LEGITIMACY AND SELF-MANAGEMENT IN SOCIALIST YUGOSLAVIA: CONTRADICTIONS AND RECONCILIATIONS IN YUGOSLAV SOCIETY

JOZEF FIGA
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LEGITIMACY AND SELF-MANAGEMENT IN
SOCIALIST YUGOSLAVIA

Contradictions and Reconciliations in Yugoslav Society

BY

Jozef Figa
B.A., Brooklyn College, 1973
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Dissertation

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the Requirements for the Degree of

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of
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TO MY PARENTS
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ABSTRACT

LEGITIMACY AND SELF-MANAGEMENT IN
SOCIALIST YUGOSLAVIA

by

JOZEF FIGA

University of New Hampshire, May, 1984

This dissertation constitutes a sociological study of the problem of legitimacy. Yugoslavia serves as a case study and the basis for some general propositions. Following the definition of legitimacy the sources of the initial legitimacy of Communist governments are analyzed. While the general socio-economic conditions which accompanied the introduction of the Communist rule in Eastern Europe were also shared by Yugoslavia, the subsequent decentralization of Yugoslav economy altered that state of affairs. The manifest intention behind the introduction of the mechanism of self-management in economy and state administration was to enhance the grass-root influence over that decision-making. That goal has not been met. But, the unintended consequence of self-management has been the facilitation of the maintenance of the authority of the League of Yugoslav Communists and its leadership. This can be explained by the role of wages which constitute the primary focus of both workers' interest in self-managerial decision-making and its definition by Yugoslav law, and by the role played self-management in societal conflicts in Yugoslavia. It transforms structurally generated contradictions into local conflicts which don't involve
the basic principles of the socio-political structure of Yugoslavia. This, in turn, reinforces the position of the party as the strategic decision-maker and the major stimulator of necessary reforms.
INTRODUCTION

This is a study of the problem of legitimacy and its application to a specific society. We will analyze the sources of legitimacy of a socio-political order and of authorities presiding over it in contemporary Yugoslavia. Our primary focus will be on the socio-political mechanism maintaining that legitimacy. We will demonstrate that maintenance of legitimacy constitutes an unintended consequence of establishing and expanding the system of self-management in economy and territorial administration.

The following may be suggested as an initial definition of legitimacy: it is a situation in which the authority of a government has been conferred and exercised according to the principles and rules accepted by those who obey. There are two important corollaries which accompany this definition. One emphasizes the compatibility between principles and rules on one hand, and the values, norms and beliefs that characterize the population which has to obey, on the other. The word "compatibility" is used here to point out that the key issue is not the direct correspondence between the two sets of variables, but rather the fact that they are not contradictory.

The second corollary suggest that the rules and principles on which legitimacy is based are by and large accepted without discussion by those who have to obey. Of course we need to bear in mind that the progressive ra-
tionalization of society renders these principles more and more likely to become a subject of public discourse. Such a state of affairs makes a legitimation crisis more likely to occur.

This dissertation will discuss the sources of legitimacy of a Communist government, and the mechanisms through which it is maintained and possibly withdrawn. We will discuss the specific case of Yugoslavia.

The initial emphasis on the sources of legitimacy is necessary in order to clarify the subject-matter of this dissertation: we are not going to discuss the evidence which could indicate that the government and the overall political system are perceived as legitimate. Indeed, we will take this fact for granted. Here we may briefly suggest some evidence which will be discussed in this dissertation and which can be seen as offering an indirect support to such a claim.

We will indicate that the overall goals of the policies carried out by Yugoslav rulers are quite consistent with the demands and aspirations of the population. Those demands and aspirations are, in turn, rooted in the social and economic structure of the society which emerged in Yugoslavia as the result of World War II. They are also rooted in its culture.

We will also indicate that the conflicts which occur as an indirect result of government policies do not, by and large, involve the federal government; nor are its policies explicitly defined as the causes of conflicts by those
involved in them. This enables the federal government to maintain its overall function as an independent steering center.

The reader familiar with the Yugoslav scene will notice that we have bypassed the issue of nationalism which constitutes the major source of political disturbances in Yugoslavia. Nationalism may, indeed, be seen as the major source of center-periphery conflicts in Yugoslavia. It has also been perceived as the only factor which can destroy the socio-political system of the modern Yugoslavia. An attempt to answer the question as to whether or not this is indeed the case, is outside of the scope of this dissertation. We may, however, indicate at this point that several authors, some of whom we will discuss in this dissertation, see the causes of inter-ethnic tensions in frustrations generated by the dissatisfaction with the state of Yugoslav economy\(^1\). At the same time some demands which have been voiced by participants in protests focusing on ethnic problems were subsequently granted by the federal government following the purges of the leaders of such protests. This, for instance, has been the result of the disturbances which took place in Zagreb in 1971. We need, however, to bear in mind that granting more decision-making power to republics or regions does not have to have any

\(^1\)The term "nationalism" is here quite misleading, if only because of its ambiguity. The terms "irredentism" and "inter-ethnic" tensions are far more applicable to the Yugoslav scene.
positive long-term effects on the Yugoslav economy. In fact, there are voices in Yugoslavia suggesting that the effects are negative - judging from the current economic crisis. It may, on the other hand, contribute to the overall decentralization which, as we will argue, constitutes an important component of the mechanism that ensures the legitimacy of the Yugoslav socio-political order and its rulers.

We also need to bear in mind that inter-ethnic tensions, irredentism and strikes\(^1\) have not led to a development of an all-Yugoslav movement with a coherent and crystallized program which could constitute an alternative to the League of Yugoslav Communists and its program. In short, there has been no development comparable to the Solidarity movement in Poland. That in itself may not constitute a direct proof of legitimacy of the Communist rule in Yugoslavia. However, it does suggest that the party and its rulers have retained their monopoly over formulating a comprehensive program of the development of Yugoslavia. The same applies to defining the nature of the current crisis and its solutions.

Furthermore, the goals of the leadership of the party - as connoted by the general term "socialism", are compatible with the grass root definition of that term. There are general and esoteric implications of that term which are present in the program of the party and the statements of its

\(^1\)As we will indicate in Chapter III, strikes are quite frequent in Yugoslavia. Their impact, however, does not transcend the enterprise and locality in which they take place.
leaders, for example the end of all forms of alienation or a classless society - both to be attained in a distant future. There are, however, also more immediate implications: an increase of the overall standard of living as well as social and economic equality. These are also immediate goals of the population as reflected by its values. The evidence of the emphasis on the equality is provided in the Chapter II of this dissertation. As far as the grass-root view of socialism is concerned, there is an interesting piece of evidence available in the 1978 article of Vladimir Arzenšek. In his study of three Yugoslav enterprises 68% of workers, 50% of office employees, 47% of professionals and 59% of managers agreed or strongly agreed with a following statement: "High standard of living has to be the most important and final aim of our society" (1978: 11-12). We may, therefore, conclude that the immediate goals of the population and of the LYC and its leadership are compatible and that no alternative to LYC has emerged as far as steering the process through which those goals are to be attained. These factors may be seen as the indirect form of evidence of the legitimacy of the Communist rule in Yugoslavia.

The literature concerning Yugoslavia is enormous. For our specific purposes three major studies written in English need to be mentioned: Denitch's The Legitimacy of Revolution, Popović's The New Class in Crisis and Zukin's Beyond Marx and Tito.

The book by Popović is the most critical study of con-
temporary Yugoslavia written in English. The author cor-
rectly points out the contradictions between ideological imperatives and the actual policy of Yugoslav leadership, between the plan and market, and between the long term interests of society as a whole and the short term interests of particular groups in this highly decentralized system. However, he is unable to explain the very problem his study poses, namely the relative stability of an entire order which, if we are to believe him, should be eroded by the contradictions inherent in it. To use but one example, there were 152 strikes in Yugoslavia in 1982, a fact which had no visible effect on either the socio-political structure of the society, or on its ruling elite. We may compare it to Poland, where a single strike may initiate a chain reaction which ends in a wholesale change of the ruling regime.

The question of the sources of stability is directly posed by Denitch. In his answer he focuses on the attempts on the part of Tito's group to deal with and reconcile the most divisive aspect of life in Yugoslavia - the nationality problem. Denitch's overall answer seems to be that the regime succeeded in ensuring that the inter-nationality conflicts do not threaten its stability. It accomplished this through decentralization which took into consideration national boundaries, through encouraging and even fostering the development of the culture of each nationality, and finally by making sure that each nation and ethnic group continues to be properly represented in the major decision-making organizations. However, Denitch, like many other
authors, points out that the inter-nationality conflicts are themselves the result of an unstable economic and social situation, and yet such a situation does not threaten the stability of the regime.

Zukin, in a participation-observation study centered in Belgrade, has focused on consumerism as a way for a rapidly developing society to satisfy the individual ambitions and aspirations of its members. This is an exceptionally plausible explanation, but it also poses some questions. For one, increasing standards of individual consumption are quite likely to lead to a revolution of rising expectations which may then topple the central regime when a serious economic crisis occurs. Again, this has been the case in Poland.

A more general problem may, therefore, be posed: one needs to analyze both the sources of the systemic contradictions in Yugoslavia, and the methods the ruling regime uses to get around them without the loss of its legitimacy. Again, this dissertation attempts to deal with these issues.

This study is an attempt to complement the books briefly discussed above as well as other works, by focusing specifically on the issues of legitimacy and the mechanisms of its maintenance.

There are three basic sources of data which have been used in this study. The first is a set of data from a survey of ten economic enterprises in Slovenia originally collected in 1975 by Dr. Vladimir Arzenšek from the Institute of Sociology and Philosophy in Ljubljana. Besides my secondary analysis of those data, parts of his analysis have been used.
The second source of data is the vast literature available in Yugoslavia. This source may be divided into several categories. One is the study of the structure and the functioning of the delegate system in Yugoslavia which was sponsored and organized by the Socialist Alliance. Not all parts of that study were completed or published during my stay in Yugoslavia. The parts which were available, and which are used in this dissertation are: the study of the delegate system in the commune of Maribor in Slovenia, and studies of delegate systems in the republics of Croatia and Macedonia.

Another category is constituted by the data published by the Federal Statistical Bureau of Yugoslavia in Belgrade, the Bureau for Statistics of the Socialist Republic of Slovenia, and the Statistical Bureau of the League of the Communists of Slovenia. Other data which originated from those statistical offices were found in the bulletins _Javno Mnenje_ (Public Opinion), published by the Research Center of the League of the Trade Unions of Slovenia.

Yet another category is constituted by a variety of textbooks and guide-books for high schools, universities and the Association of Workers' Universities of Slovenia. They were the source of some statistical data, but above all they provided a picture of the legal and normative framework in which Yugoslavia operates. Another source of information about this normative framework were official publications of the trade unions in the series _Knjižnica Sindikati_ and publications of the editorial center of the League of Yugoslav Communists "Komunist".
The scholarly, journalistic and literary work constitutes another category in this source. The scholarly work is available in journals and books, published in Yugoslavia and abroad, as well as in the material made available to me by the Institute of Sociology and Philosophy in Ljubljana. Some of the materials which I have not used in this work were also made available to me by the Yugoslav Center for the Theory and Practice of Self-Management in Ljubljana, and by the Faculty of Sociology, Political Science and Journalism at the University of Ljubljana. Some of the material concerning the culture of Slovenia came from the articles in the daily Delo, and some from the literary work of Slovenian writers.

Interviews represent the final source of the data and information. I conducted interviews with enterprise managers, journalists, students, party activists and with scholars involved in researching the problems of self-management and the delegate system in Yugoslavia.

The general framework of this dissertation is based on two major theses formulated respectively by Ferrero and Habermas. Their work will be discussed in detail in the first chapter. Here some arguments are merely signaled for the purpose of clarifying the general outline of this dissertation.

The definition of legitimacy provided at the beginning of this introduction has been formulated by Ferrero. His emphasis is not only on the acceptance of the rules and principles according to which power is exercised by those
who obey, but also on the fact that the acceptance is by
and large unquestioning. Moreover, those principles need
to be consistent with the prevailing values, norms and be-
liefs which characterize a given society and which reflect
its overall structure.

For Ferrero, legitimacy is there to be lost rather than
won. In other words, the fact that a government is in power
for a long time is in itself a powerful source of its legiti-
imacy. Hence, any new government, especially one attempting
to popularize a new principle of legitimacy, must work hard
in order to succeed. One of the keys to such success, ac-
cording to Ferrero, is the consistency of the policy of the
government in carrying its initial program. Further, its
policies must avoid using too much obvious coercion.

Mutatis mutandis, the process of losing legitimacy is
long and protracted. From this we may derive a conclusion
which is the key to this dissertation: once won, legitimacy
can be maintained by establishing a mechanism through which
crises can be deprived of their potentially de-legitimizing
effects. We will argue that the Yugoslav system of self-
management constitutes such a mechanism.

The second thesis has a direct bearing on the organiza-
tion of this dissertation. It is Jurgen Habermas' legitimi-
tation crisis thesis. His distinction between rationality
crisis, legitimation crisis and motivation crisis has formed
themes around which the consecutive chapters have been built.

It is necessary to observe at this point that the cate-
gories which serve Habermas to analyze the advanced capital-
ist society will be used here for different purposes. Implicit in our discussion is an assumption that those categories are suitable for the analysis of any industrial or industrializing society, regardless of forms of ownership of means of production.

The discussion of Habermas' categories will begin with the realm of institutionalized politics which, for Habermas, constitutes a mechanism steering the economy and society as the whole. The economic subsystem is, however, the major focus of political decision-making mainly because the modern state has taken upon itself the responsibility for compensating for the difficulties through which various groups would otherwise suffer due to their position on the market. Legitimacy, which Habermas sees in terms of "diffuse supports" for the system, provides an input into the political system which enables it to respond to the stimuli from the economic system in an independent fashion. Those responses constitute the output from the political system. Further, cultural norms and values provide a set of motivations for both the "diffuse" (that is apolitical supports), and for the compliance with the specific policies of the state.

There are corresponding crisis tendencies which characterize modern politics. The inability to steer the economic system, mainly due to the impossibility of dealing with contradictory imperatives inherent in it, constitutes an output crisis, referred to by Habermas as a rationality crisis. The inability to secure generalized support for the system is an input crisis, referred to as legitimation.
crisis. Finally, the inability of the cultural system to provide a set of specific motivations for the generalized support of the state is a motivation crisis. It is necessary to add that both legitimation and motivation crises are initiated by what Habermas refers to as "thematization" of the boundary conditions under which the political system enjoys its legitimacy, i.e. when those conditions become the subject of a public debate.

The themes of the sources of support for the government as well as the mechanisms which prevent rationality problems from being transformed into legitimation crisis in Yugoslavia are discussed in this dissertation.

The first chapter is devoted to the phenomenon of legitimacy and its sources. It discusses and defines the concept of legitimacy. It then analyzes sources of legitimacy of Communist regimes in general, and of the one in Yugoslavia in particular. In the case of Yugoslavia both the historical background and economic sources of the initial legitimacy of the Communist regime are discussed. There is also a brief section devoted to the role of Tito in the process of legitimizing the new socio-political order in the post-World War II Yugoslavia. The overall emphasis of this chapter is on the correspondence between the actual needs of the population and the imperatives inherent in the ideology of the new leaders.

The second chapter builds on the theme of the sources of the support of the rulers by focusing on some of the cultural characteristics of Yugoslavia in general, and of Slovenia in particular. It indicates the presence of an
"elective affinity" between the program pursued by the party and the constants present in those cultures.

The third chapter focuses on the problem of the rationality of the political process. Its thesis suggests that self-management in economy constitutes a mechanism through which contradictory imperatives present in social, political and economic systems in Yugoslavia are channelled into local conflicts which do not threaten the central regime.

The fourth chapter discusses the steering mechanism. The delegate system is seen as an institutional arrangement of that mechanism, and the party as an organization in charge of it. The focus is on the activating potential inherent in such an arrangement.

The overall problem is thus the mechanism of the avoidance of the legitimation crisis. At the same time this dissertation attempts to move beyond the particular case of Yugoslavia by clarifying some issues concerning legitimacy as a social process.
CHAPTER I

LEGITIMACY AND ITS SOURCES

This chapter provides an overview of the approaches to the problem of legitimacy, formulates the definition of the concept we are going to use, and analyzes the specific conditions facilitating the emergence of a legitimate Communist government.

Yugoslavia will be seen as an example of a setting where such conditions prevail. In addition we will briefly discuss historical conditions, especially the pre-World War II political scene in Yugoslavia and its sources, which also contributed to the initial legitimacy of the post-World War II communist rule. Finally, we will discuss the role and position of Tito in those events.

PART I

A THEORETICAL OVERVIEW

In this part we will define legitimacy and specify conditions under which the legitimacy of a government can be established and maintained. We will discuss the classical formulations of the problem, recent definitions and discussions of the problem of legitimacy, and the major definitions and approaches which are going to contribute to the definition of the concept of legitimacy used in this dissertation — those of Habermas and Ferrero. The final
definition of legitimacy is provided at the end of this part.

SECTION I

THE CLASSICAL FORMULATION: WEBER

A. The Legitimate Order. The classical formulation of the idea of legitimacy and of ensuing problems belongs to Max Weber. His is basically a classificatory schema which does, however, introduce the basic concepts and themes to be discussed in this chapter.

While Economy and Society is not too clear about the distinction, it nevertheless introduces terms of legitimate authority and legitimate order. What follows is the necessary distinction between legality and legitimacy. Thus, according to Weber, a social action which involves social relationship may be guided by a belief in the existence of a legitimate order. The probability of such an action being actually governed that way is called the validity of the order. (V. I: 32). The order is then valid if the rules it imposes are considered as obligatory to follow, (other motives notwithstanding.)

Some comments are in order: First, legitimacy of an order clearly involves a state of mind - a belief that it is indeed legitimate. It is therefore different from legality, which involves law; that is a set of rules to be enforced by a designated staff. This distinction is important, for a set of such rules may be perceived as illegitimate and may be circumvented, thus rendering the order in question
invalid. The existence of so-called second economies in such countries as Poland or the USSR, that is a massive network of economic exchanges circumventing those officially sanctioned, is the case in point.

Second, there is an obvious need to distinguish between the belief in the legitimacy of an order and the legitimacy of an authority. Clearly, an illegitimate authority may rule, (if with difficulties), over a legitimate order. Elements of tradition, emotions, absolute ethical standards and legality may constitute reasons for ascribing legitimacy to a social order. Furthermore, the stability of an order depends upon the willingness to submit to authorities by reasons other than fear, self-interest or expediency—in short it depends upon the legitimacy of the order.

Obviously the entire discussion of a legitimate order involves a conceptual tautology: Legitimacy involves a belief that something is legitimate. It is indeed the case for Weber.

B. A Legitimate Authority. Weber makes a distinction between "power", (Macht) and "domination" the latter term is used interchangeable with "authority"; (respectively: Herrschaft and Authoritat). Power involves a probability that an actor will be in a position to carry out his will despite resistance, regardless of the basis on which that probability rests. On the other hand authority involves the probability of an order being obeyed by a given group. Finally, discipline implies the habit of obedience. (Ibid. 53.)
Hence, the use of some form of coercion implies power; automatic obedience implies authority. From this perspective power and authority are on the opposite ends of a spectrum - authority being the necessary element of legitimacy (Buckley 1967: 176-185). However, several critics have pointed out that behind an authority, especially a rational-legal one, there is a state containing a monopoly over coercion, i.e. power. Also, there is a Hobbesian alternative: An acceptance of the Leviathan implies an acceptance of the ruler's right to use coercion if necessary. If this is the case, then belief in an authority implies a belief in its right to a monopoly over coercion thus granting power legitimacy.

One way or another we are back to the elements of a belief. According to Weber, (Ibid. p. 214), formal domination implies a right to give orders and a duty to obey. Hence...

...the legitimacy of a system of domination may be treated sociologically only as the probability that to a relevant degree the appropriate attitude will exist and the corresponding practical conduct ensue. (Ibid. 314.)

In other words, the indicators of an actual legitimacy of an authority are both behavior and appropriate attitude.

This is, to be sure, a social-psychological approach to the problem. The question for a sociologist is not the nature of an attitude motivating a conduct, but societal and institutional sources of that attitude.
C. Types of Authority. The ideal types of authority that Weber lists can be seen as constituting an evolutionary schema. As Schaar points out, the charismatic authority becomes routinized into a traditional one which under the impact of science and secularism becomes a rational-legal authority. (1981: 15). Moreover, reality tends to contain the elements of all three types. For instance, the authority of bureaucratic structures and procedures may be rooted in tradition; their claim to expertise may contain elements creating a charisma. Finally, the existence of an authority may connote an element of a proof, and, what follows, a possibility of disproving its legitimacy.

Let us briefly discuss the elements constituting each type of authority.

Charismatic authority is rooted in personal characteristics which are somehow perceived as extraordinary; (Weber, op. cit: 241). These characteristics are likely to emerge under extraordinary circumstances, for instance as leadership during a war. The key to charisma is the recognition on the part of those who are subject to a charismatic authority. But, this recognition is perceived as a duty; so is the ensuing conduct; (Ibid.: 242).

On the other hand, the charismatic hero must prove his powers in practice through miracles or heroic deeds:

Most of all, his divine mission must prove itself by bringing well being to his faithful followers; if they do not fare well, he obviously is not the god-sent master. (Ibid. V. III: 1114).

Thus a genuine charismatic ruler must prove that he is in-
deed a ruler willed by God. So, if success eludes such a leader, especially if his leadership fails to benefit his followers, his authority vanishes and an act of expiation is necessary, (V. I: 242; V. III: 1114-1115), for in such cases people withdraw their recognition of the charisma.

If we are to follow this reasoning, a charismatic authority is subject to de-legitimation. Further, Weber's use of the example of China approaches the point at which the legitimation of a charismatic authority is a matter of a process of a continuous validation.

The example of China begins with the assertion that given the rigidity and heredity of the monarch's charisma, misfortunes like floods, war and defeats or droughts required a public penance on the part of the emperor, for they demonstrated the loss of the "Mandate of Heaven."

That point can be elaborated further on the basis of the discussion contained in the Religion of China, (Weber: 1951). The societal order of China was conceived of as built into an immutable cosmic order. The concept of deity was impersonal - "Heaven." Hence a natural misfortune was perceived as a result of a human error that has somehow created a gap in the perfect timeless flow, for example an error in a sacrificial ritual. In short, at the basis of any massive misfortune was a human error. An emperor, endowed with the "Mandate of Heaven", was an important element of that immutable cosmic structure, a situation which implied tremendous responsibility.

Weber contrasts this state of affairs with that of a
capricious Jewish "God of the Mountains" who actively interfered in the affairs of his people whenever they broke the covenant with him. Misfortunes were therefore seen as being the result of a direct intervention of God, rather than a breach of cosmic harmony.

It is necessary to emphasize that Weber saw the two religions as ultimately rooted in the order as well as political and geographic circumstances of the respective societies. Jews were subject to continuous attacks by far more powerful neighbors, hence the endemic social and political instability. On the other hand, Chinese society enjoyed a long period of social stability - even following foreign conquests, since it was able to absorb the conquerors. Hence a massive catastrophe was perceived as unnatural.

It is thus the element of continuity and stability which continuously verified emperor's charisma and ultimately the legitimacy of both his authority and the order he presided over. Breach of that order constituted a process of de-legitimation. From this perspective we could see an authority and/or an order as being legitimate - till further notice.

The reader may notice that the discussion of the Chinese emperor's authority contains the elements of both charisma and tradition. This link is reinforced by the fact that according to Weber, in the simplest case, obedience is based on personal loyalty; (1968, V. I: 226-7). But,
the claim to the authority also rests on the ancient rules which designate a master and which are ultimately legitimated through religion.

There are thus two elements legitimizing a rule of a traditional authority: One is the tradition which directly determines the content of the orders and cannot be overstepped without jeopardizing the belief in the right to command. Thus there is a limit, beyond which the validity of the authority could be endangered, and the status of the master challenged. The second element is a sphere left to master's discretion. Where there are no specific rules and personal obedience is unlimited. (Ibid.: 227).

While Weber's account of the dynamics of such authority is brief, the emphasis on personal loyalty appears to be the key to understanding the difference between the two spheres. The demands concerning personal services may be unlimited. On the other hand, in a large and complex society a master cannot be in contact with all of his subjects. Hence the necessity to issue impersonal edicts which are subject to the limitations imposed by tradition. The history of both England and France provides an illustration: The monarchs, especially those enjoying a high degree of popularity, (if not charisma, for example Louis XIV or Elizabeth I), were in a position to ask their subjects for a variety of individual services and sacrifices, but they were unable to impose any new taxes without an act of Estates General, or the Parliament.

While the element of proof is not explicitly present
in Weber's discussion of a traditional authority, the entire account of religion of China can be easily applied here: The claim to the authority needs to be verified and justified - this time by being a part of a tangible tradition. Innovations need to be justified as being a part of the ancient lore - perhaps newly inferred or discovered. The conclusion from the previous section is therefore applicable here as well: The traditional authority also remains valid until its claims fail the test of a continuous verification.

It is necessary to bear in mind that the ultimate source of the legitimacy of a traditional authority was religion, which was in a position to place it in the hierarchy of a cosmic order. That factor became of a dubious value once the cosmos entered the field of scientific investigations. Not only all of the propositions about it were rendered falsifiable, but the clear separation of ethics from ontology and science rendered the notions concerning a duty to obey - especially an impersonal authority, subject to growing scepticism. This led to a growing emphasis on a rational-legal authority.

For our purpose it is necessary to emphasize three elements which this authority contains: One is the existence of an intentionally established impersonal order to which everybody is a subject. Such an order is not a universal one. Rather it applies only to a given organization and hence only to its members. Second is an increasing rationalization of authority, that is a strict designation of its scope, goals and means, as well as the impersonality
of procedures and behavior. Third is a claim to expertise and knowledge as the ultimate source of domination. The last variable contains both the technical knowledge and the knowledge of the procedures and office routines stemming from experience.

All of those elements can be put to a test, that is, they can be verified by empirical means. They therefore constitute hypotheses—subjects to falsification. Such falsification can automatically de-legitimate a rational-legal authority. Thus legitimacy becomes a matter of truth statements, that is propositions which can be empirically-experientially verified or falsified.

We could easily formulate these problems in terms of Kuhn's theory of science. If the result of following the procedures is other than one clearly specified by those procedures, especially if it is harmful to those subjected to an authority, it constitutes a problem which can be either explained in terms of mistakes during the process of following the procedure, or a faulty paradigm which generated both the procedure and the problem it was supposed to solve. Accumulation of such problems obviously constitutes a challenge to the paradigm. It thus challenges the system of knowledge, as well as the claims to authority of those in charge of it.

Rational-legal authority is therefore rooted in a scientific Weltanschauung. It is fallible and is bound to face frequent challenges. This is the risk which so-called "scientific socialism" faces: If it is indeed scientific,
and if it relies on a rational-legal authority its claims are falsifiable. This implies not only that the leaders can err, but that the entire theory could be wrong. Here, unlike the case of the charismatic and traditional authority, the very concept of the "Mandate of Heaven" is subject to continuous challenge.

SECTION II

LEGITIMACY AS A PROBLEM: HABERMAS

There appear to be two key ideas inherent in Habermas' treatment of the problem of legitimacy: one, which can be traced to Marx, assumes that the basic contradictions characteristic of early capitalism, that is socialized production vs. private appropriation and investment pattern, are also characteristic of late capitalist society. The second idea goes back to Weber, but it also contains elements taken from modern sociolinguistics and from Freud: The growing secularization and rationalization of Western Weltanschauung opens more and more justifications of existing orders to public discourse, transforming them into "utterances admitting of truth", therefore subject to experimental verification and/or discursive redeeming. Further, social contradictions rooted in the aforementioned basic economic contradictions are also contained in the process of "systematically distorted communication", (which can be traced back to Freud), that is in the inability of a society to enter a rational discourse for the purpose of elucidating and vali-
dating societal norms. Such an inability is rooted in class structure and its link to both communication and behavior, both concealing the totality of the picture of class relations and transferring the actual interpretation of the social reality outside of the scope available to the lower classes. (Habermas: 1972, 1976, 1979. Mueller: 1972.)

It is necessary, even for a brief exposition of Habermas' theories of legitimation and de-legitimation, to clarify his distinction between the early and the late capitalist social formation: the early capitalist order relied on the market and the monetary relations between the labor and capital for the purposes of societal integration and control. To be sure, the market mechanism was reinforced by the residues of tradition, (including religion and ethics), on the one hand, and societal segmentation on the other. Under such circumstances, periodic economic crises were defined and perceived as natural phenomena.

The evolution of capitalism brought two new elements into this picture. One was the extension of the economy into other elements of social system. This facilitated overall social integration. Further, this enhanced the awareness of economic crises which now have been affecting more segments of society simultaneously.

The other element is the increasing role of the state in the economic system. That role can be exemplified by the state-owned and managed sector in the economy, government contracts, for example military procurements, and also
by welfare measures aimed at correcting the uneven structure of wealth and opportunities as well as at compensating at least some groups for the results of continuing periodical economic crises. All of those measures are facilitated by the institutionalization of the labor-capital conflict (Dahrendorf: 1959), and ensuing price fixing through union-business contracts. Ultimately the state as well as capitalistic enterprises acquire limited planning capacities.

The result is an interception of economic crisis tendencies and fixing them within the framework of the political system. It is reflected in, for example, inflation and a permanent crisis in state finances. Moreover, the direct role of state requires an explicit legitimacy - which Habermas defines as "political order worthiness to be recognized", (1976: 178.). Also, growing rationalization as well as thematization of previously unconscious elements of tradition leader to the entire process of societal communication becoming increasingly reflexive and thus demanding that the entire process of legitimation take place in terms of verifiable, (and hence falsifiable), truth statements.

It is the role of the state which makes the need for legitimation explicit. Specifically, for Habermas societal orders organized through the state are those demanding legitimation (1973.).

The processes which are organized by state contain elements of input and output. The input is constituted by "...mass loyalty that is as diffuse as possible. The output consists in sovereignly executed administrative decisions";
There are accordingly two potential crises: a legitimation crisis and a rationality crisis.

The problem of securing mass loyalty and diffuse support needs elaboration. There are several possible explanations:

For one, there is the Parsonian theory of the value consensus: The public and the rulers accept the general principles on which the order is built, for example the principle of equal opportunities. Hence, to the extent to which that principle is perceived as being eroded by the policies of a given regime or by results of those policies, support is withheld. All of the ruling elites in Western societies, be it political or technocratic elites, are subject to such processes.

However, those general values and principles are highly esoteric and not necessarily operationalizable at every level of a societal hierarchy. Michael Mann's observation in this context is quite useful: If in the Western societies such principles as equality, equal opportunities and equal start were to be taken literally and followed, the result would be a heightened competition for already scarce resources and rewards. It would thus be highly disruptive to the social order, especially since at such a point the reality of societal contradictions could become self-evident. In reality, however, according to Mann, general values are mediated by a more realistic approach to one's individual life chances. (1970: 1973.) Thus working class respondents, while asserting their belief in equal opportunities and un-
limited mobility, simultaneously evaluate their own future in highly limited terms usually constituting minimal, if any, advancement beyond their parents' or their own current position (1970: op. cit.).

A similar picture can be drawn as far as the perception of the role of the state is concerned - Mann calls it "schizophrenic". Particularly people studied in America are opposed to state interference with the economy; this includes an opposition to socialized medicine. Simultaneously however, they support specific welfare measures, including unemployment compensation and medicare (Ibid).

This should be neither surprising nor "schizophrenic". The affirmation of such general values is the result of beliefs generated by socialization and education, reinforced by rags-to-riches stories circulated by the media. We should add that those stories usually apply to sport or entertainment figures. Consequently, the notion of success is operationalized differently at different levels of societal hierarchy: For middle class respondents it is a gradual progress in the occupational hierarchy; for working class respondents it is a sudden burst to fame in sport or entertainment (Ibid.).

Mann as well as Bernstein, (1978), point out that the values and beliefs of liberal capitalism are therefore consistent with actual life-style, life chances and their subjective evaluations only at the level of the middle class and above. Also, as Bernstein (op. cit.), points out, the continuity of opportunities on the one hand, and general
values and beliefs on the other, is mediated by the appropriate socialization patterns and modes of communication.

At the level of working class and below the individual lifestyle and actual career prospects are discontinuous with the general beliefs. Again, this situation is reinforced by the socialization patterns and modes of communication.

Some observations need to be added: Novak, (1973), points out that a substantial percentage of the American working class shares a strong sense of the community and the inexplicability of fate as well as the necessity to surrender to it with their European peasant ancestors. This he traces to the reality of both work and life which, in the case of both peasants and workers ensured that the control over their destiny is outside their reach. Further, the overall individualistic Weltanschauung characteristic of the American ethos, (especially at the level of general values and beliefs), contributes to defining progress or advancement in terms of an individual advancement and consumption oriented life-style. This is the way careers and aspirations are defined. This facilitates the individualization of the results of the overall unequal distribution of opportunities. To the extent to which some improvement in the individual standard of living is ensured, an order and/or the ruling elite remains legitimate.

A change in that situation leads to a shift in voter alignment. The elite's or elites' right to rule remains a subject screened off from public or private discourse, which focus on more immediate problems of consumption. This
applies especially to the nature and properties of the order.

This empirical elucidation of Habermas notion of "diffuse supports" needs to be complemented by a suggestion made by Habermas: The state of affairs we have been discussing is reinforced by technocracy and elite theories coming from the social sciences. This, to be sure, does not take anything away from the veracity of these theories.

The state of affairs we have just described requires a certain level of welfare spending. And this, in turn, may lead to inflation and overall problems of government finances infringing on private economy, on consumption and investment. Since lowering the welfare threshold is unacceptable, and neither is inflation and increasing governmental overhead, and since both of these alternatives lead to withdrawal of legitimation, and finally since the government must continuously choose between the two equally unpleasant alternatives, the legitimation crisis constitutes a permanent threat.

Let us briefly discuss the nature of major crisis tendencies under the late capitalism the way Habermas sees them, namely, rationality crisis and legitimation crisis:

Rationality crisis is an output crisis. It is a result of the logic of economic crises being displaced into the political system which cannot reconcile the contradictory imperatives received from the economic system. Namely, there are tasks which a modern state explicitly takes upon itself, if only for the purpose of alleviating the more in-
tolerable consequences of capitalist economy. Therefore, the state attempts to shape business policy to ensure growth and influence production so that collective needs can be satisfied. The state also tries to correct the results of social inequality. At the same time the state needs to protect private appropriation of the results of social labor and a substantial profit margin in order to stimulate investment. Finally, authorities depend upon the private sector for the information necessary for their independent decisions. All of it constitutes boundary conditions which need to be protected by the state policy. The inability to steer the economy under such conditions generates what Habermas denotes as "rationality deficit" leading to a rationality crisis.

A legitimation crisis is an input crisis. It results from a system's inability to maintain a necessary level of mass loyalty. This can be seen in such phenomena as an increasing struggle for distribution of goods, incomes and services and a permanent scepticism toward reform policies, usually resulting in contradictory demands placed on each government, regardless of its ideological commitments. Those demands need to be followed, if the government is to maintain its support.

There is a motivational root in the legitimation crisis. For Habermas, there is a relationship between a legitimation crisis and a crisis of motivations. The latter is..."a discrepancy between the need for motives which the state and the occupational system announce, on the one hand, and
the offer of motivation on the part of the sociocultural system, on the other." (1976: 380). Those motives include individualism, achievement ideology and a belief in unlimited problem solving capacities of science and technology in conjunction with a highly fragmentary knowledge of either. (Ibid.) Those factors, ideally should absorb voters' attention away from politics. However, the system's long term inability to steer the economy, (i.e. rationality crisis), leads to thematization of the sources of legitimacy in a public debate. The way out of this is the conscious manipulation of the cultural heritage. But, not only is the cultural system resistant to such a manipulation, but also, once it leaves the taken-for-granted intersubjective realm, it too becomes a subject of hermeneutic dispute and/or rational-scientific validation procedures. Such a state of affairs reinforces the legitimation crisis.

For our further analysis the following conclusion may be of a service. An independent state apparatus or ruling elite needs the best of both worlds: A highly segmented society and a strong market system which defines political relations in terms of monetary rewards on the one hand, and a mass, diffused loyalty facilitated by the ideology of individualism and consumerism on the other. Further, such an ideal may need to be reinforced by a tradition which either contains a corresponding motivation system, or is susceptible to processes creating them.

We also need to repeat after Pareto that a successful political system needs channels through which innovations
and boundary altering processes may be co-opted in order to minimize the challenges to system's identity.

Habermas' distinction between legitimacy and rationality problems and ensuing crises provides a useful heuristic device for our analysis of problems of legitimacy in Yugoslavia. Habermas' discussion does imply that the link between legitimacy and rationality does not have to be direct. Hence, there may exist a socio-political mechanism capable of preventing the inability of a government to deal with contradictory stimuli present in the economic subsystem from resulting in questioning its ability and right to govern. We will demonstrate that such a mechanism exists in Yugoslavia.

SECTION III

THE PROCESS OF SECURING LEGITIMACY. FERRERO

Habermas' theory of legitimation crises moves away from Weber by seeing late capitalism as a case of passive support where the socio-political order remains unquestioned as long as it fulfills programmatic imperatives, and as long as the behavior and policies of the rulers are not contrary to the interests and motivations of the citizens. That by itself could admit of an inherent non-rationality of political orders. But, he also asserts that legitimation claims have the potential of entering rational discourse, thus being subject to rational-scientific validation.

On the other hand, an earlier theory, suggested by
Ferrero was based on the assumption suggesting that no order or the mode of its legitimation is or can be inherently rational. Rather, any form of social order will be perceived and defined as rational till further notice, the notice being served by societal events and processes.

Ferrero's discussion of legitimacy needs to be seen on the background against which it has been written. His reflections were formulated right after the ascendance of Mussolini in Italy and during the stormy and unpredictable years of the Weimar Republic. Ferrero himself was fascinated by Napoleon and Caesar, both of whom took power and ruled outside of the frameworks accepted by traditions of their respective societies, and during the times when old social orders crumbled and new had not yet emerged. Hence the sense of illegitimacy on the part of Napoleon which, according to Ferrero, was exemplified by his continuous wars and fear of internal plots.

The latter is an element created in the vicious circle generated by illegitimacy. The feeling of illegitimacy on the part of the ruler causes fear, resulting in the search for actual or potential plots. This leads to more fear of opposition to the terror, a fear which may eventually be justified by the emergence such an opposition, causing more terror, more fear...ad finitum (1942:27).

On the other hand, once legitimacy is established, it humanizes the entire ruling organization, since there is no need for fear or terror. A leader who feels accepted by his followers will not seek to prove that acceptance to
himself continuously (Ibid: 40-41).

Legitimacy then depends on the acceptance by the subjects. So... "A government is... legitimate if the power is conferred and exercised according to principles and rules accepted without discussion by those who must obey."

(Ibid: 135.) The reader may notice here the key distinction between Habermas and Ferrero: For Habermas, given the increasing rationalization of the public realm, the possibility of a free and undistorted discussion is the precondition for a possible avoidance of legitimation crisis. For Ferrero such a discussion is bound to generate a crisis.

The reason for such a state of affairs is the fact that, according to Ferrero, there is nothing inherently rational in legitimacy. Any principle, be it aristocratic-monarchic, hereditary, elective, democratic, or any combination of the four, can easily be rendered absurd as soon as it is implemented: Majorities are assumed right, even if they are wrong. Monarchs, aristocratic or oligarchic rulers are agents of God or Zeitgeist, therefore they are infallible - the situation leading to proclaiming each of their decisions, no matter how wrong, as the work of the genius. And such proclamations are approved by their subjects.

To be sure, no principle of legitimacy is isolated. It is a part of a system of societal beliefs, values and norms, or, as Ferrero sees it, it works in conjunction with the "...customs, science, religion and economic interests of the age." If they change, the principle of
legitimacy will eventually follow.

In general, no government wins universal acceptance immediately. Logically, there is an element of tradition inherent in the legitimacy of any government. There is, therefore, a period which Ferrero denotes as prelegitimacy, during which a government must scrupulously observe all of the principles of ruling it has formulated, just in order to win the universal respect, since a government which does not adhere to its own principles never wins such an acceptance.

Also, Ferrero makes an important distinction between a prelegitimate and an illegitimate government. A prelegitimate government respects a given principle of legitimacy, even if the majority still opposes it. This way it sets an example. An illegitimate government neither desires nor is able to respect principles of legitimacy it imposed. It easily transforms the principles it professes to obey into a fraud. (Ibid: 188).

A brief example may illustrate this point: The October Revolution was fought under the slogan "All power in the hands of councils". After the seizure of power there was a new slogan: "All power in the hands of the party". Later the power went into the hands of an individual. In the meantime peasants were promised the land they were working on, they got it and then it was taken away from them. Subsequent fears which Ferrero sees as exemplifying the sense of illegitimacy on the part of the ruler or rulers can be illustrated by Stalin's famous statement about
sharpening of the class struggle during the course of building of socialism, and the ensuing behavior: the continuous search for opposition terror and continuous process of self-advertising, claiming the universal happiness. Ultimately, the history of the Soviet Union constitutes a superb illustration of Ferrero's point concerning the contradictions characteristic of a revolutionary government: Such a government attempts to justify an absolute and unaccountable power by means of a democratic principle. These two principles, that is representative and absolute power, are clearly incompatible according to Ferrero. He argues that an absolute government may legitimate itself by stating that it is accountable to no one, being superior to humanity. Then such a claim might be acknowledged by the people. (Ibid: 205).

Such a case could be seen as an analogous, if not synonymous to Weber's charismatic authority. However, in case of Weber, there is a necessary element of proof, as we have seen, resting ultimately on the improvement of the welfare of the ruled. This allows for a legitimacy of an absolute government to continue.

If we follow Ferrero's reasoning, Yugoslavia represents a case opposite to the Soviet Union. Its founding principles - that is people's power in conjunction with Party's guidance have been observed. This can be seen especially in the continuous extension of the rights of worker's councils. This is not, to be sure, an attempt to portray Yugoslavia as a model of perfect development of a socialist
society. Rather we are suggesting that it appears to illustrate Ferrero's observation concerning the establishment of legitimacy: The government must observe the principles which constitute its own program.

However, there is a necessary time factor present in the process of accepting any government. Ferrero follows here a tradition of Italian political thought from Machiavelli through Mosca and therefore sees masses as basically passive and willing to accept any regime as inherently just and rational, simply because it has been there for a while and because the rest of the world, according to them, is governed the same way. (Ibid: 140-141.) But, this passive support is enhanced by the active support of a minority which can portray a government not only as a superior one, but also as paternalistic. This can be facilitated by art and religion.

However, in Ferrero's discussion of the phenomenon of legitimacy there are also the elements of what Habermas denoted as "truth utterances." To be legitimate, a government needs affection, and that demands services which would be appreciated by those who are to obey. There is, therefore, an element of exchange: Services for obedience. Further, as far as those services are concerned, a legitimate government...

...attempts to select those that it knows will please the people most and that is most capable of rendering, when the wishes of the people and the ability of the government coincide, the best combination and the least uncertain chance exists for an era of happiness in this country's history. (Ibid.: 143)
There is thus an element of efficacy introduced into the notion of legitimacy. A government should not promise what it cannot deliver, if it wants to maintain its legitimacy. Further, if people ask for services which are beyond the power of a government, or if it lags behind its programmatically self-imposed policies and services, its efficacy may be questioned.

To be sure, legitimacy implies a belief in government's right to do what it does. It does not depend directly on its efficacy, especially since efficacy tends to change over time. Still, there is a link since a government, according to Ferrero, defines the nature of its legitimacy in relation to its efficiency through services it is capable of rendering.

The example of France which Ferrero uses may serve as an illustration: France, beginning with Richelieu, attempted to prove the infallibility of its government through increasing splendor and warfare. As the result, it over-extended its resources. One of the measures aimed at dealing with the endemic crisis of the royal treasury was the selling of hereditary rights to govern in the provincial areas. That was inconsistent with the hereditary principle of legitimacy. The revolution came in due course.

Ferrero shares with many historians and political thinkers of the XIX and the early XX century the fear of a revolution which for him is synonymous with chaos and anarchy. Also, he assumes that the masses share this fear. Hence he sees any order as being generally preferred to
anarchy. This brings about the concept of quasi-legitimacy.

It is a situation roughly between legitimacy and illegitimacy. A quasi-legitimate government is in a position to count on enough acceptance to rule without force or fraud, thus there is no need to fall into the aforementioned vicious circle of terror and fears. It thus contains elements of legitimacy; it also enjoys a wide support simply because it is preferred to chaos. It therefore rules successfully due to a widespread feeling that almost any government is better than anarchy. (Ibid.: 234.) Its legitimacy is thus to a large extent rooted in a simple fact of its being in power. Such a rule could be indefinite, as long as there is a fear of anarchy, or as long as no other alternative appears.

The notion of quasi-legitimacy is important for our future discussion. The decay of an ancient regime and/or its helplessness via a vis internal or external difficulties creates a vacuum in which a new government could survive through the principle of quasi-legitimacy. However, since programmatic statements seeking some form of legitimacy, (rooted in any of the four principles discussed by Ferrero, or in referring to traditions, or to reforms demanded by the masses), the quasi-legitimate rulers must establish some form of legitimacy in order to avoid the circle of fears and terror generated by illegitimacy. Precisely that shift from quasi-legitimacy to legitimacy may provide the key to understanding the success of Yugoslav Communists.

There are some points in Ferrero's work which need to
be emphasized:

First, he goes beyond Italian tradition as exemplified by Pareto's "derivations" and Mosca's "Political Formula" by suggesting that the principles on which a given government bases its legitimacy must correspond to the ethos of the time and the wishes of the people.

Secondly, legitimacy is to a certain extent a contract, or an exchange process: obedience in exchange for specific services. There is a link to Habermas in here: A government faced with contradictory demands, (an alternative which Ferrero does not discuss), faces a loss of legitimacy, due to its inherent inefficiency. Such a situation would run parallel to Habermas' rationality and legitimation crises. To be sure, Ferrero is in a position to bypass the issue of contradictory demands by eliminating all economic and sociological considerations from his discussion.

The third point follows by inference: Legitimacy can be withdrawn, or historical processes (e.g. cultural change, government's own inefficiency or inconsistency with the self-imposed rules), may delegitimize a government.

SECTION 4

OTHER DEFINITIONS AND APPROACHES

Before we conclude this section, let us briefly discuss some definitions of legitimacy proposed by other authors.

Neither Weber nor Ferrero offer an equivocal definition
or use of the concept of legitimacy. As far as Weber is concerned, Bensman sees five meanings of this concept in his work: the first meaning denotes a belief in a political and social order; the second, a claim to a right to rule over a political or social order; the third, a justification of an existing form of political domination; the fourth, promises (actual or implied) that a given order of political domination will contribute to the well being (political, religious, economic, material or psychic) of the underlying population; and the fifth one refers to self-justification of the ruling strata of their unequal share of values, rights, goods and privileges. (Bensman, 1979: 31.)

As far as Ferrero is concerned, his use of the term legitimacy fits into the first three meanings of the term which Bensman sees in Weber's work; also, his use of the idea of efficacy connotes the fourth meaning. Finally Habermas' use of this concept connotes the same meanings as those seen in Weber but with the emphasis on belief as an explicit, albeit diffused, form of an input into the political system, promises relating to the output, i.e. the rationality of the system: and finally claim, justification, and self-justification constitute the realm of problems related to public discourse, forms and modes of communication, and the extent to which forms of legitimation enter public discourse, or are screened away from it.

Following Bensman we may suggest that the third and fourth meanings imply some form of validation of the claims. That is the leaders have to deliver something. The fifth
meaning self-justification, implies an inner certainty on the part of the leaders. (Ibid.) For Ferrero this certainty is the best way to ensure that the rule will be conducted without force or fraud.

For Duverger, "...an institution is legitimate when it corresponds to the dominant doctrines of the period, the most widely held beliefs on the nature and forms of power." This is similar to the definition used by Ferrero: Legitimacy is rooted in culture; it therefore becomes questionable in times of cultural change or when beliefs are perceived as not being validated by reality (1962: 26).

According to Lipset, ...

...Legitimacy involves the capacity of the system to engender and maintain the belief that the existing political institutions are the most appropriate ones for the society. The extent to which contemporary democratic political systems are legitimate depends in large measures upon the ways in which the key issues which have historically divided the society have been resolved. (1973: 77).

Here the Weberian theme returns: Legitimacy connotes a belief. But it is also a process of creating and maintaining a belief, a process which involves interfering with or manipulating social structure and culture. Moreover, according to Lipset social structures contain strategic cleavages which could generate a conflict capable of destroying them, or at least de-legitimating the authorities, the theory they base their legitimacy on, or both.

Lipset, like Ferrero, distinguishes between legitimacy and efficiency. The latter involves "...actual performance, the extent to which the system satisfies the basic functions of government as most of the population and such powerful
groups within it as big business or the armed forces see them." (Ibid.) Efficacy is, therefore instrumental, while legitimacy is evaluative. Legitimacy is a matter of values and the correspondence between the values of influential social groups and those of the political system. Lipset uses here the example of the Weimar Republic, which was perceived as illegitimate not because of its inefficiency, but because its symbolism and basic values did not correspond to those of important segments of the army, aristocracy and civil service.

This example, however, also illustrates the difficulty inherent in this distinction: social, political, geographic and religious cleavages in Germany predate the Weimar Republic by at least four hundred years. The Weimar Republic turned out to be inefficient because of inflation as well as because of its inability to deal with precisely the key problems which were dividing the German society, and yet this, according to Lipset should have been a source of its legitimacy. The following sentence poses even more difficulties: "Feudal societies, before the advent of industrialism, undoubtedly enjoyed the basic loyalty of their members" (Ibid.). For one thing, the end of feudalism is not synonymous with the advent of industrialism. One could argue that industrialism was immensely facilitated by a long period of de-legitimizing which the feudal order underwent from variety of sources, for example science, great geographic discoveries, gradually increasing economic crisis, and many others. But, the increasing ex-
pansion of capitalism, especially the commercialization of agriculture, enhanced loyalty to the feudal order on the part of peasants whose property and livelihood were protected by this order. England is one of the best examples: Peasants sympathized with Charles I and his Star Chamber simply because it protected them from enclosures, and later tended to side with the royalists during the Civil War. Legitimacy was then a matter of interests, not values. To be sure, the problem was more complex, given the role of religion and the transitional character of that era.

Lipset himself establishes the link between legitimacy and efficacy in his discussion of the types of crises of legitimacy: "Crises of legitimacy occur during a transition to a new social structure..." But, "...After a new social structure is established, if the new system is unable to sustain the expectations of major groups (on the grounds of 'effectiveness') for a long enough period to develop legitimacy upon the new basis, a new crisis may develop. (Ibid: 78).

