

Vladimir Unkovski-Korica

The Economic Struggle for Power in Tito's Yugoslavia: From World War II to Non-Alignment

2016. London and New York: I.B. Tauris. Pages: 320. ISBN 978-1-78076-328-6.

Vladimir Unkovski-Korica is a Lecturer in Legacies of Communism (within Central and East European Studies) at the School of Social and Political Sciences, University of Glasgow. He did his Master's at Oxford and obtained his PhD from the London School of Economics (LSE). Prior to joining the University of Glasgow, he worked at the LSE, the University of Rijeka, and the Higher School of Economics in Moscow. His main research focus is on communism, Yugoslav and Balkan history, and the effects of the Cold War. His first book is *The Economic Struggle for Power in Tito's Yugoslavia: From World War II to Non-Alignment*.

Following Susan Woodward's (1995) path-breaking research in *Socialist Unemployment*, Unkovski-Korica tries to explain the emergence of Yugoslav self-management, and the wider market reforms, in the early post-WWII period in relation not only to the ideological positions of the Yugoslav leadership and the political pressures of bloc politics, but also in relation to the country's international economic position, most importantly its current account deficit. In addition, Unkovski-Korica explores state-society relations in the first decade and a half after WWII in Yugoslavia – how the party-state interacted with trade unions, workers, workers' councils after they were formed, various organizations in the Popular Front, the peasantry, and others, and how this conditioned the Party's domestic reforms.

The book is divided into 4 chapters, an introduction and a conclusion. The first chapter deals with the 1944-1948 period, from the liberation of Belgrade to the Tito-Stalin split. It focuses on the Communist Party's attempts to bring about quick economic reconstruction and development, and its oscillation between using mass mobilization and administrative controls versus trying to build a more stable and market-oriented institutional

framework for achieving these goals. Unkovski-Korica presents evidence that this oscillation was highly conditioned by Yugoslavia's frustrated expectations of foreign aid from both superpowers, and by the Party leadership's differing ideas about the best way to ensure a rational use of limited resources to boost exports. His major addition to the literature is that he explored how the reforms were also conditioned by the relationship between the Party and the working class (including the unions) and the peasantry, as well as the fact that he showed that the oscillations existed even before major conflicts emerged with the West and the USSR.

The second chapter covers the 1948-1953 period (until Stalin's death), during which self-management was born. The main thread running through the chapter are the various deviations from the Party's economic plans (a fluctuating labor force, lackluster attempts at political mobilization, pressures for higher industrial wages and higher prices of agricultural products, breaking budgets, etc.) and the Party leadership's attempts to overcome them.

Unkovski-Korica argues that the Party was following the same two lines of policy as in the preceding period – a mass mobilization/administrative and a stable/market-oriented one, the latter also including decentralization of both the state, the Party, the organizations of the Popular Front, and of production. Unkovski-Korica documents extensively the problems that the federal Party faced in its relations to republic-level Party branches, the organizations of the Popular Front, unions, workers, peasants, firm managers, and others. He shows that the idea of workers' councils was a pragmatic attempt at bringing workers to accept the need to restrain wage growth and increase labor productivity. Self-management only later became an ideological pillar of the "Yugoslav Road to Socialism" as well. Furthermore, at least initially, workers' councils were not meant to reduce the power of management, but rather be an auxiliary organ to it.

The third chapter deals with the 1953-1958 period (until the 1958 miners' strike in Trbovlje) and focuses on Yugoslavia's international economic positioning. The volatile international situation during this period – the conflict around Trieste, the Soviet invasion of Hungary, the Suez crisis, the beginnings of the Vietnam war – convinced the Party leadership that it should not seek to be tied to either bloc, and that it should pursue stronger trade relations with Third World countries (i.e. non-alignment). Yet, this

also meant that Yugoslavia had to pursue an export orientation even more than it had already started doing in the preceding period. For a part of the Party leadership, this export imperative implied a stronger market-oriented approach to domestic policy, among other things through strengthening self-management, allowing some retention of foreign currency by exporting firms, tying wages to firm-level productivity, etc.. All of these were seen as inducements to higher productivity. However, the use of such mechanisms lessened the ability of the Party-state to pursue more even regional development through administrative measures, on top of the fact that it had to concentrate investment in the already more developed parts of the country in order to achieve the highest increase in exports. The seeds of the country's disintegration were thus sown already in this period – the stage was set for conflicts between the richer and poorer republics, the market was eroding a more socialist moral orientation, while the Party and the mass organizations were expected to counter this through political work and education, something which ultimately failed.

The final chapter, covering the 1958-1964 period, deals primarily with the conflicts between the reform and conservative factions within the Party – both within the federal leadership, and between republic-level parties (which generally began to reflect the conservative/reform division). The conservative faction sought to recentralize the state apparatus, the Party, the mass organizations, and to reassert political and administrative control, in order to provide for more development in the poorer parts of the country, and to finally solve the country's current account problem. The market reform faction was naturally against this, as it impinged on their own interests. In that, it could find an alliance with more skilled workers and the unions. By the early 1960s, internal Party unity was unravelling. A particularly interesting part of the chapter is Unkovski-Korica's exploration of the conflicts between Tito and Kardelj.

Unkovski-Korica's book makes two major contributions to the literature. The first is the use of archival sources that have thus far not been tapped, such as documents from the early Federal Economic Council, the Party's Politburo, the archives of the Confederation of Trade Unions, and others. These allowed him to provide more evidence for some of the arguments already present in the literature than has been the case thus far. Second, Unkovski-Korica extensively explored state-society relations, enabled by

the use of the mentioned archival sources. This is an under-researched topic in relation to Yugoslavia, at least in the early post-war years.

In addition to the above, two strengths of the book stand out. Unkovski-Korica has managed to remain completely neutral throughout. He only occasionally offers his assessments of whether some policy-choices seemed well thought-out or not, and never clouds the analysis with his personal opinions and judgements. Instead, the focus is on the interests and interpretations of the contemporary actors. Also, Unkovski-Korica never fails to analyze the context of the decisions that various actors made, to the fullest extent allowed by the source he has used. This offers an excellent picture of the dynamism of the period under research.

There are a few minor points that could be improved in the book. On occasion, the book can be over-detailed, with the main thread of the argument becoming a bit difficult to follow, and the relevance of certain points not being completely clear. It would have been good, for example, if the author had divided the effects of various policy choices and international pressures into categories (for example, economic, political, etc.). Also, the book is geared towards readers who already have a certain knowledge of Yugoslavia. For that reason, certain events, organizations, institutional structures, etc., are not explained, but it is assumed that the reader will know the context. While this is more a matter of the author's choice of how to write rather than a problem *per se*, a few explanatory paragraphs here and there would have gone a long way in making the book more accessible to readers new to the topic of Yugoslavia's post-war political economy. Nevertheless, these minor points should not detract anyone from reading this book, which is, indeed, an excellent piece of scholarly research.

Ivan Rajić¹

Bibliography

Woodward, S., 1995. *Socialist Unemployment: The Political Economy of Yugoslavia 1945-1990*. Princeton, New Jersey: Princeton University Press.

1 University of Cambridge