WHO GOT THE SHORT END OF THE STICK? THE COLLABORATION BETWEEN RADIO AND ZAGREB-BASED RECORD COMPANIES DURING THE SHELLAC RECORDS ERA Original scientific paper Submitted: 10. 7. 2024. Accepted: 30. 9. 2024. DOI: 10.15176/vol61no22 UDK 534.851 534.86

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The article is based on a Croatian ethnomusicological collaborative research project representing the first systematic scholarly approach to the earliest Zagreb-based record companies. It examines the topic within the framework of cultural and creative industry theories, emphasizing its role in producing (musical) culture and reflecting society. The observed period (1926–1959) encompasses the production of 78 RPM shellac records by Edison Bell Penkala, Elektroton, and Jugoton. The text focuses on a crucial aspect of the record industry's development: the role of radio. Through three focal points, the article identifies different roles that radio played in relation to the record industry, highlighting the essential market aspect of the latter. Drawing inspiration from the business world and experimenting with its concepts, this analysis contributes to the growing literature within the discipline's new branch: economic ethnomusicology. It presents radio's supervisory role as Jugoton's Administrative and Operational Management (AOR) and examines its roles akin to human resources (HR) and public relations (PR) departments. The final section considers the benefits that radio might have reaped from the first domestic record companies.

Keywords: economic ethnomusicology, historical ethnomusicology, radio, record industry, 78 RPM records

INTRODUCTION: RESEARCH OBJECTIVES

"Today, it would be rare to find a person who considers the radio set a luxury and listening to the radio mere entertainment. Like books and newspapers, it remains a necessity for every educated person" (Kugler 1941: 4). This statement from March 1941, published in the Radio Zagreb official magazine, illustrates the role of radio in everyday life, particularly among urban populations in the Kingdom of Yugoslavia:

[w]hile ten years ago, owning a radio set was somewhat of a proof of its owner's good financial standing, today the situation, at least in cities, is different. Everyone who can somehow acquire even a simple receiver [...] quickly realizes that they can no longer do without it. Unfortunately, this achievement of modern progress, like many others, remains inaccessible or very difficult to access, at least for now, to the vast majority of our people – the rural population. (ibid.)

Only a few weeks later, the arrival of German soldiers and the establishment of the Independent State of Croatia confronted the city with the stark realities of war. Despite political and social turmoil as well as economic decline, some industries managed to progress, with notable development in certain areas of the music sector – specifically radio and record production. As poet and composer Rod McKuen put it, "1939–1945 was a terrible time for the world, but it was a glorious time for songs" (Winkler 2019: [7]). Consequently, both the radio set and the gramophone expanded beyond Yugoslav urban centers, developing a fruitful collaboration and shaping the local music market.

This historical backdrop serves to set the stage for the exploration of how the early domestic record companies collaborated with local radio stations, describing the dynamics of their collaboration and assessing the significance of radio throughout different stages of the record industry's development. Covering the period from the establishment of EBP and Radio Zagreb to the final years of domestic 78 RPM record production, the article identifies several key roles.

First, it examines radio's supervisory role as the Administrative and Operational Management (AOR)¹ of the Jugoton company during its formative years – a role it took on in the early stages of the newly-established Yugoslav communist political framework. Next, it highlights the importance of radio in selecting musicians for the domestic record industry, drawing an unusual yet insightful comparison with a modern department managing human resources (HR). It is crucial to clarify that comparing musicians to resources is metaphorical and is in no way meant to devalue their importance. Instead, such a comparison emphasizes their significance within these two interconnected industries, embedded in the market and observed as dynamic social entities comprising decision-making managers. It also aims to bridge the differences between ethnomusicology and the business world in order to enhance our understanding of societal and economic influences which shape the music industry. By framing business decisions as products of engagement in a market molded by specific socio-political, cultural, and economic contexts – concepts drawn from economic anthropology (see e.g., Appadurai 2013 [1986] and Bestor 2001) – this