Legitimacy then appears to be a matter of tradition which sustains the values. But, before that tradition established itself, the system had to deliver what it had promised. There is, to be sure, a compromise alternative to the value-efficiency antinomy: The nature and scope of efficiency is built into the tradition and sustained by values. This way boundaries are established which cannot be crossed without a threat to legitimacy. Those boundaries may be established primarily by the regime, albeit during
a prolonged process of societal negotiations.

The notion of a system establishing its legitimacy implies, again, a truth statement. Whatever general beliefs and principles are present, a new, or a pre-legitimate regime, (to use Ferrero's expression), needs to prove its adherence to them. Also, at least some following among the ruled must be proven.

There is also the other side of the coin. A regime may be de-legitimated. For Ferrero it would happen if it were not observing the principles it itself imposed. For Lipset, it would be result of the lack of correspondence between its behavior, or values, and the values of the strategic groups in the society. Either of the two phenomena could be a result of a rationality crisis leading to a legitimation crisis.

Habermas' typology could be, therefore, extended to any social system. Moreover, as Rothschild (1979) points out, an inefficient system must, sooner or later, lose its legitimacy. Eastern Europe, especially contemporary Poland, offers an example of a link between inefficiency and illegitimacy. Since the regime lacks initial legitimacy, it cannot generate support for efficient production. Economic inefficiency enhances political illegitimacy which, in turn, enhances economic inefficiency... ad infinitum (Ibid. 40).

There is, of course a question concerning the initial legitimacy of those regimes. We will try to answer it later. At this point it suffices to note that we are dealing with regimes which did not observe the rules they program-
matically imposed on themselves. A fact which illustrates Ferrero's propositions concerning revolutionary regimes. (For an analysis of Polish events which connotes this approach see Figa: 1982).

The set of definitions and explications of the concept and the problem of legitimation we have pursued so far tacitly or explicitly conceives of legitimacy as a continuous and taken-for-granted property of socio-political systems which becomes problematic, and therefore enters the realm of scientific and even public discourse only at times of crisis. Habermas is an exception, since his analysis of the late capitalist societies sees them as conducive to an increasing thematization of the previously taken-for-granted rights to rule and obligations to obey. The reason for this is an increasing perception of those rights an obligations in terms of rationally verifiable truth statements. A similar path appears to be taken by Dahl.

Dahl focuses on an authority, which for him is legitimate if:

1. Its decisions correspond to my personal choice, or at least to the choice of my representatives.

2. The process of decision-making ensures the competence which under other procedures would not exist. Thus, I choose those whom I consider to be the most competent. If they prove to be the opposite they can be recalled, or they won't be re-elected. In this case actual decisions may not correspond to my immediate wishes, but, if I were there, I would do the same.
3. The process of decision-making ensures economy of action. In itself, therefore it may be less perfect than the two suggested above. But, at least under certain circumstances, the speed and economy of action may be of the utmost importance. In this case, of course, the criterion of the correspondence between authority's decisions and my preference disappears. Rather, an ideal constitution based on the principle of economy and trying to ensure some democracy would guarantee voters' veto power exercised through periodical elections, perhaps some form of a right to recall the representatives, and perhaps 2/3 majority in case of some bills. (Dahl: 1970)

Needless to say, in the ideal case a legitimate government would meet all of the aforementioned criteria. However, it is very rarely possible. In particular the first criterion cannot apply to many contemporary societies, given the multiplicity of the contradictory interests and beliefs which characterize them. On the other hand the second and third criteria are not necessarily democratic and may justify a variety of elitist or dictatorial regimes.

These elitist implications can be supplemented by the arguments frequently used by conservative spokesmen, (of the XVIII and XIX century variety, e.g. Burke, to use a classic example), and sometimes by ruling Communist parties. This argument refers to the historical continuity of a given system. The strictly conservative side of this argument would emphasize the present arrangement as a culmination
of a development of an absolute idea; this is, of course, a Hegalian version of conservatism. (See Mannheim: 1936: 229-239). The modern Communist version alters this model by focusing on the accomplishments of the past generations in realization of such an idea as well as on the guardianship of the happiness of the future generations which is contained within that idea.

Dahl's approach has both advantages and disadvantages. His definitions can be easily operationalized and tested. Moreover, one could easily see to what extent the actual legitimations, that is the ways which show how and why existing (or recommended) institutions are fit to employ political power in such a way that the values constitutive for the identity of the society will be realized..." (Habermas, 1979: 183.), are employed. Also, Dahl's approach could enable a researcher to establish empirically whether or not those legitimations are the subject of public discourse and what is the nature of the process of communication which characterizes those discourses.

However, Dahl's approach also appears to presuppose, (at least implicitly), that what Habermas has depicted only as his ideal has in fact already been in existence. Furthermore, Dahl's approach also presupposes specific motives through which both the authorities and the order are supported. This may not be the case, as we have demonstrated during our discussion of Habermas'theory. On the other hand, an operationalization and implementation of
Dahl's ideas in an empirical project, for example in a questionnaire, could result in a Hawthorne Effect which in this case would lead to a conscious thematization and explication of previously pre-conscious and diffuse motives held by respondents.

It appears, therefore, that Dahl's criteria could be used only when there was an actual legitimation crisis directly related to a social and economic one. If such a crisis has been reflected in the problems of social integration, which for Habermas are rooted in symbolically structured life-worlds, (1975: 4.). Dahl's criteria could be used for its assessment.

Besides, both Dahl's and Lipset's approaches pose difficulties for the specific purpose of our analysis. For one, they exemplify the "problem" approach as a methodological criterion to sociological investigations. Such an approach characterizes Mills' discussion of "Sociological Imagination" (1959). Berger, in his Invitation to Sociology takes the opposite approach suggesting that not disorder but order is something that needs to be explained (1963).

To be sure, both approaches have their merit. But, in our case we need to focus on the maintenance of legitimacy, not on its loss. This in itself may not be the usual case for a country ruled by Communists, to mention only Poland or Hungary. In case of Yugoslavia we are focusing on the state of normalcy and on the societal mechanism which maintains that state. This may even apply to conflict which,
as an orthodox functionalist argument that goes back to Simmel suggests, may facilitate social cohesion and thus contribute to the legitimacy of an order and authorities presiding over it.

Before we commit ourselves to the final definition of legitimacy, we need to summarize the arguments indicating the basic conditions which facilitate the legitimacy of authorities. We may begin with the leitmotif which permeates both Weber's and Habermas' discussions: with the growth of the rational-scientific Weltanschauung the traditional grounds of legitimacy lose their validity. Rather, legitimacy needs to be asserted in terms of truth statements which are subject to scientific procedures of verification. This applies especially to what both Habermas and Perrero see as programmatic statements of governments on which their claims to legitimacy are based.

It follows that there are several basic conditions which facilitate legitimacy:

First, any government should promise only what it can deliver. Secondly, its promises should be consistent with the wishes of the population. Thirdly, questions leading to a possible challenge of legitimacy should be kept away from the realm of the public discourse. Fourthly, there should be a mechanism to co-opt potential challenges; in this case we are obviously following Pareto (1968).

The final proposition follows directly from Ferrero: A legitimate government is one which does not jeopardize the well being of its citizens, nor does it act in a way
which is clearly contradictory to their overall beliefs. This proposition focuses not on what needs to be done, but on what needs not to be done.

SECTION 5

LEGITIMACY DEFINED

It is necessary at this point to provide a clear definition of the concept of legitimacy as the term will be used throughout this dissertation. We may begin to discuss this definition by suggesting that legitimacy involves the right to make decisions. This right is granted by those who obey to those who rule. The scope of rulers' decision-making power is defined by the norms, laws or customs of a society, or by a combination of those variables.

Such a definition, however, is somewhat simplistic because it implies the presence of the element of intentionality in the minds of the subjects. In other words, it assumes, following Weber's notion of social action, that the act of obeying is undertaken with the subjective meaning specifically referring to rulers' rights and their limitation. The Weberian approach to legitimacy is, however, one end of the spectrum. On its other end there is an approach implied by Habermas: legitimacy involves a situation in which rulers' decision-making rights are not explicitly questioned by those who obey. Such an approach implies not the presence of a consensus concerning those rights, but merely the lack of dissensus.
The situation which Ferrero described as quasi-legitimacy is an example of the latter approach. It is, however, only one example. Moreover, it fits well into the notion of intentionality. As we have indicated, quasi-legitimacy is a situation in which the rulers are granted their decision-making rights because those who obey perceive them as the only feasible authority. Such a decision is, therefore, the result of a conscious scrutiny of the political scene. Habermas, on the other hand, clearly escapes the intentionality trap by suggesting that legitimacy involves "diffuse supports", i.e. an implicit and a highly generalized consensus concerning rulers' decision-making rights and their scope. Such a consensus is ensured by a set of welfare measures which enable the majority of citizens to pursue comfortable leisure patterns without dabbling in politics. In this way legitimacy depends upon de-politicization of the masses. Their re-politicization could lead to challenges to the rulers' legitimacy or to the legitimacy of the power system.

An interesting parallel to Habermas' ideas has been suggested by John Gaventa (1980). He discusses power relations in a setting which can be seen as the opposite of Western European welfare societies: a relatively isolated Appalachian coal-mining valley. He suggests that the miners' overall apathy and lack of protests against blatant exploitation and totalitarian control of their lives, first by the mine owners and their representatives, and then by the United Mine Workers' establishment, was rooted pre-
cismely in a sense of powerlessness and their dependence on the rulers.

In this Gaventa follows a theory developed by Steven Lukes (1974), who suggests that the phenomenon of power involves three dimensions: 1. the realm of open discussions and explicit decisions; 2. "mobilization of bias", that is, a possibility of preventing some issues from reaching the stage of decision-making and some groups from influencing it, and finally 3. the control of such areas as communication, ideologies, Weltanschauungen and perception, which prevents some issues from being seen as something that needs correcting, or even from being noticed at all. His overall conclusion is that the totalitarian power of rulers and severe deprivations among the ruled lead to buying their absence from politics. Habermas himself emphasizes that the output of the political apparatus which is in charge of steering the economy is, in fact, autonomous from the legitimizing input. In less formal language this means that legitimacy refers to granting a government the right to make decisions without specifying which decisions should it make.

We need to bear in mind that in a modern society political decision-making is a full-time occupation. Further, the growing division of labor both in politics and outside of it makes it very difficult for the members of the society to continuously follow every decision made by their government. This by itself makes the informed consensus of all citizens very difficult to attain. The same
applies to the thorough knowledge of all the norms and laws as well as their origins. Buckley sees it in the following terms:

...there is a very wide gap between large-scale participative, voluntary informed consent to the role demands, on the one hand, and overt opposition to them, on the other. We cannot rule out the very real possibility that for large percentage of actors in any social system the norms are accepted and obeyed merely as given conditions of action, with little understanding of their origin or ideological justification, and with even less comprehension that they might be otherwise; and that another sizable percentage feels oppressed by the norms and follows them unwillingly because no other course of action seems realistically open. (op. cit. 196).

There is, then, a substantial gap between individual interests and motives, on the one hand, and the motives and interests behind the output from the political system, on the other. The key to legitimacy is the fact that the latter do not infringe on individual goals and interests. If there is a perception, on the part of the ruled, that such an infringement has taken place, legitimacy may be withdrawn.

This lack of inconsistency between goals of individuals (or groups) and the political system can be seen as a sufficient condition for granting that system the right to independent decision-making. The scope of that independence is not stable. Rather we should see it as an element which is being periodically re-negotiated. However, by and large citizens are not interested in the actual process of steering the system. They are far more likely to focus their interest on their private life, leisure pursuits and individual consumption. Accordingly, their
concept of the goal of the system is likely to focus on ensuring that those pursuits are not jeopardized. Such an ideal of the lifestyle and view of the goal of the system precludes any participation and/or interest in the actual process of strategic decision-making, i.e. in politics. Thus, we can refer to such citizens as de-politicized. This concept parallels Arzenšek's observation which we cited in the Introduction. He refers to the view of socialism emphasizing individual consumption as its goal (rather than the end of exploitation, classless society and citizens' participation in political decision-making as an apolitical concept of socialism (1978: 11).

We will use Habermas' concept of "diffuse supports" to denote the type of legitimacy we have just described. We may summarize its characteristics by stating that it refers to a negotiated sociopolitical order in which the rulers' right to independent decision-making is accepted, and periodically re-affirmed (by means of democratic elections) by otherwise de-politicized citizens.

We need, finally, to take into consideration a situation in which the support of the power system, rulers and their actual decisions is the result of a conscious selection among two or more possibilities. This is the case where not only pluralistic democracy prevails, but where a consensus is generated through free discussion, not through communication control and symbol manipulation. In this case we may also talk either about a tacit support, or about an active participation in the political process.
We will denote such a case as "intentional support".

We may, therefore, perceive legitimacy as a continuum. Its opposite ends are constituted by the dimensions denoted as "quiescence" and "intentional support". "Diffuse supports" constitute its midpoint.

Legitimacy is, then, defined as follows: it involves recognition by those who obey that rulers have a right to make decisions which affect individuals, groups, and the society as a whole. That decision-making power is subject to limitations by the laws, norms, customs and values of society. The distribution of that recognition throughout a society varies, and can be observed or measured along dimensions denoted as quiescence, diffuse supports and intentional support.

Each of these dimensions is underlined by three basic conditions on which the maintenance of any form of legitimacy depends: the consistency of the rulers' policy with their initial program, the internal consistency of the program, and the consistency of the policy with the interests and aspirations of the population. Observing the last condition can be facilitated by rulers' control of such factors as socialization, education, or information flow.

In our discussion of Yugoslavia we will focus on the second dimension, that is on diffuse supports. The reason lies in the fact that our data provide evidence primarily for this type of legitimacy. Such evidence is presented by Arzenšek in his account of the "apolitical concept of socialism" we have presented before. It is also provided
in our discussion of consumerism in Chapter II, and in our discussion of the role of wages in self-managerial decision-making in chapters II and III. We need to bear in mind, of course, that our data come from the most industrialized and economically developed Yugoslav republic—Slovenia. We have no evidence of quiescence, probably because the places where it could be most likely found are the most backward regions of Yugoslavia, for example Kosovo and rural Macedonia, because of their relative isolation from the outside world and information about it.

Finally, we do not have data indicating the presence of intentional support. One may hypothesize that such support is present among the party members. However, our data do not allow us to test such a hypothesis.

PART II

LEGITIMIZING SOCIALIST ORDER

In this part we will outline the process of adapting Marx propositions to the conditions of economically underdeveloped countries of Eastern Europe. We will argue that the form in which the emergent ideology was operationalized (i.e., defined in terms of concrete policies), constituted an appropriate reform program for the socio-economic configuration which characterized Russia in 1917 as well as several Eastern European countries after the World War II. Such

\footnote{For a thorough study of consumerism in Yugoslavia see Zukin (op. cit).}
a situation created the initial legitimacy of those who were implementing that program.

Since the regimes which took over the rule in that region claimed to be revolutionary regimes, and since they openly advocated the use of coercion to acquire and maintain their power, we will begin this section by discussing the relationship between legitimacy and coercion.

SECTION 1

LEGITIMACY AND COERCION

A suggestion that a Communist government could be, and in fact is, legitimate, goes against the popular images of this system which prevail in the West. This is especially clear in the light of definitions (including ours) which see legitimacy in terms of subjects' agreement with the decision-making role of a given set of rulers. The popular image emphasizes the role of fear and coercion in countries ruled by Communists. In other words, it is more or less taken for granted that Communists rule because of their continuous threat to use force against those who oppose them. The examples ranging from the fate of leaders of various opposition movements through invasions of Hungary and Czechoslovakia to the military coup d'etat in Poland illustrate the argument that Communist rulers are prepared to use force whenever they think that their authority is being challenged.

If it is indeed the case, then Communist rulers function in a contradictory situation which we have outlined
before in our discussion of Ferrero's work. We may begin with a proposition suggested previously that the notion of an authority precludes the use of coercion simply because it renders it unnecessary. The use of force in order to suppress even faintest forms of opposition to the government or its decisions demonstrates that the government doubts its legitimacy. The overall result of such a state of affairs is a vicious circle of repressions, fear and occasional opposition, which Ferrero described using Napoleon as an example. The case of Communist governments may even be worse, given their total control of the economy and, as a result, of the employment scene. The threat of leaving a critic without means of support can be a very effective way of controlling large segments of population, especially if such a threat is occasionally realized and the event made prominent by the mass media.

If we add to this picture the presence of the censorship apparatus, the result is one presented in Orwell's 1984: the society is so frightened, and so well controlled, that practically none of its members will risk uttering even the faintest expression of criticism in public or in private, not to mention actively opposing decisions of the government. Since there are no protests, the rulers (at least in their public statements), and their propaganda machine can claim total support of the population basing such a claim on the fact that there obviously are no protests or
critical voices in the society.¹

This Orwellian vision of the Communist order has, however, several drawbacks. Two are important for our discussion. First, there may exist a threshold of control and repressions beyond which a society, or at least some of its members, consciously opt against the total surrender to fear and begin to voice their criticism and even organize some forms of oppositional activity. Under certain circumstances this can result in a significant segment, or even a majority of the society, organizing itself into a well-coordinated opposition movement. The recent events in Poland could be seen as an example of such a situation.²

The second drawback is more important for our discussion. It was, in fact, suggested during our discussion of Weber. Here we may formulate it in following terms: Legitimacy and coercion are not necessarily mutually exclusive. In fact, legitimate use of coercion, including physical force, is an important part of every political system.

We can trace the arguments concerning the legitimate use of physical force by a political apparatus to Hobbes. For him it is an explicit part of a social contract into which the absolute ruler - Leviathan and his subjects enter in order to avoid a war of everybody against everybody. According to this contract Leviathan has the right and duty to

¹Such a state of affairs has also an interesting effect on the psychology of Communist leaders. We are discussing it in the section devoted to the analysis of the sources of legitimacy of Communist governments.

²For the discussion of the set of circumstances leading to such developments see Figa (1982).
use the force against those who break some of its rules. This needs to be done in order to protect each individual from the evils which, according to Hobbes, are certain to take place if people were simply to pursue the impulses of human nature. Since, moreover, people are aware of it, the only alternative is a voluntary agreement establishing the Leviathan and empowering it with the right to use physical force.

For Weber there is an immediate link between the state and the legitimacy of the use of coercion. He sees the modern State as a bureaucratic apparatus. It is, therefore, a legitimate authority, a rational-legal one to be specific. Its *differentium specificum* is the possession of the monopoly over the means of violence.

For the purpose of our discussion Weber's notion of the state and its potential for the legitimate use of violence requires a brief elaboration. For one, the idea of the monopoly over the means of violence is too narrow. The modern state also possesses rights to use economic coercion and rights of censorship. To be sure, the monopoly over the means of violence is necessary in order to be in a position to use other coercive powers. Nevertheless, the idea of the monopoly over the means of coercion is far more suitable for our purposes.

Secondly, we need to bear in mind that Weber's model of a highly centralized state apparatus was based on the centralized Prussian state bureaucracy. Many authors juxtapose this type of state (and also French state ap-
paratus and administration), to a decentralized state apparatus of Anglo-Saxon countries. This involves local control of some means of coercion. There is, therefore, the problem of checks and balances concerning the use of coercion at various levels of the state, and the corresponding problem of the legitimacy of its use at various levels. The actual perception of the population concerning which form of coercion is legitimate, in regard to which issue and which level of the government is using it, can be quite complex and contradictory. To use but one example: there were instances in the fifties during the civil rights struggle in the South of the use of the National Guard or Federal troops in order to force local authorities, including state governors and municipal police forces, not to prevent implementation of federal orders. The best known cases are desegregation of the school system in Little Rock, Arkansas, and desegregation of Alabama's state university system. In both cases actions of the federal government were legal and mandatory, given the decision of the Supremem Court. The question of legitimacy of those actions is, however, more complicated. According to the public opinion polls the majority of the American society was opposed to school desegregation. This would suggest perceiving the respective actions of governors Faubus and Wallace as right, regardless of their legality. But, the same might have applied to the attitudes to the actions of the federal government.

The reader may, incidentally, observe that the example we have presented here fits into the issue of the legitimacy
of the use of coercion as presented by Hobbes. Acts of defiance against the Leviathan can be perceived as legitimate. So can its use of force to deal with those acts.

There is finally the problem of an ambiguity involving the use of terms "coercion" and "force". Specifically, there is a question concerning the use of rewards in order to induce people into compliance, and of punishment in order to enforce it. Dennis Wrong in his study of power makes a distinction between a "coercive authority" (1979, 42-45), and "authority by inducement" (Ibid. 45-49). The first relies on threats of punishment, the second on manipulating rewards. Asides from a confusion between power and authority which this distinction presents, it also suggests a question concerning the nature of coercion. The author offers no arguments against suggesting that manipulation of rewards can also be treated as a form of coercion, perhaps a more subtle one than the use of force. And, again, rulers' use of rewards and the monopoly over them can be treated as being legitimate.

We are now in a position to discuss the problem of legitimacy vs. coercion as it applies to Communist governments in general, and to Yugoslavia in particular.

We may begin by emphasizing that these governments see themselves as revolutionary governments whose task is to abolish the old socio-political order and to build a new one. That last task is seen as a realization of the dream of humanity for a perfect social order in which equality and justice will prevail. Given the orientation towards
the future, the question concerning the right of decision-making as granted by the ruled is of secondary relevance to the rulers.

But, quite a number of Communist governments reached power as the result of social turmoil in which the old order fell apart. Moreover, a massive challenge to the legitimacy of the old order can be seen as both the cause and the consequence of that turmoil. Finally, the majority of the population was very likely to grant to the new rulers the right to use violence against some segments of the society, for example against those perceived as former exploiters and tormentors, against those who were attempting to bring back the old order and thereby eliminate the gains which the new order brought to the majority, and finally against various types of collaborators with the opponents of the new regime.

In the case of Yugoslavia, the Communist-led partisans had to use violence during the war not only against foreign occupants, but also against their local sympathizers, especially if the latter participated in the massacres of civilian population or fought against those who defended it. By the same token, the use of violence against war-time collaborators was perceived as legitimate after the war. The same applies to the violence against those who supported Stalin in his attempts to eliminate Tito and his co-workers from the leadership of the Communist party.

It is very likely that the war-time memories rendered legitimate the suppression of the 1971 student strike in
Croatia and subsequent persecution of its leaders. However, that particular event also suggests that an important element of legitimating coercion is isolation of those who are its victims.

In the case of Croatia, the strike at the university of Zagreb was likely to be perceived as a local matter which involved only a segment of the local population. There is, in fact, no evidence that Zagreb students enjoyed outside support. Rusinow (op. cit.), on the other hand, suggests that the turmoil frightened the Serbian population in Croatia because it brought back memories of wartime atrocities committed by Croatian nationalists on the Serbian population. That particular group welcomed governmental intervention. Further, the evidence of any sympathy with Zagreb students outside of Croatia is scant, and there was no active support of their action anywhere. Thus there is no evidence suggesting that there was a general perception of the federal government not having right to act the way it did. The same applies to more recent events in the Kosovo-Metohija region. We may, therefore, suggest that isolating an opposition can facilitate legitimizing the use of force against it.

One needs to bear in mind that the threat of the use of coercion against critics and dissidents is very much present in Yugoslavia. Fates of Milovan Djilas and Mihajlo Mihajlov constitute perhaps the best known cases of what may happen to the dissidents. More recently two Croatian historians, Marko Veselica and Franjo Tudjman received long
prison terms for statements challenging the official data concerning the causes of war-time losses attributed to Ustashi. The threat of repressions against those who stray too far from the official line is, therefore, real.

However, the presence of coercion constitutes only one contingency present in Yugoslavia. There are others. We may, in fact, suggest a rational formula. Having a choice between conforming to the official line and a protest one is more likely to choose the first alternative if there are reasonable perspectives of such a choice being rewarding. Such rewards are determined by the economic situation of a given society. In other words, the availability of goods on the market, and realistic prospects of a career and social advancement are likely to facilitate a general conformity with the official policy. (The discontent may still be present and express itself in, for example, high rates of suicide or alcoholism).

On the other hand, the lack of such perspectives eliminates the choice under the aforementioned conditions. Under the circumstances of a worsening economic crisis and the overall economic deprivation the protesters have far less to lose than under the conditions of economic prosperity.

A brief comparison of Poland and Yugoslavia may illustrate this formula. In Poland, there is a history of gradually worsening economic crises, the gradual petrification of the class structure - i.e. a tangible case of closing of the channels of social mobility, both accompanied by so-called success propaganda, political repressions and
suppression of virtually every form of criticism of official policies. In Yugoslavia, there are realistic perspectives of social mobility and economic advancement, economic crises notwithstanding. Moreover, the overall government policy by virtue of being oriented toward encouraging individual consumption is likely to be seen as being conducive to gradual rise of standards of living. Hence, the presence of the threat of coercion does not preclude a genuine support for the government. In other words, the formula used by Gierek's government in Poland, economic progress in exchange for law and order, can work only if economic progress can indeed be ensured. Economic and Social conditions in Yugoslavia is very likely to create a perception that it is indeed the case in that country.

A further characteristic of Yugoslavia is that the outward use of coercion, and especially of force, against the voices of opposition is minimized by the mechanism of self-management. Our discussion of that mechanism will take place in later chapters. However, one point needs to be made here. Worker collectives in a publishing house or in a newspaper as well as printers may through self-managerial decisions refuse to print an author or even an entire journal. This, for instance, happened to a famous journal Praxis which formally still exists, but which nobody wants to publish or print. There is also the threat of the legal responsibility of the director of a publishing house or an editor-in-chief of a newspaper for the books and articles they publish. Hence the factor of self-censor-
ship constitutes an extremely powerful mechanism minimizing criticism of the rulers without the latter's recourse to coercion.

Such a role of the mechanism of self-management is reinforced by the position and behavior of the League of Communists in it. Anticipating our future discussion we need to emphasize that decision-making in the party is more centralized than outside of it. On the other hand, the party works within decision-making units as an influential pressure group. Hence its units can be activated in order to have decisions or suggestions of the Central Committee implemented by putting pressure on other members of organs of self-management. The question of how it actually works can be answered only after discussing the structure of influence in the process of self-managerial decision-making.

It follows then that self-management and the processes taking place in its units constitute the key to understanding the sources of legitimacy of the political system in Yugoslavia and its rulers.

SECTION 2

LEGITIMACY AS A PROCESS

The following discussion of the sources of the legitimacy of the Communist governments has been inspired by an essay by Bauman (1973). Subsequently the framework for the analysis of the problem has been formulated by this author (Figa, 1982).
We may begin with an assumption derived from the previous discussion. At the beginning of rule, legitimacy of the rulers is based on intentional supports. Hence, the realization of the promises which constitute the ideological creed of the new rulers constitutes the legitimizing mechanism. Subsequently, there may be a shift toward diffuse supports if the rulers do not violate the basic conditions of the legitimacy they themselves have established. Those conditions and the day-to-day Weltanschauung of the ruled constitute a reciprocally reinforcing cycle which provides a legitimizing input into the system.

The failure of the legitimizing mechanism may lead to two possible consequences: either to questioning the authority of the rulers, i.e. their right or competence to govern, or to questioning and subsequent challenges to the ruling ideology. These consequences may appear separately. Specifically, the challenge to the rulers does not necessarily challenge their ideology. On the other hand, the challenge to the ideology also contains a challenge to those who attempt to implement it.

That last point may be illustrated by a brief comparison between Poland and Sweden: Swedish voters' shifts between the Socialist Party and the Liberal-Conservative coalition have not implied a change in the voters' attitude to Swedish version of Welfare Capitalism. On the other hand, the policies of consecutive Polish regimes culminated not only in the widespread hatred of the ruling elite, but in descending the very term "socialism", commonly as-
associated with the rulers' incompetence, dictatorial tendencies and with the use of censorship and police as means for dealing with criticism.

It follows, therefore, that any ascending group of rulers justifies their claim to legitimacy by a political formula, to use Mosca's (1939) expression. Inherent in such a formula is a claim that it corresponds to the wishes and/or interests of the ruled. Legitimacy is then maintained if such a claim is being continuously validated.

This reasoning follows a phenomenological perspective (see Berger and Luckman: 1966). It suggests that the perception of the ruled and the claims of the rulers constitute a reciprocally reinforcing process. Mosca's political formula thus becomes a hypothesis which needs to be continuously verified, if a ruler's authority is to be maintained. This applies especially to newly established regimes, however, in the case of long-established regimes the lack of active opposition and/or the fact that the very question of legitimacy is not a subject of the public discourse can be treated as factors verifying the claims of the rulers and reinforcing perception of the ruled.

As far as Communist governments are concerned, their formula is rooted in the propositions advanced in the Communist Manifesto and in some works of Lenin. Marx's thesis, (at least its simplified version) could be formulated as follows: Communism, i.e. a society without inequalities and exploitation, is a dream of humanity. At the current stage of the development of the forces of production, this
dream is rooted in the interests of the most numerous class of the industrial society, that is the proletariat.

That formula subsequently underwent a process analogous to what is known in sociology as operationalization. In this case it involves the transformation of the formula into a program of policies applicable to the concrete country where it was to be implemented.

SECTION 3

EVOLUTION AND OPERATIONALIZATION OF IDEOLOGY

Obviously this process of operationalizing original propositions of Marx resulted in an evolution of Marxism. There is a substantial body of work analyzing this evolution precisely in terms of the concretization of Marx' work, for example Jordan (1967), and Kolakowski (1978). For our purpose the work of Lenin is of key importance.

As Lane (1981) points out, Lenin adapted Marx's propositions to the conditions of Russia. He therefore accepted the thesis of the leading role of the working class, but re-worked the problem of the role in the party of the proletariat, and substantially expanded the idea of the dictatorship of the proletariat. The notion of an avant-guard party, a tightly organized underground party is a heritage from the Russian Populists, especially Tkachev. However, this theory needs also to be seen as more suitable for the conditions of Russia than the idea of a mass party. Thus, for example, in What Is To Be Done, Lenin advocates
the necessity of forming an avant-guard party for the specific purpose of the successful seizure of power at an appropriate moment which was to be followed by a program of industrialization.

Of course, after the October Revolution industrialization became the key strategic goal. Since Socialism and Communism were to emerge out of industrial capitalism (assumed to be the most advanced mode of production), industrialization became the *conditio sine qua non* of the future happiness. It was, to be sure, a necessity dictated by the formulas of workers' power and dictatorship of proletariat. In order for such a dictatorship to emerge, a proletariat had to be created out of the predominantly peasant population. The Communist Party, as the moving force behind industrialization became then, at least in its own eyes, the embodiment of the most progressive interests of the humanity.

We may notice that given the political conditions of the Tzarist Russia, the party organized according to Lenin's prescriptions did indeed ensure the necessary degree of competence and economy of action. But, there are other factors which enabled the establishment of the initial legitimacy of the authorities of East European Communist parties. The decisive one was the combination of economic and political conditions which made the necessity of economic development self-evident.

Barrington Moore in his *Social Origins of Dictatorship and Democracy* suggests that Communists trying to gain popular support are most successful mainly in decaying peasant
societies. He cites specific conditions: a predominantly agricultural economy, a lack of land for the peasants accompanied by a lack of opportunities to produce for the market (Moore appears to assume that traditional peasants will adapt to a market economy if there are stimuli and opportunities to do so). This needs to occur in conjunction with the collapse of the traditional authority structure accompanied by the invalidation of the traditional norms legitimizing this structure. A gap emerges which can be filled by a variety of forces that do not belong to the traditional order, from local bandits to foreign merchants and occupants (the absence or weakness of local middle classes reinforces this tendency). This leads to peasants support for the local forces which offer a way out of this chaos: land reform accompanied by opening the channels of migration out of overpopulated villages through industrialization. The land reform itself may play on traditional intra-village antagonisms, namely those between rich and poor peasants, old and young peasants, (over the control of the family property), and even between men and women. Especially for the young such a program is highly attractive. Land reform means a possibility of obtaining land for oneself; industrialization implies a possibility of moving into the city. Both imply an escape from the patriarchal control of the family or village elders. (Hetnick, 1967.)

The operationalization of Communist ideology consists therefore in program of land reform accompanied by a program of labor intensive economic development and industrialization
in places where social, political and economic conditions were conducive to a successful implementation of precisely such a program. Thus Communists promised social mobility and an overall improvement in the standard of living through means which were consistent with the initial wishes of the populations. That program and its realization also became a self-legitimating mechanism.

We need to add that the events of World War II facilitated the link between Communism and nationalism, at least in some countries. Soviet army and local partisans liberated some of the Eastern European countries from foreign occupation. (To be sure, this link did not develop everywhere. For instance, in Poland the major guerilla force was non-Communist). To the extent to which foreign capital was present, modernization by a native elite also implied liberation from the influence and exploitation of the native population by the foreign capital and foreign control. According to Kautsky, poor small peasants, small shopkeepers and artisans, given their loss in the battle with big industry tend to join either communist or fascist movements since both are critical of it (see also Lipset, op. cit.) To be sure, Communists need to maneuver between their condemnation of the capitalist industry and foreign capital on the one hand, and their emphasis on the role of the urban proletariat, that is the product of industry, on the other. Industrial workers are relatively alienated, given the strong anti-labor majority of pro-industry property owners and landowners in general (at the same time
industrial workers in economically undeveloped country are most likely of recent rural origin). Finally intellectuals tend to attach themselves to a revolutionary tradition simply due to their sense of guilt vis a vis peasants and workers. (Hautsky, 1962: 195-196).

There are other reasons which make the last group likely to join a revolutionary movement. According to Shils (1960), in undeveloped countries intellectuals tend to be employed as civil servants, lawyers, journalists, teachers and doctors. While such employment is consistent with their education, not all of them can be employed simply because of the lack of demand, for example for lawyers or civil servants. In some cases, for example in Poland, Hungary and Croatia, intellectuals may be either aristocratic origin, or aspiring to be members of circles dominated by aristocracy. This may imply absorbing an aristocratic ethos, including a negative attitude toward material production. Given their structural unemployment, the intellectuals, according to Shils, tended to gravitate to political, and especially revolutionary movements because they did not recognize unemployment or underemployment.

Another reason has been suggested by Szczepański. According to him, intellectuals, at least in some countries, perceive themselves as carriers of a "daimonion". For Greeks, especially for Socrates this term referred to an inner voice, of a divine origin, which prevents a man from deeds which are morally wrong. Szczepański sees it rather as a sense of the ultimate values and ultimate good. (1977). There
is some evidence that this sense led a number of intellectuals to the Communist movement which claimed, and was perceived, as the best, if not only way to liberate humanity from contradictions and conflicts which those intellectuals were trained to perceive and analyze. Such a state of affairs was undoubtedly enhanced by both the pre-World War II poverty and the war catastrophe. Again, the party, with its claim to scientific knowledge of the sources of evil and ways to change it, as well as with its concrete reform program, was perceived as a carrier of such a morality. Some intellectuals were, therefore, willing to accept and justify all of the sacrifices perceived as necessary for building of a perfect society. (See Watson: 1973). Of course, given their training as social critics, intellectuals were at some point bound to become critical of the praxis of Communism and left the party - in the name of the same "daimonion" which led them to join it. (Supek, 1971).

As far as the lower strata are concerned, the promises of Communism were tangible: higher standard of living and social mobility. The realization of those promises constituted the yardstick of legitimacy of the modernizing elite. Rapid economic expansion satisfied the aspirations of the first generations of migrants into industry, thus guaranteeing their loyalty to the party. (Bauman, op.cit.)
As far as the economic and political situation in the USSR, Eastern Europe and also China is concerned, the reform program offered by Communist parties constituted a rational way of improving it. It also became the source of the legitimacy of the authority of ruling Communist parties, even of the charisma of their leaders: after all they did improve the life of their subjects. At the same time, the legitimacy of those authorities was defined, or to use a sociological expression, operationalized, through these processes. The success of the economy constituted the nature and the scope of realistic expectations. Furthermore, since the Soviet model demanded a highly centralized economy and since the day-to-day propaganda clearly defined the party and its members as the group in charge of industrialization, the responsibility for success and failure was assigned to a clear cut social unit.

Economic performance was then the source of the legitimacy of the Communist governments. Failures of economy were bound to de-legitimate their authority, especially if the rulers claimed to be infallible and continuously argued that their subjects were happy and loyal. Further, if the economy was overcentralized, the crisis was unavoidable, leading to an almost permanent rationality crisis and, at least in Poland, to a legitimation crisis.
Such a state of affairs tends to be aggravated by the consumeristic syndrome. If we accept the argument of Marx and his followers that material conditions shape consciousness and subsequent demands, then we may conclude that a continuous focus on material consumption is the result of a successful program of rapidly increasing consumption of a previously impoverished population. There is here a contradiction inherent in the program of Eastern European Communist parties which promised a rapid increase of individual consumption and focused their plans on heavy industry. Given the rapid increase of employment and the initial poverty of the population, both programmatic tasks which the rulers imposed on themselves could be successfully fulfilled. But, beginning in the mid fifties, they became what Habermas refers to as contradictory steering imperatives leading to rationality crisis and, eventually, to legitimation crises.

The way out of these difficulties was obviously to begin by decreasing the focus on heavy industry. But, to avoid the problem of a permanent legitimacy crisis rooted in self-imposed responsibility for the economy, the ruling elite needed to delegate that responsibility. This has been the function of decentralization, that is of a setting in which direct producers assume responsibility for economic failures. This has been the case of Yugoslavia.
The case of Yugoslavia represents an illustration of our general thesis concerning the sources of legitimacy of Communist governments. There are two key elements which constitute these sources and which were present in the pre-World War II Yugoslavia: a political structure which was incapable of efficient functioning due to endemic crises generated by inter-ethnic struggle, and economic problems which were insolvable within the existing socio-political system.

There are two key points which need to be emphasized at the beginning of this section. One is that Yugoslavia emerged as one of the results of World War I, and more specifically as a result of the fall of two empires: the Austro-Hungarian and Turkish. This statement must be complemented by emphasizing that the gradual decay of the Turkish empire and resulting territorial losses preceded World War I. That fact had a significant impact on some of the territories which later became parts of Yugoslavia. Serbia was granted autonomy by Turkey in 1833, and in 1867 the Turkish army left its territory. The final chapter of the Serbian struggle for total independence from Turkey was written in 1878 by the Berlin Congress during which Turkey granted Serbia a full independence. She also withdrew her army from Bosnia and Hercegovina which were then
occupied by Austro-Hungary.

It is important to bear in mind that until 1918 Serbia and Montenegro were the only parts of the future Yugoslavia which were independent during the times when the idea of the state of South Slavs (or the state of Serbs, Croats and Slovenes) was developing. Both Croatia and Slovenia were parts of the Austro-Hungarian monarchy from its beginnings. Bosnia and Herzegovina were parts of the Turkish empire from 1463, occupied by Austrian troops in 1878, and annexed by Austro-Hungary in 1908. Finally, Macedonia, which was also under Turkish domination, was given to Bulgaria by the treaty of San Stefano in 1878, returned to Turkey by the Berlin Congress the same year, taken by Bulgaria as the result of the First Balkan War (1912-1913), and divided between Greece and Serbia as the consequence of the Second Balkan War (1913). However, only after the Communist ascent to power were Macedonians recognized as a separate ethnic unit and consequently granted the status of a nation and a republic of their own.¹

The second point refers to the political scene in post World War I Yugoslavia, and can be fully understood only in the context of the first. The idea of Yugoslavia, that is the idea of the state of South Slavs, became fully developed at the time when the idea of an ethnically homogeneous nation-state prevailed in the rest of Europe. There existed,

¹The terms "nation" and "nationality" in modern Yugoslavia are used only to denote a legal status of a given ethnic unit; in the case of a nation its majority lives within the borders of Yugoslavia; hence it has the right to a republic within the federation.
therefore, a tension between the concept of a nation and the idea of a state in the very notion of Yugoslavia. Moreover, the XIXth century is also the period in which modern political parties developed. These parties have been, by and large, class based. The territories of the future Yugoslavia were no exception. It further follows that the political parties which developed there were operating within the framework of ethnic borders simply because at that time those were the borders of either separate states or separate provinces of the Austro-Hungarian monarchy. On the other hand, this was the state of affairs which Yugoslavia inherited in 1918 and which changed only slightly between 1918 and 1941. Hence political parties in Yugoslavia before World War II were both class and ethnic based, the only two exceptions being Communists and the Democratic Party.

In addition to political parties Yugoslavia also inherited from the past history of her territories differential aspirations to independence and autonomy. As we have indicated both Montenegro and Serbia were independent when World War I broke out. The first was, in fact, independent until the Austrian occupation which took place between 1915 and 1918, although a part of today's Montenegro was controlled by Turkey, and its coast by Venice. Serbia fought for her independence and finally won it. As a result, she possessed a strong army which strengthened Serbian ambitions to become the "Balkan Piedmont", and which constituted a significant factor in uniting South Slav territories into Yugoslavia in 1918.
That military and/or warrior tradition did not characterize Slovenia and Croatia. However, they still had aspirations toward some forms of political independence and/or cultural autonomy. But, those aspirations were determined inter alia by the fact that Slovenia and Croatia belonged to two different parts of the Austro-Hungarian empire: Croatia belonged to the kingdom of Hungary, while Slovenia belonged to Austria. As the result, they were subject to different policies in regard to territorial and cultural autonomy, especially after the 1867 constitution which established the Dual Monarchy. The national policy of Hungary emphasized gradual magyarization of the culture and civil services in its domain. That generated resistance on the part of Croatian nobility, especially those with small landholdings. Since its participation in local politics, including being represented in Croatian Diet was minimal, it began to sympathize with the calls for a Croatian Nation-State. On the other hand, Austrian policy emphasized loyalty to the crown (known as legalism), in conjunction with some local self-government, including diets in three major parts of Slovenia - Caryntia, Craniola and Styria, and rights to the development of the local culture and language. The result was predomination of regional rather than national consciousness.

Differential political development which characterized

1 Croatian nobles voluntarily joined Hungarian kingdom in 1102. In 1526, after the death of king Lajos II in the battle of Mohacz, Habsburgs successfully claimed the Hungarian crown. Territories of today's Slovenia became parts of the Holy Roman Empire in the Xth century. The local nobility quickly assimilated into German culture.
various parts of Yugoslavia had yet another impact on the
country which emerged after 1918. Serbia and Montenegro
had strong military traditions, and their nationals domi-
nated the army. Slovenia and Croatia, as parts of the Austro-
Hungarian empire, had strong grounding in civil service and
that too was reflected in the composition of the civil ser-
vice in independent Yugoslavia. Thus once the conflict be-
tween the army and the civil service appeared, it was also
an inter-ethnic conflict. That too added to the overall
explosiveness of the political scene in post-1918 Yugoslavia.

The story of Yugoslavia between 1918 and 1941 is a
history of futile attempts to deal with the political-
nationalistic mixture which by and large was extremely
explosive. The fact that the ruling dynasty was Serbian,
and that the king relied on (Serbian) generals and on the
leader of the Serbian Radical Party Nikola Pašić as advisors
made things even more difficult. Between 1918 and 1923
Yugoslavia was a constitutional monarchy - the Kingdom of
Serbs, Croats and Sloveness, with Alexander I Karadjordjević
as the King. Initially the consecutive governments were
dominated by the Radical Party, however in 1926 the king
succeeded in forming a coalition which included the Croatian
Peasant Party led by Stjepan Radić. That coalition fell
apart the same year and the Croatian Peasant Party became
the major opposition party - vis a vis Serbian dominated
governments. Unable to deal with growing political chaos
Alexander I took advantage of the assassination of Radić
during a session of the parliament by a Montenegrin deputy
and staged coup d'etat. Political parties were dissolved, and the country became the Kingdom of Yugoslavia. It was then divided into 9 regions called banovine.

The coup and banovine constituted a desparate attempt to cut through the Gordian knot of inter-ethnic competition and clashes. Ethnic interests and demands could not, however, be simply legislated or even ordered out of existence. Moreover, the king, frustrated by political parties, began to rely on the army - which was controlled by Serbs. That, in turn, frustrated Croats. Some of them turned to the ultra-nationalism of the XIX century National Party which postulated the restauration of Croatia in her historical borders (including Bosnia and Hercegovina), and the hegemony of Croatian language and culture. The extremists in that movement formed a terrorist group - Ustashi, which assassinated the king in 1934. However, the long term plan of the entire movement was the solution of the problems of minorities in Croatia, needless to say following her independence. Implementation of those plans took place in the "Independent State of Croatia", which was created by German and Italian conquerors in 1941 and ruled by Ustashi, in a form of the slaughter of Serbs, and also of Jews and Gypsies.

The governments which followed the assassination of King Alexander I still attempted to deal with nationality problems. They did enjoy some success. For example Milan Stojadinović formed in 1937 a new party - the Yugoslav Radical Union, which included the Slovenian People's Party led by Anton Korošec which was predominantly peasant and
conservative Catholic, and members of the Yugoslav Muslim community led by Mehmed Spaho. However, the Croatian Peasant Party stayed away from it because of its neglect of their demands for the autonomy for Croatia. Only after the lands of Croatia were united into a single banovina did its leader, Vladimir Maček, join the government. However, at that point the new banovina did not satisfy the aspirations of quite a number of Croats who were turning toward Ustashi and their extremism.

The fragile coalition led by Stojadinović and Maček fell apart after the German-Italian invasion in 1941. In fact the entire political spectrum of Yugoslavia exploded into a set of hostile "Home Guards" supported by local politicians and clergy. In addition, the country was dismembered among Germany, Italy, Hungary and Bulgaria. Pre-war political struggle degenerated into inter-ethnic slaughters.

The politics of the pre-World War II Yugoslavia, if only due to its chaos and preoccupation with national problems, managed to conceal endemic economic problems. Pre-War Yugoslavia was predominantly a peasant country, dominated by small holdings. Primitive methods of cultivation led to the progressive pauperization of the peasantry. Tomasevich (1955) describes incredible impoverishment of most of the peasants in Croatia and Serbia before the World War II. Winner (1971) points out that successive divisions of land among consecutive generations of Slovenian peasantry led to progressive impoverishment, resulting in
emigration, both to the urban areas of Slovenia with their budding industry, and abroad.

In addition, Yugoslav industry was almost completely dependent on foreign capital and operated within a framework which can be denoted as semi-colonialism. Yugoslavia was the exporter of raw material and primary goods. Expansion of industry was merely reinforcing that state of affairs, and thus suited mainly the needs of foreign capital. Local sources of capital were minimal, and hence locally directed industrialization which could have moved the country out the status of the producer of raw material for foreign processing plants was impossible. On the other hand, there was a surplus population available in the countryside which could be put to work in the expanding industry, if the capital and machinery were to be made available. It follows, therefore, that Yugoslavia fits very well into the framework outlined by Barrington Moore.

The foreign occupation during the World War II led to a fratricidal struggle which completely destroyed the remains of old authorities. This paved the way for Tito and his partisans. They fought only against foreign occupiers, and defended the local population from all persecutors. After the war they emerged as the leading political force in Yugoslavia. They also came with the program of economic and social reforms aimed at moving Yugoslavia out of the poverty and economic underdevelopment, and with the means to realize it. These were the sources of the initial legitimacy of Communist rule. The fact of
preserving that program vis a vis Stalin's threats and the
economic blockade imposed by the USSR and its satelites
reinforced that legitimacy.

SECTION 6

EXCURSUS ON TITO
(SOCIAL SOURCES OF A CHARISMATIC AUTHORITY)

A discussion of the legitimacy of the ruling group in
Yugoslavia would be incomplete without considering the role
of Tito. Until his death in 1980 he was the supreme leader
of the country, a venerated, charismatic figure that stood
above the inter-ethnic bickering. Further, social, economic and political crises in Yugoslavia did not affect his
prestige or charisma.

For our purposes the case of Tito may serve as an ill-
ustration of a general thesis concerning societal sources
of authority - in this case a charismatic authority. We
may begin with suggesting that a number of Yugoslav intel-
lectuals perceive him as a person who appeared on the scene
in a conjunction of history which called for such a personal-
ity.

Tito's biographer, Vladimir Dedijer, is perhaps the
best example of such an attitude. He emphasizes Tito's
apparent ability to sense an appropriate moment at which
historical decisions need to be made. This he sees it in
conjunction with Tito's organic attachment to Yugoslav
working class and his continuous focus on its interests.

1Tito's roots are indeed typical of Yugoslav workers: he
came from a peasant family and became a worker simply be-
cause he could not support himself in his small village.
One may see it, for example, in Dedijer's account of the conference of the city committee of the Communist Party of Yugoslavia in Zagreb, in 1927, where Tito strongly supported workers' criticism of an interfaction struggle within the party (the participants were mostly intellectuals), and as the result of it he became the secretary of the Zagreb party organization (Dedijer, 1963: 200-206).

In the later section of the same book Dedijer describes a key development which took place in Moscow: the party was decimated by mass arrests which took place in the late twenties (Tito himself spent five years in jail). Its leadership was isolated from its members and stayed abroad. Following his release from jail Tito went abroad and finally found himself in Moscow. However, in Moscow he decided that the place of the leadership of the Communist Party of Yugoslavia was in Yugoslavia, not abroad. As a consequence he asked for, and was granted, the permission to return in 1936 (Ibid. 315). Subsequently he reorganized the party and became its General Secretary.

There is an overall emphasis on Tito's independence from Stalin and from the Komintern which is seen as one of the reasons behind his ability to undertake the tasks which served the historical interests in Yugoslavia. This is seen, for example, by Vranicki who writes:

It was decisive for the entire...development of Yugoslavia that an independent personality was found (which was) devoted to the workers' movement and which from the year 1937 was dealing with our situation not according to Stalinist routines, but on the basis of extraordinary insights into the historical possibilities of that time (1979: 296).
There is in those accounts an emphasis on Tito's sense of historical necessity, or, to put it more strongly, on his sense of the Zeitgeist. Perhaps a similar way of looking at his role in the history of Yugoslavia is the statement of a Slovenian intellectual (by no means uncritical of Tito), who said to me: "The Old Man doesn't say anything profound, but says it at the most appropriate moment".

With this we are at the socio-historical roots of charisma. As we have indicated in the first chapter of this dissertation, Weber, in his discussion of the charismatic authority, suggests that a charismatic leader is most likely to emerge during a period of social turmoil, and, in general, out of extraordinary circumstances. Further, his leadership must result in an improvement of the standard of living of his followers. Both of these conditions were fulfilled in the case of Tito.

Obviously Weberian analysis of socio-historical sources of a charismatic authority and explanations of the sources of Tito's authority in terms of his grasp of the essence of history are complementary. The key to understanding his position in Yugoslav history is precisely the perception, on the part of his followers, of his ability to make the key decisions at the appropriate juncture of historical events. Also, the result of those decisions was, eventually, the improvement of the economic situation of Yugoslavia as well as the growth of its prestige.

