant, and the third area was the cadre question. There, the party committee always decided, and there were no sovereign decisions from the workers' councils. You could say that it was a multi-layered and mixed direct democracy.

But compared with the state of present Yugoslavia, for example, where a type of wild capitalism reigns, it was a relatively well-functioning democracy. The working class and the poor people had a type of sovereign right, which they do not have today. One cannot reject Yugoslavian self-management, as a whole, as totalitarianism. But one must also not romanticize this issue of socialism. The truth lies somewhere in between, like in all other areas. The truth lies between two extremes: It was a one-party system, but we also had direct democracy at the lower levels. At the worker level, for example, workers couldn't lose their jobs without the workers' council being activated. The director couldn't make the decision alone. The workers' council, in which the common workers were present, decided whether or not a worker was good. Today, only decrees are valid. Also, in other social issues, such as apartments, vacations, and distribution of income, the workers' councils were sovereign.

Naturally there were many problems. Here I want to speak only about a few structural problems. The Yugoslavian system of self-management arose in a relatively underdeveloped Balkan state. That was mainly relevant for the work force. There was a very underdeveloped rural populace in the 1950s when self-management began. First, it was necessary to create a modern working class, which was not so simple because many workers were tied to their villages. The farmers had to work in industry. This was a key problem, but it was not only related to an industrial culture, but also an immature political culture. The Balkan area was burdened by war and dictators; and, we did not have a long tradition of

political culture. That was also very important for self-management. It is logical that self-management can function only in a cultural environment. Without culture, without education, without schools, without qualifications, there is no self-management. The second problem that I mentioned was the contrast between direct democracy and the control by the cadre: this inner cleft between party control and the workers' striving to create their own space of democracy. And the third, important, structural problem was the contrast in Yugoslavia between the rich and the poor areas, the rich and the poor republics, which later became the rich and poor nations. Since the beginning of the 1960s, a latent struggle between the rich and the poor has taken place. Tito had to constantly arbitrate between rich and poor. It was about a battle for the distribution of the federal income. This structural contradiction impeded the functioning of Yugoslavian self-management.

In my opinion, Yugoslavian self-management was most developed in Slovenia, our most developed Republic. In Kosovo, Macedonia, Montenegro, where ancient tribal structures ruled, there could never be true self-management and democracy. It is necessary to know that previously, Yugoslavia was a federal state with very diverse areas. There were differences in the cultural, confessional, and also in the industrial level of development. It was very difficult to coordinate all of that. But, it was possible; it worked for almost forty years. Also, Tito was very important for that in his role as leader of such a contradictory, explosive state.

Yugoslavian self-management was a social as well as a national laboratory. In a social sense, it was an experiment in which many groups of ideas were influential: the legacy of the Paris Commune, the legacy of Serbian social democracy at the end of the nineteenth century, the legacy of anarchy, which was later very important for

the critique of Stalinism. These anarchistic and some Trotskian elements were components of the ideology of Tito's party, because they were useful in critiquing Stalinism. On the other hand, as I said, the system of Yugoslavian self-management was also a national, and even a transnational laboratory. That was a regime where very different nations had lived in peace, where a transnational economy functioned, where a transnational leader was very popular – from Macedonia to Slovenia. Tito's charisma, although he was authoritarian, also had a clearly cosmopolitan function. I once compared it with the Alexander the Great's charisma: He was an authoritative leader, but he united many diverse peoples. That also holds true for Tito. I also want to say that it is important to consider this history of Yugoslavian self-management from an extreme perspective. It is necessary for us to keep our eyes open to the past and then judge just how authoritarian this system was. It was an enlightened, authoritarian, direct democracy – although these terms might sound very contradictory at first glance. But my opinion is that everything was very contradictory. It is impossible to grasp this state in unambiguous terms and categories.

That building opposite [Editor's note: of interview location] was the Central Committee of the Yugoslavian Communist Federation. The sessions took place there. This very beautiful modern building was built in the 1970s and bombed in 1999. It was quite ruined then. Later, a private businessman bought the building; he repaired the former Central Committee building and now wants to use it for private purposes. Here you can see a historical turning point. This square, on which the critique of capitalism was very strong, has developed into a commercial, capitalist square.

I think that self-management is an evergreen. It isn't about mere romanticism, also not a type of totalitarian democracy like today's

liberals claim. In my opinion, it is a full democracy, which unfortunately, is impossible in today's globalization. Similar to every other idea, self-management needs its era in which social contrasts are mature enough to create this type of democracy. This situation existed in Yugoslavia in the 1950s and 1960s, when the contrast between Stalinism and liberal capitalism was very strong. I don't believe that the time is ripe today for a possible self-management in a globalized capitalism, where everything that is private is normalized.

My vision of a desirable society is also multifold. Every historical epoch creates its own desirable vision. In my opinion, that can never be wild capitalism. One must always have a mixture of various forms of property, and mainly, the peaceful coexistence of nationally and socially diverse societies. Without social peace, without national peace, which is something that we know very well on the Balkans, there are no visions, no utopias, and no mature critiques of what exists. Therefore, my vision is outside of today's normalized capitalism.

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