¹ Throughout the text I will be using the standardized Croatian abbreviation AOR, which stands for "administrativno-operativni rukovoditelj".

article aims to contribute to the growing literature within the emerging field of economic ethnomusicology.²

Furthermore, radio has been an effective advertising medium since its inception, despite concerns of disrupting the record market during the Great Depression period (Tschmuck 2012: 71–72). When considering radio as an HR department, it is also worth analyzing how effectively radio facilitated communication between record companies and the audience over different periods. Hence, the third part of this article conceives of radio as a public relations (PR) department serving record companies. Finally, the article concludes by examining the topic from the opposite perspective, reflecting on the benefits that radio could have gained from the first domestic record companies, raising the question of whether the relationship between these two components of music life was balanced or whether one side invested more than the other. However, before exploring the three key roles that radio played in relation to the record industry, let us turn to a brief overview of the activities of the three observed companies and Yugoslav radio stations during the period in question, along with the methodology and the context of this study.

FRAMING THE DISCOURSE: RECORDS AND RADIO IN FOCUS

In the domestic milieu,³ McKuen's earlier quote is primarily reflected in the expansion and collaboration between the radio network and the record industry, starting from the late 1920s. Both began their operations in the major urban centers of the Kingdom of Serbs, Croats, and Slovenes – in Zagreb, Ljubljana, and Belgrade. More specifically, the first domestic record company developed concurrently with the establishment of Radio Zagreb, the kingdom's pioneering radio station. Just a month after Radio Zagreb's debut,⁴ in June 1926, the First Croatian Savings Bank ("Prva hrvatska štedionica") and the Penkala company signed a preliminary agreement with the London-based Edison Bell record enterprise, forming the first domestic record company, Edison Bell Penkala (EBP). Seven years later, Elektroton entered the domestic record market, with its headquarters initially in Ljubljana (since 1933) and later in Zagreb (since 1937). During wartime, EBP faced bankruptcy due to substantial debts. At the same time, Elektroton prospered significantly

² As an emerging branch of the discipline, economic ethnomusicology is still in the process of creating key works and defining its concepts, methods, and objectives, as demonstrated by the ongoing development of *The Oxford Handbook of Economic Ethnomusicology*, available at: https://www.ethnomusicology.org/ news/357819/Oxford-Handbook-of-Economic-Ethnomusicology---Chapter-Submission-.htm.

³ The term "domestic milieu" refers to Zagreb's legal and governmental framework from the 1920s to the 1950s – the Kingdom of Serbs, Croats, and Slovenes/Yugoslavia, the Independent State of Croatia, and the Federal People's Republic of Yugoslavia. It particularly encompasses musicians and music represented on gramophone records by Zagreb-based record companies and broadcasted on radio stations in urban centers across Yugoslavia. Their activities transformed listening and musical practices within and beyond the national borders.

⁴ Radio Zagreb first aired on May 15, 1926 (Mučalo 2010: 76).

primarily thanks to close collaboration with the fascist authorities of the Independent State of Croatia (NDH).⁵ However, this collaboration proved costly in the newly established communist-led Federal People's Republic of Yugoslavia (FPRY). The cost meant its replacement in 1947 by the state-owned company Jugoton, which then inherited nationalized assets from the previous two Zagreb-based companies.

Jugoton continued producing so-called shellac records up until the late 1950s. These "old-timers" in the world of records are solid, non-flexible, and considerably more fragile than vinyl, spinning at approximately twice the speed (78 revolutions per minute)⁶ and, at this point in history, appealing to a specific niche audience. Given that they have not been systematically researched or academically interpreted up until recently, the domestic shellac records became the focus of a four-year research project, funded by the Croatian Science Foundation and conducted at the Institute of Ethnology and Folklore Research in Zagreb (2020-2024). The project was titled "The record industry in Croatia from 1927 to the end of the 1950s" (IP-2019-04-4175).⁷ One of the outcomes of the project is the present article, which, as previously mentioned, focuses on the interaction between two crucial components of 20th-century music life: radio and the record industry. Within the project, both components were referred to as "levers" of musical life, highlighting their interdependence and roles in shaping the diverse sonic landscape. Alongside radio and the record industry, other music-related components within the era of domestic shellac records (1926–1959) included theater, concerts, the film industry, music publishing, and dance culture. The collaboration of the two "levers" observed in this article was also an important topic in my PhD dissertation, where a more detailed reconstruction of the companies' activities presented above and below this paragraph is supported by the primary sources (see Dunatov 2024).