A corollary follows: once established, Tito's personal authority strengthened the authority of his co-
workers and enhanced the legitimacy of the socio-political structure of Yugoslavia.

The reader may notice that our previous discussion of the sources of the legitimacy of Communist regimes in Eastern Europe suggests that the situation which was conducive to the emergence of legitimate, or at least pre-legitimate, Communist rule could be also seen as being conducive to establishing top Communist leaders as charismatic authorities. This indeed might have been the case. But most of the leaders who emerged in that region after the World War II eventually lost their charisma. A partial explanation could lie in the chain reaction which followed Stalin's death and Khrushchev's secret speech. But, there are other causes.

If we go back to Weber's arguments, we may notice that erroneous decisions which affect followers' well-being may erode a leaders' legitimacy - if only by challenging his claim to the link with the Zeitgeist. In a complex, ostentatiously rational-legal and highly centralized system, the cause of its malfunctions is very likely to be seen in the erroneous decisions of its top leaders. This is a permanent threat which increases the overall fragility of such systems. A temporary way out of this difficulty appears to be blaming the misfortunes on outside or inside enemies. A better way, however, is to protect the leader's charisma by minimizing the probability of erroneous decisions.

\[1\] Here we could see societal sources of the "cult of the individual".
This can be achieved by removing him from day-to-day decision-making, and from a setting where virtually everything which takes place in the society could be easily seen as the result of his decisions. The system of self-management, abandonment of centralized mandatory planning and the overall decentralization accomplish precisely such a goal. This is the case in Yugoslavia where decentralization facilitated the process of the perpetuation of Tito's charismatic authority.

A parallel argument can be provided by looking at the way Tito has been portrayed through the categories which Znaniecki suggested in his book *The Social Role of The Man of Knowledge*. Znaniecki makes a distinction between a sage - who relies on his life-experience, and a scholar - who controls a system of knowledge. The latter can be proved wrong, that is, his propositions can be falsified. This does not apply to experience which belongs exclusively to an ontological category; (i.e. one may argue as to whether or not it took place, but one cannot talk about a true or false experience). The portrait of Tito in Yugoslav writings is one of a person whose life-experience (in conjunction with his sense of history and ties to the working class) contributed to the success of the party and the country. This is, therefore, a characteristic of a sage. We may compare this to Stalin who was portrayed as a scholar - albeit an infallible one, which, if we are to follow the modern philosophy of science, constitutes a *contradictio*
Such an image was facilitated by the fact that Tito removed himself from daily politics and limited himself to crisis intervention. The latter was justified by his emphasis on the unity of Yugoslavia and the well being of its citizens.²

We are, therefore, in a position to conclude that the case of Tito constitutes an illustration of a thesis tracing the sources of a charismatic authority to the initial social conditions and subsequent mechanisms which maintains it.

CONCLUSION

We may begin the conclusion of this chapter by emphasizing the dynamic aspect of our definition: legitimacy is very likely to evolve, beginning with intentional support, and subsequently shifting either to diffuse supports or to quiescence. The emergence of legitimate Communist governments fits this pattern. The sources of their initial legitimacy are rooted in the socio-economic conditions we have discussed above. Hence their legitimacy is contingent upon satisfaction of the basic demands and aspir-

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¹Tito has never been portrayed as a philosopher or a party theoretician. He did, in fact, display a willingness to seek solutions to economic and political problems outside of the boundaries of the Communist dogma. The subsequent explanation of those solutions in terms of the official socialist theory was left to Edvard Kardelj who occupied a position of the official party theoretician until his death in 1979.

²Those two elements may be seen as key components of the doctrine which defines the key features of Yugoslav socialism. It has been often denoted as Titoism. Its other components are: self-management in economy and territorial administration, respect for the ethnic diversity which characterizes Yugoslavia, non-alignment in the foreign policy, and socialism as the goal of the economic and political development of the country.
ations of the population they rule.

Given the trend toward totalitarian control, which is rooted at least in the Stalinist version of that doctrine, the shift toward quiescence is very likely to occur. The results are very likely to lead to disturbances, once the power of the central leadership is eroded. The inherent fragility of the system is enhanced by its centralization, and by the fact that the maintenance of a certain standard of living constitutes one of the boundary conditions ensuring the legitimacy of its leaders.\footnote{For example, the origins of the discontent among Polish workers which resulted in the 1956 explosion are traced by some analysts to the shortages of consumer goods which began in 1953, after Poland, following Stalin's pressure, had tripled her military budget.} Under such conditions the central leadership is very likely to be blamed for any malfunctions of the system.

On the other hand, a shift from intentional support to diffuse supports renders the system less fragile, and hence its legitimacy as well as the legitimacy of its leaders is easier to maintain. Such supports are linked with consumerism, which constitutes the major grass-root ideology. Such a state of affairs does not guarantee that the rulers will not be faced with the problem of dealing with contradictory demands rooted in the economy. Their legitimacy is, in fact, still related to the maintenance of a certain standard of consumption, and may be eroded by economic crises.

The initial legitimacy of Communist governments had its roots in what we have denoted as an "elective affinity" between the programmatic imperatives inherent in their
ideology on the one hand, and wishes and the interests of the population on the other. The latter had their source in social and economic conditions which can be summarized as follows: collapsing peasant economy, overpopulated villages and limited possibilities of employment outside of them, and finally lack of viable middle classes and, in general, a lack of social forces within the traditional political establishment which could be willing as well as able to implement the necessary economic, political and social reforms. Under such circumstances the program of a rapid, labor-intensive industrialization - i.e. one rooted in Lenin's adaptation of Marx to conditions of Russia, was bound to generate popular support.

However, such a program has also generated consumeristic aspirations which ultimately were not satisfiable by an economy primarily oriented toward producing means of production. Hence a shift toward producing more consumer goods was necessary to maintain legitimacy. That shift coincided with growing emphasis on wages on the part of workers, and with their increasingly apolitical concept of socialism. In this way the support for the ruling group became more and more diffused.

The decentralization of the economy and expansion of the self-managerial rights of the workers accompanied by focusing those rights on the issue of wages also contributed to the overall diffuseness of support for Tito and his colleagues. At the same time the mechanism of self-management increased the gap between problems of legitimacy
and rationality. Its ultimate effect was to decrease rulers' responsibility for failures of the economy.
CHAPTER II

SOURCES OF YUGOSLAV SELF-MANAGEMENT
AND
DIRECTIONS OF ITS DEVELOPMENT

This chapter will focus on the sources of Yugoslavia's shift toward the form of legitimacy which we have previously denoted as "diffuse supports". We will emphasize the congruity between the program of the Communist rulers of Yugoslavia and policies which have been implementing it consistently on the one hand, and the wishes and aspirations of the population on the other.

The key factor in our discussion will be income. We will argue that workers' control over income allocation has been the goal of the expanding self-management in Yugoslavia. At the same time, this goal has been consistent with the preferences of Yugoslav population, especially of workers. The causes of such a state of affairs can be traced to the overall situation of the Yugoslav population following the World War II. This situation can be seen as an illustration of the thesis concerning the sources of legitimacy of Communist governments which we have formulated in the first chapter.

The focus on income needs to be seen as an indicator of a more general syndrome which in Yugoslavia has been denoted as "consumerism". As we have indicated in our dis-
cussion of Habermas theses, focusing on consumption and leisure facilitates the overall de-politicization of the masses. This is the major variable underlying the dimension of diffuse supports.

The reader should also keep in mind the two conditions which, as we have indicated, underlie any form of legitimacy. Our discussion will point out that in the case of Yugoslavia both of them have been observed.

In order to emphasize the specificity of the Yugoslav formula and its consequences, we will begin this chapter with a brief discussion of Western European experiments with self-management.

PART I

SELF-MANAGEMENT IN WESTERN EUROPE

While Yugoslav experiment with self-management is perhaps the best known, it is not the only one, nor is it the only in which this principle is implemented. Other experiments attempt to use this principle for a variety of purposes, both pragmatic, for instance to improve the productivity of labor, and ideological, seeing in self-management, as, for example, Pateman (1970) does, a higher form of democracy.

As far as the Western experience is concerned, both the calls for workers' control and their subsequent implementation were, at least to some extent, the result of the fact that the widespread practice of scientific manage-
ment had been increasingly obsolete and annoying vis a vis the labor force, which was quite well educated, well trained, and whose standard of living and aspirations transcended those poor European peasants who were the object of the first experiments with the scientific management conducted by Taylor in the United States at the end of the XIXth century. This applies especially to Sweden and West Germany, which after World War II experienced an uninterrupted period of prosperity that lasted through the seventies. Moreover, in these countries the ruling social-democratic parties were open to a variety of experiments with the democratization of work for both ideological and pragmatic reasons. In neither case, however, were the existing property relations threatened. Rather, those experiments might have been conceived of as an extension of the Welfare Capitalism. At the same time, both countries enjoyed full employment. Finally, their skilled industrial labor was supplemented by Gastarbeiter who were doing all the work the native labor force did not want. (That last phenomenon allowed Yugoslavia to export her unemployment).

The overall level of skills and education may be one of the factors explaining the difference in approaching the problem of self-management and workers' control which characterize Western Europe and Yugoslavia respectively. A second factor is the structure of ownership. Yet another one, perhaps somewhat neglected by the literature on the subject, is the decreasing share of individual and family owned enterprises in the private sector of the economy and,
mutatis mutandis, the increasing share belonging to joint stock and/or multinational corporations. This, as many writers have noticed for example Dahrendorf (1972), altered the characteristics of the key social cleavages and hence nature of classes and class conflict from that between owners and workers to one between workers and management. Also, that conflict was institutionalized through the emergence of strong trade unions and employers' organizations, negotiating boards and committees consisting of representatives of both sides and the increasing role of the state in the process of negotiations.

This has led to the pattern of collaboration between employers and the unions. That pattern was based on what Horvat sees as two general principles of collaboration:¹

a) unions will restrict their activities to industrial conflict and avoid political confrontations;

b) management prerogatives cannot be subject to collective bargaining.

The subject of bargaining was, therefore, to be wages and work conditions. But, after the World War II the challenges to the second principle began to mount. The demands included the challenges to managerial exclusive prerogatives over hiring and firing, allocation of tasks in the work place (with implicit attack on the entire practice of scientific management), and finally the demand to participate in the planning and policy making of companies and enterprises. There is a parallel development involving a variety of profit sharing schemes. (Ibid.)

¹Horvat, 1979: 63.
The Swedish version of industrial democracy initially focused on the development a reliable collective bargaining scheme. This has been accomplished through a well organized and highly centralized organization of employers and an equally well organized and centralized trade union federation. Thus the major bargaining takes place between the top levels of the respective organizations. Major conflicts may be referred to the Labor Market Council, which consists of three representatives of labor and three representatives of management. While its findings are not binding, it is very likely to be listened to precisely because it represents both power blocks. Also, both organizations have a joint research bureau and further necessary data are available from national research bureaus. (List, 1973: 168-169). There are, to be sure, local trade unions which usually negotiate such items as local piece rates, grievances, educational and recreational programs. (Ibid. 173.)

There are several possible criticisms of this system. For one, given its centralized and highly technical nature, it minimizes the possibility of rank and file and workers to influence the bargaining. A more radical critique is provided by Karlsson (1973). According to him Swedish developments in industrial democracy not only did not move Swedish society closer to the ideal of Socialist society - apparently espoused by the Social Democratic party which was ruling Sweden when the reforms were enacted and implemented, but it reinforced a tendency toward and in-
creasing centralization of capital and increased the inequalities in work and in the social structure - both tendencies being characteristic for Capitalism.

Karlsson's reasoning can be summarized as follows: the basic societal division, that between the rulers and the ruled, has not been altered in Sweden. This division connotes differences in incomes, working conditions, statuses and human dignity. The economy still focuses on the goal of maximum production, regardless of what is being produced and under what conditions. That goal is accepted by business as well as by labor representatives. The latter, as they progress in the union hierarchy are co-opted into the pattern of reasoning controlled by the rationale dominated by bourgeois economic theories. To be sure, there is a price for that co-opting, namely substantial concessions to labor. However that as well as the key governmental take overs, for example of education, health, roads, railways, etc., helped to create a long industrial peace which has been valuable for the owners and managers.

Progressive taxation, while steep, has its limits defined by the possibility of an "investment strike" and by price increases.

The growing centralization has also been accompanied by an increasing automation resulting in an increasing feeling of alienation among workers. That feeling has also been reinforced by the hierarchical structure of companies and by their reliance on scientific management techniques, including time and motion studies, the extreme
division of labor and systematic job evaluation. The latter has, furthermore, the effect of increasing the wage and status gap between the workers and the managerial - technical cadre.

All of these factors, according to Karlsson, created a sense of militancy among younger workers in local unions. That was reflected in a series of wild cat strikes in the early seventies, and in calls for workers' management. There is evidence that those calls were listened to.

The seventies have observed what Horvat (op. cit.: 63) sees as the erosion of managerial rights. A 1976 government decision made such variables as the management and the structure of a company, the supervision of work, equipment, working hours, environment, etc., all negotiable. Both the trade unions and the employers association began to call for measures to increase job satisfaction. The emphasis was on employees' participation in decision-making, specifically in such issues as forms of payment, forms of group organization, daily work, supervision, and influence over administration and planning (Dahlstrom, 1979: 40-41). There also was an emphasis on creating a better working environment based on cooperation between workers and managers. As a result, rank and file workers were given access to time and motion studies and, in general, were provided with training in work rationalization techniques (Ibid.: 42). Of course the recent introduction of work groups in the Volvo and Saab car factories constitutes another move toward at least some alteration of the managerial structure in
work places in Sweden.

Swedish reforms appear, therefore, to focus on two levels: maintaining industrial peace through a highly centralized bargaining structure and, more recently, granting workers at the local level control over their work place. It is necessary to point out that these processes have been taking place against background of highly concentrated ownership of the means of production, an overall high standard of living, and a highly skilled labor force.

The West German experience has been focusing on the principle of mitbestimmung or co-decisionmaking. Characteristically enough, it was institutionalized from the beginning only at the level of a plant and an enterprise. According to the statement of the West German Trade Union Federation "...The reason for this is that, after the Second World War, the trade unions succeeded in obtaining extensive concessions for the workers in these sectors." (1973: 197.) Co-determination beyond that level has been one of the goals of the trade unions, but so far it has not been achieved. Also, coordination among enterprises, and especially among corporations is minimal. In other words, a united bargaining or decision-making system similar to Sweden is still only a dream. Further, influence on economic policy at the federal level, on parliament or government agencies, is excercised only through personalities who share the views espoused by the trade unions. (Ibid.: 207).

We may speculate at this point that both achievements
of trade unions in Germany and the limits to those achievements are to a large extent a result of the historical circumstances which, needless to say, were far more stormy than those of Sweden. The strong reformist streak in the union movement and its association with the Social Democratic party go back to Lassalle, although that association was not always harmonious. The demand for co-determination raised after the war was successful because, as the already quoted statement of the West German Trade Union Federation points out...

In those days no one was prepared to dispute their right, as one of the groups bearing no share in the guilt for proceeding events, to speak for the whole people. When at that time they raised the demand for co-determination, they had the support of leading politicians of all parties. (Ibid.: 206).

On the other hand, given the post war poverty, the main issues on which the grass root union members focused were quite naturally those of wages at the factory level and other more "materialistic" issues affecting their immediate economic situation. The ruling Christian Democrats were also unlikely to accommodate demands for co-determination beyond the enterprise level. Those demands were more likely to find sympathizers at the federal level with the ascendance to power of the Social-Democratic Party. However, while the rights of co-determination at the level of enterprise and at the level of workshop were quite significantly expanded by the 1974 legislature, the demands of trade unions for the introduction of mechanisms of co-determination beyond the level of an enterprise were not realized.
The principles of co-determination are based on an assumption that the exercise of any authority connotes a respect for and responsibility vis a vis those who are subject to it. Thus the subordinate group has the right to information concerning the decisions that affect their fate as well as to form and express independent opinions on such decisions and developments. This is the logic of democracy in the political system which has been accepted in Western European societies, including Germany. Co-determination, therefore, constitutes a logical extension of the principles of liberal democracy into economy. Further, co-determination is conceivable only in the free enterprise system, since in a controlled economy decision-making by the central authorities leaves little room for co-determination at the workshop or enterprise level (Ibid.: 195-196).

The task of co-determination is to ensure that management will exercise its authority with a sense of responsibility vis a vis those who are affected by its decisions. It accepts the rights of owners and managers over the means of production, but it asserts that those rights are not synonymous with mastery over men. It therefore treats workers and managers as equal partners whose goal is to secure the well being of an enterprise. This implies an equal regard for the business problems of the enterprise and for the social problems of the workers, and similarly acceptance of the authority structure in an enterprise while
guarding against its arbitrary use.

A typical German joint stock company has three levels of decision-making: the annual shareholders meeting, which is the supreme governing body and which meets once a year; a Board of Supervision, which is a control and supervisory body and which meets three to four times a year; and the Board of Management, which controls the day-to-day business of the company, its specific role and tasks being defined by the company law. The Board of Supervision is elected by the shareholders meeting, which also makes decisions concerning the general policies of the company, for example, raising new capital, ways of rising new capital, or closing down the enterprise. The Board of Supervisors appoints the Board of Management, controls it and excercises influence over its most important decisions.

The rules which applied to those bodies were changed in 1974. Before that year workers held 1/2 of the seats on Boards of Supervision in the coal and steel industries, and 1/3 of the seats in other industries. In coal and steel two workers' representatives - one blue collar and one white collar worker, were elected by shop stewards out of those actually employed in an enterprise. The other three were representatives of trade unions but did not need to be employed in that enterprise, and, in practice, usually weren't.

Rules of co-determination also applied to the Board of Management. It consisted of three directors. One of them - responsible for personnel policies, was subject to
both approval and recall by the majority vote of all of the employees.

The reader may notice that such an arrangement was obviously susceptible to radical critiques emphasizing that not workers, but rather union bureaucracy was represented on the boards managing enterprises. The situation was similar at lower levels of enterprise hierarchy, namely at the level of a shop, or an office. There worker councils were introduced. And, what is more important, employers were not represented in those councils. Those councils had the right to consultation on personnel matters, for example transfers and discharges, and economic problems, especially when issues concerning employment were involved. But, the claim that those councils could be seen as independent representatives of the workers employed in an enterprise, needs to be balanced by the observation that 80% of the members of those councils belonged to the trade unions and regarded themselves as their trade union representatives. At the same time trade unions did not have their official representatives in the councils. Therefore, the unions arranged in most places for elections of shop stewards whose task was to work with worker councils, but mainly in order to promote specific aims of the unions.

The unions were aware of the inadequacies of that system of co-determination. Obviously the worker councils were unable to influence major decisions, e.g. about investments, automation, of the closing of plants, since those decisions were made on the highest levels of the
hierarchy of the enterprise. (Co-determination...: 202-203).

Also, 1/3 of the representation at those levels was not seen as sufficient. Some of their demands were satisfied by the 1974 legislation enacted by parliament which was controlled by the Social Democratic-Free Democratic coalition.

At the level of the enterprise, the participation of workers' representatives on the Boards of Supervision was expanded to 50% in all enterprises employing at least 2,000 people. The law also stipulated that the president of that board must be elected by a 2/3 majority; (before, he had to be elected unanimously) (Kavčič; op. cit.: 113.).

Finally, the law expanded the rights and duties of worker councils. They are to be elected for three years. They have the right to co-decide a variety of social issues, such as employment, work time, vacations, security, forms of payment and housing. They also have the right to be informed about the organization of work, labor power planning, the training of workers, the promotion and demotion of workers, hiring and firing (according to the law, a worker cannot be fired without consultation with the worker council). Finally, every enterprise which employs more than 100 people must set up a financial committee. It is selected by the worker council and its task is to consult with the employers about financial issues and to keep the worker council informed about them (Kavčič, op. cit. 118-119).

The criticisms of German co-determination are quite similar to the arguments used in regard to the Swedish
model of industrial democracy. The major critics come from the Socialist or Social-Democratic camp and focus on two issues: on the one hand the fact that this system does not constitute any progress toward socialism, which after all is the avowed goal of the Social Democratic Party and the trade unions which support it and cooperate with it; and on the other hand the fact that co-determination involves not the workers per se but rather the union hierarchy which tends to accept the points of view and rationales represented by management, including both the principle of private property and managerial prerogatives. Their position appears to suggest that the protection of workers rights against the abuse of authority and the extension of principles of democracy into the work place, mainly in a form of granting union representatives rights of being consulted and informed, facilitated the smooth functioning of the major institutions of the capitalist economy. These rights did not alter either property relations or the authority structure in the industry.

Schauer (1973), is an example of a critic who is highly sceptical about a possibility of industrial democracy as being implemented through the representative system of the trade union hierarchy. For him, those relations make workers dependent on the union hierarchy, in addition to their dependence upon the authority hierarchy of the enterprise. At the same time the workers' isolation from the information necessary for a realistic participation in
the affairs of the enterprise remains intact. While the delegates to the Boards of Supervision and also the members of the Joint Production Committees have rights to information, they are pledged to secrecy whenever that information is potentially useful for the competition. Thus important information is not available to the workers, and that which is available cannot be fully evaluated by them. From this perspective, therefore, co-determination constitutes a way of legitimizing the traditional authority structure of a capitalistic enterprise (Schauer, 1973: 212-213).

Obviously the problem of secrecy renders the term "delegates" something of a misnomer. The members of the boards are at the most workers' representatives, and their responsibility to the workers is minimal. Further, in practice not the workers, but rather the union hierarchy is being represented. Finally, the mode of representation leads to workers assuming co-responsibility for the capitalist mode of production. Socialist criticism sees it as wrong, since it arrests what otherwise would be the workers' interest in changing that mode or making it more rational. (Ibid. 215).

The unions then, in practice, have become organs mediating between workers and management. Moreover, the system of workers' representatives has itself become a bureaucracy and has been gradually integrating with the managerial hierarchy. One of the symptoms of such a state of affairs has been indicated by Dahrendorf: shop stewards are more likely
to assume managerial point of view as their contact with management increases (1972). Ultimately, as Schauer points out, individual workers must bargain not only with the management, but also with their own representatives (Schauer, ibid. 217).

Both Swedish and German experience appear, therefore, to illustrate a general argument of critical theorists concerning the possibility of depoliticizing labor-capital conflict under the conditions of mature capitalism. This takes us back to Habermas' arguments: Since the crisis tendencies characteristic of the capitalist economy have been intercepted by the state which, in systems such as the German or Swedish is supported by and connected with both workers' and employers' organizations, the crisis tendencies must affect these organizations and relations between them. To be sure, there is still room for compromise. For example, recent German decisions to send some Gastarbeiter back home were supported by all the major parties and unions. From this perspective, then, those forms of industrial democracy may indeed be seen as facilitating the functioning of the capitalist system. They do, however, operate smoothly in a climate of high consumption levels and what Habermas denoted as "civil privatism". A change in that state of affairs, especially in conjunction with a high level of education and skills of the labor force in both of those countries, could lead to more radical demands being placed on the existing structures of workers' participation. This
could generate a direct challenge to the structures of property and authority. The key critiques which the schemes we have discussed so far could generate from the Yugoslav perspective focus on two points: The representative rather than delegate nature of workers' decision-making, especially at the higher levels of the enterprise hierarchy; and the fact that the workers' decision-making power does not transcend the level of an enterprise in a situation in which the behavior of the enterprise, the conditions under which it works, and therefore the range of choices of policies available to it are strongly influenced by policy decisions reached at regional and national levels where workers' influence is very indirect and quite insignificant.

PART II

PATTERNS OF THE DEVELOPMENT OF SELF-MANAGEMENT IN YUGOSLAVIA

This part will outline the history of the workers councils in Yugoslavia. The underlying theme of this outline is the consistency with which Yugoslav rulers were keeping their major promise: the expansion of workers' control over their work, its conditions and its results. In fact, this expansion has been proclaimed by the statements of official theoreticians of Yugoslav version of Socialism as the ultimate cure for all social ills. The reader needs to bear in mind that the consistency in implementing its program is one of the major sources of the legitimacy of any regime, according to Ferrero.
Perhaps the major difference between Western European and Yugoslav concepts of self-management is the holistic approach inherent in the latter. It aims at integrating decisions about enterprises' policy and the fate of its profits. Further, its goal is to involve all workers in those decisions as directly as possible. Finally, its goal is to make sure that workers are in a position to decide not only the fate of their work, but also all of the circumstances which influence it and its products.

The focus on worker control is the result of both ideological commitments and a necessity to move away from the Soviet model. The latter was perceived as the only way to maintain the pattern of socialist development in the face of massive economic difficulties brought about by the break with the rest of the Soviet block and the resulting economic boycott.

The unofficial story of the beginning of self-management in Yugoslavia begins with a conversation between Djilas, Kardelj and Kidrič in a car in front of Djilas' villa. Subsequently the idea was presented to Tito (Djilas, 1969: 221-222). Djilas points out two characteristic objections to that idea. One was his own: "...is not this a way for us, Communists... to shift the responsibility for failures and difficulties onto the shoulders of the working class, or to compel the working class to take a share of such responsibilities from us?" (Ibid: 221).

The second, according to Djilas, was voiced by Tito: "...our workers are not ready for that yet." (Ibid: 222).
Both objections obviously reflect the mentality of the leaders who conceived of their role as that of guides of an unprepared working class to a proper way of building a socialist society. Indeed Communist doctrine emphasizes the dangers of spontaneity, beginning with Lenin's warning against the working class developing a "trade union consciousness" (rooted in their focus on improving their actual position) that is not seeing beyond the immediate necessities and not perceiving the structural causes of their situation. (Lenin 1976).

The official history of Yugoslav self-management traces its origins to ideas inherent in Marx' writings on the one hand, and to the praxis of the workers' movement on the other. The first attempt to implement such a principle is seen in the Paris Commune of 1871. For example Kristan comments on a decree of the Commune on April 16, 1871, following which workers took over the management of all factories which were abandoned by capitalists and also of those where work had been suspended:

> With this was taken the first historical step in the practical implementation of the predictions of the classics of Marxism, that socialized means of production must be taken under management by direct producers, or they will be, as Marx and Engels wrote a good twenty years before in the Communist Manifesto, taken over by proletariat which organizes itself as a ruling class. (1978: 19.)

The next event in the history of the development of self-management was the October Revolution of 1917. It took place under the slogan "All power in the Hands of the Soviets," and subsequently brought about a Decree About
Workers' Control which ordered the installation of workers' councils - elected by workers themselves, in all factories. We need to remember that this decree preceded nationalization of the means of production.

As far as Yugoslavia is concerned, the idea of self-management through workers' control is traced back to the National Liberation war of 1941-45. The first workers council was set up in an antimony foundry in Krupnj in Serbia on September 5th 1941.

After the war workers' councils began to appear all over Yugoslavia. The first official act formalizing the emergence of workers' councils was the Instruction On the Establishment And Work of Workers' Councils on 23rd of December 1949. At that point 200 enterprises in Yugoslavia were chosen for the purpose of an experimental establishment of workers' councils. However that number more than doubled in about half a year (Kristan. Ibid: 24.)

It is important to emphasize that at that point the councils were only consultative bodies. Further, as we have pointed out, Yugoslavia suffered from massive economic difficulties, including that almost total reduction of imports and exports to the Eastern block which had constitutes 56% of all of the Yugoslav imports. (Dubey, 1975: 28). This information needs to be seen in conjunction with the fact that Yugoslav emphasis on industrialization obviously demanded imports of both raw materials and machinery. Since at that point the Soviet model and leadership were accepted uncritically, so were Soviet machinery and know-how.
how. Both were lost following the break with the Cominform. Moreover, that break automatically necessitated an increased emphasis on defense expenditures, which tripled between 1947 and 1952, reaching 20% of the national product by 1952 (Ibid.).

Djilas (op. cit.) as well as Dedijer (1971) point out that at that time the party already constituted a rigid bureauocratic structure suppressing all the creative and innovative forces in the economy. Both also emphasize that this fact was recognized by the party leaders. Granting workers broader rights was then the only way to mobilize them in order to save the economy.

The subsequent reforms of the self-management system in the Yugoslav economy focus on the expansion of the rights and formal decision-making power of the workers' councils and their executive organs. Also, a specific focus on increased workers' control over the distribution of their income became one of the major, if not the major aspect of subsequent changes. Let us briefly outline these changes. We will follow here several sources available in English, notably Denitch (1976), Rusinow (1977), and Baumgartner et al. (1979), as well as Kristan (Op. cit.), and Kavčić (1976).

The first workers' councils were mainly consultative organs in charge of advising the enterprise director who was also the representative of the state. At that point the status of the state was that of the owner and manager.
Kavčič describes the status of the councils as follows:

Whenever decisions of a workers' council were consistent with the point of view of the director, they were quickly implemented, if the opinions parted, workers' council or the collective did not have the last word. (Op. cit.: 13.)

Subsequent changes led not only to the expansion of the power of workers' councils, but also to an extension of the principle of self-management to other elements of the societal organization, including the Communist Party, which in 1952 became the League of Yugoslav Communists. However, decentralization of the party never assumed a form comparable to what happened to the economy.

Thus, beginning in 1952 the decision-making role of the state in the economy began to decrease. In that year the status of the workers' councils was changed to one of trustees of the fixed capital provided to an enterprise by the state, and they were granted control over the enterprises as well. There was a corresponding reform of planning: mandatory quotas were abolished and replaced with "fixed proportions" in which the central authorities were left with the right to determine and allocate investments, albeit in broad categories only, while enterprises were granted major decision-making rights concerning the quality and quantity of output as well as prices. Finally, while the right to appoint the director remained with the state, it was delegated to local authorities, i.e. to the commune, and then, in 1952, to a group which consisted of the representatives of the workers' councils and the commune (Baumgartner et al. op. cit. 82).
The subsequent changes more or less followed the initial direction. They included a change in the legal ownership of the means of production from state to "social"; in other words workers manage a part of socially owned capital; an increase in reliance on the market; an increase in the portion of the income which the enterprise had at its disposal; and finally an increase in the decision-making power of workers' councils. As far as workers' councils are concerned, two additional measures aimed at increasing their efficiency were enacted. One was an amendment allowing the councils to elect one or more specialized executive boards, so that the councils would not be overworked. Second was legislation specifying a mandatory percentage of workers in workers' council, given the tendency to elect members of the management to the workers' councils and their executive boards. That tendency was finally done away with by the 1976 Law of Associated Labor.

Since the data we will be using apply to Yugoslav industry following the 1972-1976 reforms, we will outline the structure of decision-making in Yugoslav enterprises which has emerged as the result of those reforms.

Beginning with the 1963 Constitution a work organization was designated as the decision-making economic unit. The 1976 law defined it further as a Basic Organization of Associated Labor (ECAL). According to the 36th Article of Constitution of the SFRY, a ECAL can be organized if the following conditions are fulfilled:
1. The part of the entire work organization must constitute a closed unit, that is its work process must be complete, so that it results in a finished work or service.

2. The product of that complete process of production must be independently expressed as a value (that is have its price), either in the framework of the work organization, or on the market.

3. The part of the work organization which becomes a BOAL must be sufficiently strong economically, and must have a necessary number of workers so that they can take advantage of their self-managerial rights. (Kristan, op. cit. 87)

The ideal of a BOAL as well as the raison d'etre for its formation is the direct decision-making by workers about virtually everything which involves their work, including prices, wages and production profile. To ensure that only workers make those decisions the law not only explicitly allocates them to workers, but simultaneously forbids the election of members of the management to workers' councils or their executive bodies. This assures workers the sole decision-making power. For example, in regard to the director of the enterprise, or its part organized as a BOAL, the 1976 Associated Labour Act says that he/she "...shall have a right and duty to take part in the work of the basic organizations' workers' council without any decision-making rights" (1977: 320-321).

As Krivic points out, the goal of the legislature which culminated in the 1976 act was to expand the rights and privileges which were guaranteed to workers by the 1963 Constitution. That Constitution stipulated that every work organization had to have a workers' council, an administra-
board, and a director. Other organs of management were suggested under certain limited circumstances, for example school councils and a principal. The term for the members of workers council was two years, with half of the membership to be elected every year. The term of the director was four years. No member of the workers' council or its administrative board could be elected for more than two consecutive terms. On the other hand the director could be re-elected an indefinite number of times. (Krivic, 1978: 41).

For Krivic, who represents an official point of view, that Constitution, while representing an important stage in the realization of the principle of the total self-management, failed to ensure the maximum of direct decision-making by the workers, by apparently granting most of that power, at least in practice, to the workers' councils. For example, it was the workers' council which adopted statutes and other acts of the general character, while its managing board decided about the work of the organization, and the director led the work and executed the decisions of the council. The law did not specify when all workers were to decide directly, except to assert that such cases were to be indicated by individual statutes. As a result, in the majority of cases workers had the right to discuss the general acts and problems of their organization, but not to decide on them (Ibid.: 42).

That deficiency was subsequently dealt with by the 1968 and 1969 amendments. They specified which issues should be
decided upon by all of the workers in the work organization. However, according to the same author that law was in practice "...almost nowhere implemented..." (Ibid.). Rather, the result of those amendments in some work organizations was an increase in the influence of what has been commonly referred to in the official Yugoslav literature as the "technocratic forces", that is managerial staff and specialist. Since the Amendment XV to the Constitution used the expression "Collegiate Executive Organs" (which were to be elected by the workers' council and responsible to it), some of the statutes of work organizations specified that the task and duties of the previous managing board were to be assumed by the council which consisted of the top managers and specialists. That came about largely as a result of the wording of the amendment. It used the word "kolegijski" - "collegiate". In practice of the Yugoslav enterprises the noun "kolegij", which translates as "council" refers to the council of the top managerial and technical staff which constituted the directors' advisory board, without any formal rights. Such a council did have a significant amount of influence and the unintended consequence of the new amendment was to create a setting where that influence was formalized. They became the executive organs of workers' councils. In some cases statutes specified that the managing boards were to be elected by the workers' councils, but that only managerial workers, or workers who possessed a specified level of education were to be elected into the boards. (Ibid. 43.)
Some comments are necessary at this point. Krivic operates within the framework of a conspiracy theory of society. He says that

...Technocratic forces in some organizations used to their advantage the possibility of the organization itself determining the competence of its organs and with their influence attained an excessive increase of the competences of the executive organs and with that the influence of all workers and of the workers' council on deciding on important issues decreased; also their (that is executive councils'; J.F.) term was excessively extended. (Ibid.)

But he emphasizes that all of those decisions were reached by workers' councils, which after all did have worker majorities. The term "influence" in this context may only refer to the persuasive capacities of the top management (Bierstedt, 1975: 223). The sources of those capacities need to be discussed and explained.

Still, Krivic writes within the official frame of reference which assigned to technocratism and technocratic forces a part of the indirect responsibility for the Nationalist explosion in Croatia in 1971. The concept of "Technocratism" is defined by Kristan as the notion according to which the most important problems should be subject to the decisions of specialists and not politicians, especially as far as the key economic decisions are concerned. Hence, "...Instead of politicians, assemblies and other democratically elected bodies, staffs of top specialists should decide" (op. cit.: 39). This tendency according to Kristan expresses itself in the expansion of the number of specialists and managerial workers in work organizations as well as in weakening the role of workers' councils and organs of
workers' control (Ibid.).

Stanič who is an activist of the League of Communists of Slovenia in a series of quotes attempting to illustrate the thesis that Croatian events can be to a large extent explained by either insufficient development, or suppression of self-management cites the following excerpt from the Report of the Xth Congress of the League of Yugoslav Communists:

Nationalism was successful in those collectives and work organizations where self-managerial relations were not developed, where the techno-managerial community which looked only after its own interests, separated (itself) from the working collective, privatized societal means and together with nationalists became a carrier of such socio-economic and political relations which began to erode self-management. (Stanič, 1975: 124-125).

Thus, at least under some circumstances the phenomenon described as "alienation of workers' rights" leads to nationalist and separatist threats. In other cases of proliferation of technocratic points of view challenged the leading role of the party, especially in such critical moments as Croatian crisis. The same author claims that in Slovenia, in what he refers to as "technocratic-bureaucratic" circles, a following theory was popular:

There are two sides in Slovenia: on the one side there is a dogmatic party leadership which doesn't understand either the needs of the modern economy or the complex problems of modern management and international exchange. On the other side there are supporters of democracy and liberalism who also understand the needs of modern economy (Ibid. 160).
The reforms of 1974 and 1976 aimed at increasing the direct decision-making rights of workers in order to prevent both the symptoms of technocratic usurpation of power and nationalist separatism from reappearing. As far as the latter is concerned, the fears of the rulers were apparently shared by some segments of the population. Rusinow, in his reports to the American Universities Field Staff points out that fears of the renewal of fratricidal struggle were very much present among Serbs in Croatia in 1971. This is important, since Serbs constitute about 1/3 of the population of the republic of Croatia and were the primary victims of the Ustashi atrocities during the last war.

At the same time the reforms facilitated the self-legitimizing behavior of the rulers by allowing them to proceed with the program they defined as the source of their legitimacy. Thus the reforms implied that expansion of self-management has been the best way of dealing with the difficulties Yugoslavia had encountered, and it also demonstrated the consistency and reliability of the party, especially of Tito and his closest co-workers.

Hence, the new law, according to Krivic...

...attempts...to invigorate the direct decision-making by the workers in the organizations of associated labor. In principle it emphasizes that workers implement self-management in organizations of associated labor not only through delegates in workers' councils, but above all through making decisions during workers' meetings, through a referendum and through other forms of personal declarations ... (Op. cit.: 44.)

The same applies to workers' control over the implementation of the decisions and over the work of the executive organs
and management. Again, this is done directly, through the delegates in the workers' council, or finally through a special organ of workers' control (Ibid.). Again, the emphasis is on the widest possible scope of direct decision-making by workers.

It follows from this brief outline of the development of self-management in Yugoslavia that its rulers have consistently followed the key principles of the program which they have formulated and which became one of the sources of their legitimacy, namely the expansion of the decision-making rights of the workers. Furthermore, since workers' power is the cornerstone of a socialist society, Yugoslav leaders have been in a position to claim that they are leading their followers to such a society.

In more general terms, Yugoslavia appears, therefore, to be a case illustrating the thesis that the legitimacy of a government is maintained by the consistency with which it implements the major provisions of its program.

PART III

INCOME AND SELF-MANAGEMENT

In the previous section we focused the consistency in key policies defined by a program of the rulers. Following Ferrero we have suggested that such a consistency is one of the major factors deciding about the legitimacy of their rule. It is not, however the only factor.

In fact the element of consistency by itself is an in-
sufficient criterion for judging the legitimacy of a government. After all, a policy pursued with a determination and logical consistency can, at the same time, be completely opposite to the interests and/or wishes of the population. Thus a certain amount of congruity between the policies of the rulers and the aspirations of the population is an important factor contributing to the legitimacy of the government.

However, by stating that we are suggesting a potential dilemma: after all no modern society can or should be treated as a monolithic or homogeneous unit. Rather it should be seen as a collection of individual, group, regional, ethnic...etc. aspirations and interests which can be diverse and often are contradictory. Under such circumstances a consistent policy is bound to antagonize some interest groups sooner or later. This, in turn, could erode the basis of rulers' legitimacy.

Further, it is necessary to make a distinction between long and short-term interests and/or aspirations of a society and its members. A government which wants to be successful and rule for a long time needs to satisfy both.

Habermas, in his account of the crisis tendencies in the modern Welfare Capitalism describes precisely such a situation: state needs to react to contradictory imperatives by altering some basic rules governing the system, albeit without changing its boundary conditions. The modern Welfare State reforms aimed at "saving capitalism from itself" could serve as an example.
Modern socialist countries are, of course, also affected by such problems. In Yugoslavia there is an additional element of an ethnic diversity which, given the tradition of inter-ethnic antagonisms, sometimes exacerbates existing differences, contradictions and conflicts.

Still we need to bear in mind that Tito and his followers have taken upon themselves to satisfy interests and aspirations of individuals, group and of the society as the whole. We need to see the system of self-management from this perspective: the intentions behind it have been to ensure "inallienable" rights of workers, and to facilitate the development of the socialist community as the whole. In this chapter we will discuss the basic principles according to which Yugoslav self-management operates focusing on these two key goals placed in front of it.

We are, therefore, expanding our notion of the sources of legitimacy of governments: we will be looking at the internal consistency of governmental policies and simultaneously at the problem of their consistency with the wishes and aspirations of the population.

We will attempt to illustrate two basic propositions:

The first suggests that the organization of the self-managerial decision-making in Yugoslavia focuses primarily on workers' rights in respect to deciding about the fate the incomes they produce and earn. Simultaneously the general rules which govern income allocation are oriented toward linking workers' interests in their personal incomes to the technological development and economic expansion
of their enterprise as well as of the entire Yugoslav economy.

The second proposition argues that focusing self-managerial decision on income is consistent with the preferences of those involved in this process, especially workers. Here the syndrome known in Yugoslavia under the term "potrošništvo" - i.e. consumerism, will enter the scene.

We will, consequently, discuss the potentially de-legitimating effects of consumerism. We will also discuss why rationality problems inherent in the policy to stimulate consumerism have not resulted in the legitimation crisis in Yugoslavia.

SECTION I

THE MAJOR PRINCIPLES OF YUGOSLAV SELF-MANAGEMENT

The major assumptions which underlie both the legal and organizational aspects of self-management in Yugoslavia attempt to put it into the framework of Marxist theory. Simultaneously they form the basis for legitimating the social order of Yugoslavia. Let us briefly discuss those assumptions.

First, Yugoslavia is a country where social and economic relations are based on the principles of socialism. The basic principles are: the social ownership of the means of production; direct management and control over those means by workers associated in their work organizations; the principle "to everybody according to his/her work"; the leading
role of the working class, which through that role changes its structure and position in the society; the gradual disappearance of class antagonisms and all the elements of exploitation of man by man; and finally the principle of direct socialist democracy in deciding about all social issues (Kristan, Op. cit.).

Those principles constitute an ideal which Yugoslavia is trying to attain. For our discussion the most important principles at this point are those of direct worker control, the leading role of the working class, and rewarding people according to their work.

The differentium specificum of Yugoslav socialism, at least among the societies ruled by Communists, is a strict adherence to the idea best expressed by Zagreb philosopher Predrag Vranicki that the nationalization of the means of production constitutes a necessary, but not sufficient condition for the formation of socialist social relations. (Vranicki: 1979). The next necessary step is the establishment of direct democracy. Decision-making in the work place is one of its most important elements. This is due to the key role of work in Marxist theory as well as due to purely economic considerations. There is, to be sure, a cynical way of accounting for the key role of work as well. Its organization and reorganization appear to be the easiest to accomplish through legal means. And since there are always unintended consequences, malfunctions and, to anticipate the next section, a sufficient amount of data pointing out that the reality of self-management is quite far from the
ideal, there is a field for improvement and for criticizing "non-selfmanagerial relations ".

From the aforementioned principles of socialism it follows that besides the ownership of the means of production there are other principles of socialism which apply directly to work. One of them is the principle of the liberation of work.

A definition of the liberation of work which quite well reflects official Yugoslav ideology and which is consistent with the Marxian view is suggested by Kristan. He sees it as...

"...outgrowing historically conditioned socio-economic inequalities and dependencies in work - this we ensure through eliminating contradictions between work and capital and all forms of wage relations, we comprehensively develop productive forces, increase the productivity of work, shorten work time, we develop science and technology, ensure higher education for everybody and raise the culture of working people. (Op. cit.: 56.)"

It is thus, very comprehensive program which transcends the setting of the work place. Also, the principle of the liberation of work is interrelated with the right to self-management...

"...on its basis every working man on equal footing with other working men makes decisions about his work, work conditions and results of work, about his own and collective interests and about directing social development, he realizes power and manages other social matters. (Ibid.)"

The interrelation of these two principles is perhaps the key to understanding Yugoslavia. Deciding about such aspects of work as prices, investments, and especially the interrelations between an enterprise and the economic de-
mands and situation of the entire country demands access to decision-making far above the level of an individual enterprise. Further, if the claims of the rulers are to be reflected at least by the formal organizational arrangements, the principle of direct democracy has to be implemented in the local, republican and federal governments as well. This is the goal of the delegate system.

The Yugoslav formula of self-management begins with the principle of social ownership of the means of production. It is necessary to emphasize the difference from the Soviet model, where the law defines the ownership of the means of production as state ownership. On the other hand the workers in Yugoslavia are said to manage a part of what belongs to the entire society. Therefore their right to self-management also connotes responsibility for the means of production under their care. Thus the key principles applying to Yugoslav enterprises are those of free associated labor with the means of production which are social property and self-management by workers in the organizations of such labor.

The formula "free associated labor" refer to the fact that...

Working man does not any more sell his labor power for wages which are determined for him by either a capitalist or the state. His work, (with which he satisfies his own, collective and general needs), he freely combines with other workers and collectively with them manages means of production and decides about the results of his work. (Kristan. Op. cit.: 57.)

Self-management must therefore guarantee what is denoted as "inalienable rights" to work with socialized
means of production and to free decision-making about the conditions and results of that work. These are general formulas and they are operationalized by specifying what the inalienable rights are in each social organization and at every level of such an organization.

It is necessary to add that the demands placed on self-management are quite lofty. It is expected to contribute to the liberation of man and his work, for example to deal with the forms of alienation described by Marx as well as by more recent studies of the problem, which deal with alienation from one's self and from one's species resulting in isolation, helplessness, self-estrangement and powerlessness. Kardelj, for example, referring to the results of the 1964-1976 reforms, sees in them the way to overcome one of basic contradictions pointed out by Marx, namely the one between physical and mental work:

The distance between manual and mental labor begins to decrease faster. For our worker is not any more a physical worker. As soon as he begins to decide about expanded and social reproduction, about conditions and aims of free exchange of labor between individual areas of associated labor and as soon as he can through his delegates and delegations participate in passing decisions about collective interests on various levels of associated labor and society, then his work is not anymore only physical, but also mental. (Kardelj, 1977: 19.)

There are then two aspects of self-management which need to be explicated: direct decision-making in the enterprise, and participation in decisions made beyond that level through delegates. These aspects must be interconnected in a system of self-management, since, as Kardelj observes, individual work, its conditions, and results de-
pend less and less on the individual's physical work and more and more on the totality of economic and social relations surrounding work, in particular upon those outside of his/her work place. They depend, for example, upon the past labor of an individual and the work organization and upon the proper management of all socialized property (Ibid.). These facts need to be reflected in incomes, both those of individuals and of work organizations, so that incomes and relations among them will embody the quality and quantity of both direct and indirect results of the work, proper management of the means of production, results of past labor, etc.... Two principles follow: that about workers' "inalienable" right to decide about incomes, and all of "rewarding according to the work. Both of these principles are reflected in rules formulated by the 1974 Constitution and 1976 Associated Labor Law.

SECTION 2

DISTRIBUTING INCOME IN A BOAL

Income can be obtained through a variety of operations, e.g. through investing capital, depositing in banks, entering broader frameworks of agreements with other BOALs, investing the available means in other organizations of associated labor, etc. Income obtained by BOALs which combine the means of production at their disposal must be totally distributed among those organizations. The income obtained by the BOAL must be distributed within that organi-
zation and only by its members, according to the rules specified by the self-management agreement of that organization.

The basic reasoning behind those rules suggests that a BOAL is formed by working people who voluntarily decide to associate and exchange their labor. The specific conditions of exchange of labor are formulated in a self-management agreement, (samoupravni sporazum) which constitutes the basic framework for the organization of a BOAL, and especially for the obtaining and subsequent allocation of its income.

The role of income in the process of self-managerial decision-making is quite significant; in fact it constitutes the major focus of the 1974-1976 legislation. Its position is clearly indicated by the Constitution which specifies that...

In the Basic Organization of Associated Labor the income obtained by it is the material basis of the right of workers to decide about condition of their work, and about allocation of income, and also that they acquire personal income. (Kristan. Op.cit.: 77.)

Thus, on the one hand, all forms of income must be at the disposal of the workers. But on the other hand, since the means of production with which that income has been obtained constitute social property, this is also the status of income. Thus, the working collective must not behave as if it were the owner of the means of production at its disposal, and must make its decisions with a full sense of responsibility to the society as the whole.

We can put it differently. The actual income is not
only the result of the work of employee of a given enterprise, or a BOAL, but is a part of all the socio-economic relations which are influenced by a given enterprise. Thus society as a whole has a right to a direct allocation of income, including personal incomes. The emphasis is therefore twofold, the exclusive right of the workers in a BOAL to decide about the allocation of the income obtained by it, and the right of representatives of society to make sure that the income, which after all constitutes social property, is dealt with responsibly. This last right, in practice, is implemented through rules, specified by the constitution, as to how income is to be divided. The local community also has supervisory functions over BOALs on its territory and is obliged to take them under its receivership if they prove to dispose of the social means of production which were entrusted to them in an irresponsible manner, for example, if they go bankrupt.

There is a further stipulation concerning certain special conditions under which the income was obtained, namely when it is not the result of work, or of productivity of work, but rather of exceptionally convenient conditions in the market, for example, a monopolistic position. The income obtained due to such circumstances must not be divided into personal incomes, but must be used either for what is referred to as "expanded reproduction", that is expansion of production according to societal needs(though only in organizations of associated labor in which that income was obtained), or for expanding the economic capacities of either
the commune or the republic.

We may, therefore observe that the workers right to use and allocate the entire income they realize in a BOAL is "inalienable", but that there are also exceptions specified by law. This applies in particular to the means intended for expanded reproduction which, therefore, are of special value to the society. For example, during a period of major inflation, overinvestment may be limited by administrative means. Also, if the basic goals of societal development specified by plan demand the immediate construction of specific things, for example roads, ports, or power stations, and if means for those projects cannot be collected through regular self-management agreements, laws can order the mandatory "pooling" of resources intended for the social reproduction for these projects. This is a temporary limitation placed on workers' rights to dispose of the means of social reproduction. Those rights must be subsequently returned (Krivic. Op. cit.: 27). We need to add that such a law is not necessarily inconsistent with the basic principles of self-management, for the aforementioned temporary rules are enacted by the socio-political legislative organs which consist of the delegates of workers in the BOALs and citizens in local communities.

The 1974 law also specifies the way the income of work organizations needs to be apportioned. This is the result of previous experiences where granting workers in such organizations the right to the exclusive disposal of the in-
comes of those organizations led to cases where all of the income available after taxes, mandatory payments, loans, etc., were divided into personal incomes. This author was told a story of a transportation company in Nova Gorica which, as a result of such a practice, formally enacted by its workers' council, ran out of spare parts and went bankrupt within a year and subsequently was taken under the receivership of the commune. Such practices lead to the suspension of self-management and an appointment of a managing board which has the task of putting the affairs of the company in order. This practice is legally justified, since this is a case of mismanaging socially owned property. In the case of our transportation company it ended by being forcibly integrated with other companies in that area.

The 1976 Associated Labour Act separates the income of a BOAL into three main categories: gross income, income, and net income. There is a fourth category - joint gross income, which consists of the gross incomes of the BOALs and other work organizations which are members of a Composite Organization of Associated Labor. That income must be distributed in its entirety among the basic organizations which participated in its realization (Associated Labour Act, 1976: Article 70, p. 89). Thus the BOAL is the major unit through which income allocation takes place.

Gross income (celotni prihodek) is defined as the monetary value of the production of one year. It consists of the proceeds for sales of products or services. Production
costs are counted as a part of it.

Income is defined as that part of the gross income left after subtracting the costs of production, that is depreciation and so called "material costs", such as costs of energy, raw materials, etc.

Net income (čisti dohodek), is the part of income left after subtracting taxes and other contributions for general social needs (which are parts of budgets of socio-political units, e.g. a local community, a commune, etc.), and contributions to services which are secured through the principle of free exchange of labor, that is contributions to self-managing communities of interests, for example health and education (for details see, for example Turk, 1976).

The net income is then divided by the workers in a BOAL into personal incomes and a fund for the collective use of the workers, for investments and for reserve. As far as the net income is concerned, its apportionment among those four categories is mandatory, but the actual proportions going to each of them are decided by workers. In general the allocation of income is defined by self-management agreements - within the framework of associated labor and free exchange of labor and services, and through social compacts, that is agreements between organizations of associated labor (and also self-managing communities of interests), and political and socio-political organizations (e.g. trade unions, or local communities), which regulate relations among them. For example, a tax paid by a BOAL to the local community should be defined through the social compact.
Ideally, all of those contracts should be negotiated and entered into directly and voluntarily without any interference on the part of the state. (Thus the expansion of self-management is synonymous with the process denoted in Marxist literature as the withering away of the state). However, all of those contracts must be consistent with the laws enacted by the federal legislature. Further, since all income which is being realized and allocated is obtained through work with socialized means of production, the law allows the state to intervene if the principles governing this process are not observed, or if the process of social reproduction is disturbed.

One of the key principles is what is called "delitev po delu"—rewarding according to work. This principle, or rather its operationalization and implementation, created a substantial amount of controversy in Yugoslavia. For example, it has been named, at least in private conversations, as one of the major causes of a wave of strikes which Yugoslavia experienced in 1978 and 79. In any case, this is one of the major rules which have been observed in the process of the division and allocation of income. Let us discuss this principle.

SECTION 3

REWARDING ACCORDING TO WORK

The principle of rewarding according to work is the major part of the programs of the party and trade unions
in Yugoslavia. It is also a part of the major legislative acts, namely the Constitution and the Associated Labor Act. It states that personal incomes should depend not only on the productivity and results of work of individual workers, but also on the productivity and results of work of the entire BOAL in which they work.

The basic formula represents, of course, the principle which is supposed to govern income distribution in a socialist society. But, Yugoslavia does not claim to have reached this stage. Moreover, the concrete application of this formula is not too clear given the basic notion that the labor of an individual and its results are the consequence of a complex process of division of labor, present and past labor, societal reproduction and even worldwide specialization. Workers in organizations of associated labor cannot, therefore, control all of the determinants of the results of work. To be sure that is acknowledged by Yugoslavs, including the official party and government spokesmen.

But, since we are in the sphere of the influence of Communism, there is also another formula which has been in circulation, namely "From everybody according to his abilities, to everybody according to his needs." This is otherwise known as the politics of "equal stomachs" which suggests that since everybody's basic needs are equal, it should be reflected by wages and salaries, especially since, given the complexity of the societal
division of labor, the specific contribution of an individual to the results of socialized labor cannot be ascertained.

Yugoslav official reasoning in regards to such arguments is represented by Kristan's statement:

The policy of "equal stomachs" is neither in the interest of the working class, nor social progress. Only under communism will it be possible to divide according to the needs, that is, so that everybody will obtain how much he/she needs regardless of how much he/she contributed. On the today's level of social development rewarding according to work is necessary. (Op. cit.: 81).

This is to be sure the official policy. Its goal is economic development, improvement of standards of living, increasing technical standards and increasing productivity of work. These are concerns in which the legitimacy of the order and of the ruling group is rooted. Therefore, they will be reflected in official programatic statements of the party and the government. For example, the resolution of the VIIIth Congress of the League of Communists of Slovenia states that:

We (that is Communists; J.F.) must ensure that (workers) will thoroughly attend to all elements of the gross income and focus all attention on a more efficient utilization of material and other conditions of production, stimulation of innovativeness, rationalizations and other forms of inventive activity, larger use of science and results of research, improving organization of production and technological discipline and more efficient use and development of productive capacities with which material and other costs of production will decrease and gross income and income will increase faster. The same way we will endeavor so that the workers in basic organizations of associated labor will increase individual and social productivity of work and on this basis ensure higher income with stimulating allocation of means for personal incomes, modernization of organization and methods of work in management, use and disposition of social means (of production),
more efficient use of the work time, expedient management of past labor, and with other forms...

In the framework of the policy of the growth of the standard of living we, Communists, will stand for workers in associated labor and citizens deciding for a faster rise of social standards. (1978: 22, 23.)

This is quite a long quote. But it is useful precisely because it contains a commitment to a policy of continuous increase of the standard of living and individual consumption. Also, this statement emphasizes that the path toward those goals, (which, as we have pointed out, constitute legitimizing and self-legitimizing variables inherent in the social order and the authority structure of Yugoslavia), leads through efficient economy and especially through modernization and improvement of both work and technology.

The principle of rewarding according to work is aimed precisely at those goals. Its aim is also to stimulate savings, decrease the use of raw materials (especially those which are imported), and decrease costs of production. The principle aims at stimulating the workers' own interest in those goals. Here most likely is the source of the policy of making personal incomes dependent upon the income of a BOAL and upon past labor. That last category is quite often used in the official literature and refer to...

...that part of realized income which in the organization of associated labor was in the previous years put into the expanded reproduction so that (the organization) acquired new machines, modernized production, built a new factory, etc. (Kristan. Op. cit.: 81)

Since, for example, the productivity of current work as well as personal income depend on such endeavors, those
who contributed to it should be rewarded accordingly. This, for instance, applies to workers who have been employed in the work organization for a long time. (We may also perceive it as a justification of the rule of seniority vis-a-vis calls for the "uravnilovka." ) Kristan suggests that if such a rule were not to be observed, workers would not be interested in allocating a part of the income into expanded reproduction, but would want to put as much as possible into personal incomes, and that "...would be harmful...for the development of individual organizations of associated labor and for the society as the whole (Ibid.).

A very strong statement concerning the implementation of the principle of rewarding according to work and the use of the category of the past labor is offered by Miran Potrč, who recently became the head of Yugoslav trade unions. Writing in 1979 in his introduction to the official policy statement of the Republican Council of the League of the Trade Unions of Slovenia he states:

As far as the past labor is concerned, it is our basic orientation that it is possible to consistently implement the starting points of the associated labor act according to which the worker has the right to a part of the means for personal incomes only when his input gave concrete results in the increase of the income, and only when we will assert the principle that in the all new inputs their results will be anticipated in advance, and also in advance we will anticipate what part of the results expected this way will be intended for workers as means for personal incomes on the basis of past labor. (Delitev Po Delu. 1979: 12).

We have to remember that this quote represents the official position of the trade unions. Theoretically at least, this implies that the members of the unions should
strive for those principles to be included in self-management agreements entered voluntarily by all of the workers in a given work organization. In other words, the quote constitutes the guideline for the union members for orienting the voluntary processes toward decisions which would eventually benefit the entire society. To be sure, these also are imperatives defined by the laws which must enter those contracts, if they are to be legal.

Two intentions appear to be present in the quote. One is quite explicit: the concern with the ability of workers to make decisions about their past labor and to profit from its results. The second intention is perhaps less explicit: the problem of anticipating future results of the input of labor and an emphasis on the concrete results of work. Thus personal incomes are made dependent upon the actual input of work, and also upon the work which actually has been paid for on the market, or by social agencies that ordered it. In other words, workers may not get any income in spite of their work, if they do not sell their product. This applies especially to planning the future production: the planners (ideally workers themselves as self-managers) must plan not only how and what to produce but also how to sell it. From this perspective the increases in personal incomes following the year of, for example, an increased production not accompanied increased sales are illegal from the point of view of the Associated Labor Act. That rule is also a part of the policy statement of the trade unions:

In the years when workers do not create an increased
income they cannot, on the basis of inputs into the expanded reproduction, acquire the right to an increased personal income on these basis, since administering those means did not give also appropriate results in the increased income. (Ibid.: 42.)

One of the major goals of the principle of rewarding according to the result of work is to stimulate innovations. Again this is the part of the policy of the trade unions. According to its statement specific means for evaluating the contribution of a worker to innovative activity at work must be established, and actual contributions need to be reflected in personal incomes. This applies not only to increases in personal incomes as a result of increases in the income of the BOAL following an innovation, but to specific bonuses for the innovation. (Ibid.: 40-41).

This statement follows the Article 130 of the Associated Labour Act which stipulates that the provisions for such a bonus (or "reward", to use the term from the official English translation of that act), must be a part of the self-management agreements.

The discussion of the process of allocation of incomes in a BOAL and the specific focus on the principle of rewarding according to work follows the official discussion which surrounded the Associated Labour Act and its implementation. It is necessary to repeat at this point that the implementation of the principle of rewarding according to work generated a substantial backlash in the 1977-1979 period, mostly in the form of what is referred to in the official language of Yugoslav media as "Protest interruptions of work", that is strikes. Their increase was para-
llel to the process of implementation of implementation of that principle. That was not coincidental and the fact was acknowledged by officials. For example Mika Špiljak, at that time president of the League of Yugoslav Trade Unions, in the official statement for the press stated that the increase in the "interruptions of work" was a result of misunderstandings which had followed implementation of the principle of rewarding according to work. The official explanations quite often mentioned the "non-selfmanagerial" behavior of the management, and even of the local trade union and party units, that is some form of imposition on their part of appropriate stipulations in the self-management agreements and in actual decisions of workers' councils and assemblies.

The biggest strike which took place at that time was one in the steel mill of Ravne in Slovenia. The direct cause, as this author was told, was the issue of personal incomes, specifically workers' discontent over the proportions of income which were allocated to personal incomes and to the fund for collective use respectively. The decisions were made by the workers' council, but it apparently was under pressure from the enterprise director. He, in turn, initially had strong support in the local and communal party committees because of his membership in Slovenian partisan units during the war. It took the intervention of the Central Committee of the LSC to satisfy workers' demands. The director resigned.

Several sources told this author that the implementa-
tion of the principle of rewarding according to work ag- 
gravated workers because of the emergence of clearly visi- 
ble wages differentials. Since an individual's income de- 
pended on the income of his or her EOAL, it often happened 
that workers who went to the same schools, had the same 
skills, did the same work and lived as well as worked next 
to each other, had very different incomes because they 
belonged to different EOALs. This created pressures for 
allocating more money into personal incomes. However, that 
demand was not always satisfiable for economic as well as 
legal reasons.

The comparison between Part II of this chapter and 
this section enables us to better emphasize the fact of 
the predominant focus of Yugoslav self-managerial decision- 
making in economy on the problems of income allocation and 
distribution. As self-management in that country expanded, 
this emphasis increased. Further, as a result of the con- 
cern on the part of scholars and politicians over the cur- 
rent and future status of Yugoslav economy, the legislative 
acts which were enacted between 1972 and 1976 linked per- 
sonal incomes to the performance of economic enterprises. 
The goal, as we have indicated, was to stimulate workers' 
interest in the performance of the economy as the whole.

PART IV

INCOME, CONSUMERISM AND SELF-MANAGEMENT

In this part we will present some data illustrating
the proposition that focusing self-managerial decision-making on the problems of income distribution is consistent with the preferences of Yugoslavs, especially of Yugoslav workers. We may link this proposition to the general argument of this chapter by stating that we will, therefore, demonstrate that the major decisions of the ruling elite of Yugoslavia correspond to the wishes and aspirations of the population.

SECTION 1

INCOMES AND WORKERS' ASPIRATIONS

At this point it is necessary to observe that the focus on personal incomes as the key content of self-managerial decision-making could be seen as a result of two somewhat interrelated factors. The first is simply the logic of the process itself: the consecutive legislative acts expanding workers' self-managerial rights focused primarily on income. However, there is also evidence indicating that income, and specifically personal income, was with the passage of time acquiring more and more importance among the motivational factors characterizing industrial workers. For example, the investigations conducted by the Institute of Sociology and Philosophy in Ljubljana indicate that the position of salary in the hierarchy of those factors has been systematically increasing between 1960 and 1964. In 1960 it occupied the fifth position in that hierarchy, preceded by (from the first to the fourth
place) interesting work, managers, co-workers, and advancement. In 1962 it was third, after advancement and co-workers. In 1964 it was first (Jezernik, 1965).

It is necessary to remember that we are talking about times when the standard of living was steadily increasing. In other words, the importance of income was increasing with its actual increase. We could put it in different terms: the increase in the importance of income reflects specific aspirations and factors leading to their satisfaction. This is consistent with the propositions of Abraham Maslow concerning the hierarchy of needs and the necessity to satisfy the lower level needs before one can deal with those on higher levels. In this case the situation is similar. The basic aspirations reflected by the focus on income need to be satisfied first. This is reflected in Jezernik's own findings according to which the category of earnings occupies the first place in the motivational hierarchy if the actual earnings constitute no more than 58% of earnings to which workers aspire, regardless of the actual income level. If earnings constitute 60% of what is aspired to, the rank of this category is third, for the levels of 64% and 71.5% it is fourth and for the level of 83% it is sixth. (Ibid.). (There is, of course, the question of intervening variables which is not precisely clarified in this particular work, perhaps because it was originally written in 1963-4 when regression analysis was not yet popular in sociology. Nevertheless, the dif-
ferences in ranks of each category for such variables as age, gender and education were no more than one. The category of income was decisive. The only other variable in which the difference was larger than one was that of social origin, where income ranked second among those from the white collar families, third among those from peasant background, and fourth for those who came from the families of artisans).

We need to remember that Jezernik's findings are quite old. More recent data have been provided by Rus (1971). Rus relies on the results of empirical investigations which were carried out in Yugoslavia in the late sixties and published in 1969 and 1970. For our purpose we will use the data from three studies conducted in Slovenia by Kavčič (1969), Arzenšek (1970), and Micki (1970).

The data provided by Arzenšek allow for a continuation of the picture presented in Jezernik's work. He also presents a motivational hierarchy of employees in Yugoslav enterprises. The data represent 15 enterprises and the sample encompasses all levels of the industrial hierarchy. These levels are denoted by the following categories: unskilled and semi-skilled workers, skilled and highly skilled workers, lower management, middle management, "collegium" (which usually consists of the enterprise director and managers of the major departments), and members of workers' councils.

In that sample income occupies the first rank in the
motivational hierarchy for all groups except for middle management which lists it as second, and for the top management which lists it as third. Characteristically enough the motive denoted as "The possibility of participating in self-management" is ranked as last by all of the groups. Other motives are: interesting work (ranked as first by the middle management), good supervisors (ranked second by skilled and highly skilled workers), the possibilities of advancement, which are ranked fifth by workers and the "collegium" (that is top management), and fourth by the other groups. Rus observes that the last motive was second in 1962 and third in 1964 and quotes Arzenšek, who in this case comments that "...the motivational impact of education... (is) an anti-trend in a country which is industrializing" (Rus, Ibid: 47.)

For Rus the focus on personal income constitutes an element of the syndrome to which he refers as "traditionalism". Such a syndrome consists of: orientation toward the past (rather than the future), attachment to customs and habits (and hence a lack of receptivity to changes), passive orientation and behavior in society, and a particularistic Weltanschauung, (rather than a universalistic one) (Ibid: 31). On the basis of Arzenšek's findings Rus concludes that the traditional orientation decreases with the level of education. This applies especially to the category of "good superiors" which is ranked third by unskilled and semi-skilled workers, second by skilled and
highly skilled workers, third by low and middle management, fourth by the top management and fifth by the members of the workers' council. Rus sees the causes of such a state of affairs in either the fact that those with less education more dependent upon their superiors, or in the fact that other motives are less important (Ibid.: 47).

The last alternative is interesting in the light of the data we have presented before. It would appear that those other motives (that is interesting work, good co-workers, the possibilities of advancement and the possibilities to participate in self-management), were becoming less and less important with the progress of time, i.e. with increasing incomes and standard of living, and with the expansion of self-managerial rights.

Kavčič's findings present a picture similar to what has been presented so far. In his study of six Slovenian enterprises he presents motivational hierarchies of workers and management. Among workers stable employment ranks first, good personal income second, and good working conditions third. Among the members of management, good personal income and good working conditions are first, followed by friendly relations with co-workers. Stable employment is in the middle of the hierarchy. As far as self-management is concerned, the category denoted as "to have the possibility of co-decisionmaking" is listed as tenth, i.e. last, by workers, and ninth by the members of management (Kavčič: 1969).

In addition Kavčič findings display a strong re-
relationship between education and position in the industrial hierarchy on the one hand, and reliance on self-management on the other. This is shown in the answers to the following question: do you think that the development of our society would be faster if...there would be an increase in the role of state power, self-management, experts or political organizations?

The answers indicated a gradual de-emphasis on the roles of state and self-management with an increase in education. The same holds for political organizations, although here all percentages were low, the highest being 4.1% of unskilled and semi-skilled workers agreeing with the proposition that the increased role of the political organizations would accelerate the development of the society.

On the other hand, there is a trend for an emphasis on the role of experts to increase with education, although there are some fluctuations. Thus the positive impact of an increase in the role of experts is seen by 21.4% unskilled and semi-skilled workers, 19.6% of skilled and highly skilled workers, 30% of members of the lower management, 50.7% of middle management, 51.1% of experts, 42.3% of the members of top management, and 26.3% of the members of workers councils. (In that last group skilled workers and members of lower management tended to predominate at that time).

The third study focuses on people employed in social services and culture. Micki studied teachers at all
levels of the educational system, workers in administration at the levels of a commune and the republic, actors and other workers in the field of culture. A general characteristic of that group is a relatively high percentage of those who are satisfied with their profession, the only exception being the workers in the administrations of communes among whom only 38% express that satisfaction. Among other categories all but one exceed 60% with doctors reaching 84% (the exception are the employees of the republican administration, where 53% are satisfied with their profession).

As far as the factors behind that satisfaction are concerned, happiness with the work, regardless of the size of the salary, is ranked as first, spiritual enrichment second, and the possibility of a continuous increase in qualifications is third. Again, self-management is not that important. It is listed eighth by teachers and cultural workers, and seventh by doctors. Altogether there are eleven categories (Rus, op. cit. 52).

In comparison to the groups studied by Arzenšek and Kavčič, that is people employed in industry, those outside of it, employed in socio-political units, in cultural and social services, display what Rus sees as a more modern orientation to work, that is a focus on its intrinsic qualities, rather than on its monetary rewards. But, for that group also self-management is relatively unimportant.

We need to bear in mind the previous observations con-
cerning higher incomes in the sectors outside of industry, precisely in those analyzed by Micki. People employed there are thus more likely to be satisfied with their income, and hence are more likely to focus on other issues. As far as certainty and stability of employment is concerned, the overall picture looked much better for those with higher technical education, especially in Slovenia. That republic also experienced a lack of unskilled labor, a fact which resulted in the presence of Gastarbeiter from the southern republics, especially from Bosnia and Herzegovina, but also from Croatia (Mežnarić, 1978; Tavčar et al., 1976).

The focus on incomes, certainty and stability of employment, and working constitute for Rus a set of motivational factors contained within the syndrome of traditionalism. That syndrome is related to memories of rural past. It is also related to the actual level of income and the quality of life it allows. At the same time, the same orientation is denoted by Bauman as First Generation Socialism. Again, the focus is on the satisfaction of material conditions, and its roots are in the poverty of the village life preceding the migration into the industry generated by socialist industrialization (Bauman. Op. cit.). The legitimacy of the new regime is defined by material needs, and is dependent on their satisfaction. To be sure, the initial needs may be fairly modest, given the past standards. At this point, we are clearly dealing with the dimension of legitimacy which we have denoted as "intentional
support".

But, as life goes on, and as basic needs are being satisfied, and further, as their satisfaction comes to be taken for granted, other needs, those at higher levels, become more prominent. The process of changing needs, and their satisfaction, may be relatively smooth, if they are accompanied by a high degree of vertical mobility and an increase in the standard of living. However, this may happen only if satisfaction of the basic needs can be taken for granted, for example, if it is ensured by the state. If this does not happen a question of the legitimacy of the rulers and/or of the entire socio-political order may be posed by the generations already born and brought up under the new social order. This, as we have observed before, has been the case of Poland where the perception shifted from denying a given ruling elite the right to govern (in 1956), to challenging the rationality of the entire socio-political order.

There is, however, no evidence that such a shift to higher level needs has taken place in Yugoslavia. (The term "higher level needs" can be treated here as a derivative of Abraham Maslow's hierarchy of needs). In fact the evidence we have presented shows something opposite: as the standard of living increases, so does the focus on income, at the expense of other aspects of work. Further there is no evidence that increasing income is used in or-
der to satisfy needs outside the sphere of consumption. Rather there has been a shift toward a syndrome known as consumerism. Let us discuss it.

SECTION 2

THE ROLE OF CONSUMERISM

In this part we will briefly discuss the problem of consumerism as a significant part of the day-to-day Weltanschauung of Yugoslavs. We will use the evidence illustrating the case of Slovenia. This section constitutes, therefore, a supplement to the previous one and its aim is to illustrate the proposition concerning the potential for the rationality crisis in Yugoslavia.

Complaints about consumerism were popular in Yugoslavia in the mid and late seventies. One author traces that phenomenon to policy slogans from 1959: "Increase Consumption", or "Stimulate Consumption". And that indeed happened. As journals began to notice, Slovenians were less involved in drinking in restaurants because their wives were pointing out examples of neighbors who had just bought a car on the installment plan (Puhav, 1979). That was the beginning.

After the initial satisfaction with that state of affairs complaints appeared, first among highly educated members of society, then in wider circles. Finally wishes

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1 The evidence has been provided by Peter Klinar in his study of Slovenians' life-style (1979). We will discuss it later in this dissertation.
for better material conditions became the source of almost all social problems observed in Slovenia: from the isolation and estrangement observed in interpersonal relations as well as increasing social differentiation, through increasing movement abroad in the search of work, decrease in readership of books and attendance of theaters to a low birth rate, high rate of suicides, traffic accidents and divorces, parent-children conflicts and juvenile delinquency (Ibid.). In short, all of the typical afflictions of a rapidly industrializing and urbanizing society were blamed on consumerism.

That reasoning was quite prevalent. Rus in his study of values (op. cit. 1971), indicates that in his study of public opinion 4/5 of the respondents agreed with the statement that Slovenes "...push too hard for material goods". That implies that the majority of Slovenians is critical of what the majority of them actually does. Obviously values did not coincide with actual behavior. That point was also illustrated by the fact that a quest for a separate housing and an orientation toward the present did not characterize Slovenians, at least according to the data presented by Rus: 70% agreed with the statement that they should invest in a better life for their children and only 16% agreed with the statement that society should invest in whatever would raise their standard of living, regardless of the future. Also, 3/4 of the respondents emphasized respect for man and the development of one's personality
over the material side of life.

We need to remember the discussion from the first chapter. The issue is not only a distinction between values and behavior, but between the general and highly esoteric values which one may learn, for instance, in school, or through listening to official propaganda, and the standards which govern one's day-to-day life and are rooted in one's actual situation and possibilities. In this case we also need to re-emphasize what Rus denotes with the term "traditionalism" - an orientation toward past. This could also connote a life style oriented toward acquiring a better standard of living than one from the past.

We also need to bear in mind that the quest for the material goods may be a quest for the satisfaction of basic needs. The problem is, of course, that the notion of basic needs may not be absolute, but may be defined by the patterns of consumption which are being observed on the daily basis. In the case of Slovenia these observations involve two factors: on the one hand there is an element of "keeping up with the Joneses". In this case we are dealing with a small, and up until now, a highly mobile society. Thus, on the basis of the daily observations one has access to what one's neighbors or school friends have achieved. On the other hand standards are provided from abroad by tourists from Western countries and by Slovenians (and for this matter other Yugoslavs), who have spent some time abroad. Here not only the goods themselves but the
high quality of the goods may be conceived of as a basic need. This appears to be the case with cars in Ljubljana. In the mid and late seventies the demand for them transcended the demands for telephones, and, even, as several people told me, for running water in apartments and houses. To be sure, here Say's law might have been in operation: it was easier to get a hold of a car than to have a telephone installed. For the latter one sometimes had to wait eleven years. (But running water did not pose such problems).

We may then conclude that day-to-day life provided the standards for the immediate concerns which have been very much characteristic of the syndrome known as consumerism. This conclusion is by no means new. At most, we may claim to confirm on Slovenian terrain the observations made by Sharon Zukin in her study of Yugoslavia (1975).

The quest for consumer goods in conjunction with the explosion of the "new morality" are quite consistent with Habermas' notion of civic privatism, which constitutes the legitimating input into the decisions of the state. Needless to say, those decisions need to reinforce this state of affairs, or should at least be not inconsistent with it.

It appears that the shift toward consumerism in Yugoslavia may illustrate a popular statement of Marx that conditions of life determine the state of consciousness. In other words, the concrete promises of the rulers, and more specifically those which are operationalized and implemented, immediately define not only the conditions of the legitimacy of the rulers, but the scope and the focus of the
demands of the ruled. Given the initial underdevelopment of the economy, and especially of industry, and the labor intensive industrial expansion, the major issue through which both the content of self-management and the initial needs of the new working class were defined was the allocation of incomes. Incomes then became the focal point of consecutive reforms expanding self-managerial rights. At the same time there was a growing emphasis on self-financing by enterprises. Since the uses of finances were to be decided through the institutions of self-management, it further strengthened the role of income allocation as the major focus in self-managerial decision-making.

Defining the content of self-management in terms of deciding the allocation of incomes in conjunction with the overall quest for a higher standard of living appears, therefore, to create a form of the collective consciousness in which self-management, and socialism in general, are likely to be perceived as a means of increasing individual consumption and leisure activities. In fact, socialism may become synonymous with these activities. In this way self-management and socialism are de-politicized. At the same time, perception concerning the rulers' decision-making rights shift from the focus on a concrete set of decisions or a reform program to a highly generalized agreement with the rulers overall steering role, provided that this role ensures a certain standard of living, consumption and leisure activities. Under such circumstances
there is a shift in a form of legitimacy from intentional support to diffuse supports. This has been the case of Yugoslavia.

The Croatian events of 1971 reinforced that state of affairs. The complaints which finally exploded in the form of nationalistic demonstrations were rooted in an economic crisis and increasing unemployment and focused on the center periphery issue: too much of the hard currency which was earned through the Croatian tourist industry and which constituted the best source of Western money ended in the federal treasury instead of helping to develop Croatia (Rusinow, 1977). Moreover, federal or central meant Belgrade which is a Serbian city. That aggravated the traditional antagonisms and awoke traditional fears.

The official reaction, following a period of repressions and purges was to deal with the essence of the complaint, namely that malfunctions of the system were rooted in the insufficient development of self-management. The workers' right to decide about their income had after the 1964 reform been usurped by power centers outside of the workers' control, for example banks. Hence, the basic workers' complaint was perfectly justified: a part of the income created by them was alienated from them. That justified complaint was subsequently taken over by the nationalistic circles which, incidentally, did not enjoy any significant support among workers.

The logical reaction to such a state of affairs was
to ensure workers' complete control of the income they created. Of course at the same time the appropriate use of that income had to be ensured. Finally, self-management, and specifically direct agreements and self-managerial decisions about prices and wages had to be extended into social and cultural services in the form of self-managing communities of interests which aimed at encompassing producers and consumers of services by self-managerial relations. This way self-management was to encompass the totality of economic and also of political life.

This was the goal of the mid-seventies reform. It was consistent with the previous policy of the rulers and with their overall goals. It thus constituted a self-legitimizing device. At the same time the evidence we have presented earlier indicates that the emphasis on incomes, especially on workers' rights to decide about the determinants their personal incomes, was consistent with the workers' interests. There was also enough interest in those fields for the new legislature to serve as a medium to crystallize them into more precise categories and channel them into concrete forms of behavior. One way or another the party was, again, in a position to show that it had the workers' interests uppermost in its mind.

SECTION 3

CONSUMERISM AND RATIONALITY CRISIS

We have suggested earlier that an economic crisis can
create a direct threat to the legitimacy of a Communist government. In Yugoslavia this threat is reinforced by the fact that, if our analysis is correct, consumerism constitutes a grass-root ideology. Moreover, the apparently rational, that is, means-ends reasoning leading to using consumerism for the purpose of stimulating economic development, has its unintended (that is, irrational) consequences. The resulting rationality crisis, (to use Habermas' terminology), could thus generate challenges to the legitimacy of the Communist Party. In the final section of this chapter we will attempt to demonstrate why it is not the case in Yugoslavia.

For our purposes we need to begin with the problem of consumerism. We have to recall that the stimulation of consumption was an explicit policy of Yugoslav rulers which was announced in 1959 (Puhav, op. cit.). The intent was to stimulate the economy. One of Slovenian authors, defending the idea of promoting the increase of consumption, suggests that no economy can afford stagnation, and since someone must buy things in order for the economy to move, new products are needed. From this perspective saving money in banks as well as bank loans stimulate economy. What is needed, according to this author, is to oblige the banks to use their loans in order to stimulate the production which is needed in order to promote economic progress (Popit, 1979).

That reasoning appears to admit tacitly that the ini-
tial policy of stimulating consumption backfired because of some unintended consequences. For one, it appears that consumerism has been feeding on itself and pushing other goals into the background. As the consequence, according to Popit, there is a low level of savings, an increase of consumer loans, and increasing pressure toward the rapid expansion of personal incomes, all of which has created strong inflationary pressures.

There is also the problem of innovations. As we have indicated before, stimulating innovations was one of the specific aims of the Associated Labor Act, and of the principle of "Rewarding according to the income". This is specified in several articles of that law, for example by Articles 10, 46, 47, 129 and 130. But the actual source of innovations has been the continuous buying of foreign technology. To be sure, it may have at least partly facilitated the attainment of one of the goals of the 1972-1976 legislation, namely an increase in productivity. However, the cost was a massive foreign debt. On the other hand the technology transfer did lead to an increase in personal incomes. Ultimately the economy was stimulated by the increase in consumption, but not the way it was supposed to happen.

We need to add that the actual implementation of the stipulations of the Associated Labor Act was not necessarily reflected in self-management agreements. The evidence we have is minimal, and it applies to the year 1977. According to a study of the leather and textile industry in
Slovenia about 60.7% of the work organizations did not have any rule about accelerating or stimulating innovations. The study also indicated some confusion as to how to organize such activities and who should stimulate it. The highest number of answers, 48.6%, indicated that the top management of the work organization should do it (Možina, 1978: 30-31).

Another problem inherent in the discussion of the output of the political system is the question of the reality of the interhuman relations resulting from the decisions of the ruling group. After all, consumerism could lead to a situation in which other human beings are treated as the means for attaining material goods. This could be the essence of relations in the economy. Such a state of affairs was supposed to be prevented by the Associated Labor Act. This is how Kardelj saw it:

Income relations institutionalized in the constitution and the associated labor act consistently and clearly express social property as a system of relations between people, not as relations between a human being and a thing. (Kardelj, 1977: 20.)

France Šetinc, one of the leading figures in the League of Communists of Slovenia (in 1979 he was the executive secretary of its Central Committee), in his polemics against the Slovenian theologian, Rode, expressed the wishes contained in Kardelj's account of the 1976-77 legislature in more general terms. For him the goal of socialism is to ensure that:

...a man would mean for a man a largest possibility which would never be a "higher form of consumerism", for in a
a society of better possibilities a man would not be only an object or a material good to another man, or (not) even the means of some form of manipulation... The goal of accumulation must be a man, not profit. Only socialism is able to humanize technology and this way, as it was said by an American sociologist Michael Harrington, create out of the world a native country, not an exile. (Šetinc, 1979: 23.)

However, the intent of the legislative acts notwithstanding, there is no actual evidence that new income relations actually humanized relations in Yugoslav enterprises, nor is there any evidence of the humanization of technology. Most of the available observations indicate that the expansion of scientific management in Yugoslavia paralleled the expansion of self-managerial rights.

We need to remember that the approach to self-management in Yugoslavia is holistic, that is it proceeds with the assumption that self-managerial decision-making should encompass all the institutions of the society which determine one's life situation. The same applies to the specific case of the economy. If, for example, we look closely at the two quotes on the previous page, we may notice that the first one, by Kardelj, focuses on workers' rights in terms of the management of social property, controlling the fate of their products, and the income they receive for their work. One hears in this quote, and in fact in quite a number of excerpts contained in that book (which is the last work of that official theoretician of Yugoslav socialism), the echoes of Karl Marx's early manuscripts their discussion of workers' alienation. Šetinc's arguments in the second quote are written in a similar spirit, but
his emphasis is on technology and its potentialities as well as its actually alienating effects. Theoretically control of technology and control of incomes should be equally taken into consideration by self-managerial acts, agreements and decisions, but, as we have already pointed out, the Yugoslav legislature has been focusing on the problems of income allocation. The same applies to concrete self-management agreements. The focus is thus opposite to that in, for example, Sweden.

One of the industrial managers to whom I posed this problem in the form of a question asking whether workers participate in allocation of the technical tasks in his BOAL, answered that I was confusing political and technical decisions. Political decisions would be those involving the general policy of a work organization, plans, and the allocation of incomes. These decisions belong to workers. On the other hand, the allocation of the tasks on the shop floor is a technical decision and appears to be perceived as belonging to management and specialists. This is, for example, indicated in the work of Adizes (1971). Of course, we are talking about the actual practice of Yugoslav enterprises. Any form of workers' control at the shop floor level could be introduced into a self-management agreement by any enterprise.

But, it appears that Yugoslav workers are not interested in this form of the shop floor democracy. In order to explain the reason for it we need to go back to our discussion of Sweden. We need to remember that Swedish labor
force was well educated, by and large highly skilled and well paid. It also enjoyed a long industrial peace, stability of employment, stability of the market, and the access to very modern technology.

The beginning of Yugoslav self-management involved the work force which could easily be described in terms totally opposite of those we used to describe its Swedish counterpart. If anything, it resembled the labor force which Taylor used for his first experiments with the scientific management: landless European peasants who have recently migrated into industrializing urban areas and whose industrial skills and experience were minimal, if any. In addition, there were problems of the limited knowledge of language, and a highly unstable employment scene. Under such circumstances the facts of having employment and income were quite likely to be more important than the intrinsic qualities of work. This applies equally well to America at the end of the XIX century, to Yugoslavia after the World War II and to the Soviet Union after the 1917 Revolution.

If we are to look at Yugoslavia alone, we need to bear in mind that the development of this country (including Slovenia) was based on a labor intensive technology. That, in conjunction with a labor force which consisted mostly of former peasants, as well as an initial reliance on Soviet technology and know-how, was conducive to the proliferation of technologies demanding a thorough division of labor and simplification of tasks.
However, the technological changes in the West created the demand for Yugoslavia to follow them. The reasons were, on the one hand, the need to compete in the foreign markets, and, on the other hand, the possibility of foreign goods successfully competing on the Yugoslav market. There was, therefore, in Slovenia a conscious effort to alter the technological and technical structure of industry.

That policy began in the sixties and has continued through the seventies. There are two interrelated elements upon which its success could depend: the introduction of the new technology, and changes in the education of the labor force.

The following data illustrate the skills and education structure of Slovenian labor force in the sixties and seventies:

Table 1

<table>
<thead>
<tr>
<th>Year employed</th>
<th>Total</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
</tr>
</thead>
<tbody>
<tr>
<td>1961</td>
<td>481227</td>
<td>100</td>
<td>3.0</td>
<td>1.6</td>
<td>9.5</td>
<td>11.4</td>
<td>5.2</td>
<td>26.7</td>
<td>15.3</td>
<td>25.7</td>
</tr>
<tr>
<td>1971</td>
<td>572194</td>
<td>100</td>
<td>5.2</td>
<td>3.0</td>
<td>13.3</td>
<td>7.8</td>
<td>4.4</td>
<td>27.3</td>
<td>12.5</td>
<td>27.1</td>
</tr>
<tr>
<td>1976</td>
<td>692194</td>
<td>100</td>
<td>4.3</td>
<td>3.8</td>
<td>15.5</td>
<td>6.7</td>
<td>3.9</td>
<td>28.3</td>
<td>20.5</td>
<td>17.0</td>
</tr>
</tbody>
</table>

Explanation: 1 - University level education; 2 - post high school two years school; 3 - high school; 4 - grade school; 5 - highly skilled workers; 6 - skilled workers; 7 - semi-skilled workers; 8 - unskilled workers; 9 - unknown.

The data indicate in general a low percentage of employees with a university level education, and also the low percentage of highly skilled workers. As far as the

seventies are concerned, those percentages are among the lowest in comparison to other Yugoslav republics. As far as the percentage of employees with a university diploma and those with two-years of specialized school (which follows high school; so called Visoka Šola) are concerned, there are some discrepancies in the data we are using. If we follow the data published by the Federal Statistical Office, those percentages are also below analogous figures for each of the Yugoslav republics and autonomous regions (Stanič, 1975: 238). On the other hand if we compare the data for other republics presented by the Federal Statistical Office and those available in the data presented by Tavčar and his co-workers and which come from the Statistical Office of Slovenia, we see that the percentage of employees with a university education in Slovenia is above the federal average, as well as above the percentages for Bosnia and Hercegovina, Vojvodina and Kosovo.

The most significant changes indicated by our data appear to be the 8% increase in the share of the semi-skilled workers, and the 11.1% decrease in the share of unskilled workers between 1971 and 1976. Again we need to remember that while these numbers may indicate some decrease in the demand for unskilled labor, there was also a decrease in its supply. The latter problem was taken care of by migration from the southern republics.

We need to remember that these data refer to all employees, that is both those in what is referred to as di-
rect production and indirect production. As far as direct production is concerned, almost 40% of workers in the early seventies were either unskilled or semi-skilled, and there was a tendency toward a decrease in the percentage of highly skilled workers in that sector of economy.

The intentions and plans were to modernize the production through introducing new machinery, especially automatons and semi-automatons. But in reality the process of automatization, after a rapid beginning around 1968, slowed down. The technological standards of the new equipment were also not the most modern. Of course there were several factors which could explain it. For one, Yugoslavia's own technology and know-how were unable to produce machinery whose standards could compete with one in the West. As far as buying the technology was concerned, there might have been two obstacles present: a lack of sufficient funds, and a lack of the know-how necessary to master it. To be sure, the importation of technology has been increasing with a resulting increase in the foreign debt.

In the mid-seventies Slovenian industry might have appeared to be the most obsolete in Yugoslavia, since the percentage of the automatons and semi-automatons in it was the lowest among the Yugoslav republics. Sočan indicates that 50% of all of the products of Slovenian industry are the result of a non-demanding technology and predominantly unskilled labor (1978: 196).

One more observation is needed before we conclude
In general, the productivity of labor in Slovenia is much higher than in other republics, regardless of the level of automation and the extent of the modernization of industry. Formal education may also not coincide with the actual knowledge and skills one possesses, since these are also a result of work experience as well as additional courses and training one receives on the job. This is characteristic of semi-skilled work, which demands a short period of on the job training. In Slovenia there are also courses available for skilled and highly skilled workers. Indeed "Educating while working" was the official educational policy of Yugoslavia initiated at the end of the seventies.

Consequently, among workers in Slovenia, for example, who at the end of 1976 did not have any formally acquired skills and who constituted about 17% of all people employed in Slovenia, 38% performed tasks for which no skills were needed, 22% performed tasks for semi-skilled workers, and 22% those for skilled workers. To be sure, the proportion of workers who perform tasks corresponding to their education increases with education. Thus 57.2% of semi-skilled workers perform such tasks, 71.9% of skilled workers and 60.4% of highly skilled workers; 31.6% of those with grade school education, 72.3% of those with high school education, 71% of those with two-year post high school technical or administrative education, and 92.1% of those with university
level education. There is also a tendency to have less education than one actually demanded by the job (about 1/3 of all of the employed Slovenes), rather than more (about 10% of all of the employed).

We need to bear in mind that a focus on the intrinsic qualities of work rather than on income characterizes a population which not only has taken for granted the stability and certainty of employment and wages guaranteeing a tolerable standard of living, but is also one with a relatively high degree of education, far surpassing the demands of simple industrial jobs. This was characteristic of a substantial number of American blue and white collar workers at the turn of the sixties according to the authors of *Work in America*. These variables, according to that book, constitute the explanation of their discontent with jobs, and demands for a variety of job enrichment programs, or in the phrase from the quote we used earlier, "humanization of technology".

The Slovenian labor force, as well as workers in other parts of Yugoslavia, do not share these characteristics. On the contrary, in Slovenia the tendency is the opposite with respect to the relationship between the level of formal education and demands of jobs. This trend will most likely continue with the modernization of Slovenian industry, since it will demand a better educated and trained labor force.

It appears, therefore, that the focus on incomes rather than on the intrinsic qualities of work has been consistent
with workers own preferences. As far as the quality of
the work is concerned, the gap between the demand for
skills and education, and their supply, ensures the avail-
ability of channels of the advancement within the system.
Further, for both economic and ideological reasons the use
of those channels is encouraged through the policy of
"Educating while working" (Izobraževanje ob delu). In
this particular case, the official policy is to direct
education toward the concrete needs of the economy, again
due to the needs of modernization, but also due to the
necessity to develop a proper socialist consciousness. Of
course that last goal, while emphasized by official policy
statements (for example the Resolution of the VIII Congress
of the LSC: 50-53), is quite esoteric and in practice
focuses on the contacts of educational centers with the
centers for Marxist studies which are affiliated with all
of the institutions of higher education and to the republi-
can committees of the LYC. (Ibid.: 53). (Of course,
there are mandatory courses on Marxism in high schools and
universities.)

This brief discussion of Yugoslav educational policy
reinforces our basic argument that the focus on the pro-
cesses of income allocation inherent in the 1976-77 legisla-
tion is consistent with what workers' perceive as their
interest, as well as with the institutionalized ways of
satisfying those interests. At the same time, the goal
of that legislation was to attach those interests to the
overall goal of improving the situation of Yugoslav economy
by making it more competitive. There is some evidence that the result was an increase in Yugoslav indebtedness. However, to the extent the major goal has been consistently observed, the legitimacy of the ruling authorities has remained unchallenged.

We could put it in different terms: While there is some evidence of a rationality deficit as far as the official policies of the Yugoslav rulers are concerned, there is no evidence of an accompanying legitimation crisis. One of the reasons is the consistent focus on increasing personal incomes and on increasing the control of the workers over their allocation. This not only contributes to "civic privatism" (in conjunction with consumerism), but distributes the effects of the rationality deficits among the local economic organizations, communities and authorities. The discussion of strikes, their causes and effects will illustrate that last proposition.

CONCLUSION

The evidence presented in this chapter suggests that there is a substantial amount of consistency between the policies of the rulers of Yugoslavia and the wishes and aspirations of the population. The conditions under which Communist rulers came to power in Yugoslavia generated a set of aspirations which could have been satisfied through stimulating and satisfying consumer demands and delegating to the population control over allocating incomes - the latter being directly linked to expanding consumption.
At the same time, expanding focus on incomes, consumption and leisure activities facilitated the de-politicization of a substantial part of Yugoslav society. The resulting set of interests enables the rulers to operate within the context of highly generalized agreement with their overall decision-making rights, provided the pattern of expanding consumption is not jeopardized. This is the dimension of legitimacy which we have denoted as "diffuse supports".

Malfunctioning economy could gradually lead to the de-legitimation of the authority of any group of rulers. In the case of Yugoslavia, unintended consequences of stimulating consumption could be seen as an example of a rationality problem (in Habermas' sense of this word), which could subsequently lead to questioning rulers' qualifications and thus their rights to steer the economy, i.e. to legitimation crisis.

While there is evidence of rationality problems in the Yugoslav economy, these problems have not led to legitimation crisis. A partial explanation of such a state of affairs is rooted in the characteristics of the Yugoslav working class, (which we have briefly discussed on the basis of the data from Slovenia), and, again, in the economy geared to satisfying its demands.

Further analysis of the mechanisms channeling the effects of the rationality crisis will be provided in the next chapter.
CHAPTER III

SOCIAL CONTRADICTIONS, CONFLICTS
AND
THE STRUCTURE OF DECISION-MAKING
IN THE ECONOMY

This chapter may be seen as a logical extension of the previous one, since we will continue the discussion of the problem of the correspondence between the policy of the rulers and the demands of the population. However, in this case we will be discussing a situation in which the demands, rooted in the norms which are present in the culture of the population, do not correspond to the actual policy of the rulers.

It is our contention that such a state of affairs does not have to lead to de-legitimating the authority of the rulers. Rather, their legitimacy can be perpetuated by a mechanism which enables major systemic contradictions to express themselves through local conflicts over local issues. In fact, such conflicts may create a definition of a situation in which solution appear to be available in the existing socio-political system. Moreover, the leaders may be perceived as having the necessary competence to intervene in order to deal with the conflicts, and hence the right to do so. We will argue, in this chapter, that such a mechanism exists in Yugoslavia.
We will treat strikes as the major symptom of the rationality problems which are present in Yugoslavia. We will, therefore, discuss the causes of strikes. We will also discuss why strikes do not lead to de-legitimating the authority of the rulers of Yugoslavia despite the links between their causes and government policy decisions.

PART I

THE CONFLICTS AND STRIKES

There are strikes in Yugoslavia. We have mentioned them briefly before. Our task at this point is to discuss their sources and effects.

A Yugoslavian researcher asked by this author about strikes began his discussion by suggesting that in Yugoslavia are not political, or as he put it, the participants do not say: "Down with Tito, we want Brezhnev to come". Rather their demands refer to the specific conditions of their enterprises. However, strike activity did increase fairly significantly with the implementation of the principle of "rewarding according to work", a fact that was acknowledged by Yugoslav leaders. There is then, again, a case of rationality deficit caused by a necessity to stimulate growth and modernization in conjunction with the generally agreed upon assumption that equality of wages is de-stimulative to such effects on the one hand, and the problem of the consequences of inequalities on the other hand.

We need at this point to establish a link between ra-
tionality problems (in Habermas' sense of this word) and strikes. It is necessary precisely because of the gap between central legislation, which focuses on highly general issues, and local character or immediate causes behind strikes in Yugoslavia.

It is necessary to point out that strikes in Yugoslavia are not that unusual. They are discussed in the Yugoslav press, although not extensively. There is, moreover, a fairly good documentation of them, with the best source for research purposes being trade unions, at least in Slovenia. As far as published research is concerned, and extensive summary of strike activity in Yugoslavia from the first two strikes in the Slovenian coalmine of Trbovlje and Hrastnik from January, 1958 until September, 1969, has been written by Neca Jovanov (1979). The more recent data at our disposal also apply to Slovenia. These are the summaries written by Globačnik (1977), for the period 1974-76, and by Micki (1978), for the period 1977-78.

The first six months of 1977 could be of a crucial value to us because of a rapid increase in strike activity. There were 52 strikes in Slovenia in that period, with 4495 participants. In comparison there were 49 strikes in 1977 and 50 in 1976, with 3664 and 3446 participants respectively. The key aspect of that period is rooted in the fact that at that time the stipulations of the Associated Labor Act concerning the principle of "Rewarding According to Work" began to be implemented (Micki, 1978).
There appear to be no exact data available concerning the strikes in other parts of Yugoslavia in that period. (This author was told that in other republics it is far more difficult to obtain summary data, especially through the publications available to an average reader. Officials are also less willing to share their information with foreigners. The work of Jovanov, which has been published in Serbia, is an exception, and apparently its publication as well as Jovanov's open criticism of the role of the party, and especially of the trade unions, in respect to strikes and their causes generated some hostility among the officials of the party and trade unions in Serbia and Vojvodina). Moreover, the strike wave of the 1977-78 period apparently began in Slovenia and at least initially affected that republic in most cases. This author was told, however, that discontent among migrant workers might have played some role in the biggest strike, which took place at that time in the steel mill of Ravne. From yet other sources I heard that the ethnic composition of the work force did not matter, and that both Slovenes and Bosnians were equally angry at what they perceived as a wrong decision concerning the proportions of income allocated to personal incomes and the fund for collective use respectively.

The pattern of strikes beginning in Slovenia and then expanding southwards has been noted by Jovanov. Of course the issue is not the geographic progression, but the level
of industrialization of Yugoslav republics. The strikes began in the most industrialized of the Yugoslav republics, and then spread to the second most industrialized, that is to Croatia, then to industrial regions of Serbia, to Bosnia and Herzegovina, and finally to Macedonia and Montenegro — the least developed and industrialized republics. The last region in which strikes appeared was the least developed one, Kosovo, where the first strike took place in 1968, that is ten years after the first strikes in Slovenia. The numbers of strikes were highest for the developed republics as well (Jovanov, 1979: 137-139).

Jovanov's data apply to the period 1958-1969. There is no analogous analysis for the more recent times, except for Slovenia. However, the information about strike activity in 1977-1978 which I was able to obtain through personal conversations, indicated a similar pattern, that is first Slovenia, then Croatia, then less developed republics.

Following Jovanov, we need to make a distinction between direct and indirect causes of strikes. Jovanov in his analysis makes a further distinction between direct and actual causes of strikes. The distinction focuses on a specific event (or events), which brought about a strike (a direct cause), and conditions in the work organization which brought about that event (actual cause). For example, a sudden decrease in personal incomes would be a direct cause. The fact that this decrease was a result of a decision-making pattern in the work organization in which
workers were not consulted would be an actual cause.

As far as the direct causes of strikes are concerned, problems of personal incomes caused 395 out of 503 strikes about which data were available, that is 78.5% strikes. They involved 77% of all of those who participated in strikes (Jovanov, 1979: 162).

As far as deeper, i.e. actual causes are concerned, two of them, both involving personal incomes were listed as respectively first and second. A category which included "a system of distribution of personal incomes, non-implementation of distribution according to the results of work and not applying that criterion to all of the employees, too large and unjustified differences in the size of personal income", applied to 36% of strikes (out of 415 for which answers were available), and to 33.2% of those who participated in those strikes. A second category included "absolutely small and minimal personal incomes, high norms, low basis, etc.". It encompassed 26.8% of the strikes and 25.4% of the participants. A third category, which included "underdeveloped self-management, weak influence of workers on decision-making in the work organization", applied to 14.9% of all strikes and to 17.0% of their participants.

If we treat the first two categories as one, the deep-seated causes of strikes, that is those still situated within relations in the work organizations, encompass 63.2% of all of the strikes and 58.6% of all of their participants (Ibid.: 163). Jovanov also emphasizes that in about 3/4 of all cases personal incomes constituted both the direct
and actual causes of strikes.

The same pattern characterizes the demands of those who participated in strikes. Personal incomes constituted the major demands in the cases of 73% of strikes (out of 479 for which the data were available), and in the case of 62.7% of all of the participants. We may add that in 14.2% of strikes the main demands focused on the realization of self-managerial rights, and in 7.1% the demand was to change the management of the enterprise (Ibid.: 165).

These are the results of Jovanov's own analysis of the data which came from the questionnaires he himself constructed, distributed and analyzed. They apply to strikes in Yugoslavia from January 1958 to September 1969. In addition Jovanov presented the results of two questionnaires which were distributed among the members of all of the communal councils of the League of Trade Unions of Serbia. They apply to 85 strikes which took place in Serbia between January 1964 and January 1967. As far as the direct causes of those strikes are concerned, the picture is very similar to the one presented by Yugoslavia as a whole in the eleven years time span: 76 strikes, that is 87%, took place because of problems generated by the distribution of personal incomes (Ibid.: 117). One more piece of information is at this point important: as far as the eleven years time span is concerned, in 79.6% of all of the strikes the only participants were workers.

Let us at this point suggest an apparent contradiction:
the decisions against which workers went on strike must have been reached by their representatives. In other words, workers are striking against their own decisions.

Of course this contradiction is far more applicable to the times following the 1974-76 legislation. Before that legislation was implemented, more decision-making power belonged to management and to administrative centers. This applied especially to the workers' personal incomes, the major cause of the strikes. It is suggested that these earlier strikes were reactions against decisions of the management, and to a lesser extent, against the decisions of workers' councils, especially when the latter were under the influence of the management.

The set of data presented by Jovanov applying to Serbia in the years 1964-66 offers a way of testing this hypothesis. For one thing in all of those strikes the only participants were production workers. Also, in the period 1964-65 there were no strikes oriented exclusively against the decisions of the organs of self-management; 53.2% of strikes involved a conflict with the management, and 10.6% a conflict with both organs of management and self-management. In 1966 44.7% of strikes were oriented against the organs of management, 15.3% against both the organs of management and self-management, 4.7% against the organs of self-management, and one strike against another group of production workers (Ibid.: 118).

The data for Yugoslavia as a whole for the period 1958-69 present a similar picture: out of 251 strikes
for which data were available 176 strikes, that is 70.1%, involved a conflict only with the organs of management; 43, that is 17.1% only with the organs of self-management; 27, that is 10.8% both; and in five cases, or 2.0%, the strike was against another section of the same work organization (Ibid.: 167).

The strikes against the organs of self-management constitute an interesting case. Unfortunately data showing when they began to occur are not available. However, if we were to rely on the aforementioned observation Jovanov has made in regard to strikes in Serbia, we could offer a hypothesis that as the time went on, the number of conflicts between workers and the organs of self-management as well as between workers and other groups of workers began to increase. Furthermore, the year 1966, which Jovanov indicates as the turning point at which the conflicts between workers and the organs of self-management began to occur, is also the year when the 1965-67 reform, which was initiated with the 1965 basic law on enterprises, was first implemented. That law formally defined enterprises as work organizations, which thus became associations of work partners freely exchanging and pooling their labor. Those associations were to be managed either directly or by delegate bodies. In short, 1965 constitutes a period of rapid expansion of the decision-making powers of the organs of self-management, and hence of their responsibilities.

Jovanov sees this development in the following way:

At this moment the number of the organs of workers' self-
management increased, and so did the number of the organs of self-management and management as the subjects of the conflict. This in reality demonstrates a shift of a conflict from a vertical to a horizontal line. The subjects of the conflict are now not only workers-executives. The conflict now takes place in a form of a triangle: workers-executives-workers. It therefore has a tendency to intensify the conflict between individual groups of workers which in a work organization have different conditions for acquiring personal income. (Ibid.: 119).

The ultimate point emphasized by Jovanov is that the conflict does not occur between those who make decisions and those who don't, but between workers and groups of workers who have the same functions in the process of production, but different conditions for obtaining their income, and hence different incomes (Ibid.). The comments which I heard concerning the strikes in the 1978-79 period were similar, however; they emphasized the specific role of the principle of "rewarding according to the work" as the direct cause of strikes. In those comments the emphasis was on the differentiating effect which was the result of making personal incomes dependent upon the net income of one's BOAL. That income is in turn, obtained on the market. As we have noted before, it resulted in introducing and increasing income differentials among workers who not only had the same skills and education, but also lived and worked next to each other.

We may, therefore conclude that the awareness of income differentials and the resulting inequalities is a significant source of conflict in Yugoslav society. We need to remember that, at least according to some authors we have quoted in the previous chapter, there is a strong
norm of equality present in Yugoslav culture. The contrast of this norm and suddenly emerging income inequalities is likely to produce tensions leading to conflicts. But, the indirect causes of those conflicts can be traced to the sources outside of the work organizations in which the conflicts have taken place: to the overall situation of Yugoslav economy, and to the rules enacted by the federal legislature. Let us discuss these issues more closely.

PART II

EGALITARIANISM AND INCOME DIFFERENTIALS

In this section we will discuss the norm of egalitarianism and its distribution among various social groups in Yugoslav society. This norm will be contrasted to rules governing the official policy of Yugoslav rulers, namely the aforementioned "rewarding according to the results of work."

The official policy pronouncements concerning income differentials oscillate between a critique of "uravnilovka" as a "left wing deviation" and an emphasis on the stimulative effect of those differentials in regard to, for example, raising productivity, stimulating the search for innovations as well as creating stimuli for individuals' quest for improving their education and skills. This, as we have pointed out, was the intention of the Associated Labor Act. There is, however a question concerning the attitude of workers as well as the other strata in Yugoslav society con-
cerning the existence of income differentials and their size.

The last question demands a generalized discussion concerning the norms and values pertaining to equality in Yugoslavia. To be sure, our discussion may not be equally applicable to all parts of Yugoslavia, given the multiplicity of cultures and the uneven economic development which characterize the country. From this perspective the only example of a normative uniformity would be the ideology of the League of Yugoslav Communists. On the other hand, there appears to be a marked tendency on the part of some researchers to use a general term "Yugoslav society" in presentation of their findings which very often originate from small local samples. Of course, there is a problem of the ideology which defines equality (also of incomes), as the goal for the future. Such an ideology, especially in conjunction with teachings defining societal inequalities as inherently unjust, may create a norm which at least limits individual aspirations. The same norm may demand, for example, that the state try to remedy the injustices created by the market position of some groups or individual. This may be expressed in demands for creating equal opportunities for children and university students, for example through scholarships for those who need it. But it also may be reflected in the demands for administrative price control.

Županov is one of the most prominent among Yugoslav sociologists have been interested in the problems of what
he refers to as the "societal norm of egalitarianism". In his early work co-authored with Tadić (in Županov, 1969: 271-299), he indicates that aspirations toward higher income systematically decrease with, for example, an increase in current income (that decrease is exponential), skills, education and position in the work organization. The aspirations increase with an increase in the number of people supported out of a single income, but that increase is far smaller than expected (Ibid.: 280-289). Also, with income held constant, there is no relationship between aspirations to a higher income (relative to the actual one), and position in the work organization (Ibid.: 286). Basing their conclusions on comparing the normative pronouncements of the respondents (that is their opinions as to what should be the differences between the highest and lowest incomes), and on actual (or "situational") aspirations concerning respondents' wishes in regard to their income in relation to what they actually earned, the authors suggested that there is a strong cultural norm emphasizing egalitarianism operating in Yugoslav society.

That conclusion is important in regard to official policy which is reflected in what authors refer to as "explicit culture" and which consists of norms formulated by the programs of the party and in the statements of its leaders. Those norms contain the principle of "allocation according to work", which...

...under the conditions of the market the economy transforms itself into the income principle. The income principle does not recognize any other limits, either
in personal incomes or in aspirations, except for individual and collective productivity (efficiency). It is therefore contrary to the norm egalitarianism which is also expressed in derogatory names for the norm of egalitarianism: "uravnilovka", "a theory of equal stomachs"... and others. It is, therefore, valid to conclude that the norm of egalitarianism belongs to the implicit culture of the global society. (Ţupanov, 1969: 299).

Of course that last statement presupposes a certain degree of cultural homogeneity in Yugoslavia. The authors do indeed assume that much, without attempting to pinpoint the sources of the phenomenon they are discussing.

Ţupanov continued the investigations into the problem of the norm of egalitarianism. Of course he is not the only one. On the basis of the investigations conducted in Zagreb by other researchers he suggests that a hierarchy of values characterizes Yugoslav society, operating at various levels, from the personal level, where the dominating value is consumerism, or "enriching oneself", through the national level, where the dominant value is readiness to fight (a "heroic code"). As far as the values oriented toward society, the researchers discovered several of them without specifying which one was dominant. They include solidarity, equality before the law, equality of statuses, efficiency and knowledge. Ţupanov suggests that in order for a value to be dominant it must be both explicit, that is it must be a part of the officially and publicly professed beliefs as to what ought to be practiced, and implicit, that is a belief internalized by the members of society (as we have noted in the first chapter the explicit and implicit dimensions may not be synonymous). Further, such a value must be universal
in both those dimensions. Županov argues that only egalitarianism fulfills these demands. For example, according to the research on which Županov relies, the values of solidarity and equal rights are at the explicit level espoused in terms of applying to all people regardless of their membership in various social groups and as implicit values they are applied to the members of one's own group (Županov, 1977: 31).

Of course, consumerism at the individual level and egalitarianism at the group level are, at least to a certain extent, contradictory. Both control economic behavior. In Županov's early research, which we have discussed above, it appears that the increase in economic aspirations is limited by egalitarianism. According to the author...

...This way, certainly, the impact of the value of consumption and standard is not eliminated from the scheme of economic behavior, but is, if only partly, channelized into semi-legal or illegal channels (Ibid.).

But the picture is more complicated. The actual data illustrating the opinions of Yugoslavs concerning their preference in regard to the policies toward inequalities indicate that there are substantial differences among societal groups, especially as far as education and position in the industrial hierarchy is concerned. This picture is presented by Županov. For example in the study of the attitude of the members of the Communist Party he found that in the hierarchy which begins with unskilled and semi-skilled workers, and continues through skilled and highly skilled workers, office workers, lower management, techni-
cians and the top management, the percentage of support for the policy of promoting more and more equalities in income and standards has been systematically decreasing, from 44.3% in the first category, to 11.5% in the last. On the other hand, support for the equal opportunities policy has been increasing from 42.0% in the first category to 86.5% in the last. Analogous trends characterize the issue of decreasing the differences between the highest and the lowest incomes. To be sure, the workers more decisively support the policy of decreasing the difference (75%) than the managers (54.9% for, 41.5% against). Moreover, almost all of these groups are more likely to support relatively small differences in those incomes (about 1:3). But still workers' support is the strongest, and top managers' weakest (Ibid.: 40-42).

Analogous findings characterize the data obtained from a study of 10 Croatian enterprises. Here unskilled and semi-skilled workers were the only group in which the majority supported the equality of wages (54.5%). That support systematically decreased among other groups, from 22.2% for skilled and highly skilled workers to .9% for the top management. Given the differences between the two samples we may conclude that the party members are more likely to accept party policy as their own ideas. Simultaneously, the support for decreasing income differentials follows the previously indicated trend, with the percentages closer to the Communist Party sample (Ibid.: 43-46).

As far as the other republics are concerned, we have
some data for Slovenia, however, they do not reflect differences in attitude to official policies based on social positions and/or education. For example, Jezernik, on the basis of a study of a representative sample of Slovenian population indicates that 75% of the respondents support a decrease in the differences among incomes. Furthermore, 86% of the respondents consider incorrect the fact that workers who have the same skills and who perform equally diligently have different incomes because of different degrees of success of their work organizations (Jezernik, 1977: 61). And that fact is precisely the result of the implementation of the "rewarding according to work" principle beginning in 1977.

Some data concerning the differences in the elitist-egalitarian syndrome and its distribution in regard to a position in an industrial enterprise and education are available in Arzenšek's study of several industrial enterprises in Slovenia. In his study a question denoting egalitarianism states: there should not be more material differences between people, although that means less stimulus for most successful workers, technicians and inventors. In general 53% of the workers, 46% of the office workers, 13% of the technicians and 7% of the managers agreed with this statement. Further differentiation was provided by education: more education, less egalitarianism. Also, those who earn less are more egalitarian, men are less egalitarian than women, and active party and/or trade union members are less egalitarian than non-members and
the members who are not active in political organizations (the latter are more egalitarian than the non-members), (Arzenšek, 1977: 68-74).

It is obvious that there is a norm of egalitarian in Yugoslav society, but it is equally obvious that it is not evenly distributed especially as far as the top management is concerned. To be sure, even this group limited their own aspirations in terms of the income they would like to have.

There is a methodological point worth mentioning. While the use of the highest-to-the-lowest incomes ratios may serve as an indicator of the specific degree of inequality acceptable to the members of a society, it may be of less value as far as assessing the specific standard of living as people would like to have, that is the specific goods, services, the leisure patterns to which people aspire, or which people perceive as those which everybody should have. The same applies to the incomes to which people aspire. There is a question as to the correspondence between income aspirations, and the level of consumption to which people aspire and/or which people perceive as realistically available within the society in which they live. As far as Yugoslavia is concerned, those realistically available goods may include the goods which can be obtained abroad. Shopping in Italy (especially in Trieste), and in Austria, as well as in Greece (especially in Thessaloniki) has been quite popular among Yugoslavs. A car constituted a realistic aspiration in Slovenia in the mid and late
seventies. This includes foreign made cars for which the buyers had to pay 100% custom duty.

At the same time the question of equality, especially in terms of equality of incomes, may neglect the problem of a more elitist life style which, while not necessarily linked to incomes, nevertheless is a sign of higher status. This is characteristic of the so-called "higher culture" which is subsidized by both the federal government and the republican administration in Yugoslavia. To be sure, this does not apply to all cultural aspects. For example, books in Yugoslavia tend to be quite expensive.

Data describing the life style of Slovenians illustrate this point. For example, 44% of Slovenians in the representative sample from the 1978 study of public opinion indicated that they had not read any books in the previous year. About 58% indicated that they did not go to any concerts, and only 3.3% went to the classical music concerts (Klinar, 1979: 26-27). Analogously only about 21% saw any theatrical performance, and about 52% did not go to the movies at all. The only form of leisure activity in which the majority of Slovenians participated, regardless of their social position, is hiking in which 80% of the respondents have participated, 25% of them at least twice a week, and another 25% two-three times per month. (Ibid.: 28).

There is a marked tendency on the part of the upper strata in the sample, that is leading industrial and administrative management, members of the cultural elites, as
well as technicians and office workers with the high school education, to predominate in what is apparently perceived as elitist leisure activities. This is the formula used by Klinar: "Elitist consumer orientation and elitist socio-political activity...complement each other" (Ibid.: 200). However, there is no indication that the elitist leisure pursuits do indeed constitute signs of a higher status in Slovenia. In general there is no direct link between the modes of consumption and leisure activities on the one hand, and social prestige on the other in Slovenia. This may be due to the lack of the aristocratic traditions. In any case so-called elitist leisure pursuits do not seem to interfere with the norm of egalitarianism.

There is finally a specific question concerning the egalitarian or, alternatively, elitist orientation of the upper strata in Yugoslav society. Some indication of it has been provided by the findings of Županov and Arzenšek we have discussed above. There are some more detailed findings available, but they may be considered somewhat outdated. Pantić (1969) in his study of opinion makers indicates that 61.7% of them support decreasing personal income differentials, whereas 33.5% opposes it. The only exceptions are the Slovenians in that sample: the majority of them are opposed to decreasing income differentials. (In Rus, 1971: 36). The majority suggested the ratio of the income of an unskilled worker to the one of the top manager to be no more than 1:4.6. At that time the actual ratio was 1:10. (Ibid.). (Notice that the opinion makers
are far more egalitarian than the top management in the studies of Županov and Arzenšek, with the exception of those representing Slovenia in Pantić sample.

Supek's analysis of the data from the same study of opinion makers enables us to see some differences within the Yugoslav elite, (or among strategic elites), as far as their attitude to egalitarianism is concerned. Supek separated the sample into six categories: lawmakers, members of administration, party leaders, economic leaders, journalists and intellectuals. By and large these groups proved to be egalitarian, with the exception of journalists. Thus, the majority of their members agreed with the statement that the differences of income among the citizens should be decreased. This applies to 72.3% of the members of the legislature (lawmakers), 69.2% of managers (economic leaders), 58.3% of intellectuals, but only to 41.6% of the journalists. On the other hand the opinions were more divided in regard to the statement... "It is necessary to set an upper limit so that nobody can earn much more than the others." 50.8% of the legislators, 46.6% of the top administrative workers, 47.4% of the party leaders, 61.8% of the managers, 26.7% of the journalists and 58.6% of the intellectuals agreed with this statement.

We need to remember that the year in which the questionnaires were distributed, 1968, was the year of Belgrade student demonstrations in which the slogan of the "uravni-lovka" was quite popular. Apparently the need to decrease
income differentials was perceived by most of the opinion makers, although they were not that decisive as far as the drastic measure of an upper limit to incomes was concerned. The only exceptions were journalists, who simply and uncritically supported the current policy of "rewarding according to work", regardless of the societal consequences. Let us emphasize this element. Supek sees the attitudes of journalists as an expression of conformism (to the official policies of the party and the government), not of their elitism. Characteristically enough, party leaders are far more flexible. Also, Slovenian opinion makers are apparently not egalitarian (Supek, 1971: 66-70).

The data we used seem to illustrate the point that the norm of egalitarianism characterizes almost all social groups in Yugoslavia except for the managers of industrial enterprises (at least those in Slovenia and Croatia.) Županov suggests that egalitarianism in Yugoslav society constitutes a syndrome which consists of several components. The key to them is the perspective of the limited good. (Županov, 1977: 46.)

The concept of the limited good as a cognitive category has been suggested by Foster (1965) as applicable to a closed peasant society. For Županov the same perspective also characterizes a rapidly industrializing society in which the former peasants constitute the bulk of the labor force, and subsequently transfer that mentality into the industry and administration. (Bauman's essay which we have
discussed in the first chapter suggests that the member of the party bureaucracy in the early stages of the development of socialist societies in Eastern Europe were predominantly of the rural and small town background. One could look for the elements of the limited good imagery in their behavior.

In such a Weltanschauung economic goods as well as power and prestige are perceived in terms of a Zero-Sum game. Under such conditions one person's gain in any of these areas must result in another person's loss. For Županov this mentality is illustrated, for example, by a tendency to limit the financial support for the enterprises which are able to expand and the support for those which cannot survive without it, or by continuous worries that some people earn too much, (for instance inventors). Županov points out that there is also what he calls an "aristocratic" version of that belief. In peasant societies it leads to an extreme exploitation of peasants by the landowners. (Ibid.) All illustration of this attitude could be the initial policy of squeezing all the surplus of the peasants which characterized, for example, the early stage of the development of Soviet society, and which appeared in Yugoslavia even after the break with the Cominform.

There are other components of the norm of egalitarianism which are present in Yugoslav society according to Županov. One of them, which appears to constitute an obsession among the Communist bureaucrats in Eastern Europe
(as well as for some of their subjects), is the private entrepreneur complex. Of course the more dogmatic party officials oppose private enterprise for purely ideological reasons. This is not necessarily the case in Yugoslavia, where private enterprise was encouraged in order to boost the tourist industry. But the suspicion continues that private entrepreneurs have attained too much wealth, and, moreover, at the cost of the people employed in the socialized sector of the economy. This, in turn, leads to the support of demands for the state control of enterprises, especially since it reinforces the role of the state in the process of the redistribution of wealth.

The call for state intervention for the purpose of redistributing the wealth is also a component of the norm of egalitarianism. The support of such a role for the state is reflected in the data we used earlier indicating agreement with statements concerning the necessity of decreasing income differentials, as well as the general support of price control which in Županov's study characterized unskilled workers, skilled workers, administration workers and lower management (with only top managers and experts not supporting it), and unskilled workers' support for maintaining unprofitable enterprises (here other groups oppose it—including skilled workers) (1969: 35-37). As far as the more recent findings are concerned, the unskilled workers' support of the arbitrary role of the state in managing enterprises has been illustrated by Arzenšek, (1977: 140-141). To be sure, in his sample other groups tend to support
self-management agreements as the proper way of managing enterprises (there is, of course, question as to whether or not the support applies also to so-called "social compacts" concerning prices).

The other components of the syndrome are the tendencies toward anti-intellectualism and anti-professionalism in which there are claims of not only the equal value of each human being, but also equal abilities and equal competencies. This results in oversensitivity to the behavior of intellectuals and managers, who are sometimes accused of elitism, or who act as if they were the owners of the enterprises. Županov relates that to resistance to change and anti-creative attitudes which limit inventiveness (Županov, 1977: 46-67).

The egalitarian syndrome has a significant impact on the forms through which societal contradictions in Yugoslav society express themselves as actual conflicts. Before we enter the discussion of those forms, however, we may find it useful to return for the moment to Slovenian culture, since there is some direct evidence of the presence of some aspects of the image of the limited good in the Slovenian society. We need to bear in mind that Foster's thesis represents most likely an ideal type, and therefore it may be difficult to find a society which fits exactly his description. Also, it is worth mentioning that there have been strong elements of Weber's inner-worldly ascetism in Slovenian Catholicism, reinforced by Jansenism. These factors might have contributed toward the emergence of a mentality containing the
image of the limited good. On the other hand, Slovenian scholars analyzing the psychology of their nation have been using Foster's schema.

Of course contemporary Slovenia is not a rural society. This may create the first difficulty. Winner, in her search for the elements of the image of the limited good in the village she studied, indicates that the availability of economic opportunities outside the village eliminates the possibility of treating the land as well as other sources of income in the village from the point of view of the limited good. Plainly, employment, education, and a good income are available in Slovenia. On the other hand, the values of hard work and thrift which are part of that image are still present (Winner, 1971: 233-236). Further, while the villagers are not following the rules of either extreme communism, or extreme individualism, the elements of both attitudes are present among the villagers (Ibid. 235).

However, there is some evidence that the image of the limited good has been operating outside the village communities. Its origins are likely to go back to the religious ethos. An important part of it is a set of proscriptions defining every activity outside of work and praying as sinful. This included a condemnation of all forms of conspicuous consumption. The result was a set of features which were grasped by under the term "hlapčevstvo", which can be translated as "mentality of serfs", or of "farm-hands", and which connotes patience, humility and
satisfaction with one's fate (notice the similarity to Luther's "calling"). Those characteristics coincided with the ideology of the (mostly German) bourgeoisie of the major Slovenian cities.

Those characteristics are components of the image of the limited good. This, in turn, has led to an emphasis on individualism, exemplified by a tendency to blame oneself for a lack of success in life. That Weltanschauung has been reinforced by primogeniture. The first born has been expected to be the most successful. Characteristically enough, according to one study of high school students, 82% of all those who have been successful in school have been the first born.

Further, success has been perceived in terms of the limited good, that is one's success must lead to others' lack of it. The result was envy, and a pressure toward being average, both features apparently characterizing the Slovenian high school population in the seventies. (The information about the survey as well as other information concerning the elements of the image of the limited good in Slovenia are derived from an interview with Dr. Janez Dokler from the Institute of Sociology and Philosophy in Ljubljana).

The notion of equality is, of course, not an unequivocal concept. It may refer to the distribution of positions in a variety of social hierarchies; it may also refer to the allocation of societal rewards - economic rewards as well as those of power and/or prestige. These two
dimensions are interrelated: access to rewards is often dependent on one's position in the social hierarchy. On the other hand, access to these positions is facilitated by access to power, prestige and economic rewards. Consequently, the idea of equal allocation of societal rewards implies that such an allocation should take place regardless of one's position in, for instance, a political or managerial hierarchy. And, of course, access to the positions in such hierarchies should not depend upon one's access to societal rewards.

The notion of economic equality, at least in its extreme form, is known in Yugoslavia as "uravnilovka", or the theory of equal stomachs. An alternative to it is most often expressed through ideas of equal opportunities, or equal starts.

The demands for equalization of incomes have been present in Yugoslav society most likely since the end of World War II. They were rooted in the tacit assumption that the allocation of people into positions in various societal hierarchies had been facilitated by the unequal conditions which enabled some people to acquire the appropriate skills and prevented others from doing so. Those conditions were rooted in inequalities of wealth and power. This is obviously a "conflict" view of society. For Yugoslav Communists (and for this matter for all revolutionary regimes), whose ideology obviously contained such a view of society, such a general perception of social stratification constituted a tool to be used in the process of
eliminating the old ruling classes. The practical consequences of such a perception of the sources of societal inequalities in its most extreme form leads to demand for separating income distribution from the distribution of people through societal hierarchies. This was one of the demands of students during 1968 Belgrade demonstrations.

The less extreme form of such a view of society would lead to demands for administrative limitations on the size of incomes. Finally, another alternative would focus on compensations for unequal access to rewards. This is the current policy of the Yugoslav government.

Yugoslavia has attempted to pursue policy of equalizing opportunities and subsequently rewarding people for their achievements. Again, this is a policy of "rewarding according to work", that is according to one's contribution to collectively realized income. To be sure, there is also a supplementary "Principle of Solidarity" in operation, according to which the society ensures the necessary aid and help to those who need it. This need may be a result of natural causes, for example an illness, but it may be also the result of the position of an individual or a group in the market. We are dealing, therefore, with an extensive set of welfare measures which constitute the major way of ensuring a modicum of equality in Yugoslav society. These measures include republican funds for under-developed regions in some republics and the federal fund for the under-developed regions.
But economic rewards still have to be allocated, and they are, in practice, allocated unequally. Therefore two policies are being pursued simultaneously: one encouraging income differentials and other one which attempts to compensate for economic inequalities. Let us see what is the relationship between these policies and societal values in Yugoslavia, and the results of that relationship.

It is characteristic of Yugoslav society that while the tendencies toward equalizing rewards are very much present, the official policy connotes both egalitarianism as far as allocation of power is concerned, and inequalities, as far as the allocation of incomes is concerned. We need to repeat Županov's observation: the norm of egalitarianism and the norm of "rewarding according to the results of work" contradict each other, given the actual conditions of Yugoslav economy. The intensive implementation of the latter norm in Yugoslavia beginning in 1977 apparently reinforced egalitarian tendencies vis a vis actual increases in income differentials within the same social strata. The results were tensions and an increased number of strikes.

PART III

STRIKES AS THE WAY TO LOCALIZE SOCIETAL CONFLICTS

The discussion in the previous section indicated the presence of a major contradiction between the policy of the rulers of Yugoslavia, and one of the major norms which
characterizes the culture of that country. Such a contradiction could result in the loss of legitimacy by the ruling authorities.

In this section we will discuss why this is not the case in Yugoslavia. We will focus on both normative and actual structure of decision-making and influence in Yugoslav industry in order to indicate how this structure enables to transform the major contradictions into local conflicts. This way the source of such conflicts can be seen in local decisions and in the influence structure which characterizes individual enterprises. Such a state of affairs, in turn, has the effect of deflecting the responsibility for the conflicts from the central decision-making bodies. There is an awareness of the fact that strikes in Yugoslavia are rooted not only in the immediate conditions and complaints of the workers in the given enterprise. That awareness is indicated by Jovanov's study: out of 512 enterprises for which the data were available, 223 questionnaires, that is 45.5% of all cases, indicated that the actual deep causes of the strikes were present outside of the work organization (even though the overwhelming majority of strikes was against factors inside the work organization). Out of those 223 strikes, 202, that is 90.2% (involving 87.2% of all the participants), indicated that the causes of strikes operating outside of the work organization were "bad conditions of operating and the unfavorable position of the enterprise on the market." In seven cases (3.1%) the outside cause was "the enterprise's inability to satisfy workers'
demands of bigger personal incomes, objects of social standard, etc."
In six cases, (2.7%), the outside cause was "the bureaucratic attitude of a factor outside the enterprise to the enterprise" (Jovanov, 1979: 161).

In a sense these answers confirm the obvious: Yugoslav enterprises operate in a free market, and hence their situation must be dependent not only on what is happening in the Yugoslav market, but on what is happening outside of it as well. Obviously an enterprise, and the workers employed in it may not be in control of those external factors.

Furthermore, not all profits can be used for personal incomes. The well being of an enterprise, its survival on the market, and hence the eventual increase in personal incomes, constitute long term interests to which the short term interests in the immediate increases in incomes need to be subordinated. Theoretically workers themselves are the ones who make the actual decisions concerning how much of the income of the enterprise goes into each of the funds however, this is not necessarily the case in the actual practice.

To begin with, regardless of the legal and actual forms of decision-making all of the available data indicate that the top management constitutes the most influential group in Yugoslav enterprises. The worker's council follows this group. Workers themselves are likely to be in one of the last places in the hierarchy of influence.
(We will cite the specific data in the next section.)
Moreover, the sources that structure the set of options available for decision-making at the level of the enterprise are quite often outside of it. This is the case of *meta-power* (Baumgartner et al. 1976). The official Yugoslav statements often talk about the "alienated power centers" which usurp for themselves workers' rights to decide about the totality of their income.

Regardless of terminology, there is evidence that the actual solutions to what Shabad (1980), refers to as the contradiction between workers' long term and short term interests have been attempted in settings on which workers have only a minimal, (if any), influence. Furthermore, such modes of either reaching decisions, or of structuring their context may be the result of objective necessity. This is perceived by Kardelj, the official theorist of Yugoslav self-management:

...self-management presupposes equality based on the one hand, on objective laws of material or economic development, and on the other, on a conscious adjustment and guidance of that development, particularly of economic and social relations among working people. Consequently, economic activities governed by the laws of the market, social planning and economic and social solidarity of the working people, are three inseparable components of our socialist self-management system. True enough these components are in a contradictory relationship. But if this contradiction is to be gradually resolved it is essential for the whole of our system of self-management to be based on economic and social responsibility for decisions, the quality of which will be objectively assessed by their results in the sphere of market-oriented economic activities and expanded reproduction, that is in the formation and use of capital accumulation in higher labor productivity, in the economic structure of income, etc. (Kardelj, 1972, Part 1: 41).

This is an interesting excercise in an intricate,
(and slightly obscure) dialectical reasoning which characterized the major writings of Kardelj. But the key elements of his reasoning are fairly clear. The market, its laws and imperatives, and to the certain extent the planning which takes them into consideration may be (indeed are), contradictory to the interests rooted in workers' solidarity (which, if we are to rely on the evidence we have discussed before, contain the norm of egalitarianism, and plain striving for higher incomes regardless of the fluctuations of the market). There is a need to deal with the pressures generated by those interests. In general, Kardelj acknowledges the existence of the state property relations in Yugoslavia, which are reflected in either direct control of the state over social capital, or...

...in the form of a linkage between the state and the top managerial circles in the economy that control centralized social capital over which the organizations of associated labor lost control, or never had it. (Ibid.: 34).

This state of affairs is, according to Kardelj, partly the result of objective necessity, and partly of the inability of the society to accelerate what Kardelj refers to as "socialist integration". If we supplement this with fears of nationalism and of technocratic interception of self-managerial prerogatives (Croatian and later Kosovo events providing the justification for the first, and strikes for the latter), a set of rationales for maintaining some form of central control emerges. This may apply in particular to the organization which may need to be in charge of "a conscious adjustment and guidance" Kardelj refers to in the
previous quote.

We need to bear in mind that for Kardelj self-management is the key to the process of the "withering away of the state". But the emphasis is on responsible self-management, that is one which can properly deal with all of the economic contingencies.

In a sense, the Yugoslav formula for dealing with conflicts and contradictions is more self-management, especially since the ruling ideology sees the ultimate source of conflicts in the contradiction between labor and those who control capital. The latter may include owners, the state, the managerial stratum, or the banks. The banks in particular have been seen in Yugoslavia as the cause of workers' alienation from the results of their labor. The complaint has been that the banks superceded the state following the 1964-67 reform. The table on the next page illustrates this point.

The picture is fairly clear. There has been a systematic increase in the role of the banks in the process of investment which began with the 1964 Law of Banking and Credit. From that point until 1972 there is a systematic increase in the role of banks in investments, accompanied by a systematic decrease of the role of state in that process. As far as self-financing by work organizations is concerned, there is a marked increase in 1966, accompanied by a marked decrease in financing by the state. It is followed by a gradual decrease until 1975, that is until
Table 2. Source of investments into work organizations by fixed assets.¹

<table>
<thead>
<tr>
<th>Year</th>
<th>Total (%)</th>
<th>Work Organizations (State, Commune, etc.)</th>
<th>Socio-political Organizations</th>
<th>Other Organizations</th>
</tr>
</thead>
<tbody>
<tr>
<td>1961</td>
<td>100</td>
<td>29.5</td>
<td>61.7</td>
<td>.9</td>
</tr>
<tr>
<td>1962</td>
<td>100</td>
<td>29.7</td>
<td>59.7</td>
<td>2.9</td>
</tr>
<tr>
<td>1963</td>
<td>100</td>
<td>29.7</td>
<td>56.4</td>
<td>3.8</td>
</tr>
<tr>
<td>1964</td>
<td>100</td>
<td>25.9</td>
<td>35.6</td>
<td>31.4</td>
</tr>
<tr>
<td>1965</td>
<td>100</td>
<td>26.9</td>
<td>26.6</td>
<td>36.6</td>
</tr>
<tr>
<td>1966</td>
<td>100</td>
<td>39.3</td>
<td>16.3</td>
<td>38.9</td>
</tr>
<tr>
<td>1967</td>
<td>100</td>
<td>32.7</td>
<td>17.7</td>
<td>44.9</td>
</tr>
<tr>
<td>1968</td>
<td>100</td>
<td>31.3</td>
<td>15.7</td>
<td>47.1</td>
</tr>
<tr>
<td>1969</td>
<td>100</td>
<td>28.7</td>
<td>15.8</td>
<td>49.4</td>
</tr>
<tr>
<td>1970</td>
<td>100</td>
<td>27.4</td>
<td>15.7</td>
<td>50.6</td>
</tr>
<tr>
<td>1971</td>
<td>100</td>
<td>26.7</td>
<td>15.2</td>
<td>50.9</td>
</tr>
<tr>
<td>1972</td>
<td>100</td>
<td>29.9</td>
<td>19.3</td>
<td>42.6</td>
</tr>
<tr>
<td>1975</td>
<td>100</td>
<td>47</td>
<td>16</td>
<td>37</td>
</tr>
<tr>
<td>1978</td>
<td>100</td>
<td>48</td>
<td>7</td>
<td>45</td>
</tr>
</tbody>
</table>

the beginning of a new economic reform which began with the 1974 Constitution. At that point we observe an increase in the self-financing of investments by work organizations accompanied by a decrease in the share of banks and the state. However, it is difficult to know whether this trend has continued. The data for Slovenia indicate that between 1974 and 1976 the share of self-financing in the total investment decreased from 57% to 47%, and the share of credits increased from 41% to 51%. Slightly more than 20% of the credits came from foreign sources (SR Slovenija..., 1978: 110). However, we have no data indicating which organizations and which sectors of economy rely on self-financing. It is not unlikely that the major


²The data for 1975 and 1978 do not contain the category of other organizations. The presence of that category in the data presented by Jovanov most likely explains the discrepancies between his data and those presented by Baumgartner et al.
share of self-financing belongs to large and highly successful work organizations and enterprises, for example Iskra or Gorenje.

Still, there is at least some evidence that the banks were becoming power centers separate from workers in EOALs. Jovanov emphasizes the fact that in the time-period he investigated there was a decrease in the financial powers of the state, but not to the advantage of the financial power of work organizations. Furthermore, the executive boards of banks, which were the self-managing delegations of organizations whose funds were in the banks, were deciding about 10 times less money than the credit boards of banks, which were the organs of the specialists employed in the banks. In short, the power of the banks constituted for Jovanov a way of alienating workers from the control over the income they produce, and from the control over their past labor (Jovanov, ibid.: 150-153).

We need to keep in mind that the general problem which Kardelj's quotes indicate. There are apparent contradictions between the interests of individual workers and individual work organizations on the one hand, and those of the society as the whole on the other. The latter is a socialist society which in the future is supposed to ensure high standards of living, equality and the end of all forms of alienation. The introduction of self-management and the resulting decentralization did enhance the workers' control over their life and work. But decentralization also decreased the workers' influence on the realization of more
general societal interests. Of course, in theory, the workers' influence on the decisions affecting their long-term interests could have been ensured by their representatives in the formal power centers of the society as the whole, and in the workers avant-guard, that is the party. But this was not the case in practice. Specific supporting data will be presented in the next section and in the next chapters. At this point it suffices to make some general observations.

Between 1960 and 1972 workers were the majority in workers' councils, although highly skilled and skilled workers were overrepresented in them, while the unskilled workers were underrepresented. However, in 1970 and 1972 workers constituted minorities in the executive boards of the workers' councils: 44.2% in 1970 and 46.9% in 1972. According to Jovanov, if the latter percentage were to be reduced so that only those directly involved in production were to be included, workers would constitute only 35.4% of executive boards in 1972 (Jovanov, ibid.: 78-79).

Similar observations apply to the presidents of workers' councils and of executive councils. 50% of the first in 1972, and 44.4% of the latter in 1970 were workers. But, if we consider the workers employed directly in the production, the numbers go down to 32.3% and 27% respectively (Ibid. 79-80). Workers were also underrepresented in the communal and federal assemblies. There was also a decrease in the percentage of workers in the party in the period investigated by Jovanov (Ibid. 83-87).
Further, workers were underrepresented in the governing bodies of the trade unions at the levels of republics and the federation. For example, as far as the Council of Yugoslav Trade Unions is concerned, only 19 out of 111 members were workers. That constitutes 17.1% which is 7% less than the average for the republican and regional councils in 1973 (Ibid. 87-90). As far as the trade unions in the enterprises in which strikes took place are concerned, the picture of their activity is mixed: in about 50.9% of the cases the union tried to eliminate the causes of the strike, in 1.5% of the cases it pleaded with the workers not to strike, and in 47.6% of the cases it didn't do anything. During the strike, in 59.8% of the cases for which there are data, the union was active in eliminating the causes of strikes and in satisfying workers' demands, in 9.0% it pleaded with the workers to go back to work, and in 31.2% of the cases it did not do anything. Finally, after the strike, in 79.6% of the cases the union attempted to deal with the deep-seated causes of the strike, and in 20.4% it did not do anything (Ibid. 177).

An analogous picture is presented by the activity of the organs of self-management. However, in this case there is interesting information available concerning the participation of the members of the organs of self-management in the strikes: they participated in 85% of the strikes for which the data are available, and which include 92.9% of the people who participated in them (Ibid. 158). On the other hand, in only 17.1% of the cases the members of
the organs of self-management not informed about the problems which led to the strikes, in 35.0% of the cases they did not do anything, and in 36% of the cases they attempted to do something prior to the strike, but did not succeed. The activism of the workers' councils apparently increased during strikes, where in 55.3% of the cases they tried to eliminate the causes of the strikes and satisfy workers' demands; in 5.2% cases they tried to convince the workers that their demands are not justified and that they should go back to work, and in 28.5% of the cases they did not do anything. Finally after the strike, in 77.2% the organs of self-management tried to eliminate the direct and indirect causes of the strikes, and in 13.6% they did not do anything (Ibid. 178-179).

If we compare the activity of the organs of self-management before and during strikes with the data concerning the participation of the members of organs of self-management in the strikes, we are driven to the conclusion that membership in a workers' council or in its executive organ does not in itself imply significant influence by the workers in the enterprise. The conflicts apparently remain the same, that is between workers and management, with the management most likely excercising strong influence on workers' councils.

Some points made in the previous discussion need to be recapitulated here. For one, we need to bear in mind that the principle of self-management applies not only to one's work place. It applies equally to one's local community
and to the socio-political organization to which a person may belong. It is necessary to bear this in mind, since decision-making processes outside of industrial enterprises to at least some extent determine the options available to the self-managers in the enterprise.

Moreover, we need to bear in mind the distinction we have suggested earlier between political and technical decisions in the enterprises themselves. Decisions which have to do with technology, as well as specific ways of implementing decisions of the self-management organs are technical decisions. Everything else would be seen as political. For example, the shopfloor democracy characteristic of Volvo and Saab factories in Sweden is non-existent in Yugoslavia. (An experimental attempt by Rus and his co-workers to introduce Swedish style work groups in one of Slovenian factories met with the resistance of workers afraid that such an arrangement would increase their responsibility for the results of their work, with ensuing negative impact on their incomes (Rus and Kamušič, 1975).

On the other hand, plans, incomes, wages, salaries and prices (with some limits as far as the prices are concerned), division of income and personnel policies are, at least according to the Yugoslav law, exclusively in the hands of the organs of self-management. This distinction may enable us to explain the fact that the increase in the legal and actual scope of self-management in Yugoslavia has been parallel to a proliferation of scientific management.
This for example led Obradović to conclude that a high level of productivity and the humanization of work constitute contradictions, and, as a result of a comparison of his own work with findings from a variety of societies with different levels of technological development, that workers' self-realization and self-actualization cannot be attained through work itself, regardless of the type of technology it involves. Rather it can be attained through participation in managing the enterprise, (Obradović, 1971: 93-94). There is thus a question as to how much of workers' participation in managing of the industrial enterprises is there in Yugoslavia.

This particular subject has been investigated for at least twenty years. The 1965 reform, which led to establishing of the workers' councils as the main legal organs which were to manage industrial enterprises, was also the beginning of a number of research projects which investigated the practice of self-management. One of the pioneers of this research is Josip Županov. His first investigations go back to the early sixties. In a study originally conducted in 1963 and first published in 1966 (co-authored by Arnold Tannenbaum), Županov demonstrated that the top management of enterprises is the most influential group, both in the hierarchy of managerial decision-making (from workers to the top management), and in what he denotes as a "representative hierarchy," which involves the major groups involved in the management of enterprises. Those groups include the top management, the
managing board and the workers' council. To be sure, in that second hierarchy the workers' council has a relatively high position (higher than that of the managing board), but this is easily explained by the structure of influence of the various groups in the workers' councils itself. The highest influence belongs to the managers of the enterprise, followed by specialists, and then by managers of the economic units (Županov, 1969: 174-175). A further investigation of the structure of influence in a single factory in Serbia demonstrated the existence of a similar hierarchy of influence. However, in this case workers in the older section of the factory perceive the influence of various groups as being almost similar. Authors explain it by a low level of education among those workers, who thus do not perceive the real state of affairs, (Ibid. 179-180). In general, according to the authors, the structure of influence in Yugoslav enterprises is similar to the one in American industrial enterprises.

The research done in the sixties and seventies found the existence of hierarchies of influence which were quite similar to the one found by Županov. Obradović in a series of papers based on his participant-observation studies of a central workers' council between 1966 and 1970, demonstrated that the meetings of the council were dominated by the members of management and by leading specialists. Party members were also far more active than non-members. The extent of participation was measured by the share of the time of the entire discussion which each group used,
the share of the proposals made by each group as the percentage of all of the proposals made, and the share of all of the proposals accepted by the council measured as the percentage of all of the proposals accepted (Obradović, 1972, 1974, 1975). This applied especially to the economic aspects of the operations of the enterprise, including personal incomes. The amount of time characterizing participation of workers, as well as the percentage of suggestions (both made and accepted), is extremely low: the highest indicator for unskilled workers is 1.4%, for semi-skilled 1.9%, and for skilled 5.9%; those groups constitute respectively 21.6%, 17.2% and 28.6% of the employees of the enterprises studied by the author. To be sure, participation of highly skilled workers is much higher, with the highest indicator of 19.4%; (it is this group's share of the total discussion time). The members of this group are mostly foremen, (1974: 31). Obradović's general conclusion is that the dominant group is the one which most frequently makes proposals and whose proposals are most frequently accepted (1975). This conclusion is very important for our data.

A substantial amount of research concerning the distribution of influence in industrial enterprises has been done by Rus. Some of his (and his co-workers') papers available in English indicate the existence of a hierarchy of influence in Yugoslav industrial enterprises very similar to the one observed by Županov (Rus et al., 1971; Rus, 1979). The 1974 study of seven industrial organizations
and two market organizations indicates that actual worker participation in decision-making both at the level of a BOAL and at the level of the work group is quite low with the mean indicators oscillating between very seldom and seldom. Moreover, aspirations concerning the mode of participation tend to be limited to wishes to be informed, although more than 20% of the respondents also want to participate in discussions. Characteristically enough the most even distribution of aspirations concerns criteria for income distribution at the level of a BOAL, and work time, (holidays, shifts, breaks) at the level of the work group (1979: 226-234).

The author also sees the level of aspirations - which is higher than the level of participation, as an indicator of the possibilities of self-management in Yugoslavia. Also, since these aspirations are not significantly higher than actual participation, they are less likely to provoke workers' disappointment with the existing situation. Finally, aspirations tend to be selective and focus on social decisions rather than on economic aspects of the managing of the enterprise. In short, these are realistic aspirations, reflecting the workers' level of education (Ibid. 227-228). Finally, the author presents evidence that so-called period of "liberalism", that is the time between the second and third major economic reforms (approximately between 1965 and 1974) led to increased domination of the workers' councils by management, an uncontrolled power of management in the work organizations, and an increasing
differentiation within the working class, where the skilled and highly skilled workers were overrepresented in the workers' councils. The solution to this problem, which was desired by the employees, was an increase in the influence of socio-political organizations such as the party and the trade unions (Ibid. 240-246).

A substantial amount of the research conducted by Rus and his co-workers has been utilizing a methodology based on one worked out by Tannenbaum (1968). This is a reputational method and relies on the perception of influence on the part of the subjects. Consequently influence has been measured by such questions as: "How big is your influence on...", and "How big is the influence of...on you." This is somewhat different from Tannenbaum's technique, which appears to interchange power and influence and which uses a more objective form of question: "How big is the influence of...on...".

This technique has yielded some interesting results. For example, in two papers published in 1974, Rus demonstrated that the power of management is not influenced by the socio-political environment of the enterprises. On the other hand, it can be decreased by the position of an enterprise on the market. "Professional-business" environment (that is specialist-managerial circles) also excercise a strong influence on the power of managers inside their enterprises. Such a state of affairs creates a circle of power where interaction between managerial groups increases their power in their enterprises (1974 a, 1974 b).
There is an observation which may link Rus's findings to our discussion of the problem of the legitimacy and the rationality of the socio-political order in Yugoslavia, for those findings may shed an interesting light on the results of post-1974 reforms in Yugoslavia. The social goal of those reforms was to increase the power of workers through decentralization of the economy, and through increasing the direct role of workers through their delegates in workers' councils and through workers' meetings in managing the economy. But, at the same time, there has been also an emphasis on economic goals and economic integration as one of the major means of attaining those goals. For example a great deal of emphasis was put on forming Composite Organizations of Associated Labor which consist of two or more BOALs and/or work organizations. Such an integration has been perceived in Yugoslavia as a necessity resulting from the logic of commodity production (Švab et al.: 1975). But, if we are to follow Rus' findings, such an integration would strengthen the power of management in the industrial enterprises. If it is the case, then we are facing a contradiction between economic efficiency and self-management, that is between economic and socio-political goals.

We need to bear in mind that the hierarchy of influence in Yugoslavia co-exists with the formal structure, which requires workers' participation in any decision simply to make it legal. This may explain findings of an international study which compared hierarchical relations in industrial enterprises in Israeli Kibbutzim, in Austria,
United States, Italy, and Yugoslavia (the sample of Yugoslav industrial enterprises was drawn exclusively from Slovenia). The differences in influence between workers and management were smallest in Yugoslav enterprises. This coincides with the fact that those enterprises were the most participative, that is to say the more participation, the more influence. This applies especially to large enterprises in the sample (Tannenbaum et al. op. cit. 73-99). This is consistent with the findings of Obradović discussed before. To be sure we are talking about a relatively weak position of Yugoslav management in comparison to other countries. One of the authors of the international study clearly indicates in one of his papers that management is the most influential group in Yugoslav industrial enterprises and its influence actually increased between 1969 and 1971 with a simultaneous decrease in the influence of other groups. At the same time the hierarchy of influence workers wished for, put the workers' council in first place (to be sure workers as a group were seventh, followed only by the Communist Party and foremen) (Kavčič, 1972: 1517-1522). Obviously workers saw the workers' council as their main representative organ.

This last finding is important not only because it is consistent with those of Rus we discussed earlier, but because it also indicates that the subsequent reforms enacted by Yugoslav ruling organs followed the direction apparently inherent in workers wishes, a fact which fits the definitions of legitimacy we have discussed in the first
chapter.

The question is then what is the situation after the reforms. We will attempt to answer on the basis of a secondary analysis of the data originally collected in 1975 and subsequently analyzed by Vladimir Arzenšek. His data describe the type of participation which for us indicates domination of decision-making in industrial enterprises. At least for the time being we will use the term participation, rather than influence or power, simply because it better fits the questions used in Arzenšek's questionnaire.

The original data were collected from 10 industrial enterprises in Slovenia and constitute a representative sample of their employees. Altogether there are 628 people in the sample. The questions measuring participation read: "In what form do you participate in solving the following problems in your BOAL?" and: "In what form do you participate in solving the following problems in your work group?" We treated the possible answers as a scale from 1 to 4 which consisted of the following items: 1 - I do not participate at all. 2 - I am informed beforehand about the proposals. 3 - I discuss and give suggestions. 4 - I decide about the proposals. The scale may be treated as a form of Guttman scale, however we may have certain objections about the suitability of the fourth item. The problem is not only the question as to who actually decides, but the fact that those who participate in discussions may not be in charge of making decisions, and vice versa. Both
facts will be to a certain extent illustrated by our data.

The following problems were listed by the questionnaire as the objects of discussion at the level of a BOAL: A - formulating the long-term plan of the BOAL, B - naming of the managing personnel on the BOAL, C - nominating candidates into the organs of self-management and into the delegations, D - determination of the criteria for allocation of personal incomes, E - investments (building a new section, or introduction of a new line of products), F - solving conflicts among various groups in the work organization, G - allocation of apartments.

Table 3 indicates the level of participation for the following groups in the enterprise: 1 - unskilled workers, 2 - semi-skilled workers, 3 - skilled and highly skilled workers, 4 - office workers whose work requires completion of an administrative school (clerical and secretarial work), 5 - technicians whose work requires four years of a high school, 6 - specialists whose work requires completion of a post-high-school specialized school or a university, 7 - middle management (a manager of a department, works-manager), 8 - top management (a director or manager of a sector).
Table 3

Participation in Decision-making in BOALs

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<td>1.67</td>
<td>2.15</td>
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<td>1.61</td>
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<td>1.52</td>
<td>1.81</td>
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<td>2.12</td>
<td>2.02</td>
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<tr>
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<td>1.47</td>
<td>1.51</td>
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<td>2.11</td>
<td>2.25</td>
<td>2.79</td>
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<tr>
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<td>1.56</td>
<td>1.44</td>
<td>1.33</td>
<td>1.68</td>
<td>2.23</td>
<td>2.18</td>
<td>2.89</td>
</tr>
<tr>
<td>F</td>
<td>1.22</td>
<td>1.66</td>
<td>1.57</td>
<td>1.32</td>
<td>1.67</td>
<td>1.92</td>
<td>2.36</td>
<td>2.66</td>
</tr>
<tr>
<td>G</td>
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<td>1.47</td>
<td>1.26</td>
<td>1.29</td>
<td>1.47</td>
<td>1.71</td>
<td>1.71</td>
<td>1.81</td>
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On the basis of table 3 we can make the following observations: In general, we can rank the groups according to the extent of participation:

1. Top management
2. Middle management
3. University educated specialists
4. Technicians with high school level education
5. Semi-skilled workers
6. Skilled and highly skilled workers
7. Office workers
8. Unskilled workers

The ranking of semi-skilled and skilled workers is somewhat unusual. Other studies tend to rank skilled and highly skilled workers before semi-skilled workers. This is the case of Obradović's study of participation in workers' councils (op. cit. 1972, 1974). Of course, we need to bear in mind that the table refers to participation in general terms, not to the specific case of participation in workers' councils as Obradović's papers do.

Clearly, the first three groups in the ranking are the ones which are informed about the issues and which are
most likely to participate in discussions. Also, the table indicates that the level of participation is the highest for the top management. It quite likely indicates its dominant position in the process of decision-making, or to put it in terms which are consistent both with Arzenšek's questionnaire and Obradović's findings we have discussed before. In other words managers are those who most often participate in discussions and give suggestions. This applies especially to long-range economic policies of the BOAL. Here the differences between the values of indicators for workers (including office workers) and management respectively are largest (categories A and E in the table). On the other hand, the most even distribution of participation characterizes the case of the allocation of apartments. Here the differences in education and position in the professional hierarchy are less likely to play an important role in reaching decisions.

The following table, table 6, indicates the level of participation in a work group. The groups represented in this table are the same as in the table 5. The problems which the questionnaire refers to are: A - formulating the monthly plan of the work unit, B - allocation of the tasks among the co-workers, C - work time (shifts, breaks and vacations), D - admitting and releasing workers from the work group, E - naming the manager of the work group, F - Solving conflicts among co-workers. (Refer to page 231)
TABLE 4

Participation in Decision-Making in a Work Group

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<tr>
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<td>1.49</td>
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<td>1.69</td>
<td>1.82</td>
<td>2.56</td>
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<td>E</td>
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<td>1.87</td>
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<td>2.56</td>
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<tr>
<td>F</td>
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<td>1.59</td>
<td>2.06</td>
<td>2.33</td>
<td>2.84</td>
<td>2.95</td>
</tr>
</tbody>
</table>

The ranking of the groups according to the extent of participation in a work group is as follows:

1. Top management
2. Middle management
3. University educated specialists
4. Technicians with high school level education
5. Skilled and highly skilled workers
6. Office workers and semi-skilled workers
7. Unskilled workers

This table then presents a hierarchy of participation very similar to the data presented by Obradovic. But, it is worth noticing that the highest level of participation of three top groups in any decision either in a BOAL or in a work group characterizes the item B in table 4, that is allocating the tasks among the co-workers. Clearly, amount of workers' control of their work is small. This confirms the thesis suggested before that self-management and scientific management in Yugoslavia have been developing simultaneously.

We will wait with the continuation of our discussion until we present the next two tables. They illustrate aspirations for participation in decision-making in a BOAL.
(table 5), and in a work group, (table 6). For the purpose of a better comparison the indicators of actual participation are given in brackets above the indicators of aspiration.

Table 5

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Perhaps the most outstanding feature of Table 5 is a significant increase in the indicator characterizing participation in determining the criteria for allocating personal incomes. This appears to generate the interest of even the unskilled workers and office workers, who otherwise constitute the most passive groups. The distribution of the aspirations for participation is also far more even than the distribution of actual participation, especially if we disregard the top management and unskilled workers. This applies especially to items B, C, F and G. To be sure these are social issues. As far as the economic policy of the enterprise is concerned, that is items A and F (long-term plan of the BOAL and investments), the aspirations of the management are significantly higher than those of the blue collar and office workers. In general it appears
that the strivings of the Yugoslav rulers toward making the influence of all groups in Yugoslav enterprises more even reflect the wishes of the employees. The same applies to the specific problem of distribution of personal incomes. Our findings thus confirm the assertion of Rus we have previously cited, namely that there is a strong potential for self-management in Yugoslavia. Aspirations also appear to reflect fairly realistically the skills and education of the employees. We may notice that the distribution of aspirations concerning participation is almost even in the item G, that is in the case of the allocation of apartments.

As far as the ranking of the groups is concerned, the aspirations of the top management are still the highest, and those of unskilled workers are the lowest. The aspirations of the office workers are still second from the end. But, the aspirations of the university educated specialist are higher than those of middle management as far as participation at the level of BOAL is concerned.

Table 6

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<th>Aspirations for Participation in a Work Group</th>
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The picture presented by this table differs from the one presented by the previous table only in one aspect: the level of aspiration of the top management as far as the allocation of tasks in the work group is lower than its actual participation. The reason could be that this type of a decision is felt more properly to belong to the middle management, technicians and foremen.

Comparing the tables also enables us to draw some conclusions concerning the distinction between a focus on shop-floor democracy and a concentration on the allocation of personal incomes. It appears that as far as aspirations are concerned the groups with the lowest incomes, that is unskilled, semi-skilled and office workers are those more interested in participating in the processes of income allocation than in allocating the tasks in the work group. The situation is different in regard to technicians and managers, with the skilled and highly skilled workers displaying approximately the same interest in both issues. Hence differences between workers and management are smaller with respect to participating in the determination of the criteria for allocating personal incomes (at the level of a BOAL), than those concerning participation in the distribution of tasks among co-workers in the work group. This applies both the actual participation and to aspirations. These indicators can also illustrate the argument concerning minimal interest in Swedish style shop-floor democracy in Yugoslavia. (The only experiment with shop-floor democracy in Yugoslavia ended in failure mainly due to the
workers' fear of increased financial responsibility which could result from such an arrangement. (See Rus and Kamušić, 1975).

There remains the question if the role of workers' councils in decision-making in Yugoslav enterprises. Their formal role is prescribed by law: workers' councils and their executive committees manage the operation of all economic units, with the most important decisions being reached by workers' meetings.

The term workers' council may be misleading since it implies that only workers may belong to it. We saw earlier that it was not the case prior to 1974-1976 reform. The reform was intended to limit the possibilities for electing members of management into workers' councils. But, there is a problem concerning the legal status of management. Yugoslav official terminology often relies on the term "working people" rather than "workers" to indicate their common position in regard to the socially owned means of production. Thus all who work with socially owned means of production are "working people" and have the right to self-management. This would include the members of management. This problem has been dealt with by the Associated Labor Act, which stipulates that a worker who as an "Individual managing organ" or as a member of a collective managing organ is responsible to a workers' council cannot be a member of it. This also applies to managers of sectors of work organizations and all the other workers who according to the statute of a work organization are directly re-
sponsible to a workers' council (Krivic. op. cit. 49).

In theory, then, members of the top and middle management cannot be members of workers' councils since 1976. On the other hand they do have the rights and duties of advisors and, therefore, do participate in the meetings of workers' councils and/or of their executive organs. However, they do not have any voting rights at those meetings.

Since our data were originally collected in 1975, we may treat them as reflecting a transitory stage. In other words, there is a possibility that members of the top and middle management were still members of the organs of worker self-management that year.

The following table indicates the number and percentage of the members of each group in enterprises for which we have data. The numbers from 1 to 8 indicate the same group as in the previous tables.

Table 7

<table>
<thead>
<tr>
<th>Membership in the organs of self-management</th>
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<tr>
<td>Members who rarely participate in the meetings</td>
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<tr>
<td>Number</td>
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<tr>
<td>Percentage</td>
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<tr>
<td>Members who regularly participate in the meetings</td>
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<td>Number</td>
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<td>Total number and percentage of the sample</td>
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<tr>
<td>Number</td>
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<tr>
<td>A number and the percent of those who were members of organs of self-management</td>
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The conclusion following this table is self-evident. Members of management and leading specialists are more likely to be elected to the organs of self-management than either blue collar or office workers. Also, as we have seen before, the managers and specialists tend to constitute the most active groups in the process of decision-making. We are, therefore, in a position to talk about the domination of the process of self-managerial decision-making by those groups, especially in the cases of economic and technical issues.

However, given the values of the indexes we have presented, one could be tempted to conclude that since in only two cases they exceed 3.00 (that is above the level indicating actual participation in the discussions) that we cannot actually specify who makes the decisions in Yugoslav enterprises. These two cases actually illustrate this point quite well, for they apply to the allocation of tasks in a work group, that is to what sometimes is referred to in Yugoslavia as "technical" (as the opposite to "political") decisions. Here actual decision-making rights are most likely to belong to management. The meaning of this particular number in the case of our data could be strengthened by pointing out that it is the only case where the majority of any group indicates that they actually make the decisions.

We need to bear in mind that in all of the other cases decision-making rights belong to the workers, or to the organs of self-management, which consist of workers' delegates. But, the level of participation of all groups
which according to the Associated Labor Act can have voting delegates in the organs of self-management is quite low—particularly in BOALs. Furthermore, there is some indication that the actual and potential delegates to the organs of self-management (and for this matter to the legislative organs of the territorial units as well) are not well informed about the issues they have to deliberate on and decide. (See, for example, Novosel, 1977). On the other hand those who participate more and who are better informed do not have the decision-making rights.

This paradox is only apparent. We can illustrate it by our own observations. They are limited to one meeting of a workers' council and subsequent interviews of members of the personnel department of that BOAL. Still, they may serve as an illustration of the data we have presented.

The BOAL in question was an enterprise producing coffee. It was a part of a large conglomerate which was producing coffee, chocolate and sweets for the entire Slovenia. It also exported some of its products. The workers' council included the members of all of the work organizations and groups in the BOAL. The major representatives of the management were also present, namely the director of the enterprise and the chairmen of the personnel, sales, and financial departments.

Discussion at the meeting concentrated on the next year's plan, and in its context, on increases in personnel incomes. Except for two questions asked by workers, one pertaining to the wages of cleaning women who were the
lowest paid workers in the BOAL, and another asking for clarifications of the data presented by the chairwoman of the financial department, the rest of the discussion belonged to the managers. The chairman of the sales department described the difficulties with getting the basic products necessary for the enterprise, mainly the coffee from African countries, and the chairwoman of the financial department summarized the problem of increasing costs of production. On that basis both she and the director concluded that personal incomes in the enterprise could not increase more than 10% the next year. That proposal was formally presented as a motion by the president of the council, seconded, and approved unanimously. Of course the members of the management present at the meeting did not vote.

After the meeting the chairman of the personnel department in a conversation with me volunteered an explanation of the limited participation of the workers at the meeting. He said that since their personal incomes were to increase, they had no complaints, so they remained silent. He then suggested that such behavior is very characteristic for Slovenes, who are very reserved and do not talk if they have no relevant information or arguments. This, he suggested, is unlike people from the south who are far more talkative and argumentative.

As far as the juxtaposition of Slovenian reserve and southern argumentativeness or even pugnaciousness is concerned, I heard about it from several sources. One of my friends suggested that in fact if an enterprise employs
a substantial number of immigrants from the southern re-
publics, worker participation is very high and discussions
during worker meetings and during the sessions of the
workers' council are quite heated.

But, nevertheless, our evidence indicates that the
process of decision-making in Yugoslav enterprises by and
large amounts to workers voting on the suggestions and
proposals offered by management and on the basis of the
information provided by management. The essence of self-
management in Yugoslav economy is thus a form of partici-
patory democracy with workers being in a position to veto
almost all of the initiatives of management.

There are two more observations we need to make at
this time. First, the domination of the decision-making
process by management allows us to see strikes in Yugo-
slavia as the result of conflict between what workers
perceive as their immediate interests and decisions which
have been reached under conditions controlled by manage-
ment. Given the one sided access to appropriate infor-
mation (rooted in the differences in education and hence
in differential abilities to process and understand the
appropriate data, especially in the case of long term eco-
nomic decisions), we may talk about situations which
Habermas refers to as systematically distorted communication.
Under such conditions one side, a person, or a group, is
exclusively in charge of formulating the interpretive
framework for the process of communication and fitting
the actual items into that framework (Habermas, 1970,
But our evidence also indicates that there are possibilities for the actual participation of workers in the process of decision-making simply because of the formal framework of self-management, educational opportunities available and the mandatory access of all of the workers to the data necessary for the successful participation in self-management. Finally, the existing structure of participation does democratize relations in the economy, and it provides the means for controlling the power of managerial groups.

We may, therefore, conclude this section by indicating that the contradiction between the government policy and the norm of egalitarianism is mediated by the process of decision-making through which central decisions are being implemented. Since the decisions as to what proportion of the total income of a BOAL goes into each of the funds are made at the local level, and since central authorities are barred by law from participating in such decisions, the blame for the unwanted results of such decisions can be placed only on local decision-makers. Further, as we have indicated, while the law specifies that such decisions must be reached through the process of self-managerial decision-making, in reality this process is dominated by the management. This makes it possible to seek the sources of conflicts in "non-self-managerial mode of decision-making." Such a state of affairs, therefore, validates the role of self-management as the way of solving the major
societal conflicts. At the same time it allows to deflect the responsibility for the unintended consequences of central decisions from the central leadership.

Jezernik, in an attempt to explain some contradictory answers from the public opinion study in Slovenia, (for example a simultaneous support for the expansion of the role of the state and for the role of self-managerial decision-making as the way to improve the economic situation) suggests that every member of a self-managing society carries in himself a series of antinomies:

For a self-manager is simultaneously a producer and a consumer, an employer and an employee, a representative of individual and collective interests, a subject and an object of a social plan, etc... For example, as a producer he is interested in selling his product for as much as possible and as a consumer in buying the same product as cheaply as possible; as an "employer" he is a superordinate, as an "employee" a subordinate; his personal interests are often contrary to those of the group he belongs to or to those of a subsystem, those of a group (are contrary) to those of a subsystem, those of a subsystem to those of the system; as a sub- of a plan he co-decides about the goals and strategies which transcend his individual, group and subsystem interests, and as their object he can oppose them, etc... (Jezernik, 1977: 66).

What is important is also the fact that those antinomies are most likely to be expressed through conflict between groups which deal with the immediate problems that emerge out of them. For example, the problem of a consumer being simultaneously a producer is most likely to express itself in pressure toward increasing personal incomes and also in pressure toward short term solutions of financial problems and problems of decreasing costs of production by increasing prices and buying foreign technology. All of
those are local decisions, most likely to be reached at the level of a BOAL. On the other hand such decisions are likely to be reached under conditions of managerial domination of self-managerial decision-making. The same applies to decisions which even eventually turn out to be unpopular among the workers. In either case "non-self-managerial" mode of reaching decisions, or "violation of workers' self-managerial rights" can be justifiably used as an explanation for the undesirable turn of events. We may add that this creates a fairly precarious situation for the top management, which finds itself trapped between the long term interests of the system (or the imperatives of economic laws as Kardelj puts it).

We can put it in different terms: the contradictions rooted in the vertical structure of Yugoslav society express themselves through local, that is horizontal conflicts. For example, Kardelj describes a contradictory relationship between economic and social relations governed by the laws of the market and the social solidarity of the working class (1972, part II: 41). That contradiction is reflected in local pressures toward the equalization of wages on the one hand, and the policy of "rewarding according to work", which has been formulated by the central organs of the party and trade unions and then enacted by the federal legislature as law, on the other. But the conflict which results from this contradiction is one over personal incomes decided at the level of a BOAL, and involves only the workers and managers in a given enterprise. The same ap-
plies to the contradiction between the immediate interests of the workers and the long-term interests of the system.

Such conflicts do not, however, involve the principles of the system, the social order, or its guardians. On the contrary, those principles are invoked precisely for the purpose of dealing with the conflict. Thus local conflicts serve, in fact, the purpose of continuously legitimating the system, the principles on which it is based, and the rulers who ensure adherence to those principles.

The situation we have been discussing can be seen as an illustration of the classical proposition of Simmel, namely that social conflict can reinforce social cohesion if the major norms, or rules on which a system is based, are used to solve it. This obviously enhances the significance of those norms.

Further, our discussion also illustrates the principle concerning the problem of legitimacy, namely that legitimacy of an authority can be maintained if there is a mechanism which may deflect from it the responsibility for either the unpopular decisions, or for the unintended consequences of some of its decisions. Clearly, properly channelled social conflicts may constitute such a mechanism.

Such a role of conflicts is consistent with the legitimacy of the rulers' authority seen in terms of diffuse supports. At the same time, there may be a concrete (or, to use the terminology suggested by our definition of legitimacy, an intentional) source of the support of the rulers: their successful participation in resolving conflicts.
Again, we need to see it in the context of the system which enables them to avoid the responsibility for the outbreak of those conflicts.
CHAPTER IV

INFLUENCE STRUCTURE

The Delegate System and the League of Yugoslav Communists

So far, this dissertation has been focusing on the mechanism through which the responsibility for the consequences of the major decisions can be avoided by the central leadership. Such an approach invites a question as to how the decisions made by the central leadership are being implemented in what is, after all, a highly decentralized political system.

But, posing such a question could be somewhat misleading. While we are obviously emphasizing decentralization as one of the key features of the structure of decision-making in Yugoslavia, we must not forget that the most influential organization in that system is the League of Yugoslav Communists, and that the mode of decision-making in that organization is governed by the principle of "democratic centralism" which in practice implies that the local party organizations must obey the direct commands from the party Presidium and its top leaders.

Moreover, the party claims to be the avant-guard of the working class and the embodiment of its long term (or "historical") interests. At the same time the party claims to represent the long term interests of Yugoslavia as the whole. In terms of the major thesis of this dissertation,
these claims can be easily falsified by the results of the policy decisions of the party. This is the result of the fact that the party in general and its leadership in particular have explicitly assumed the responsibility for the fate of the country. By doing so they also assumed a direct responsibility for the failures resulting from their policies.

There are, therefore, two interrelated issues we need to discuss. The first is the question of how the party implements its policies in a political system which is not only highly decentralized, but which also focuses on the direct decision-making of those whom the decisions are to affect. We need to bear in mind that the principle of direct decision-making and the principle of "democratic centralism" are contradictory.

The second issue has to do with avoiding the de-legitimizing effect of this contradiction and also avoiding the de-legitimizing effect of imposing unpopular policy decisions. In terms of our definition of the term "legitimacy" we can re-state it as, respectively, avoiding creating the perception that the party has been acting contrary to its own rules, and that its decisions are inconsistent with the interests and aspirations of the population - those interests and aspirations being defined by cultural norms and values. In either case the decision-making rights of the party and its leadership could become a subject of public discourse, and, subsequently, challenged. (We need to bear in mind that the absence of the very problem of legitimacy
from the public discourse, or, to use Durkheim's expression, from the "collective consciousness", is one of the key characteristics of the dimension of legitimacy which we have denoted as "diffuse supports").

We will argue in this chapter that the delegate system constitutes a mechanism, albeit an imperfect one, which facilitates achieving both of these goals. In this way two major pre-requisites of legitimacy can be satisfied: a potential for successful crisis intervention, and the establishment of a mechanism which can be used for steering the economy, social and political system.

Part I

THE DELEGATE SYSTEM

In this part we will briefly discuss the nature of the delegate system in Yugoslavia. We will outline its history and its structure. We will also discuss the role the party plays in the selection of delegates.

SECTION 1

IDEOLOGICAL JUSTIFICATIONS AND HISTORY

In my conversations in Yugoslavia concerning self-management it was pointed to me almost each time the subject came up that there is more to self-management in Yugoslavia than just decision-making in the economic enterprises. Rather, self-management encompasses the entire socio-political structure of Yugoslavia. In fact, the major assertion
concerning the advantage of self-managerial democracy, or of self-managerial socialism, is that the principle of the direct participation by the subjects is applied to all of the decisions which affected them. Specifically, there are three key areas of social life in which the principle of self-management applies: the work place, the community in which a person lives, and the social or political organization to which he/she belongs.

However, at the local level, be it an enterprise, a local community or even a local party organization, only individual or at the most local interests are represented. There is then a question of the long term interests of the entire society. The official reasoning in Yugoslavia in this case resembles the theory of democracy presented by Walter Lippmann in his book *The Public Philosophy* (1955). Lippmann suggests that any process of democratic decision-making must ensure concern for the good of the community. The term community in this case refers to the totality of previous, current and future inhabitants. Therefore, there is a need to ensure that local decisions will not jeopardize the long term interests of the community.

On the other hand, the principle of socialism implies that the working class (defined in Yugoslavia as all who work with socialized means of production) and social groups and strata (even classes) allied with it must be the rulers, that is the sole decision-makers in the society. It means not only that those rights must not be usurped by other groups, but also that the working class' influence must
reach the decisions made beyond the local level. This needs to be supplemented by the principle of self-management: the decisions which involve long-term interests of the members of the society must be reached with the full knowledge and cooperation of all of the members.¹

We need to bear in mind that decisions reached through self-managerial means in an economic enterprise or in a local community tend to involve means of production which belong to the entire society. This justifies societal control over those means and the responsibility of decision-makers to the entire society. Clearly then, there is a need to make sure that local and general interests are taken into consideration during the process of decision-making beyond the local level. The same reasoning also applies to the local level: partial or individual interests and those of the local community or an enterprise need to be represented and taken into consideration. The necessity of dealing with all of those needs has led to the introduction of the delegate principle whenever direct decision-making is impossible.

The ideological basis of the delegate system was elaborated by Kardelj in his last book. He talks about the "pluralism of self-managerial interests" in which the concrete interests and needs of citizens are expressed in

¹There are also corresponding principles of workers' majority levels of the delegate system, and the law forbidding election of the members of state and local administration as well as of management (in cases of BOALs) to delegations. For the answer to the question whether or not these principles are actually observed, see the Appendix.
the process of decision-making. Of course, such a process must involve them as directly as possible. He opposes it to the "political pluralism of bourgeois parliamentarism" which...

...restores the system of a general political representation in which a man is a "politicized" personality, an abstract political citizen. Such a representation is not based on a citizen as a carrier and an exponent of completely definite and concrete human or social interests, but on a "politicized" citizen who declares himself - as it is said - (for) the left or right, center or Christians, social-democrats or communists, liberals or fascists etc. Such a "politicized" citizen is forced by the political system to subject his own, authentic, human, class and other interests to the overall " politicization", and through it he also transforms the very decision-making about his concrete interests on third factors on which he can, in the best case, have a very limited influence. (1977: 40).

The reverse should apply to the delegate system. Citizens should be in a position to influence their delegates, so that their concrete interests are expressed in the process of decision-making. This is the key principle of the delegate system: the direct influence of the voters (referred to in the official language as the "base") on their delegation at every level of the decision-making and legislatiing process. This means in practice that the delegates have to follow the instructions of the "base" as to how to vote, and that they can be recalled if they fail to fulfill their mandate.

The overall principle on which the delegate system is based is referred to in the Yugoslav legal language as "delegate relations". This connotes relations in which a continuous working relationship between the voters and the delegates must be maintained. This applies to every de-
cision-making process in the socio-political organization of Yugoslavia, including economic enterprises. Here also the members of a workers' council are delegates of the workers in an enterprise. This "working relationship" demands that information concerning the problems and positions which the voters and their delegates take in regard to them are continuously transmitted from the delegation to the "base" and back. Ideally this should prevent "alienation of the delegates from the self-managerial base" (Krivic, op. cit. 194).

An additional variation on that theme characterizes Slovenia, where the positions of the delegates in assemblies are temporary. This means that the delegations, or assemblies at lower levels, select delegagates for the assemblies at higher levels according to the issues which are to be discussed. Hence, the actual personnel of the assemblies at the level of a commune or a republic changes according to those issues (Ibid. 196). However, this principle does not apply to the delegates to the socio-political chambers of communal and republican assemblies (i.e. chambers of delegates from social and political organizations such as the party, trade unions, etc...), and to the Federal Assembly. In these cases the delegates have permanent four-year term (Košir, 1979: 84-85).

The idea of the delegate system is, in Yugoslav official writings, traced back to Marx's critique of the distinction between human rights and citizens' rights which was characteristic of the bourgeois societies of the XIXth
century and their jurisprudence. For example, in his early essay *On the Jewish Question* he suggests that a bourgeois society distinguishes between a man as an abstract citizen, that is "an allegorical, moral person", and a man "as he really is", that is an egoistic man (1964: 30). Yet it is the abstract man who is simultaneously seen as a part of his species, that is acting *qua* citizen. True human emancipation must then involve a synthesis of the real man and abstract citizen. It will, therefore, take place...

...when as an individual man, in his everyday life, in his work and his relationships, he has become a species being; and when he has recognized and organized his own powers (forces propres) as social powers so that he no longer separates this social power from himself as political power (Ibid. 31).

The delegate system in Yugoslavia, at least in theory, constitutes an attempt to implement these ideas.

As far as the practice of the delegate system is concerned, Yugoslav writings trace it to the Paris Commune because of the principle of recall of the representatives to the assembly of the Commune which characterized that organization. The subsequent development of the delegate principle and system is usually traced in Yugoslav literature through Lenin's work on the Soviets and Gramsci's work on factory councils. (See, for instance: Ribarić, 1979: 94-134; Lovrić, 1979: 19-25).

In Yugoslavia itself the origins of the delegate system go back to the National Liberation War of 1941-1945. In the liberated territories the new rulers began to organize National Liberation Councils which became the admini-
strative organs of those territories. Elections to those councils were open. The villages and towns elected village councils. The meeting of all the delegates from the villages in turn elected the council of a commune; the village delegates in the assembly of the commune elected also the delegates to the assembly of the region. That assembly, in turn, elected the council of the region (Ribarić, op. cit. 138; Lovrić, op. cit. 32-33).

The newly enacted rules also stipulated that communal councils had to call periodical meetings of the assembly of the inhabitants of the commune in order to inform them about their work and listen to their demands. Also, individual members of the councils as well as the entire councils were subject to recall by those who elected them. That recall could be effected by the demand of 1/4 of all of the voters, or 1/4 of all of the delegates at higher levels, but needed specific justifications (Lovrić, ibid.). Finally, councils at lower levels were subordinated to councils at higher levels (Ribarić, ibid.).

Of course, the National Liberation Councils never pretended to represent the newly liberated population. After all, Yugoslavia was in the midst of a fratricidal war, and the elements responsible for inter-ethnic massacres were obviously kept out of those councils. The same applies to collaborators with the foreign occupying forces. Moreover, the councils were organized by the Communist partisans whose major source of legitimacy at that point was their leadership in the struggle for the liberation of Yugoslavia and
simultaneously staying outside of brutal inter-ethnic mas-
sacres. Furthermore, their goal was not only liberation,
but, following it, the transformation of Yugoslavia into a
socialist society under their leadership. Because of that
the party controlled the councils from the very beginning,
and, given its position in the struggle for national liber-
ation, its control of the councils was generally supported
by the population.

The emergence of the self-managerial system in the
economy following the break with the Cominform generated a
need for similar changes in the administrative and legisla-
tive system. Their beginning was the 1955 general act on
the organization of the communes. Subsequently, the commune
became the key unit in the self-managing system of territor-
ial administration. That development was finalized by the
1963 Constitution.

Some writers argue that the delegate principle was
introduced in 1963. For example, Petković and Djordjević
suggest that only the introduction of specialized chambers
in Federal and republican assemblies, i.e. establishing
four work-community chambers; Economic, Educational-
Cultural, Welfare, Health and Organizational-Political
Chambers...

...marked a break with the classical conception of the
political system whereby the people’s representative
represents the citizen as an individual per se (1978:
17).

The idea of the delegate system was at that point firmly
established: to represent the concrete interests of citizens
rather than of citizens as abstract beings isolated from their social environment.

At the same time, however, a practice which originated with the National Liberation Councils was maintained and enacted as a part of the new Constitution: direct elections took place in work organizations and in local communities. That was the way the delegates to commune assemblies were elected. The delegates to republican and federal assemblies were then elected at joint sessions of the chambers of commune assemblies.

The terms "Delegate System" and "Delegate Assemblies" was introduced by the 1974 Constitution. Both terms, and for this matter the entire theory of the delegate system, reflect an attempt on the part of Yugoslav rulers to facilitate direct decision-making by the citizens. But, there is more to it. Ribarić, for example, describes the goal of that arrangement in following terms:

The basic goal of the new 1974 Constitution is that it opens to the working class and to all working people, under the leadership of the League of Communists, and of all the progressive socialist forces in general wider possibilities for realizing the leading role of their interests in the society on the basis of the self-managerial position in deciding about the conditions and the results of their work and about all of the means and movements of social reproduction (1979: 153).

The point is then direct decision-making, but under the leadership of the party. The reason is to ensure the observation of long-term interests of the working class. The mode of electing delegates and the structure of the system itself are, at least in theory, adapted to the realization of both of these goals.
Kardelj's idea of the "pluralism of self-managerial interests" is based on a vision of citizens directly involved in deciding about the issues to which their interests are tied. The delegate principle is an organic part of this vision, and hence Kardelj as well as other writers sometimes use the expression "direct decision-making through the delegates". This notion implicitly assumes that citizens are well informed about the work of their delegates, that delegates are equally well informed about the interests and demands of the citizens, and that there is a continuous exchange of communication, information and instructions between delegates and the "delegate base". Otherwise the entire system would in the actual practice function as a conventional "bourgeois" representative system.

There is also an explicit assumption concerning the four major areas in which citizens actually express their interests: the work place, that is BOALs, the communities in which they live, their socio-political organizations, and self-managing communities of interests. The organizational framework of the self-managing communities of interests is essentially a product of the 1974 legislature, although the original idea goes back to the process of "de-statization" of several funds for social care and services which began in 1960 (Krivic, op. cit. 87). These communities, like BOALs, base their organization on the principle of free exchange of labor for which they provide an institutional framework. Specifically, they are intended to facilitate dir-
ect decision-making by the producers and consumers of such services as health, and culture. Characteristically enough, the ties between the delegates and their "base" are, at least according to the law, stronger than those in other areas of decision-making. This applies in particular to Slovenia, where according to the law the delegates must work and vote according to the directives received from the voters, whereas in the case of other delegate assemblies they have to work "in accordance" with voters' directions, but can vote independently (Ribičič et. al., 1977: 11-14).

The basic principle of electing delegations remained fairly stable from 1963, although some secondary alterations were made. This applies in particular to Slovenia, due to the introduction of temporary (issue-oriented) delegate mandates. Delegations are thus elected by people in basic work organizations, local communities and in socio-political organizations. As far as work organizations are concerned, peasants and craftsmen working with the means of production they own also have a right and a duty to elect a delegation (Petković and Djordjević, op. cit. 33-34). The delegations, and sometimes conferences of the delegations, select among their members those they send to the appropriate chambers of the Commune Assembly. As a rule, the lower level assemblies elect delegates into higher level assemblies from the membership of the delegations of the basic units (Krivić, op. cit. 196; Petković and Djordjević, op. cit. 34).

The process of selecting delegates in Slovenia is somewhat different because of the principle of temporary
mandates which applies to all of the delegates to communal and republican assemblies except for the socio-political chambers of those assemblies. Therefore, the Chamber (Zbor) of Associated Labor in each commune selects groups of delegates (delegatske skupine) for specific sets of problems. Those groups, in turn, select which one of their members they send to which session of the chamber of Associated Labor of the republican assembly. The same applies to the communal Chamber of Local Communities which selects a group of delegates for the Chamber of Communes of the Assembly of the Socialist Republic of Slovenia (Krivic, Ibid.).

The selection of the members of the socio-political chambers of communal and republican assemblies constitutes a different process. The leaders of those organizations (i.e. of the Socialist Alliance of the Working People, the League of the Communists, the League of the Socialist Youth, the League of Trade Unions and the Fighters' Union), are also legally defined as delegations from those organizations. Subsequently, a united list of delegates from those delegations is drawn by the Socialist Alliance and confirmed by the voters. (Notice the double function of the Socialist Alliance: it is a separate organization, and it is also an organizational framework within which all of the socio-political organizations are united). Analogous procedure characterizes the election of delegates to the socio-political chambers of the republican assemblies; however, in this case the list of candidates put together by the con-
ference of the communal Socialist Alliance is confirmed by the socio-political chamber of the commune (Ibid.).

The Assembly of the Federal Republic of Yugoslavia consists of two chambers: the Federal Chamber and the Chamber of the Republics and (autonomous) Regions. The delegates to the Federal Chamber come from the communal assemblies. They are elected by those assemblies on the basis of a list of candidates prepared by the republican conference of the Socialist Alliance. The list is selected from the members of all of the delegations. This way all of the communal assemblies in each republic elect 30 delegates to the Federal Chamber of the Assembly of the Yugoslav Republic (Ibid. 196-197).

Finally, the delegates to the Chamber of Republics and Regions of the Assembly of the Yugoslav Republic are elected by the assemblies of the republics and autonomous regions out of the members of those assemblies. Those delegates retain the mandate from the assemblies to which they were originally elected. Slovenia is in this case an exception because of the principle of the temporary mandate. The Assembly of the Republic of Slovenia therefore elects the delegates to the Chamber of Republics out of the members of the socio-political chamber of the republican assembly (these are the only delegates with a permanent mandate), and from the members of all of the basic delegations of work organizations and local communities who are delegated to the two other chambers of the republican assembly (Ibid. 197).

There are certain stipulations as to who cannot be a
member of a delegation. Certain functions are defined as "incompatible" with the function of delegate. Hence, as far as BOALS are concerned, those workers who cannot be members of workers' councils also cannot be members of the delegations. Analogously, the functionaries of the administration of a commune or a republic, and, in general, the functionaries who are nominated by the assemblies of either a republic or a commune cannot be members of their respective delegations. Nor can a delegate who is sent to one chamber if he/she already deals with the same issue in another chamber; this applies in particular to Slovenia, because of the rule of temporary mandates. Finally no one can be elected to be a member of a delegation of the same organization more than twice (Ibid. 206-207).

We are left with the question of the initial election, or selection, of the members of the delegations. This task belongs to the trade unions and to the Socialist Alliance. The process of selection consists of three stages: providing the initial list of possible candidates for delegations, the selection of actual candidates for delegations, and conferences of the candidates during which the list of candidates is formally drawn and approved. The formulation of the initial list possible candidates is the result of the cooperation of all of the socio-political organizations. In work organizations the list is officially presented by the trade union organization. (As the matter of fact all of the candidates for any self-managerial or managerial position in a work organization are proposed by trade unions. See
In a local community a list of potential candidates is prepared by a local organization of the Socialist Alliance.

The process of formulating the list of actual candidates to the delegation begins with the preparation of the lists of candidates by leaders of trade unions and Socialist Alliance. Subsequently the lists are published and become the subjects of public discussion. That stage is followed by the conferences of the candidates. Ideally, all of the working people should have an access to those conferences with the trade unions and the Socialist Alliance serving mainly as their organizers. (Krivic, op. cit. 208-209).

It is thus obvious that the selection of the delegates is well controlled. While the Trade Unions and the Socialist Alliance play the major roles in that process, both co-ordinate their actions with decisions and preferences of local party organizations. Also, both acknowledge in their rules the recognition of the "leading role of the party." Therefore, the League of Yugoslav Communists is in the position to play the decisive role in the process of the selection of the delegates.

PART II

JUSTIFYING THE PRE-EMINENCE OF THE COMMUNIST PARTY

In this section we will discuss the arguments used to justify the control of the Yugoslav political scene by the League of Yugoslav Communists. We will briefly out-
line the historical background of this state of affairs, and then discuss the ideological arguments and, subsequently, the praxis of the party as the avant-garde of the working class.

It will be our contention that the LYC has succeeded in drafting into its ranks a substantial number of the most active members of Yugoslav society. Such a state of affairs may, in turn, be seen as the source of the legitimacy of its authority, for it can create and/or reinforce the perception that the most qualified and socially responsible people actually hold the key decision-making positions in the society.

SECTION 1

HISTORICAL BACKGROUND

We have suggested earlier that one of the key sources of the initial legitimacy of the authority of the Communist party in Yugoslavia was the fact that it did not participate in the fratricidal struggle which took place in Yugoslavia during World War II. This statement needs a qualification. While the program of the Communist partisans was liberation of the entire country from the foreign occupation, they had to fight against the local collaborators and protect their own sympathizers as well as the neutral civilian population from the terror perpetrated by the local forces. For example, in Croatia the nationalist Ustashi government attempted to solve the "Serbian problem" through forced deportations and
massacres of the Serbian population which constituted about 1/3 of the inhabitants of Croatia. Some of the field commanders among the Royalist Četniks (who were nominally led by colonel Draža Mihajlović), answered in kind, attacking the Croatian population. Both groups turned against the Communists, who had to fight back. For example, one of the best known battles which took place in Yugoslavia during the war was the battle on the River Neretva during which Tito's partisans protected from the attacking Četniks a hospital containing more than 3600 of their wounded.

The story of Ustashi collaboration with the German and Italian occupying forces is well known. As far as the Četniks are concerned, when Mihajlović was courtmartialed after the war, the main accusation was collaboration with the occupying forces, and he was shot. The fact of his guilt and its extent have been debated ever since. For example, Tomasevich in his book about the Četniks argues that the charges against him were never proved (Tomasevich, 1975).

The break with the Cominform in 1948 established a pattern of Yugoslav independence which has been a considerable source of pride in Yugoslavia. That independence has been associated with the party, and in particular with Tito. Thus, if nationalism could be seen as one of the sources of legitimacy of any government in modern Europe, it definitely constitutes such a source for Yugoslav Communists.

Another source could be seen in the modernization and ensuing increase in the standard of living. This is emphasized by Zukin (op. cit.) as well as by Doder in his journal-
istic account of modern Yugoslavia (1978).

However, there is a problem which these authors indicate without addressing it explicitly. The party is a ruling organization which quite clearly admits that it is not going to surrender its rule. From our perspective this poses a question concerning the legitimacy of such a state of affairs. That question, in turn, has two components: the self-legitimating manoeuvres of the party, and its legitimacy in the eyes of Yugoslavs, i.e. their perception of its right to be the ultimate decision-maker.

SECTION 2

IDEOLOGICAL SOURCES OF THE LEGITIMACY OF LYC

Before we get into a discussion of ideological intricacies, it is necessary to suggest that as far as Yugoslavia is concerned, the Communist Party, and Tito personally, have never denied their claim to a monopoly over power. The only question was to find and appropriate form of justification. A clear confirmation of that monopoly took place after a de facto challenge to it on the part of nationalist students in Zagreb in 1971 (see Rusinow, op. cit.). But other challenges to that monopoly, mostly by intellectuals, preceded these events and lasted throughout the late sixties and early seventies in the so-called "period of liberalism", the beginnings of which are usually traced to the 1963 Constitution. Perhaps the most revealing reaction to those challenges came in a 1972 statement of Stane Dolanc, a hand-
picked protege of the ailing Kardelj, who quickly became one of the most influential figures in the party. In 1972 he was the party's Executive Secretary. It is worth adding that Dolanc was known to be highly intelligent as well as (unlike Kardelj) very blunt. The statement from which we are quoting is a talk with the communists of Dalmatia which took place in Split in September 1972:

I think it must be quite clear that in this country we communists are in power. For if we are not, then this would mean that someone else is, and this is not so nor will it very be! The working class is in power, and the League of Communists is the most responsible, most progressive and most conscious section of the working class. In this respect the League of Communists holds power in its hands (Dolanc, 1975: 41).

The Dolanc statement could be seen both as a self-legitimizing proposition, and as a hypothesis concerning the character of the party. The self-legitimating aspect of it implies that those who rule are clearly the most suited for it. Furthermore, there is a specific need for those rulers and their organization. Dolanc sees Yugoslavia as a multinational country where different cultures and levels of economic development co-exist. Such a country, according to Dolanc, needs a unified "revolutionary organization" in order to solve conflicts which arise. Moreover...

...If we do not have such an organization, set up in this way, I do not believe this community could hold together. I say it with full responsibility and candor (Ibid.).

Roger Garaudy, a French philosopher whose protest against the Soviet invasion of Czechoslovakia led to his exclusion from the Communist Party of France, presented Yugoslavia as a model which constitutes an alternative to the
Soviet Union, a country which was the first one to be associated with Communism, and which for him represented a case of distortion of the ideals of Marx and Lenin. His account of Yugoslavia describes the state of affairs which followed the 1963 Constitution. To be sure, his is basically a description of an ideal state of affairs based on the formal arrangement of the system, and on ideological pronouncements.

From these perspectives he sees the role of the Communist Party in such a system as "...more important than ever before; its essential task is to act as an integrating, synthesizing factor" (1970: 164). In other words, given the autonomy of economic units, contradictions between the interests of separate units, and those between their particular interests vs. those of the entire society may emerge. This generates a need for the party:

The task is to promote the general interest in these many autonomous centers and it is here that the Party's mission begins. Integration is possible only when the men and women in each autonomous centre of initiative and decision have acquired an awareness of the needs of overall social development...The Party, the, must act as an organized social consciousness capable of establishing the deep inner links which unite the historical demands of the workers at any given moment with the historical demands of scientific and technological development" (Ibid. 164-165).

The emphasis is then on the co-ordinating and educat-
ing role of the party. It must not simply impose its pro-
gram, or solutions. Or, as Dolanc has put it in an inter-
view for Slovenian daily Delo...

...in all places which are meaningful for the function-
ing of our social and political system, communists can-
not assume responsibilities in such places by admini-
strategic methods, but rather on the basis of their ideological, moral and working qualities (Dolanc, op. cit. 105).

The statute of the League of Yugoslav Communists makes such behavior mandatory for all of the party members:

Communists struggle for the ideas, politics and standpoints of the League of Communists with the power of persuasion and of arguments, with ambition, consistency and personal example, with creative public activity in basic organizations of associated labor, delegations, other self-managing organizations and communities... (1979: 6).

There is an apparent contradiction inherent in the statements we have just quoted. On the one hand, the party does not rule, but leads through the example of its members. On the other hand, as Dolanc stated, the party is in power, and nobody else can rule. In order to see how party theoreticians solve this apparent contradiction, we need to discuss Kardelj's notion of the "pluralism of self-managerial interests", and the role of the party in that system. The reader may notice similarities with the thesis of Roger Garaudy we discussed earlier. (According to my information, those similarities are not coincidental).

In his last book Kardelj clearly attempted to deal with demands for the further democratization of Yugoslavia through introducing a multi-party system. To be sure, the same period also brought demands for "uravnilovka", but those demands were dismissed off-hand as "ultra-left criticism" (a trend fashionable those days among students and not only in Yugoslavia), which, if implemented, could prove de-stimulating for the economic development of Yugoslavia.

On the other hand, he perceived the call for a multi-party
as a serious challenge, worthy of lengthy discussion.

The key distinction for Kardelj is perhaps the one between the abstract citizen, who is only in a position to decide which political party is going to represent him/her, and one who participates in the decisions which affect him. In the first case, citizens do not have concrete rights to decide about many problems which affect them directly. On the other hand, self-managerial democracy focuses precisely on the decision-making rights in these areas, for example in the work place. It follows then that the introduction of Western (or "bourgeois") style political pluralism would constitute a step backwards. Also, given the situation of Yugoslavia, it would, in Kardelj's eyes, lead to the sharpening of social, and especially national contradictions. Again, we need to bear in mind that the pre-World War II political parties in Yugoslavia were nationally based. Furthermore, it does appear that after the war the contradictions which expressed themselves in social movements that transcended local conflicts and whose organizational framework was outside of the one sponsored by the party, ended as nationalistic demonstrations, bringing back memories of the massacres between the nationalities from the war, and for that matter from the entire history of the area which forms today's Yugoslavia.

The invocation of historical precedent and the potential danger of its continuation into the present constitutes a powerful argument in Yugoslavia, where war memories are still fresh, especially among the older generation, and
where younger generations have been brought up with those memories. We need to add that the social and administrative arrangements in Yugoslavia which followed the 1948 break with the Soviet Union focused on encouraging the national cultural aspirations and ambitions of all the ethnic groups, provided they did not challenge the strategic monopoly of the party, and they did not jeopardize the rights of other national groups. Of course such a state of affairs required self-management, and hence decentralization, in order to facilitate the role of the subjects in decisions about their own fate. And, as Dolanc pointed out, such a state of affairs created a need for an overall co-ordinating organization, that is for the party. (This is also, as we have indicated earlier, the argument of Garaudy).

But aside from Yugoslav history, Kardelj, and for that matter all official spokesmen for Yugoslav socialism, must ground the latter in Marxist theory as well. That means not only explaining self-management in terms of the young Marx's criticism of bourgeois parliamentarism, but also justifying the fact that, as Dolanc put it, the party is in power and no one other than the party ever will be in power.

The initial proposition can be traced back to Marx: the proletariat is the majority, and its party is, therefore, the party of the majority. Its interests are not opposed to those of other groups or classes. The historical interests of the proletariat are also identical with the historical interests of all humanity. It follows that once in power the working class will express these interests. This applies
to specific interests generated by the life-situation of workers in a given socio-economic setting, and to their general interests. The traditional political parties are incapable of expressing such divergent interests (Kardelj, 1977: 93).

However, we must bear in mind that the general interest of a society is not a sum total particular interests present in it. Particular interests are also very rarely harmonious. Thus self-managerial decision-making does not only involve social compacts and self-management agreements but also majority decisions. However, in such a process...

...particular interests must attain such a synthesis of ideas, a scientific and political synthesis which may open progressive perspectives and visions of socialist progress (Ibid. 97).

Organizing those interests for the purpose of such a synthesis is the task of the communist party as well as of other socio-political organizations.

It follows that the communist party must be the organization of a minority clearly conscious of its goals and one that is capable of transcending the expediency of local and personal interests. Further, for Yugoslavs, especially for Kardelj, it also means that while party must not rule by giving orders or directives, it must operate within the delegate system, relying on the force of its arguments and by setting the example to its members. It must be the guardian of the realization of the long term goal of the working class, which is first a socialist and then a communist society. In this sense the Communist party is the
guardian of Lippman's community, especially of its future generations.

The contradiction which we have suggested earlier appears then to be solved through an emphasis on the party as an avant-garde: it consists of the best, most active, and most forward-looking members of society. Also, they are present in every setting in which key decisions are being made, and they attempt, through their argumentation, to make sure that the long term interests of the society as the whole are served.

SECTION 3

THE PARTY AS AN AVANT-GARDE
WHO JOINS AND WHO LEAVES

There is an empirical question concerning the meaning of the expression "avant-garde of the working class". First, as we have noted, the very term "working class" in Yugoslavia is somewhat ambiguous. It sometimes refers to blue collar workers only, and sometimes to all of those who work with socialized means of production. There is a problem, further, of the effects of social mobility on the avant-garde and its composition: Tito, to use a most drastic example, began his occupational career as a metal worker. But his lifestyle as the leader of Yugoslavia was one of a Balkan prince, something which was never denied in Yugoslavia. In general, we could argue that in order to be an effective member of an avant-garde of the working class in an industrial or industrializing complex society, one
needed the amount of education which could make possible one's social mobility far above the ranks of workers.

On the other hand, if we simply accept the wider concept of the working class, the problem of workers' under-representation and consequent neglect of their interests may emerge. The result could be an increase in local conflicts. But, favoring interests of those representing the workers could result in nationalistic clashes.

Let us attempt to analyze the social composition of the party in the light of these considerations. We need to begin with the observation that official Yugoslav terminology in regard to the party denotes under the term "workers" blue collar workers. In other words, concern for the proper representation of workers in the party, and the ensuing use of the fact of their underrepresentation to explain, for example, the incapacity of the party to prevent major or minor societal conflicts, refers to the term "workers" in its narrow sense. This explanation will clarify our analysis.

We need to bear in mind that the official spokesmen for the League of Yugoslav Communists are aware of this dilemma. For example, Stanić, in one of his lectures at the party school in Kumrovec, formulates the dilemma in terms of an antinomy between Djilas' New Class and the notion that "we are all workers". The first case represents the narrow concept of working class and denotes it strictly through the type of work, specifically through the physical labor. This allows the separation of the administrative-
managerial strata from the blue collar workers and conceives of former as a New Class of rulers or even exploiters, or a "counter-class", obviously with different interests than the blue collar workers. On the other hand, if we were to accept the wider definition of the working class, that would lead not only to a conclusion that the majority, if not all members of the society are workers, but also that neither the "dictatorship of proletariat" or the leading role of the party are necessary.

These are, of course, dialectical extremes which constitute a challenge to the legitimacy of the rule of the party. Stanič deals with the first argument by emphasizing the "revolutionary practice of the party", which has struggled for the workers' decision-making rights in self-management. This was taking place when "techno-bureaucratic" forces were in a position to control the disposal of surplus labor independently of other forces (Stanič, 1978b: 135-136). Notice the ingenuity of the argument: the party in fact has struggled in order to prevent a formation of a "New Class"; alternatively, the party is necessary to prevent its formation.

The other side of the coin is more complex because of the definition of the very concept of class which is based on the relation of a given group, or groups, to the means of production. The official Yugoslav position was formulated by the Platform for the Tenth Congress of the LYC and by the Congress itself. Both suggested a formula according to which whether or not one belongs to the "work-
ing people" is determined by the fact of one's personal income being obtained through the implementation of the principles of "rewarding according to work", and "free exchange of labor" (Ibid. 138). To the extent that those principles are implemented in regard to all people, they all become working class, and, simultaneously, the class itself disappears (Ibid.). The ultimate criterion is then a question of whether or not a given group appropriates or uses the surplus labor of other groups. Again, it is the task of the party to analyze the way income is obtained and divided and to make sure that no group is in a position to allocate and dispose of income outside of self-managerial relations.

We still need to bear in mind that there is a distinction between a worker and a working man, and this distinction is made in Yugoslav official writings. In general, we need to bear in mind that the party which emerged out of the war was predominantly a peasant party. The party lost about 50,000 members during the war (Vušković, 1978a: 70; 1978b: 1034). After the war, 46.9% of its members were peasants, 30.3% were blue collar workers, and 14.9% office and administrative workers. In 1965, however, the percentages were 7.4% for peasants, 35.0% for blue collar workers and 39.2% for office and administrative workers. Finally in 1972, the percentages were 5.6% for peasants, 29.1% for blue collar workers, and 46.6% for office and administrative workers (Stanić, 1975: 486).

These percentages in themselves could be to a certain
extent misleading. For example, the rapidly decreasing number of peasants in the party (both absolute and relative) between 1947 and 1965 could be explained by the attempted forced collectivization, as Stanić suggests (Ibid. 487), but also by the movement from villages to industry. (Bauman, op. cit. suggests that the middle and lower level party apparatus in Poland came from villages and small towns). The same may apply to the category of office and administrative workers who could also have come from the lower strata. The problem of mobility needs to be kept in mind when we further discuss the composition of LYC.

The general trends characterizing the composition of LYC can be assessed on the basis of several articles and books which contain relevant data (for example, Stanić, 1975; Vušković, 1977, 1978z, 1975b). They illustrate a systematic decrease in both the number and the percentage of workers in the party between 1961 and 1973: from 383,100 (36.1% of the party members) to 285,512 (28.27% of all the party members). We need to bear in mind that there was a systematic decrease in the party membership between 1968 and 1973: from 1,146,084 to 1,076,711. But the rate at which workers were leaving the party was faster than the rate for all of the other groups, except for peasants.

There was a significant increase in the party membership between 1973 and 1976: from 1,076,711 to 1,460,267. There was also a conscious effort in that period to recruit more workers, especially since official explanations of the sources of clashes which culminated in the 1971 Zagreb
demonstrations devoted a substantial portion to the insufficient representation of workers in the party, especially young workers (Vušković, 1978b: 1047-1048; 1977: 820-821). Workers did constitute the largest group among those admitted into the party in that period: 29.81%. But this only resulted in an overall increasing their share among party members from 28.27% to 28.77% (Vušković, 1978b: 1050).

This could be seen as somewhat satisfying, since workers constituted about 34.7% of the entire active population of Yugoslavia in 1977 (Statistični Koledar..., op. cit. 32, 40).

On the other hand, we need to bear in mind that the upper strata of Yugoslav society are overrepresented in the party. For example, specialists constituted 20.67% of all party members in 1976 (Vušković, Ibid.: 1050). At the end of 1976 the category denoted as "specialists and artists" constituted only 7.9% of the entire active population of Yugoslavia (Statistični Koledar, op. cit. 32, 39). We may add to them those with managerial functions: they constituted 7.3% of all of the party members in 1974 (Stanič, 1975: 491), but only 1.41% of the entire active population (Statistični Koledar, Ibid.).

We could use a different perspective in regard to the social composition of the LYC. According to data from the 1971 census, 1.84% of the peasants, 11.20% of the blue collar workers in the socialized sector, 19.97% of the university students, 11.97% of the high school students, 30.69% of the specialists, 23% of the administration workers, and
approximately 60-80% of the top managers and functionaries in the major organizations and in administration were party members (Vušković, 1978a: 84; 1978b: 1053; 1977: 824).

The increase in overall party membership which took place between 1972 and 1976 increased the representation of workers only slightly: about 13.1% of them according to our calculations were party members. At the same time 80-90% of all the university students in Montenegro, and 40-50% of the students in Serbia and Vojvodina and in the Bosnia-Hercegovina republics were party members. In some cases all the students from the final years of universities, and all recent graduates wrote their applications for the party membership (Vušković, 1977: 825). Our own calculations for Slovenia indicate that about 15.8% of students in Slovenia were party members. These data could reflect the employment situation in those republics. In general, the level of unemployment in Slovenia throughout seventies was below 3%, and at the same time the percentage of employees with university level education in Slovenia was the lowest among all of the Yugoslav republics (Jerovšek, op. cit. 225).

This needs to be seen in the context of complaints concerning the insufficient efficiency of Slovenian enterprises (in spite of the fact that their efficiency is the highest in Yugoslavia), and the quest for better technology as well as for the better overall education of all employees. Hence, if party membership is to facilitate employment, it is more likely to be the case in the republics characterized by structural unemployment among recent university graduates.
There are some indications that such a situation exists in other republics. This author was told that unemployment among the recent graduates of Belgrade University on the eve of the 1968 Belgrade student demonstrations was very high. (The long-term causes of the 1968 Paris student uprising have been traced to the structural unemployment among recent graduates of traditional French universities). I was also told that in 1978-79 the unemployment level among graduates of Belgrade university was about 20%. Also, the recent Kosovo events began at the local university in the capital of that region, Priština, where one of the major difficulties facing its graduates was to find employment after graduating. This was, we need to add, the third largest university in Yugoslavia, and it was opened in the most economically underdeveloped region of Yugoslavia.

Of course, the perception that party membership constitutes a *conditio sine qua non* of employment in certain places is perfectly justifiable. For one thing, there is a general party policy concerning its control over the selection of cadres for the most important positions. This has been stated explicitly by its leaders, for example Dolanc (op. cit.) and Kardelj (1977. op. cit.). There are also official statements issued after the 1971 Croatian events, that is after a general diagnosis asserting that technobureaucratic, and especially nationalistic elements reached top positions in the governments and the top level party organizations in several republics, due to the lack of vigilance and involvement in the cadre (or personnel) policy.
on the part of the party (Stanic, 1975: 118-160). Furthermore, as far as some positions and occupations are concerned, party members constitute a majority. I was told by several well-informed sources in Slovenia that one cannot work in the mass media (at least in Slovenia), unless one is a party member. Party membership among those working in the state administration at various levels (that is from commune to the federal government), reached 90%. Stanic points out that in Slovenia one out of two directors is a party member; in Macedonia and in Montenegro almost all of the top managers belong to the party (Ibid. 502). Thus regardless of the actual policy, one could perceive party membership as an important step in one's career, especially in economically underdeveloped republics.

As far as the official party policy is concerned, the following quote from the Points of Departure for the Xth Congress of LYC could illustrate the point:

LYC emphasizes as essential that we must elect for socio-political, state and self-managerial affairs, for leading positions in economy, in education, in public administration, organs of justice and in organs of control fighters for social progress, socialism and self-management who are known through their work abilities and moral, human virtues. On responsible positions there must not be people who have an irresponsible attitude to the social wealth, who were convicted because of a crime and expelled from LC for anti-party activities...(After Stanic, Ibid. 547).

There is a further emphasis on making sure that the proper people are elected to the delegation. These must be "...the most active workers, fighters for socialist self-management who enjoy respect and trust among people". (Ibid.).

The emphasis is then twofold: on selection of the
best people to admit to the party, and on selecting the best people for delegations. And since the party has the decisive voice in the trade unions and in the Socialist Alliance, it is in a position to make sure that the people who become delegates suit its purpose and satisfy its criteria for being "active fighters for self-management". Furthermore, there is an emphasis on party members not acting as arbitrary rulers, but rather on working inside delegations in order to convince their members of the relevance of party policy. In practice such a state of affairs can be facilitated by ensuring that party members are actually members of delegations. We need to bear in mind that federalism notwithstanding, the party operates under the principle of "democratic centralism". This principle is expressed in the Statute of the League of Yugoslav Communists through an emphasis on democratic relations in discussions and reaching decisions, with the stipulation that those members whose opinions are in the minority have the right to protect those opinions, but must implement the decisions of the majority. There is also an assertion that this principle facilitates the free exchange of ideas, respect of everybody's convictions, and it ensures that narrow groups or minorities cannot impose their will on others. On the other hand, the Statute of the League of Slovenian Communist stipulates that under the rule of "democratic centralism" the decisions of higher organs are mandatory for lower level organs, their leaders and rank-and-file members (op. cit. 18-19, 77).
We may notice that this way the contradiction of the party being in power but somehow not ruling is solved. The party members express their preference inside delegations and organs of self-management. But by doing so they also carry out instructions from the central organs of the party. However, if we go back to the last quote, we may realize the generality of the instructions from the center. In this case the decision of the congress is that the best "fighters for self-management" are to enter delegations. The specific choice, of course, belongs to the local party, trade union or Socialist Alliance organization. Thus, if the choice turns out to be wrong, the responsibility for the error in judgment belongs to those local organizations. Again, we see here how the decentralization of decision-making leaves the legitimacy of the central ruling group unchallenged.

Given the characteristics which are looked for among the party members we may look at the composition of its membership. The specific data we will use in the following table apply only to Slovenia, since it is the only republic for which such specific data were available. While these data may not be representative for entire Yugoslavia, they may be more illustrative of general trends characterizing the Communist Party in what according to its own ideology is its milieu, that is in an industrial setting.
Table 8. The composition of the membership of LCS according to vocational education and type of work of its members

<table>
<thead>
<tr>
<th>Level of skills or a position in the work place</th>
<th>Percent of the employed population of Slovenia</th>
<th>Percent of the members of the party</th>
<th>Percent of the party members in the group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Highly skilled workers</td>
<td>3.9</td>
<td>6.0</td>
<td>16.2</td>
</tr>
<tr>
<td>Skilled workers</td>
<td>28.3</td>
<td>21.4</td>
<td>8.0</td>
</tr>
<tr>
<td>Semi-skilled workers</td>
<td>20.5</td>
<td>7.4</td>
<td>3.8</td>
</tr>
<tr>
<td>Unskilled workers</td>
<td>17.0</td>
<td>5.7</td>
<td>3.6</td>
</tr>
<tr>
<td>Total workers</td>
<td>69.7</td>
<td>40.5</td>
<td>6.2</td>
</tr>
<tr>
<td>Staff of administration, finances and similar workers</td>
<td>13.8</td>
<td>20.2</td>
<td>15.7</td>
</tr>
<tr>
<td>Managerial personnel</td>
<td>2.9</td>
<td>12.0</td>
<td>44.3</td>
</tr>
<tr>
<td>Teaching personnel</td>
<td>3.2</td>
<td>9.1</td>
<td>30.1</td>
</tr>
<tr>
<td>Specialists of medical sciences and other medical personnel</td>
<td>2.9</td>
<td>2.1</td>
<td>7.8</td>
</tr>
<tr>
<td>Specialists of technical and other sciences</td>
<td>7.0</td>
<td>13.4</td>
<td>20.4</td>
</tr>
</tbody>
</table>

(Source: Statistični Pregled Gibanja...1978: 18-19).

Some comments are necessary in order to clarify the meaning of the categories referring to blue collar workers. Our sources indicate the level of the vocational education, rather than the type of work one does. As we have indicated earlier the two do not always coincide in Slovenia. For example workers with no formally attained skills constitute
17% of all of the employed inhabitants of Slovenia, but only 9.8% of those employed in Slovenia perform tasks for which no skills are necessary. Actually only 37.7% of unskilled workers are employed in positions which require no skills. 40.5% of them perform tasks for semi-skilled workers, and 21.8% tasks for skilled workers. To take the example a little bit further, 1.1% of highly skilled workers and .2% of skilled workers (that is 300 and 392 respectively), are employed in positions for which university level education is required. (These data are for the end of 1976. See SR Slovenija...op. cit. 56). Hence, if we consider actual employment rather than formal education and/or skill level, then 68.4% of all of the employed inhabitants of Slovenia are blue collar workers (Ibid.). As far as party membership is concerned, this gives us the figure of 30.9% for the share of blue collar workers in the membership of LYC; or 6.61% of blue collar workers in Slovenia are party members (Statistični Pregled Gibanja...op. cit. 51; all of these data are for the end of 1976).

In general, we are in position to conclude that those with higher education, higher position in professional hierarchies, and higher level of professional qualifications are more likely to be party members. Also, once in the party precisely those people are more likely to be party functionaries. Stanič, on the basis of a factor analysis of the membership of LCS, concludes that higher education and professional qualifications in conjunction with belonging to a socio-professional group which is on the top of the scale
of occupational prestige also connotes a strong probability that such a person will hold a significant number of functions in the party. And vice versa: a low level of education and of professional qualifications, and belonging to a socio-professional group enjoying a low prestige implies that a person is likely to hold fewer functions in the party. The overall picture thus suggests that a member of the higher social strata are also more active party members. (Stanić, 1978a: 61).

There are also data available indicating that those belonging to the lower social strata are most likely to be the most passive members of the party. This point is brought home by Vušković who points out that workers constitute the group which is most likely to leave the party, and/or to be expelled from it. In general, 45% of those who left the party in the period 1969-72 were workers; the same applies to 38.7% of those who left the party in the period 1973-76. As far as those who were expelled from the party are concerned, workers constituted 48.4% of them in the period 1969-72, and 42.1% in the period 1973-76. To be sure, the absolute number of people expelled in the first period is much larger than in the second one (41927 vs. 26146), (Vušković, 1977: 821). But the percentage of workers still remains high. This value of these figures may be enhanced by the following observation: the period 1969-72 is one between the Belgrade and Zagreb demonstrations. Some major purges of the party ranks took place at that time. This is reflected in the higher numbers of those who left and those
who were expelled. But, given the nature of the demonstrations, and the overall characteristics of the critics of the party, one would expect that the higher strata, notably intellectuals and industrial managers (techno-bureaucratic structures), would be overrepresented among those excluded from the party.

This could be the case for those expelled for "...not respecting of the program of LYC, because of violating, or opposing the policy of LYC..." But, they constitute only 2.5% of those who left the party (that is both those who left voluntarily and those who were expelled), (Ibid. 822).

On the other hand, between 2/3 and 3/4 of those who were expelled were expelled for not attending the party meetings, not paying their party dues, etc., in short because of their passivity. (Vušković, 1978a: 82).

As far as Slovenia alone is concerned, the trends characterizing the fluctuation of workers are somewhat more revealing: they constituted 48.0% of those expelled from the party in 1974, 50.7% in 1975, 53.9% in 1966 and 64.8% in 1977. As far as the causes of expulsion are concerned, in 43.7% of all of the cases the cause was political in responsibility and passivity, 19.4% violation of laws, 14.9% not fulfilling the program or statute of the party, 12.5% religion, and 9.5% others. Also, workers prevailed among those who left the party voluntarily - 49.6% of those who did so in 1977 (Statistični Pregled Gibanja...op. cit. 32-33). There is thus a substantial evidence suggesting that the blue collar workers constitute the most passive
element in the party.

If this is the case, than the party leaders' claim to legitimacy as an avant-garde of the working class could be rendered dubious, if not invalid. However, there is an argument which may justify this claim, namely the process of social mobility which characterizes the party members. This applies for example to university and high school students, who constituted about 8.21% of the members of LYC and who could be treated as future managerial and administrative cadres. But there are stronger indicators: Vušković points out that of the group denoted as "voditjeli" and which consists of top managers and administrative workers were recruited for their positions through socio-professional mobility, or through a change of a profession while they were members. (1977: 823). Stanič points out that out of 12,000 members of LYC who were workers at the point of joining the party only 48% remained in that profession. Only 6% of the party members indicated that their first work was in offices or as administrative workers, although they constitute 19% of the party membership. The general tendency on the part of the party members is to change occupation from blue collar to a lower white collar worker. The category of the middle rank specialists is more stable, but a significant number of them assumed top managerial positions (Stanič, 1978a: 65). Obviously the peasants who in 1945 constituted the largest group in the party were quite likely to change their occupations, especially in the most industrialized of the Yugoslav republics, i.e. in Slovenia, if they
stayed in the party.

Those data applied to the intra-generational mobility of the party members in Slovenia. As far as the intra-generational mobility is concerned, most of the party members in that republic came from what could be seen as a lower class background: 52.8% came from the working class background, 16.0% from the peasant background, and 9.3% from the peasant-worker background. There are also 3.5% of the members who came from an artisan background, 7.9% whose background is listed as "intellectual", and 7.9% whose background was administration or management (Statistični Pregled Gibanja...op. cit. 10). Of course, the sources of intra-generational mobility in Slovenia need to be seen in the context of the overall process of the economic development of that republic. (The same applies, needless to say, to intra-generational mobility). Our sample may illustrate this point. The following table summarizes the data describing the social origins of the members of our sample. The numbers indicate the following categories:
1 - blue collar workers; 2 - office workers; 3 - technicians with high school education; 4 - specialists with the university level education; 5 - middle and top management; 6 - total.

Table 9. Social origin of the party members in the sample from ten economic enterprises in Slovenia

<table>
<thead>
<tr>
<th>Position in the work place</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Occupation of parents</td>
<td>%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 9 continued.

<table>
<thead>
<tr>
<th>Occupation of parents</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blue collar workers</td>
<td>45.2</td>
<td>44.3</td>
<td>40.7</td>
<td>44.6</td>
<td>40.1</td>
<td>43.2</td>
</tr>
<tr>
<td>Peasants</td>
<td>44.0</td>
<td>32.9</td>
<td>30.6</td>
<td>14.1</td>
<td>26.5</td>
<td>31.5</td>
</tr>
<tr>
<td>Artisans</td>
<td>3.0</td>
<td>8.6</td>
<td>8.3</td>
<td>6.5</td>
<td>12.0</td>
<td>7.4</td>
</tr>
<tr>
<td>Office workers</td>
<td>5.4</td>
<td>5.0</td>
<td>9.3</td>
<td>17.4</td>
<td>10.3</td>
<td>8.6</td>
</tr>
<tr>
<td>Specialists with 2 or 4 year university education</td>
<td>.6</td>
<td>2.1</td>
<td>4.6</td>
<td>6.5</td>
<td>2.6</td>
<td>2.9</td>
</tr>
<tr>
<td>Foreman</td>
<td>0</td>
<td>1.4</td>
<td>.9</td>
<td>0</td>
<td>0</td>
<td>.5</td>
</tr>
<tr>
<td>Middle and top manage-</td>
<td>1.8</td>
<td>5.7</td>
<td>5.5</td>
<td>10.9</td>
<td>8.5</td>
<td>5.9</td>
</tr>
</tbody>
</table>

In comparison to the data of LSC we may observe that slightly fewer of the members of the party came from a working class background, and many more came from a peasant background. To be sure, the data we have for the party do not allow us to draw any specific conclusions concerning the social origins of the members of various categories in the party. We are, therefore, left with a hypothesis that those who are likely to advance their social position and/or educational attainment during their life-career, are more likely to join the party. In other words, the party tends to recruit those who are more active in their occupational careers. There is a question as to whether this correlates with their social activity. If this is the case, then the
party would have two reasons to claim its legitimacy as the avant-garde of the working class: the fact that most active members of the society are in its ranks, and the fact that their activity is consistent with the program of the party. The latter, as we have seen is immensely facilitated by the organization of the party, and its control of the selection of the delegates.

Given the role of the party as an apparent catalyst of social mobility, and the occupational structure of its membership, we can describe the party in sociological terms as the organization of actual and potential holders of key positions in the society. It offers thus an analogy to Mills' Power Elite.

SECTION 4

THE PARTY AS THE AVANT-GARDE;
ACTIVISM IN THE SOCIETY

The question we are posing at this time concerns the difference between the members of the party and those who are outside of it in regard to their participation in self-management in the economic enterprises and in the overall structure of the delegate system. We will begin sketching the answer to this question by presenting a series of 2x2 tables which illustrate the participation of the members of all five socio-political organizations in the organs of self-management in work organizations. The tables will apply thus to the Socialist Alliance, LYC, League of Trade Unions, Fighters' Union and League of Youth.
On the basis of these tables we may conclude that only membership in the Socialist Alliance, and especially in the trade unions are significantly related to participation in the organs of self-management in economic enterprises. The
level of significance for the party is very low, and for the Fighters' Union and League of Youth the indicators are negligible. The contingency coefficients indicating the strength of the relationships are weak, except for the trade unions, where what is known as a robust relationship is indicated (Pearson's C = .310). This appears to indicate a relatively active role for trade unions in self-management in economic enterprises. This is consistent with the programmatic statements of trade unions themselves. For example there is an emphasis on ensuring, through self-management agreements, that organs of self-management ask the opinion of the basic trade union organization before deciding about issues which are important for the workers. This applies especially to self-management agreements, statutes, financial plan, plans for development, basic measures for allocating income, etc. (Grčar, op. cit. 16).

However, we need to remember the conclusion from chapter III: membership in the organs of self-management (or for this matter in any organization), is not necessarily anonymous with participating in their work. Or, in our case, membership in the organs of self-management may not be synonymous with participation in the process of decision-making. The following tables will attempt to present a picture of the extent of the actual participation of members of the party, trade unions and the Socialist Alliance in self-management. The tables are analogous to tables 5 and 6 in chapter III. However, the categories indicating position in the work organization are replaced by those
indicating membership in the aforementioned organizations and the level of activism in them.

Table 10 presents the level of participation of the members of the party, trade unions and Socialist Alliance in decision-making at the level of a BOAL. The numbers indicate the following categories: I - not a member of the organization; II - a member who rarely participates in the meetings; III - a member who regularly participates in the meetings; IV - a functionary of the organization. The letters indicate the following decisions: A - formulating the long-term plan of the BOAL; B - naming the managing personnel of the BOAL; C - nominating candidates into the organs of self-management and into delegations; D - determination of criteria for allocation of personal incomes; E - investments (building a new section, or introducing a new line of products); F - solving conflicts among various groups in the work organization; G - allocation of apartments.

Table 10. Participation in decision-making at the level of a BOAL according to the membership in socio-political organizations

<table>
<thead>
<tr>
<th>Type of Decisions</th>
<th>Type of the Organization</th>
<th>Level of Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>I</td>
</tr>
<tr>
<td>A</td>
<td>Trade Unions</td>
<td>1.45</td>
</tr>
<tr>
<td></td>
<td>Socialist Alliance</td>
<td>1.50</td>
</tr>
<tr>
<td></td>
<td>League of Communists</td>
<td>1.70</td>
</tr>
<tr>
<td>B</td>
<td>Trade Unions</td>
<td>1.47</td>
</tr>
<tr>
<td></td>
<td>Socialist Alliance</td>
<td>1.53</td>
</tr>
<tr>
<td></td>
<td>League of Communists</td>
<td>1.55</td>
</tr>
<tr>
<td>C</td>
<td>Trade Unions</td>
<td>1.74</td>
</tr>
<tr>
<td></td>
<td>Socialist Alliance</td>
<td>1.76</td>
</tr>
<tr>
<td></td>
<td>League of Communists</td>
<td>1.78</td>
</tr>
</tbody>
</table>
Table 10 continued.

<table>
<thead>
<tr>
<th>Type of Decisions</th>
<th>Type of the Organization</th>
<th>Level of Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>I</td>
</tr>
<tr>
<td>D</td>
<td>Trade Unions</td>
<td>1.54</td>
</tr>
<tr>
<td></td>
<td>Socialist Alliance</td>
<td>1.55</td>
</tr>
<tr>
<td></td>
<td>League of Communists</td>
<td>1.68</td>
</tr>
<tr>
<td>E</td>
<td>Trade Unions</td>
<td>1.49</td>
</tr>
<tr>
<td></td>
<td>Socialist Alliance</td>
<td>1.48</td>
</tr>
<tr>
<td></td>
<td>League of Communists</td>
<td>1.68</td>
</tr>
<tr>
<td>F</td>
<td>Trade Unions</td>
<td>1.52</td>
</tr>
<tr>
<td></td>
<td>Socialist Alliance</td>
<td>1.44</td>
</tr>
<tr>
<td></td>
<td>League of Communists</td>
<td>1.59</td>
</tr>
<tr>
<td>G</td>
<td>Trade Unions</td>
<td>1.40</td>
</tr>
<tr>
<td></td>
<td>Socialist Alliance</td>
<td>1.37</td>
</tr>
<tr>
<td></td>
<td>League of Communists</td>
<td>1.40</td>
</tr>
</tbody>
</table>

From this table it follows that the members of trade unions are the least active out of the three organizations we have presented. This applies even to the issues which could be seen as the traditional domain of trade unions due to their immediate links with the social welfare of workers, namely items F and G. Notice that the party members, and especially party functionaries, are most active in the item C. This is consistent with the programmatic emphasis of the party on cadre policy.

Table 11 presents the level of participation of the members of the aforementioned organizations at the level of the work group. The categories denoted by Roman numerals remain the same as in the table 21. The letters indicate the following categories: A - formulating the monthly plan in the work group; B - allocation of the tasks among the co-workers; C - determination of the work time (breaks, shifts, vacations); D - hiring and firing workers in the
group; E - naming the manager in the work group; F - solving the conflicts among co-worker in the work group.

Table 11. Participation in decision-making at the level of the work group according to the membership in socio-political organizations

<table>
<thead>
<tr>
<th>Type of Decisions</th>
<th>Type of the Organization</th>
<th>Level of the Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>I</td>
</tr>
<tr>
<td>A</td>
<td>Trade Unions</td>
<td>1.45</td>
</tr>
<tr>
<td></td>
<td>Socialist Alliance</td>
<td>1.53</td>
</tr>
<tr>
<td></td>
<td>League of Communists</td>
<td>1.68</td>
</tr>
<tr>
<td>B</td>
<td>Trade Unions</td>
<td>1.70</td>
</tr>
<tr>
<td></td>
<td>Socialist Alliance</td>
<td>1.73</td>
</tr>
<tr>
<td></td>
<td>League of Communists</td>
<td>1.92</td>
</tr>
<tr>
<td>C</td>
<td>Trade Unions</td>
<td>1.70</td>
</tr>
<tr>
<td></td>
<td>Socialist Alliance</td>
<td>1.72</td>
</tr>
<tr>
<td></td>
<td>League of Communists</td>
<td>1.85</td>
</tr>
<tr>
<td>D</td>
<td>Trade Unions</td>
<td>1.51</td>
</tr>
<tr>
<td></td>
<td>Socialist Alliance</td>
<td>1.52</td>
</tr>
<tr>
<td></td>
<td>League of Communists</td>
<td>1.64</td>
</tr>
<tr>
<td>E</td>
<td>Trade Unions</td>
<td>1.51</td>
</tr>
<tr>
<td></td>
<td>Socialist Alliance</td>
<td>1.57</td>
</tr>
<tr>
<td></td>
<td>League of Communists</td>
<td>1.63</td>
</tr>
<tr>
<td>F</td>
<td>Trade Unions</td>
<td>1.72</td>
</tr>
<tr>
<td></td>
<td>Socialist Alliance</td>
<td>1.76</td>
</tr>
<tr>
<td></td>
<td>League of Communists</td>
<td>1.92</td>
</tr>
</tbody>
</table>

Two observations follow this table. First, the pattern observed in the previous table as far as the trade unions are concerned also applies to this table. This reinforces our previous conclusion, namely that membership in the organs of self-management is not synonymous with actual participation in self-managerial decision-making. This is illustrated by the comparison of tables 10 and 11 and the 2x2 tables on the previous pages. Out of all of the socio-political organizations, the trade unions were best represented in the organs of self-management. But it appears that their level of
participation was relatively low, in practical terms not transcending the stage of being informed about the problems.

We may go back here for a moment to the problem of strikes. From our data it follows that the trade unions are in a position to know about the grievances which lead to them, but, given their level of activism, they are in no position to prevent strikes resulting from them. Globačnik, in his study of strikes in Slovenia in 1974, 75, and 76, comes to somewhat similar conclusions. He points out that the organizations in the enterprises in which strikes took place were aware of the grievances (which in 85% of the cases concerned wages), but those grievances were seriously discussed only after the outbreaks of strikes (Globačnik, 1977). It thus follows that it takes a serious event, for instance a strike, to activate a local unit of a socio-political organization. But, such a state of affairs facilitates the deflection of responsibility for an actual conflict from central ruling groups. After all, it was the local organization (of the party or a trade union) which know about the concrete grievances of the workers, but did nothing about them. Often the importance of the higher level organs of socio-political organizations is enhanced by their subsequent intervention in the light of the apparent inaction, if not disorganization of the local units. This, again, is a case of a setting in which decentralization facilitates the maintenance of and even increase the legitimacy of the central organs.

The second conclusion concerns the role of the Socialist
Alliance. Its functionaries constitute the most active group in our sample as far as the participation of socio-political organizations in decision-making in the work groups is concerned. This is consistent with the demands placed on the Alliance which Krivic describes the following ways:

The center of gravity of the activity of the Socialist Alliance must be in its sections in which all of those socially active elements which are interested in and qualified to discuss the current issues and offer suggestions and alternatives can truly co-operate on equal basis. In this form, there should be in the activity of the Socialist Alliance less general political discussion and more practical attacks on the problem (Krivic, op. cit. 156).

It appears that this normative demand placed on the Socialist Alliance is being carried out, especially by its leaders. It appears that in this case they supersede trade union members and leaders. The normative demands placed on the latter are that they...

...struggle for solving contradictions, conflicts and problems which arise in the relations between particular interests of workers and work communities on one side, and collective interests of the working class on the other...(Ibid. 157-158).

Neither our data, nor those we have cited provide evidence that the trade unions do indeed perform this task.

However, the discussion of the participation of socio-political organizations and their role in self-management would be misleading if we were not to analyze the composition of their membership. The 2x2 tables we discussed before had very low coefficients of contingency which means that factors other than membership in those organizations explain most of the variation in the membership in the organs
of self-management. This point will be illustrated further by the following table which presents the composition of the membership of the socio-political organizations in our sample according to their members' positions in their work organizations. The table will present the composition of the membership of the Socialist Alliance, the trade unions and the LYC. We are using categories similar to those in tables 5 and 6, but three categories denoting workers and two categories denoting managers were collapsed into single categories. The numbers, therefore, denote the following categories: 1 - blue collar work; 2 - office work; 3 - technical work requiring high school education; 4 - work of a technician or a specialist requiring the university level education; 5 - middle and top management. The letters indicate the following categories: A - the percent of the sample in a given category; B - the percent of the occupational group in the given category.

Table 12. Composition of the socio-political organizations in our sample according to their members' position in their work places

<table>
<thead>
<tr>
<th>Organization and the level of activism</th>
<th>Position in the work organization</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Socialist Alliance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-member</td>
<td>A</td>
<td>41.3</td>
<td>26.8</td>
<td>14.9</td>
<td>11.9</td>
<td>5.1</td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>57.7</td>
<td>45.0</td>
<td>32.4</td>
<td>30.4</td>
<td>10.3</td>
</tr>
<tr>
<td>Inactive Member</td>
<td>A</td>
<td>19.0</td>
<td>20.4</td>
<td>19.7</td>
<td>17.0</td>
<td>24.0</td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>33.3</td>
<td>42.8</td>
<td>53.7</td>
<td>54.3</td>
<td>59.8</td>
</tr>
<tr>
<td>Active Member</td>
<td>A</td>
<td>15.7</td>
<td>19.3</td>
<td>16.9</td>
<td>15.7</td>
<td>32.5</td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>7.7</td>
<td>11.4</td>
<td>13.0</td>
<td>14.1</td>
<td>23.1</td>
</tr>
<tr>
<td>Functionary</td>
<td>A</td>
<td>15.4</td>
<td>7.7</td>
<td>7.7</td>
<td>7.7</td>
<td>61.5</td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>1.2</td>
<td>.7</td>
<td>.9</td>
<td>1.1</td>
<td>6.8</td>
</tr>
<tr>
<td></td>
<td>A</td>
<td>18.2</td>
<td>19.7</td>
<td>18.7</td>
<td>16.4</td>
<td>26.9</td>
</tr>
<tr>
<td>----------------------</td>
<td>----</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td>------</td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>42.3</td>
<td>55.0</td>
<td>67.6</td>
<td>69.6</td>
<td>89.7</td>
</tr>
<tr>
<td><strong>LYC</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-member</td>
<td>A</td>
<td>30.3</td>
<td>24.4</td>
<td>18.9</td>
<td>13.0</td>
<td>13.4</td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>88.7</td>
<td>85.7</td>
<td>86.1</td>
<td>69.6</td>
<td>56.4</td>
</tr>
<tr>
<td>Inactive Member</td>
<td>A</td>
<td>45.5</td>
<td>36.4</td>
<td>0.0</td>
<td>9.1</td>
<td>9.1</td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>3.0</td>
<td>2.9</td>
<td>0.0</td>
<td>1.1</td>
<td>0.8</td>
</tr>
<tr>
<td>Active Member</td>
<td>A</td>
<td>21.0</td>
<td>14.9</td>
<td>12.9</td>
<td>18.8</td>
<td>39.6</td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>8.3</td>
<td>10.7</td>
<td>12.0</td>
<td>20.7</td>
<td>34.2</td>
</tr>
<tr>
<td>Functionary</td>
<td>A</td>
<td>0.0</td>
<td>4.8</td>
<td>9.5</td>
<td>38.1</td>
<td>47.6</td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>0.0</td>
<td>0.7</td>
<td>1.9</td>
<td>8.7</td>
<td>8.5</td>
</tr>
<tr>
<td>Total Membership</td>
<td>A</td>
<td>14.3</td>
<td>15.0</td>
<td>11.3</td>
<td>21.0</td>
<td>38.3</td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>21.3</td>
<td>24.3</td>
<td>23.9</td>
<td>30.4</td>
<td>43.6</td>
</tr>
<tr>
<td><strong>Trade Unions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-member</td>
<td>A</td>
<td>44.9</td>
<td>28.7</td>
<td>11.4</td>
<td>8.4</td>
<td>6.6</td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>44.6</td>
<td>34.3</td>
<td>17.6</td>
<td>15.2</td>
<td>9.4</td>
</tr>
<tr>
<td>Inactive Member</td>
<td>A</td>
<td>26.3</td>
<td>22.8</td>
<td>22.4</td>
<td>13.6</td>
<td>14.9</td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>35.7</td>
<td>37.1</td>
<td>47.2</td>
<td>33.7</td>
<td>29.1</td>
</tr>
<tr>
<td>Active Member</td>
<td>A</td>
<td>15.1</td>
<td>17.6</td>
<td>16.1</td>
<td>19.6</td>
<td>31.7</td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>17.8</td>
<td>25.0</td>
<td>29.6</td>
<td>42.4</td>
<td>53.8</td>
</tr>
<tr>
<td>Functionary</td>
<td>A</td>
<td>9.7</td>
<td>16.1</td>
<td>19.4</td>
<td>25.8</td>
<td>29.0</td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>1.8</td>
<td>3.6</td>
<td>5.6</td>
<td>8.7</td>
<td>7.7</td>
</tr>
<tr>
<td>Total Membership</td>
<td>A</td>
<td>20.3</td>
<td>20.1</td>
<td>19.4</td>
<td>17.0</td>
<td>23.1</td>
</tr>
<tr>
<td></td>
<td>B</td>
<td>55.4</td>
<td>65.7</td>
<td>82.4</td>
<td>84.8</td>
<td>90.6</td>
</tr>
</tbody>
</table>

The group as the percent of the sample: 26.9 22.4 27.3 14.7 18.7

Before we begin the analysis of this table, and its comparison to others, one remark is necessary. The category "active member" is denoted by the following response: "I am a member and I regularly attend the meetings". This, of course, may indicate active membership, but not necessarily active participation. On the other hand, being a
functionary implies being active. The position of manager implies in each of the three organizations the strongest probability of being a functionary in it. This applies especially to the Socialist Alliance. Hence, the active participation of the functionaries of the Socialist Alliance in decision-making at the level of the work group can be most probably explained by the fact that 61.5% of those functionaries are members of top and middle management.

Notice that such a state of affairs is consistent with the role of the Alliance as defined by Yugoslav laws. However, in practice this norm is rendered concrete, that is operationalized, by the active participation of the functionaries of that organization. And precisely these people meet the criteria of being appropriately qualified by virtue of being managers, that is by virtue of their education and position in the work organization.

There is one interesting observation which can be made on the basis of comparing tables 5 and 10 relative to participation at the level of the BOAL according to position in the work place and membership socio-political organizations. The participation of party functionaries as compared to top management is higher on all but two items: formulating the long term plan of the BOAL and investment. These two are strictly technical, or business decisions and one would expect greater strictly managerial involvement in such decisions. The fact that managers constitute 47.6% of the functionaries could explain the fact that whereas they score higher on other items, they score lower on these two. On the
other hand, the other items constitute issues tied to the workers' social welfare. Thus the active participation of the party leaders in discussions concerning those issues validates the claim of the party in regard to its concern for the well-being of the working people.

Let us recall the low level of statistical significance of the measures of the membership of the party members in the organs of self-management. \( \chi^2 \) significant at .2, coefficient of contingency .085). Obviously party members were not much more likely to be elected to the organs of self-management than non-members. But this is not the entire picture of their participation in the management of economic enterprises. Employees have the right to make suggestions through their delegates to the organs of self-management, and to give the delegates specific instructions as to how to vote. Also, all members of the socio-political organizations are obliged to discuss problems in the work organizations of which they are members, and to respond to them in the framework of the Socialist Alliance. Thus, the system itself opens wide possibilities for participation in decision-making which need not be limited by formal membership in the decision-making bodies.

Given thus the formal framework of decision-making and the data we have presented, we are in the position to conclude that the League of Yugoslav Communists does indeed stick to its programmatic principles: it does not rule through giving orders, but works within the organs of self-management and attempts to convince their other members a-
bout the value of the ideas which represent the party line. At the same time, given the position of management in the decision-making process, as illustrated by the previous chapter, and the strong presence of management and top specialists among active party members (if we include the functionaries in this category, the top and middle management and top specialists form 61.1% of the active party membership in our sample), we may see that party control does to a large extent coincide with what we denoted in the previous chapter as the domination of decision-making in economic enterprises by management.

Furthermore, this is also the case when we are talking about concrete decisions at the local level. This presents an interesting situation. The decisions which are unpopular and which may lead to conflicts can be explained away in terms of the domination of the party organization by the "technocratic-bureaucratic" elements, whereas, those decisions which are popular validate the claims to the correctness and general acceptance of the party line. As we have indicated before, such a state of affairs is rendered possible by the overall decentralization of decision-making. Also, the principle of "working within" specific organs of self-management deflects responsibility for actual decisions from the central party organs which are in charge only of the general, future-oriented guidelines.

As far as the definition of the party as an avant-garde is concerned, there are several factors actually justifying it. The data we have presented constitute one
of them. They demonstrate that party members are more active in self-management than those who are outside the party and that recruitment of the most active members society is one of the main goals of the party. Of course, involvement in self-management is facilitated by education and by holding influential positions in their work organizations. The party also encourages social and professional activity. Thus it can be seen as a medium facilitating social mobility, especially in the light of its emphasis on the control of cadre policy. Of course this could lead to an emphasis on the party membership as a \textit{conditio sine qua non} for some positions, or to a perception that it actually is the case (which can result in the process of a self-fulfilling prophecy).

As far as the legitimacy of the party rule is concerned, its right to govern may be seen as justifiable in terms of the technical, economic and administrative expertise of a substantial percentage of its members. Moreover, this expertise may be seen as complementing an intentional support of the socio-economic system and the party control of it. There is, then, a general picture in which the system is actively supported by society's leading experts. This is likely to reinforce the perception that the rulers possess the necessary competence to govern which, in turn, reinforces their right to do so. At the same time, the presence of these "technocratic elements" enables the top leadership to use them as scapegoats during local purges.

At this point we are left with the final aspect of the role party: the party in the delegate structure.
PART III

THE PARTY IN THE DELEGATE STRUCTURE

The logic of our argument would suggest that rather than being the sole decision-maker at every level of the socio-economic structure, the LYC, according to its program, limits itself to general guidelines and an overall concern with the long-term interests of the working class. But this thesis could be very easily seen as an empty generalization concealing reality, where practically all decisions, at any level of the political and economic structure, are made in the party circles and passed on to other decision-making centers as orders.

We have indicated that the form of the party's participation in self-management at the level of economic enterprises coincides with its programmatic proposals concerning working inside the organs of self-management. We also indicated that the statistical significance of its actual presence in the organs of self-management is low, and that the level of overall participation in economic enterprises is significant only for party functionaries and to a large extent can be explained by the high position of those functionaries in the professional hierarchy of those enterprises. On the other hand, we would suggest that at the levels beyond the enterprise, especially in the legislative and administrative organs of the commune, republic and federation, the presence of the party is more significant and more direct. Such a state of affairs would facilitate its role as the
guardian of the overall interests of the community, (in Lippman's sense of the term), vis-a-vis the particular interests of the individual decision-making units at the local level. In other words, the strong presence of the party in the legislative organs would facilitate its role as overall co-ordinator of an otherwise highly de-centralized system.

The following set of 2x2 tables will attempt to illustrate the extent of the presence of the party in the delegations outside of, and beyond the level of an enterprise. Of course, we need to bear in mind that our sample is not a representative sample of the population of Slovenia.

1. Members of delegations from work organizations to "socio-political communities" (e.g. assemblies of communes, republican assembly, etc.)

<table>
<thead>
<tr>
<th>Socialist Alliance</th>
<th>LYC</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Delegations</strong></td>
<td></td>
</tr>
<tr>
<td>Non-Member</td>
<td>Member</td>
</tr>
<tr>
<td>Non-Member</td>
<td>226</td>
</tr>
<tr>
<td></td>
<td>(96.2%)</td>
</tr>
<tr>
<td>Member</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>(3.8%)</td>
</tr>
<tr>
<td></td>
<td>235</td>
</tr>
<tr>
<td><strong>chi = 9.266</strong></td>
<td><strong>chi = 24.039</strong></td>
</tr>
<tr>
<td><strong>Significance .01</strong></td>
<td><strong>Significance .001</strong></td>
</tr>
<tr>
<td><strong>Contingency Coefficient C=.17</strong></td>
<td><strong>Contingency Coefficient C=.27</strong></td>
</tr>
</tbody>
</table>

**Trade Unions**

<table>
<thead>
<tr>
<th>Delegations</th>
<th>Non-Member</th>
<th>Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-member</td>
<td>158</td>
<td>419</td>
</tr>
<tr>
<td></td>
<td>(94.6%)</td>
<td>(90.9%)</td>
</tr>
<tr>
<td>Member</td>
<td>9</td>
<td>41</td>
</tr>
<tr>
<td></td>
<td>(5.4%)</td>
<td>(9.1%)</td>
</tr>
</tbody>
</table>
2. Members of delegations from work organizations to
Self-Managing Communities of Interests

Socialist Alliance

<table>
<thead>
<tr>
<th>Delegations</th>
<th>Non-Member</th>
<th>Member</th>
<th>Non-Member</th>
<th>Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Members</td>
<td>219</td>
<td>324</td>
<td>543</td>
<td>438</td>
</tr>
<tr>
<td></td>
<td>(93.2%)</td>
<td>(82.4%)</td>
<td>(88.5%)</td>
<td>(78.9%)</td>
</tr>
<tr>
<td>Member</td>
<td>16</td>
<td>69</td>
<td>85</td>
<td>57</td>
</tr>
<tr>
<td></td>
<td>(6.8%)</td>
<td>(17.6%)</td>
<td>(11.5%)</td>
<td>(21.1%)</td>
</tr>
<tr>
<td></td>
<td>235</td>
<td>393</td>
<td>628</td>
<td>495</td>
</tr>
</tbody>
</table>

\[ \chi^2 = 13.52 \]  \[ \text{Significance } .001 \]
\[ \text{Contingency Coefficient } C = .205 \]

LYC

<table>
<thead>
<tr>
<th>Delegations</th>
<th>Non-Member</th>
<th>Member</th>
<th>Non-Member</th>
<th>Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Members</td>
<td>136</td>
<td>387</td>
<td>543</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(93.4%)</td>
<td>(83.9%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member</td>
<td>11</td>
<td>74</td>
<td>85</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(6.6%)</td>
<td>(16.1%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>167</td>
<td>461</td>
<td>628</td>
<td></td>
</tr>
</tbody>
</table>

\[ \chi^2 = 8.223 \]  \[ \text{Significance } .01 \]
\[ \text{Contingency Coefficient } C = .1 \]

Trade Unions

<table>
<thead>
<tr>
<th>Delegations</th>
<th>Non-Member</th>
<th>Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-member</td>
<td>156</td>
<td>387</td>
</tr>
<tr>
<td></td>
<td>(93.4%)</td>
<td>(83.9%)</td>
</tr>
<tr>
<td>Member</td>
<td>11</td>
<td>74</td>
</tr>
<tr>
<td></td>
<td>(6.6%)</td>
<td>(16.1%)</td>
</tr>
<tr>
<td></td>
<td>167</td>
<td>461</td>
</tr>
</tbody>
</table>

\[ \chi^2 = 9.385 \]  \[ \text{Significance } .001 \]
\[ \text{Coefficient of Contingency } C = .17 \]

As far as the delegations from work organizations are concerned, the presence of the party is much stronger in those to outside bodies, than in those to the organs of self-management inside the work organizations. The presence of the Socialist Alliance is also strong. The presence of trade unions is statistically significant only in the delegations for Self-Managing Communities of Interests.
The following set of tables presents the state of affairs for the local communities and socio-political organizations.

3. Members of the organs of local communities (conference of delegates, council of the local community, etc.).

### Socialist Alliance

<table>
<thead>
<tr>
<th>Organs of Local Communities</th>
<th>Non-Member</th>
<th>Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Member</td>
<td>223 (94.9%)</td>
<td>324 (82.4%)</td>
</tr>
<tr>
<td>Member</td>
<td>12 (5.1%)</td>
<td>69 (17.6%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>235</td>
</tr>
</tbody>
</table>

Chi = 20.294  
Significance .001  
Contingency Coefficient $C = .25$

### LYC

<table>
<thead>
<tr>
<th>Organs of Local Communities</th>
<th>Non-Member</th>
<th>Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Member</td>
<td>440 (88.9%)</td>
<td>107 (80.5%)</td>
</tr>
<tr>
<td>Member</td>
<td>55 (11.1%)</td>
<td>26 (19.5%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>495</td>
</tr>
</tbody>
</table>

chi = 6.6372  
Significance .01  
Coefficient of Contingency $C = .145$

### Trade Unions

<table>
<thead>
<tr>
<th>Organs of Local Communities</th>
<th>Non-Member</th>
<th>Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Member</td>
<td>547 (91.6%)</td>
<td>394 (85.5%)</td>
</tr>
<tr>
<td>Member</td>
<td>81 (8.4%)</td>
<td>67 (14.5%)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>461</td>
</tr>
</tbody>
</table>

chi = 4.128  
Significance .05  
Contingency Coefficient $C = .114$

As far as the organs of the local community are concerned, the most significant indicator of the presence of socio-political organizations in them is the one for the Socialist Alliance. It could be seen as being consistent with the legal position of that organization in local communities. Its task there is analogous to the task of the
trade unions in economic enterprises, that is the preparation of elections and selection of candidates for delegations and offices. This probably leads to a routine in which the selection is usually made on the basis of the membership and the activity in that organization as well as in the party, which tends to excercise the decisive influence within the framework of the Socialist Alliance.

We will exclude the trade unions from the next set of tables due to their minimal formal role, as well as the low level of the statistical significance of the indicator of their presence in delegations from local communities and also from socio-political organizations.

4. Members of delegations from local communities for "socio-political communities" (commune, republic).

<table>
<thead>
<tr>
<th>Delegations</th>
<th>Socialist Alliance</th>
<th>LYC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Member</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Non-Member</td>
<td>Member</td>
</tr>
<tr>
<td>Non-Member</td>
<td>220 (93.6%)</td>
<td>373 (94.9%)</td>
</tr>
<tr>
<td>Member</td>
<td>15 (6.4%)</td>
<td>20 (5.1%)</td>
</tr>
<tr>
<td></td>
<td>235</td>
<td>393</td>
</tr>
<tr>
<td>Member</td>
<td>19 (3.8%)</td>
<td>16 (12.0%)</td>
</tr>
<tr>
<td></td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>Non-Member</td>
<td>593</td>
<td>593</td>
</tr>
<tr>
<td>Member</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>Non-Member</td>
<td>476 (96.2%)</td>
<td>117 (88.0%)</td>
</tr>
<tr>
<td>Member</td>
<td>19 (3.8%)</td>
<td>16 (12.0%)</td>
</tr>
<tr>
<td></td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>Non-Member</td>
<td>495</td>
<td>133</td>
</tr>
<tr>
<td>Member</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>Non-Member</td>
<td>628</td>
<td>593</td>
</tr>
<tr>
<td>Member</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>Non-Member</td>
<td>628</td>
<td>628</td>
</tr>
<tr>
<td>Member</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>35</td>
<td>35</td>
</tr>
</tbody>
</table>

chi = 1.168  Significance .3
Contingency Coefficient C = .061

chi = 13.3673  Significance .001
Contingency Coefficient C = .204

5. Members of Delegations from local communities into Self-Managing Communities of Interests.
6. Members of delegations of socio-political organizations to socio-political chambers of communal assemblies.

| Delegations | Socialist Alliance | | | LYC | | | |
|-------------|--------------------|------------------|------------------|------------------|------------------|------------------|
|             | Non-Member         | Member           | Non-Member       | Member           | Non-Member       | Member           |
| Non-Member  | 224                | 356              | 580              | 461              | 119              | 580              |
|             | (95.3%)            | (90.7%)          | (93.1%)          | (89.5%)          |                  |                  |
| Member      | 11                 | 37               | 48               | 34               | 16               | 48               |
|             | (4.7%)             | (9.4%)           | (6.9%)           | (10.5%)          |                  |                  |
|             | 235                | 393              | 628              | 495              | 133              | 628              |

chi = 4.6695  
Significance .05  
Contingency Coefficient C = .12

chi = 7.8899  
Significance .01  
Contingency Coefficient C = .157

7. Members of delegations, or organs of self-management, or administration at the level of a commune.

| Delegations | Socialist Alliance | | | LYC | | | |
|-------------|--------------------|------------------|------------------|------------------|------------------|------------------|
|             | Non-Member         | Member           | Non-Member       | Member           | Non-Member       | Member           |
| Non-Member  | 226                | 364              | 590              | 475              | 115              | 590              |
|             | (96.2%)            | (92.6%)          | (96.0%)          | (86.5%)          |                  |                  |
| Member      | 9                  | 29               | 38               | 20               | 18               | 38               |
|             | (3.8%)             | (7.4%)           | (4.0%)           | (13.5%)          |                  |                  |
|             | 235                | 393              | 628              | 495              | 133              | 628              |

chi = 3.259  
Significance .1
Contingency Coefficient C = .102

chi = 16.6204  
Significance .001  
Contingency Coefficient C = .226
The tables do indeed point to the conclusion that outside of the enterprise and/or beyond its level the presence of the Communist Party in the decision-making organs becomes more tangible. The last table may render this assertion somewhat questionable, but we are in a position to reinforce it by data from the sources we have discussed before: the commune of Maribor in Slovenia, and in the Republics of Croatia and Macedonia.

Table 13. summarizes the data concerning party membership among the delegates in the commune of Maribor.

<table>
<thead>
<tr>
<th>Level of the Delegate Structure</th>
<th>Party Membership</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Non-Member</td>
<td>Member</td>
<td>Functionary</td>
</tr>
<tr>
<td>Delegations from Organizations of Associated Labor</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delegate Base</td>
<td>84.6</td>
<td>3.2</td>
<td>2.2</td>
</tr>
<tr>
<td>Members of Delegations</td>
<td>73.7</td>
<td>13.6</td>
<td>12.7</td>
</tr>
<tr>
<td>Delegates</td>
<td>52.2</td>
<td>30.4</td>
<td>17.4</td>
</tr>
<tr>
<td>Higher Delegate Structures</td>
<td>57.9</td>
<td>15.8</td>
<td>26.3</td>
</tr>
<tr>
<td>Delegations from Local Communities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delegate Base</td>
<td>90.3</td>
<td>6.7</td>
<td>3.0</td>
</tr>
<tr>
<td>Members of Delegations</td>
<td>55.7</td>
<td>32.2</td>
<td>12.1</td>
</tr>
<tr>
<td>Delegates</td>
<td>40.4</td>
<td>23.4</td>
<td>36.2</td>
</tr>
<tr>
<td>Higher Delegate Structures</td>
<td>41.9</td>
<td>38.7</td>
<td>19.4</td>
</tr>
</tbody>
</table>

(Source: Hodzar, op. cit. 281. 293)
The party presence among the delegates is quite strong, especially at higher levels of the structure. Altogether, there are 5.4% of the party members in the delegate base for the organizations of associated labor, but they constitute 47.8% of the delegates, and 42.1% of those in delegations beyond the level of the commune. In local communities party members constitute 9.7% of the delegate base, 59.6% of the delegates and 58.1% of the delegates beyond the level of the commune.

The pattern of domination of the delegate system by the League of Yugoslav Communists is much stronger in Croatia. According to published data, the party members constitute 10.6% of the delegate base, 55.6% of the members of delegations, 67.4% of the delegates and 91.6% of the higher delegate structures. Furthermore, the share of party functionaries increases with the level of the delegate system. Precise data are not available, but at the higher levels of delegate structures 32.9% of all delegates are party functionaries (Leinert, op. cit. 62-64).

One of the comments I heard while discussing these data with my Yugoslav colleagues was that given the endemic nationalist turmoil in Croatia, party membership of the majority of the members of delegations may be seen as a way to ensure both the stability of those delegations and party control of the republic through its delegates. Of course, I am in no position to judge whether or not this intent was indeed reflected in the selection of delegates in Croatia, but the data for Macedonia - which has no history of a massive
nationalist turmoil, presents a similar picture. At the end of 1976 members of the party constituted 5.3% of the population of Macedonia and about 20.9% of the employed population of that republic. However, they also constituted 72.73% of all delegates in the assemblies of communes, including 62.56% of the delegates to chambers of associated labor, 77.39% of the delegates to chambers of local communities, and 87.62% of the delegates to socio-political chambers (Josifofski and Seliu, op. cit. Appendix: Table 9). In the Republican Assembly 228 out of 237 delegates are party members (96.2%). The nine delegates who are not party members are in the Chamber of Associated Labor (Ibid. 128).

The most likely conclusion from the comparison of the three sets of the data is that Slovenia in general, and the commune of Maribor in particular, are exceptions rather than the rule as far as the extent of the presence of the party in the delegate system is concerned. The reason for it could be the principle of temporary delegate mandates which characterizes Slovenia.

PART IV

THE CONTROL OF THE DELEGATE SYSTEM

A brief conclusion of our discussion of the party and the delegate system could emphasize the control of that system by the party. However, it would be an oversimplification which does not take into consideration the distinction
between membership in an organization and participation in its work. Further, those who are in a position to structure the context of the decision-making, control its process, or control the supply of data, could exercise a significant influence in those organizations regardless of their actual membership in the organization, or their status in it.

There is some empirical evidence for these propositions. Županov, in his contribution to the analysis of the delegate system in Croatia, points out that grass root influence decreases with an increase in the level of decision-making process. At the level of a local community the three most influential units are the citizens' assembly, the council of the community, and socio-political organizations. The influence of the latter is highest at the stage of decision implementation. (Apparently their capacity for mobilizing the appropriate forces is considerable.) At the level of a BOAI, most influence is ascribed to workers' meetings. On the other hand, among the variety of groups present in a commune those perceived as the most influential are socio-political organizations, experts, and informal groups of politicians and managers. Among the organs formally invested with decision-making and consultative powers, those with the most influence are the executive committee of the commune, the chambers of its assembly, and experts (or expert committees). In Self-Managing Communities of Interests the two most influential groups are the executive committees and the experts. In general, the most influential groups
at the level of a commune are executive committees and experts, with socio-political organizations ranking roughly in the middle of the scale, above the delegate base, but below the chambers of assemblies of communes (Čupanov, 1979: 300-307). Of course, we need to keep in mind that party members constitute the overwhelming majority in those chambers.

Vreg, in his contribution to the research project on the delegates in the commune of Maribor, suggested that the overall decision-making system at the grass roots levels, that is in local communities and in BOALs, is highly formalized. This conclusion he derives from the evidence found in answers to questions concerning whom the citizens would approach if they wanted to solve a problem in either their local community or in a BOAL. He suggests that in local communities there is a tendency for the formation of a "political top", which consists mainly of members of councils of communities, and which also includes functionaries of trade unions, the League of Communists and the Socialist Alliance. Analogous situations characterized the BOALs. Mass organizations, be it workers' or citizens' meetings as well as socio-political organizations, were, according to him, insufficiently active (Vreg, 1978: 20-22).

We could, therefore, talk about a process of emergence of local decision-making elites consisting of those who occupy key executive positions in BOALs, in local communities, and in socio-political organizations. Again, we are talking about a power elite, albeit a highly decentralized one.
Given the high level of activism of those elites, they constitute a highly influential element in the delegate system, but mainly because the major initiative concerning what needs to be done belongs to them. Yet, the delegates, and through them the delegate base, do have a strong veto power over those initiatives.

CONCLUSION

As far as the specific role of the party is concerned, we need to keep in mind both its decentralized pattern of organization, and its ensuing presence in every decision-making body, as well as the principle of democratic socialism, which governs its policy-making and policy-implementing processes. In practice it implies a strong activating potential. In other words, if something needs to be done, and/or such a need is perceived by the leadership at any level of the party structure, the appropriate segment or level of the delegate system can be activated in order to enact and implement the appropriate decision. This is an important role precisely because of the overall decentralization. If the system needs re-structuring, or if some major decisions are to be implemented, it is the task of the party to formulate the general policy and the task of its members at the local level, in work organizations, in local communities, and in their delegations, to make sure that this policy is carried out. We may add that the current program of cutting the overall consumption in Yugoslavia by 10%, massive savings of fuels, the cutting of investments
and the wholesale focus on increasing exports to economically developed countries constitutes an interesting test of the activating potential of the party.

The key observation following the last section is that either individual components or the entire system can be activated without violating the key principles governing the process of decision-making in Yugoslavia. This can be seen as both the illustration of the validity of those principles, and as an example of the consistency between the policies of the regime and the general rules of the game it has established. The latter, as we have argued before, is one of the major conditions of the legitimacy of a regime.

In addition, the delegate system enables the party to act effectively in cases of a crisis, and, in general, gives it a potential for steering the system. Moreover, this can be done without violating the principles of self-management and direct decision-making. We may, therefore, conclude that the delegate system has not achieved its manifest goal which has been facilitating the direct participation of the entire population in the decision-making process. It is however, an effective means of social and political control by the central leadership of the party.

At the same time the rule of direct decision-making by those whom those decisions are to affect in conjunction with the overall decentralization of the system channels potentially disruptive, and hence de-legitimizing effects of central decisions, to the local levels. This way the central lead-
ership is screened off from the deligitimizing effects of its policies, while simultaneously retaining its crisis-intervention potential. In fact such an intervention may be seen as a proof of its efficiency, therefore contributing to its legitimacy.
SUMMARY

We need to begin the summary by re-stating the major proposition of this dissertation. Its initial stage is a combination of two major sets of arguments we discussed in the first chapter - those of Ferrero, and those of Habermas. There is a twofold picture which emerges out of that combination. On the one hand, legitimacy constitutes a set of truth statements which, therefore, demand verification. On the other hand, prevention of a legitimation crisis means ensuring that the very question does not enter the public discourse; that is, making sure that the process of the verification of the truth statements does not take place. This apparent contradiction can be solved by formulating the question of legitimacy in Popperian terms: legitimacy is a proposition which remains true until falsified. The key issue then becomes avoidance of de-legitimation.

It follows from both Ferrero's and Habermas' arguments that the process of de-legitimation begins when a government's capacity for dealing with problems it faces falls below the programmatic goals it has set for itself. From that proposition we may derive a corollary applying to all centralized and command systems. Concentration of decision-making in one center leads to a situation in which such a center is seen as being responsible for all failures, regardless of their actual causes. Hence any of them, no matter how minor, can begin the process of de-legitimation. Obviously de-centralization of decision-making is thus the first step toward creating a mechanism preventing such a
process.

We need to bear in mind that both Ferrero's and Habermas' work constitute analysis of crisis tendencies which characterize Western democracies. However, there are important differences in their approach to the problem. Ferrero is an historian whose thought is representative of the tradition of Italian political philosophy which goes back to Machiavelli and which conceives of a society in terms of a dichotomous division into the rulers and ruled. Moreover the same tradition portrays the ruled being inherently passive and docile, but also as being prone to occasional eruptions which sweep away old ruling groups only to return to a state of passivity under the new rulers. The actual form of government, be it democracy or tyranny, is here of a minimal relevance, the cycle of stability and revolution (the latter being synonymous to chaos) characterizes all forms of government.

From such a perspective no form of government is inherently rational. Democracies, according to Ferrero, are not exceptions. They too are in the long run highly unstable. Italy after unification and the Weimar Republic are for Ferrero examples of such a state of affairs. So is France where monarchy and democracy proved to be equally unstable after the Revolution.

For Habermas every social formation is also a subject to crisis tendencies, but the actual sources of crisis vary with each formation. As society becomes more complex the crisis tendencies become channelled through different sub-
systems and the ultimate form in which they express themselves can be considerably removed from their actual sources. On the other hand, the progressive rationalization of a society, that is democratization and expansion of a scientific Weltanschauung, open perspectives for a rational public debate in which sources of crises can be analyzed, and claims to legitimacy either verified or falsified.

Immanent in Habermas' critique of modern capitalism is the contention that the democratization of a society can continue mainly through granting its individual members more and more influence over the variables which determine their life situation. This implies not only expansion of the decision-making rights of citizens, but also the capacity for a critical analysis of the state of their society. It is precisely that capacity which Ferrero appears to doubt.

As far as Yugoslavia is concerned, we need to bear in mind that the ideal of a rational citizen, that is one making decisions about the problems which influence his/her life situation is at the heart of the theory of Yugoslav socialism as exemplified by the work of Kardelj. This is illustrated by his criticism of Western democracies where, according to him, individual decision-making rights are limited to a choice of a political party which can rule in his/her name. This significantly limits individual's and group's capacities for expressing their concrete interests and preferences in the process of political decision-making.

It follows then that the ideals of a rational society
are similar in the thought of Habermas and Kardelj. There is, on the other hand, an important difference in their views as to how such a society can emerge: Habermas sees it in the progressive rationalization of the process of communication, while Kardelj emphasizes the co-ordinating and educational role of the Communist Party.

We need, however, to bear in mind that Kardelj's work also constitutes a justification of the monopoly of the League of Yugoslav Communists over political power vis-a-vis recurrent demands for the democratization of the system through introduction of more political parties which could constitute alternatives to LYC. We need to answer the question why, in spite of economic difficulties and social instability in Yugoslavia, the general support for such claims as minimal, and the monopoly of the Communist party remains practically unchallenged. This takes us back to the problem of the initial sources of legitimacy of Communist rule.

While we may, with Habermas, talk about "diffuse supports" as sources of legitimacy of already established governments and of social, economic and political orders, the sources of the initial legitimacy of newly established Communist governments are fairly concrete. We have discussed them in the first chapter. In general, we may summarize them in terms of the overall perspectives of improvements in the standard of living and social status. Those perspectives were generated by the deterioration of the pre-Communist social order, and by the programmatic promises
of the new rulers. The initial focus on standard of living and consumption, in what was before an impoverished peasant country, is conducive to the emergence of consumerism as a grass root ideology, reinforced in Yugoslavia by the pressure toward the equality of wages. Subsequently, the perspectives of rising standards of living as well as of the inter and intra-generational advancement become a threshold beyond which rulers' rights to independent decision-making are taken for granted. Under such circumstances, public scrutiny of the process of political decision-making, and of decisions themselves, is minimal, if any. This is the dimension of "diffuse supports".

However, this overall consumeristic syndrome renders the continuing legitimacy of Communist governments in general, and of the one in Yugoslavia in particular, directly dependent upon the continuing economic well being of the society. In other words, an economic crisis is likely to initiate the process of, to use Habermas' expression, thematization of the issue of legitimacy and its sources in a public discourse.

In Yugoslavia the threat of such a situation may be compounded by the long term commitment of the party to social equality and the prevalence of the norm of equality in the Yugoslav society on the one hand, and party's emphasis on maintaining wage differentials as the response to immediate economic needs, on the other. If we are to follow the arguments we have discussed in the first chapter, we may conclude that such contradictions could contribute to
the erosion of the legitimacy of the system and/or those who control it.

If the system and its rulers are to retain their legitimacy, the major condition to be fulfilled is the deflection of the responsibility for failures from central decision-making units. One way of attaining it is to ensure that what Habermas refers to as contradictory steering imperatives inherent in the economic system, express themselves mainly, if not only, in local conflicts. This is the case in Yugoslavia, due to the system of self-management.

The major expression of apparent rationality deficits inherent in the system directing Yugoslav economy as well as other social sub-systems are conflicts between workers and management which most often involve the problem of income distribution. Their sharpest expression are strikes. Given the actual distribution of participation in what is de jure a system of workers' self-management, such conflicts are open to being interpreted in terms of non-self-managerial decision-making at the local level, rather than in terms of extra-local factors determining them. It does not, of course, mean that the center is to blame for all of the failures, but even if it could be the case, the responsibility for them is deflected from it by local conflicts.

The delegate system can be seen in analogous terms. It facilitates deflection of the responsibility from central organs for the unintended consequences of their decisions. Again, the issue here are contradictory steering imperatives
They include the contradiction between the principles of self-management on the one hand, and party controls on the other. (We are bypassing here the question of potential nationalistic or technocratic threats to the system of uncontrolled self-management). The pattern of communication between the delegates and the base as well as the over-representation of the upper managerial and administrative strata on its higher level again open the field for the interpretation of failures reflected in local conflicts in terms of the "techno-bureaucratic" domination of delegate decision-making. At the same time, the mode of decision-making in the party as well as the extent of its presence in the delegate system and its mode of participating in it enable it to ensure that its policy preferences are enacted without risking the loss of its legitimacy for their eventual negative consequences.

We may, therefore, conclude that Yugoslavia illustrates the general proposition of our dissertation. The maintenance of legitimacy of either the socio-political order, or a government, or both, is a social process which requires a special institutional set-up for it to continue. It is very likely that decentralizing any system of decision-making can prolong its existence without threatening its boundary conditions. Mutatis mutandis, overcentralization can significantly increase instability of any system of political decision-making.

Such a state of affairs does not exclude the possibility that compliance with decisions of the government is to a
certain extent based on the threat of the use of coercion in a case of non-compliance. Such a possibility exists in every socio-political system. As the discussion in the first chapter has indicated, coercion and legitimacy are not mutually exclusive. The question of the role of coercion in the process of maintenance of a social order is known in sociology as the "Hobbesian Problem of Order".

A thorough discussion of the Hobbesian problem transcends the scope of this dissertation and of the data we used. However, the available evidence indicates that Yugoslav rulers do not hesitate to use coercion if certain boundary conditions are violated. Examples of such boundary conditions include the official monopoly over interpreting the events which took place during World War II, problems of irredentism and the corresponding question of the integrity of the Yugoslav federation as the whole, the ultimate monopoly of the LYC over the strategic decisions, and the authority of Tito. However, as long as those boundary conditions are maintained, the use of coercion is unnecessary. This is due to the fact that the system of self-management makes it possible to define structurally generated conflicts in terms which render them solvable within that system. And, given the general acceptance of self-managerial decision-making and of the formula of "brotherhood and unity", that system is legitimate.

\[1\] As we have indicated in the first chapter, there is a possibility that the use of coercion against those who violate those conditions is perceived as legitimate by the majority of the population.
We need to bear in mind that the monopoly of the party over what we could denote as a system-steering role is facilitated by what we described before as "consumerism" and "civic privatism". In other words, that monopoly is mainly based on the dimension of legitimacy which we have denoted as "diffuse supports". It follows that a shift toward intentional support by a large number of citizens could provide a challenge to a local party organization if such a shift could not be channelled through the established institutional structure, notably through the Socialist Alliance.

Consequently, the realization of the ideals described by theoreticians of the LYC, such as Edvard Kardelj, and by the party program, may result in eroding its monopoly over strategic decision-making. It may, therefore, lead to questioning its legitimacy as the major authority which possesses the necessary qualifications to steer the economic and political system. Such a situation can, of course, be seen as further "withering away of the state", to use Marxist formula, or, in general, of institutions which, at the new stage of the development of a socialist society, would only constitute an obstacle to true socialism and self-management.

On the other hand, Communist parties in power have a tendency toward seeing any potential alternative to their authority as inherently counter-revolutionary. In such cases they resort to open coercion, and that destroys whatever legitimacy they have enjoyed before.

It will be a long while before Yugoslavia will reach
the stage of active mass participation. However, when, or in fact if it happens, it will provide us with some interesting answers concerning the problems of revolutionary movements and their legitimacy.
A POSTSCRIPT: THE FUTURE

A reader may notice that this dissertation has discussed a very specific period in the history of Yugoslavia. We may denote the 1974 constitution as the event commencing that period, and Tito's death in 1980 as the event denoting its end. In the following three years Yugoslavia experienced massive nationalist turmoil among Albanians in the Kosovo-Metohija region, and an acute economic crisis which inter alia featured a massive foreign debt (on a per capita basis higher than the Polish), 30% annual inflation and a serious fuel shortage. At the same time, there was a personnel change in the central leadership: several of the top party leaders assumed leading positions in the Federal government, some of the major cabinet ministers retired, others moved to republican and major communal party and government units, and finally the leading positions in the Party presidium were assumed by members of republican administration and by some academic figures.

That last event constituted the first attempt to activate the system of leadership change which was originally instituted by Tito. The process was very smooth. Further, it infused local party and government units with individuals who have had long administrative experience at the federal level and whose names and prestige transcended republican scope. The continuation of this process of rotation has been ensured by the legislation limiting the tenure of
government officials. Analogous stipulations entered the party statutes in regard to the positions in the party hierarchy.

The new government has insituted an extensive austerity program which includes an emphasis on energy saving measures, and renewed focus on profitability of economic enterprises. That program was instituted amidst growing criticism of previous policies voiced by intellectual circles.

The official reaction to criticism, societal reaction to the austerity program and the results of activating the rotation system originally instituted by Tito may be seen as indicators of what is to come in the future.

The official reaction to intellectual ferment was a series of attacks on nationalist and "anarcho-liberal" elements (to use the words of the new minister of internal affairs – Stane Dolanc), who allegedly took advantage of the economic difficulties. One of the official statements suggested that while those elements are undermining the stability of Yugoslavia by using the economic crisis for their purposes, workers are bearing the brunt of the measures aimed at overcoming the crisis.

The criticism has been accompanied by a series of trials of nationalists in the Kosovo region and in the republic of Bosnia and Hercegovina. Around the same time, apparently under the pressure from the League of Serbian Communists, Serbian intellectuals purged themselves: the editor-in-chief of a highly respected Belgrade daily Politika resigned, several leading journalists in other parts of Yugo-
slavia followed his example. This appears to be a direct result of official statements arguing that the criticism in some articles which appeared in several journals went too far. Finally, the presidium of the Union of Serbian writers decided to dissolve due to its inability to reach an agreement with the Central Committee of the League of Serbian Communists. Perhaps in order to vent its discontent with those events, and hence with the Serbian party leadership, the population of Belgrade participated en masse in the funeral of Aleksandar Ranković, a Serbian Communist and a war hero, one of Tito's closest co-workers, who was disgraced and expelled from the party in 1966.

But, while attacking those who were branded as irresponsible intellectual malcontents, the leaders admitted that serious mistakes were made, and proceeded to deal with their consequences. By acting that way they, again, re-emphasized the set of boundaries which cannot be crossed: party monopoly over strategic policy decisions and over the criticism of those decisions, bans on any form of a separatist propaganda, and self-management in local and immediate decision-making, especially in the economy. At the same time, both official criticism and attempts to justify the austerity measures were frequently made by local officials, that is those with appropriate ethnic roots. Some of them enjoyed a high degree of the prestige resulting from a long tenure in the federal organs. This way Tito's rotation system reinforced the co-ordinating role of the party.

However, the new government did not alter the decentral-
ized system of economic decision-making. Therefore, the mechanism which translates systemic contradictions into local issues and conflicts has not been changed. In other words, the mechanism deflecting the responsibility from the central authorities has survived the power transfer and economic crisis. The forms of criticism which the party finds uncomfortable can, apparently, be dealt with without the necessity of the massive use of coercion, if only because they can be successfully isolated. This includes nationalist demonstrations, for they do not generate a chain reaction which could lead to a confrontation along the boundaries dividing the rulers from the ruled. It is perhaps due to the system of self-management and decentralization, that those boundaries are not always clear.

All of this indicates that the question of the legitimacy of the authorities ruling Yugoslavia and of the overall socio-political system will not be posed for a long time to come. From this perspective, Yugoslavia offers a case study of a Communist regime which may survive in its current form for a long time. This, in turn, suggests that its rulers will retain their legitimacy, i.e. will not have to resort to the use of force to stay in power.
APPENDIX I

WHO BECOMES A DELEGATE

One of the key stipulations concerning the organization of the delegate system was to ensure that delegations, and consequently the decision-making bodies which consist of delegates would not be dominated by the members of the upper strata of the society. After all, the entire organization of the system was to ensure the decisive voice of the working class in managing the society and economy, and the direct participation of citizens in all the decision which affect them. This is, however, an ideal state of affairs which presupposes both a necessary degree of interests on the part of the citizens, and an appropriate amount of information and education. Since in reality neither is the case, there arises a question of the correspondence between the ideal and the reality.

The explicit assumptions concerning the ideal state of affairs in the delegate system contain two propositions concerning the structure of delegations: first, that their social structure must correspond to the structure of the "delegate base"; second, that the structure of delegations must ensure the domination of those employed in direct production at all levels of the delegate system (Tomac, 1979: 190).

The following tables will enable us to see whether
these demands which were placed on the delegate system have been in fact satisfied. The first set of tables depicts the structure of delegations in the commune of Maribor in Slovenia; Maribor is the second largest city in that republic. The data come from the research project conducted as a part of an all-Yugoslav project sponsored by the Socialist Alliance. In work organizations 495 non-delegates, 102 delegates to the Chamber of Associated Labor, and 73 delegates to Self-Managing Communities of Interests answered the questionnaire. In local communities the same applies to 702 non-delegates, 138 delegates to the Chamber of Local Communities and 138 delegates to Self-Managing Communities of Interests.

Table 14. Education of the members of delegations from organizations of associated labor in the commune of Maribor.

<table>
<thead>
<tr>
<th>Level of the Delegate Structure</th>
<th>Level of Education %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Grade School</td>
</tr>
<tr>
<td>Delegate Base</td>
<td>37.5</td>
</tr>
<tr>
<td>Members of Delegations</td>
<td>16.9</td>
</tr>
<tr>
<td>Delegates</td>
<td>8.7</td>
</tr>
<tr>
<td>Higher Level Delegations</td>
<td>21.1</td>
</tr>
<tr>
<td>Total</td>
<td>32.4</td>
</tr>
</tbody>
</table>

Table 15. Position in the work place of the members of delegations from organizations of associated labor in the commune of Maribor.

<table>
<thead>
<tr>
<th>Position in a Work Organization</th>
<th>Level of Delegate Structure</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Delegate Base</td>
<td>Members of Delegations</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>---------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>Managerial Function in Production</td>
<td>1.6</td>
<td>.8</td>
</tr>
<tr>
<td>Managerial Elected Function in Administration</td>
<td>.8</td>
<td>0.0</td>
</tr>
<tr>
<td>Managerial Non-Elected Function in Production</td>
<td>6.3</td>
<td>13.6</td>
</tr>
<tr>
<td>Managerial Non-Elected Function in Administration</td>
<td>2.8</td>
<td>3.4</td>
</tr>
<tr>
<td>Highly Skilled and Skilled Workers</td>
<td>40.4</td>
<td>23.7</td>
</tr>
<tr>
<td>Unskilled and Semi-Skilled Workers</td>
<td>29.3</td>
<td>8.5</td>
</tr>
<tr>
<td>Office Workers</td>
<td>14.1</td>
<td>32.2</td>
</tr>
<tr>
<td>Specialists (Without managerial function)</td>
<td>4.8</td>
<td>17.8</td>
</tr>
</tbody>
</table>

(Source: Ibid. 277).

A brief comment concerning these tables will suffice at this point. In general, the representation of various groups in delegations from work organizations does not correspond to their share of the "delegate base". Further, the
higher the level of the delegate structure, the higher the proportion of delegates occupying high positions in work organizations and in administration, especially in comparison to the proportion of these employees in the "delegate base". While these data do, therefore, illustrate that the delegates from the work organizations tend to be employed in direct production (notice low percentages of those employed in administration; there are none in delegations to the republican and federal assemblies), they also indicate that the delegates are very likely to be involved in supervisory and managerial functions in direct production.

To be sure, the percentages of blue collar workers among the delegates from work organizations in the Maribor Commune could be seen as relatively high: they constitute 32.2% of the members of the delegations, 27.2% of the delegates, and 38.9% of members of higher level delegations. But, they also constituted 69.7% of the "delegate base". In contrast, the managers constituted 7.9% of the base, 14.4% of the members of delegations, 27.3% of the delegates, and 44.4% members of higher level delegations. We may, therefore, conclude that as far as the work organizations in the commune of Maribor are concerned, workers are represented in their delegations. There is however a question as to how well.

One final remark concerning the work organizations and their delegations. In general, there are some difficulties with the terminology Yugoslavs use concerning those employed in work organizations. The term "delavci" used quite often
in the statistical data sometimes refers to blue collar workers, and sometimes to all employees. The reason for such an ambiguous terminology could be rooted in ideological considerations: on the one hand, the original Marx and Marxist writings emphasized the necessity of the leading role of workers qua industrial workers; on the other hand there is a need to take into considerations the fact that workers do not have such a leading role in Yugoslavia. The theoretical way out of this dilemma in Yugoslavia appears to be an emphasis on property relations, which are seen as the key to the Marxist analysis of the class relations in any society. We have already indicated the result: those who are working with socialized means of production are treated as a single class, regardless of their actual position in a work organization.

Some consequences of this state of affairs will be discussed later. At this point it suffices to notice that such a view of class relations where the socialized means of production can be seen as pre-eminent has led Kardelj to a conclusion that the most serious contradiction in a contemporary socialist society is the one which leads to a conflict between...

...the working class and its segment which Marx called its own bureaucracy, whenever it appropriates for itself the monopoly over disposing of the social capital (1977: 90).

There has been an attempt in the delegate system to make sure that the actual members of "workers' own bureaucracy", that is members of the state administration, do not constitute a
part of the delegate system. We have already indicated that there are legal stipulations to that effect. As far as the commune of Maribor is concerned, employees in the state administration, public organs and socio-political organizations constitute .2% of the delegate base, but they are not members of any delegation (Hodžar, op. cit. 278).

The next two tables present the structure of delegations from the local communities in the commune of Maribor.

Table 16. Education of the members of delegations from local communities in the commune of Maribor.

<table>
<thead>
<tr>
<th>Level of the Delegate Structure</th>
<th>Level of Education</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Delegate Base</td>
</tr>
<tr>
<td>Grade School</td>
<td>49.1</td>
</tr>
<tr>
<td>Vocational High School or</td>
<td>27.4</td>
</tr>
<tr>
<td>School or Post High School</td>
<td>15.9</td>
</tr>
<tr>
<td>Vocational School</td>
<td>5.0</td>
</tr>
<tr>
<td>University</td>
<td>2.5</td>
</tr>
</tbody>
</table>

| Members of Delegations        | 11.5               |
| Delegates                     | 10.6               |
| Higher Level Delegations      | 12.9               |

(Source: Hodžar, op. cit. 286).

Table 17. Position in the work place of members of delegations from local communities in the commune of Maribor.

<table>
<thead>
<tr>
<th>Position in a Work Organization</th>
<th>Level of Delegate Structure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Delegate</td>
</tr>
<tr>
<td>Managerial Elected Function in Production</td>
<td>.8</td>
</tr>
</tbody>
</table>
Table 17 continued

<table>
<thead>
<tr>
<th>Position in a Work Organization</th>
<th>Level of Delegate Structure</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Delegate Base</td>
<td>Members Delegations</td>
</tr>
<tr>
<td>Managerial Elected Function in Administration</td>
<td>1.0</td>
<td>2.4</td>
</tr>
<tr>
<td>Managerial Non-Elected Function in Production</td>
<td>2.8</td>
<td>11.2</td>
</tr>
<tr>
<td>Managerial Non-Elected Function in Administration</td>
<td>2.0</td>
<td>6.5</td>
</tr>
<tr>
<td>Highly Skilled and Skilled Worker</td>
<td>20.7</td>
<td>15.3</td>
</tr>
<tr>
<td>Unskilled and Semi-Skilled Worker</td>
<td>13.8</td>
<td>.6</td>
</tr>
<tr>
<td>Specialist without a managerial function</td>
<td>3.2</td>
<td>14.7</td>
</tr>
<tr>
<td>Self-Employed</td>
<td>5.2</td>
<td>7.1</td>
</tr>
<tr>
<td>Pensioner</td>
<td>16.6</td>
<td>7.6</td>
</tr>
<tr>
<td>Housewife</td>
<td>6.7</td>
<td>6</td>
</tr>
<tr>
<td>Student</td>
<td>1.1</td>
<td>1.2</td>
</tr>
<tr>
<td>Unemployed</td>
<td>16.3</td>
<td>5.9</td>
</tr>
<tr>
<td>Office Worker</td>
<td>9.6</td>
<td>20.6</td>
</tr>
</tbody>
</table>

(Source: Ibid. 289).

The overall pattern of representation in the delegations from local communities could be seen as reflecting the
structure of their inhabitants, but not in proportion to their share among the members of the commune. This applies especially to the overrepresentation of managers and office workers, and to the underrepresentation of blue collar workers. Again, we may observe that the higher the level of the delegate system, the stronger the probability of selecting somebody from the upper strata of society to be a delegate.

We are not in a position to state whether the sample from the Maribor commune is representative of the Slovenian population as a whole. However, we can compare it to the sample from 10 Slovenian work organizations we have analyzed before in respect to participation in self-management in those work organizations. The next two tables will present the data illustrating the membership of delegations for socio-political assemblies (that is for chambers of associated labor, chambers of local communities and of communes, and for socio-political chambers), and for Self-Managing Communities of Interests from their work organizations and from their local communities.

The tables are arranged like tables 15 and 17, that is we indicate every group's share of the total number of delegates in the sample. The numbers 1 to 8 indicate the same groups as in the previous chapter. The percentages at the bottom of each table (denoted as Total), indicate the groups share of the entire sample. It can be treated as an approximate analogy to the delegate base.
Table 18. Position in the work organization and the membership in delegations from work organizations

<table>
<thead>
<tr>
<th>Type of the Delegation</th>
<th>Position in the Work Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
</tr>
<tr>
<td></td>
<td>1  2  3  4  5  6  7  8</td>
</tr>
<tr>
<td>Delegation to a Socio-Political Chamber</td>
<td>0.0  7.8  13.7  15.7  21.6  17.6  11.8  11.8</td>
</tr>
<tr>
<td>Delegation for an assembly of a Self-Managing Community of Interests</td>
<td>0.0  2.4  9.4  14.1  17.6  22.3  20.0  14.1</td>
</tr>
<tr>
<td>Total</td>
<td>5.9  9.4  11.5  22.4  17.3  14.7  8.8  9.9</td>
</tr>
</tbody>
</table>

The comparison with table 15 reveals a similar trend as far as the pattern of representation of managers and specialists vs. workers is concerned. The first are overrepresented, the latter underrepresented. The skilled and highly skilled category may be seen as an interesting exception.

Table 19. Position in the work organization and the membership in delegations from local communities.

<table>
<thead>
<tr>
<th>Type of the Delegation</th>
<th>Position in the Work Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
</tr>
<tr>
<td></td>
<td>1  2  3  4  5  6  7  8</td>
</tr>
<tr>
<td>Delegation to a Socio-Political Chamber</td>
<td>5.7  14.3  8.6  17.1  22.9  5.7  17.1</td>
</tr>
<tr>
<td>Delegation for Self-Managing Community of Interests</td>
<td>4.2  6.2  10.4  4.2  27.1  20.8  10.4  16.7</td>
</tr>
</tbody>
</table>
Table 19 Continued.

<table>
<thead>
<tr>
<th>Type of the Delegation</th>
<th>Position in the Work Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>A Member of a Delegation of Socio-Political Organizations for Socio-Political Chamber of a Commune</td>
<td>7.9</td>
</tr>
<tr>
<td>A Member of a Delegation or of an Organ at the Level of a Commune</td>
<td>8.3</td>
</tr>
<tr>
<td>Total</td>
<td>5.9</td>
</tr>
</tbody>
</table>

If we compare this table to table 17, the same patterns appear: Underrepresentation of workers, and overrepresentation of management. To be sure, the pattern of underrepresentation of workers is, in general much more obvious in the data for the commune of Maribor. It can partly be explained by the presence of the category of "higher delegate structures" in the analysis of the data for Maribor. Also, in our sample we are dealing with a relatively small number of workers to start with, both in absolute and relative terms. They constitute 26.8% of our sample, while in the case of the Maribor commune they constitute 69.7% of the delegate base for organizations of associated labor and 34.5% of the delegate base for local communities. Since our sample can be seen primarily as representing work organizations, the difference between two sets of data is quite large. Also, the Maribor
sample for work organizations corresponds much more closely to the structure of employment of the Slovenian population: at the end of 1976, altogether 68.4% of employed Slovenians worked as blue collar workers (the percentage for those whose formal education designated them as workers was 69.7%).

As far as the division between unskilled and semi-skilled on the one hand, and skilled and highly skilled workers on the other hand is concerned, the respective percentages for Slovenia are 29.7% and 37.7% and for the Maribor sample 40.4% and 23.7%. (The source of the data for Slovenia: SR Slovenija Med... op. cit. 56).

As far as our sample is concerned, the pattern of representation of the upper strata in the delegate system was also indicated in the initial analysis of these data conducted by Arzensek. He found that 53% of managers, 51% of specialists, 23% of office workers and 24% of the blue collar workers were members of either organs of self-management or delegations in their work organizations. The percentages for analogous institutions in local communities were: 40% for the managers, 22% for the specialists, 12% for office workers and 13% for blue collar workers (Arzensek, 1977: 11).

Perhaps the strongest similarity between the two sets of data is the fact that both indicate a strong representation of delegates with high school education in the delegations. In the commune of Maribor they constitute 19.6% of the delegate base, 33.9% of members of delegations, 60.9% of delegates, and 41.1% of members of higher level delegations from organizations of associated labor. Ana
logous percentages for local communities are: 15.9% of the delegate base, 46.0% of the members of delegations, 34% of the delegates and 41.9% of the members of higher level delegations. In our sample they constitute 25.6% of the sample, 31.4% of the members of delegations from work organization to a socio-political community (a commune or a republic), and 36.5% members of delegations to self-managing communities of interests. Also, the same group constitutes 31.4% of the members of delegations from local communities to a socio-political community, 37.5% of members of delegations to self-managing communities of interests, 34.2% of delegates from socio-political organizations, and 41.7% of the members of delegations of self-managing organs at the level of a commune. This does not, of course indicate the pattern of overrepresentation, which is stronger than the one for people with higher education and for those who occupy top managerial and/or administrative positions. But it could indicate a degree of participation that is higher than the degree of participation of the same group in the self-management in their work organizations. This group is also best represented in the organs of self-management of work organizations (34.2%), and in organs of self-management of local communities (43.2%). But this question needs further investigation since, as a comparison of this and the previous chapters indicates, membership in a group of an organization is not synonymous with active participation in its decisions.

This, of course, poses a question as to the actual
participation in the work of delegations, as opposed to mere membership in them. Our data for Slovenia and for the commune of Maribor at this time do not allow us to draw any conclusions concerning this problem. We will attempt to formulate some inferences on the basis of all of our data later.

There is a question as to how representative of Yugoslavia as a whole are the data from Slovenia we have presented. We will try to answer this question by comparing Slovenia to Croatia and Macedonia.

Like Slovenia, Croatia is denoted in Yugoslav literature as an economically developed republic. In fact, it usually ranks second, behind Slovenia, as far as indicators of economic development are concerned, for example the value of production per capita, employment outside of agriculture, income per capita, etc.

The following table presents the data illustrating the composition of delegations in Croatia, according to educational attainment of their members.

Table 20. Educational attainment of members of delegations in the Republic of Croatia

<table>
<thead>
<tr>
<th>Educational Attainment</th>
<th>Level of the Delegate Structure</th>
<th>Members of Delegations</th>
<th>Delegates</th>
<th>Higher Level Delegations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Four years of a Grade School</td>
<td>8.6</td>
<td>7.7</td>
<td>2.4</td>
<td></td>
</tr>
<tr>
<td>Eight years of a Grade School</td>
<td>16.4</td>
<td>10.1</td>
<td>7.1</td>
<td></td>
</tr>
<tr>
<td>Trade School</td>
<td>19.9</td>
<td>14.1</td>
<td>9.5</td>
<td></td>
</tr>
</tbody>
</table>
Table 20 Continued.

<table>
<thead>
<tr>
<th>Educational Attainment</th>
<th>Members of Delegations</th>
<th>Delegates</th>
<th>Higher Level Delegations</th>
</tr>
</thead>
<tbody>
<tr>
<td>High School</td>
<td>21.0</td>
<td>26.5</td>
<td>21.4</td>
</tr>
<tr>
<td>School for Highly Skilled Workers</td>
<td>9.0</td>
<td>9.8</td>
<td>8.3</td>
</tr>
<tr>
<td>2-year post-High School Studies</td>
<td>12.6</td>
<td>18.5</td>
<td>25.0</td>
</tr>
<tr>
<td>University</td>
<td>12.5</td>
<td>13.3</td>
<td>26.2</td>
</tr>
</tbody>
</table>

(Source: Leinert, 1979: 56).

We do not have complete data concerning the educational composition of the delegate base in Croatia. However, we have some data which can provide an approximate illustration. According to data from 1971 the following numbers illustrate the composition of the population of Croatia according to education as a percentage of the active population: education beyond high school (university, or two year school), 6.05%; high school education, 34.6%; grade school, 25.3%; up to 3 years of grade school, or no school level education, 33.8%. (Source: Statistični Koledar Jugoslavije, 1979: 32-33). Jerovšek, citing more recent data, indicates that the cadres with higher education constituted 5.54% of all of the employed in Croatia around 1975 (1979: 225).

Leinert, discussing her data, points out that employees with higher education (both two years after high school and a university degree), constitute 9.9% of the delegate base,
but they constitute 51.2% of the higher delegate structures (Ibid. 57). They also constitute 31.8% of the delegates.

The composition of delegations according to delegates' position in their work places presents a similar picture. Workers constitute 36.1% of the delegate base, but only 13.6% of higher delegate structures. As far as the latter are concerned, 17.3% of their members are administration workers, 17.3% are people who have retired and 13.6% are managers and workers (Ibid. 58). These data by themselves do not allow us to draw specific conclusions concerning which groups are over or underrepresented in the delegate system, although obviously workers are underrepresented in higher level delegations. There is quite a strong conclusion derived from the study of Croatian delegate system by one of the participants in that study. In his article for a Slovenian journal Teorija in Praksa he writes:

Managerial workers prevail in higher delegate structures in spite (of the fact) that their election is administratively forbidden (Tomac, 1979: 191).

The same applies to delegates from outside of direct production. Those employed in the fields of culture, science and education constitute 11% of higher level delegations, which constitutes an overrepresentation inconsistent with the principle of predomination of the delegates from direct production. Moreover, another 13.4% of the members of higher delegate structures are those employed in socio-political organizations and state service (Leinert, op. cit. 57). Again, their election as delegates in administratively forbidden. We can compare this state of affairs to the dele-
gations from the commune of Maribor where this particular group is not represented at all. Of course, we are in no position to state whether or not this is the case for the entire Slovenia.

In one of my informal conversations in Yugoslavia I encountered the following explanation of the strong presence of members of the state administration in Croatian delegations and also of the predominance of the party members in those delegations: since the socio-political scene in Croatia is quite tense and occasionally volatile (due to inter-ethnic tensions), the appropriate authorities might have concluded that a thorough supervision of the delegations by trusted elements of the society was necessary. It could indeed be the case. In any event it is a hypothesis worth investigating. An indirect way of doing so would be to look at a republic which, unlike Croatia, has been characterized by a relative social peace, a substantial extent of ethnic heterogeneity notwithstanding. We are in a position to do precisely that on the basis of data describing the delegate system in the Republic of Macedonia.

Macedonian society is still basically agricultural. In 1977 peasants constituted 33.5% of the entire population, and 42.1% of the active population. For the purpose of a comparison, analogous figures for Slovenia are 14.9% and 19.5% respectively. It had at that time the second highest birth rate in Yugoslavia: 21.3 per 1,000 inhabitants (the Kosovo Metohija autonomous region had the highest birth rate - 32.2 per 1,000. (See: Statistični Koledar Jugoslavije, op.
Macedonia ranked third from the last as far as the value of production per capita - in front of Bosnia-Hercegovina and Kosovo (SR Slovenija...op. cit. 189), and second from the last as far as personal income per an employee is concerned (Statistični Koledar...op. cit. 45).

The structure of the Macedonian population poses an interesting dilemma from the point of view of official ideology and hence the demands placed on the delegate system. The ideology emphasizes the priority of industrial workers and/or those who work with socialized means of production. The adherence to the ideological priorities could result in underrepresentation of the most numerous group, or for this matter class, in the society. This is indeed the case in Macedonia. Those employed in agriculture in Macedonia constitute 44.06% of the active population, but only 9.97% of the delegates. (Denoting the entire category as "agriculture", which is the case in our data, is however extremely misleading: we are in no position to see whether we are dealing with people employed in a small, socialized sector of the agriculture, agricultural workers, or peasants who own the land on which they work). In comparison, those employed in the industry and agriculture constitute 14.60% of the active population in Macedonia and 24.77% of the delegates; administrative workers constitute 10.03% of the active population and 28.14% of the delegates (Josifofski, Seliu, 1978: Prilozi, table 3). We may add that this remark implies a more general problem from the point of view of the official theory of Yugoslav self-management, namely the role...
of peasants (that is small landowners) in the process of socialist self-management.

With these qualifications in mind, let us look at the structure of the delegate system in Macedonia according to education and occupation of the delegates.

Table 21 presents the composition of delegations in Macedonia according to education. The numbers denote the following categories: I - grade school; II - school for skilled and highly skilled workers (trade school); III - high school; IV - two-year post-high-school studies; V - university.

Table 21. Composition of delegations in the Republic of Macedonia according to the education of delegates.

<table>
<thead>
<tr>
<th>Level of the Delegate system, and Type of a Delegation</th>
<th>Education</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>I</td>
</tr>
<tr>
<td>Population of Macedonia</td>
<td>56.25</td>
</tr>
<tr>
<td>The Republican Assembly</td>
<td>10.55</td>
</tr>
<tr>
<td>The Chamber of Associated Labor</td>
<td>16.59</td>
</tr>
<tr>
<td>The Chamber of Communes</td>
<td>5.08</td>
</tr>
<tr>
<td>The Socio-Political Chamber</td>
<td>3.33</td>
</tr>
<tr>
<td>Assemblies of Communes</td>
<td>33.09</td>
</tr>
<tr>
<td>Chambers of Associated Labor</td>
<td>36.31</td>
</tr>
</tbody>
</table>
Table 21 Continued.

<table>
<thead>
<tr>
<th>Level of the Delegate System, and Type of a Delegation</th>
<th>Education %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>I</td>
</tr>
<tr>
<td>Chambers of Local Communities</td>
<td>39.82</td>
</tr>
<tr>
<td>Socio-Political Chambers</td>
<td>20.02</td>
</tr>
</tbody>
</table>

(Source: Josifofski, Seliu. Ibid. Table 7).

The table indicates a systematic pattern of underrepresentation of groups with a lower level of education, and overrepresentation of those with a higher level of education. This applies especially to the republican assembly, where the two groups with the educational attainment beyond the level of a high school form majorities in every chamber. The group with high school education is represented more or less proportionately to its share of the population of Macedonia in the republican assembly, and is slightly overrepresented in communal assemblies. The most even distribution of members of each group is formed in the socio-political chambers of communal assemblies.

The following table presents the occupational structure of the delegate system in the Republic of Macedonia. The numbers denote the following occupational categories:

1 - workers in agriculture; 2 - miners industrial workers, and those employed in similar occupations; 3 - managerial personnel, specialists and artists; 4 - workers in trade, services, administration, and similar.
Table 22. Occupational structure of delegations in the Republic of Macedonia.

<table>
<thead>
<tr>
<th>Level of the Delegate System and Type of a Delegation</th>
<th>Occupational Group %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Active Population</td>
<td>46</td>
</tr>
<tr>
<td>Delegations</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>29</td>
</tr>
<tr>
<td>From BOALs</td>
<td>23</td>
</tr>
<tr>
<td>From Local Communities</td>
<td>52</td>
</tr>
<tr>
<td>From Socio-Political Organizations</td>
<td>15</td>
</tr>
<tr>
<td>Communal Assemblies</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>14</td>
</tr>
<tr>
<td>Chambers of Associated Labor</td>
<td>16</td>
</tr>
<tr>
<td>Chambers of Local Communities</td>
<td>21</td>
</tr>
<tr>
<td>Socio-Political Chambers</td>
<td>4</td>
</tr>
<tr>
<td>Assembly of the Republic of Macedonia</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>4</td>
</tr>
<tr>
<td>Chamber of Associated Labor</td>
<td>8</td>
</tr>
<tr>
<td>Chamber of Communes</td>
<td>-</td>
</tr>
<tr>
<td>Socio-Political Chambers</td>
<td>-</td>
</tr>
</tbody>
</table>

(Source: Ibid. 83).

The trends are quite clear. There is a strong pattern of domination of the delegations, especially of higher level delegations by the top managerial and administrative staff. In fact, that pattern is much stronger than in either Slovenia, or Croatia. Peasants are well represented only in
delegations from local communities. Those employed in industry and mining are fairly well represented in chambers of associated labor at both levels of communes and of the republic. However, we must conclude that the key stipulations of the delegate system have been violated in Macedonia as well.
APPENDIX II

ORGANIZATIONAL SCHEME OF THE
DELEGATE SYSTEM IN
YUGOSLAVIA


1, 2, 3 - Basic Organizations of Associated Labor

4 - Work Organization of Joint Services (for example consulting, data processing, design bureaus, etc.).

5 - Separate workshop

6 - law firms

7 - employees of the armed forces

8 - peasant collectivities

9 - craftsmen collectivities

10 - work group not organized into an Organization of Associated Labor

11, 12, 13, 14, 15, 16 - local communities

17 - Socialist Alliance of Working People

18 - League of Yugoslav Communists

19 - League of Trade Unions

20 - League of Socialist Youth

21 - League of Veterans

Numbers 22 through 41 refer to Self-Managing Communities of Interest for:

22, 27, 32, 37 - education  
25, 30, 35, 40 - health

23, 28, 33, 38 - research  
26, 31, 36, 31 - social services

24, 29, 34, 39 - culture
Numbers 42 to 48 refer to delegates' groups in the following problem-areas:

42 - economy
43 - culture and education
44 - health and social services
45 - craftsmen, artisans and people performing similar services
46 - agriculture
47 - work organizations in state agencies and organs, socio-political organizations and societies
48 - employees in the armed forces

(Attention: Delegates' groups operate only in Slovenia.
In other republics permanent delegates to Chambers of Associated Labor in Republican Assemblies are elected by Chambers of Associated Labor in Communal Assemblies.)
GLOSSARY

Basic Organization of Associated Labor (BOAL) - according to Yugoslav law, the basic self-managing economic unit; also one of two basic units of the delegate base; in order for a work organization to become a BOAL, three conditions must be fulfilled: the result of its work must be a finished product or a service, it must be expressed through its price, and the organization must have a sufficient number of workers, so that they can exercise their self-managerial rights.

Boundary Conditions - in sociology values and norms through which the identity of a given system or organization is defined.

Charisma - a set of personal characteristics which are perceived as the source of the prestige of the person, or persons, who possess them; they may constitute the source of his (their) authority.

Co-Determination - (German original: Mitbestimmung) a decision-making scheme characteristic for West German industrial enterprises where some decisions are made by the bodies which consist of representatives trade unions and the management.

Commune - the basic unit of the territorial administration in Yugoslavia; it is governed according to the principle of self-management; its major decision-making body is its parliament which can regulate, for example, economic relations on its territory.

Composite Organization of Associated Labor - an economic organization which is formed through a merger of several work organizations and/or BOALs.

Delegate Base - people associated in a work organization or local community who elect delegates into worker councils and legislative organs.

Delegate Principle - a principle on which selecting members of worker councils and legislative bodies at every level is based in Yugoslavia; delegates must follow instructions of those who have elected them, vote according to their guidelines, and inform them on their work; they can also be recalled at any point.

Delegation - a group of delegates elected by a work organization or a unit of the territorial self-management.
Gastarbeiter - (literary: a guest worker); a German term used to denote foreign workers, mostly from Southern and South-Eastern Europe, employed in Western European countries.

Local Community - the smallest unit of the territorial self-management; it doesn't have decision-making rights, but it can deal with the problems which directly apply to its inhabitants, for example sewers, street paving, cultural activities, etc; also of the two basic units of the delegate base.

Rationality - in this work, the ability of the political subsystem in a society to respond to the demands from the economic subsystem; this use of the term follows Jürgen Habermas.

Rationality Crisis - the inability of the political subsystem to respond to contradictory demands coming from the economic subsystem.

Self-Management - a general term referring to a situation in which those who are affected by given decisions directly participate in making them.

Self-Management Agreements - self-management acts adopted by members of work organizations; they regulate all of the relations within those organizations.

Self-Managing Communities of Interests - organizations directly linking those who provide specific public services and those who use them; ideally, the nature and prices of such services are decided through social compacts adopted within the framework of those communities; such communities operate, for example, in such fields as culture, education and public transportation.

Social Compacts - acts adopted by work organizations, local communities, communes, self-managing communities of interests, etc., regulating the relations among them as well as those of the general concern of the community.

Thematization - an issue becoming a theme of the everyday discourse in the society.

Work Organization - a general term denoting any self-managing economic organization.
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