Furthermore, the collaborative research project was grounded in (ethno)musicological interpretation supported by theories from related disciplines in the humanities and social sciences. With a methodological emphasis on archival research⁸ as the primary source for understanding historical multivocality, it falls within the domain of historical ethnomusicology.⁹ Despite focusing on legal rather than physical entities – specifically the three mentioned record companies – this approach did not hinder or limit the study of the society and culture of the period. On the contrary, the record industry, considered a branch of cultural and creative industries, was constantly examined having in mind the broader

⁵ The Independent State of Croatia (1941–1945) emerged during WWII under Axis occupation. The territory encompassed parts of modern-day Croatia, Bosnia and Herzegovina, Serbia and Slovenia.

 $^{^6}$ Vinyl records rotate at speeds of 33 $^{1\!/_3}$ and 45 RPM.

⁷ The results and progress of the research are documented on the official website: https://www.ief.hr/en/research/projects/the-record-industry-in-croatia-from-1927-to-the-end-of-the-1950s/.

⁸ The archival institutions relevant to this article are the Archives of Yugoslavia in Belgrade and the State Archive Zagreb (Milan Dečak's Law Office collection) abbreviated as AJ and DAZ-D throughout the text. The numbers following the AJ abbreviation refer to the collection and folder (e.g. AJ-8-50).

⁹ For more insights into historical ethnomusicology and ethnomusicology's connection to history, see, e.g., McCollum and Hebert (2014), Widdess (1992), Blum, Bohlman, and Neuman (1991), and Nettl (2005: 272–290).

social, cultural, political, and economic context. We aimed to identify how its cultural products influenced "our understanding and knowledge of the world" (Hesmondhalgh 2013: 4). Therefore, by analyzing the actions of the observed legal entities, the subsequent sections illuminate the social, political, and cultural dynamics of the period under scrutiny.

Revisiting McKuen's depiction of the war years as a "glorious time for songs", the Elektroton record company can serve as a illustrative example in the domestic music industry. From 1940 to 1945, it saw remarkable success, resulting in a hundredfold increase in its capital stock compared to its initial investment made in 1933.¹⁰ A crucial factor in its success was branching out to Zagreb several years before the war. Establishing headquarters in the city soon proved to be a fortuitous decision for Elektroton, especially following the dissolution of its predecessor, EBP. As a result, Elektroton became the sole factory and the primary importer of foreign gramophone records in the country. At the same time, the radio industry also experienced growth due to heightened anxiety before and during the war. In addition to receiving Yugoslav stations, fine adjustments of the frequency dial enabled many listeners in the country to tune into foreign radio stations,¹¹ which provided news from beyond the occupied territories. By February 1941, the number of radio subscribers in Zagreb had surpassed 18,000, compared to 14,800 in the same month only a year prior (Anon. 1941: 8). This increase in subscribers finally extended into the provinces, facilitating the spread of radio sets beyond urban centers. In broader terms, the total number of Radio Zagreb subscribers (across the country) was approximately 40,000 in 1941 (ibid.), rising to about 60,000 the following year and reaching around 87,000 by 1944 (Mučalo 2010: 145, 146).¹² By 1950, this number had reached 100,000 (ibid.: 168).

It should be mentioned at this point that during World War II, radio globally served not only as a source of information but also as a means of escape from the daily realities of war (Potter, Baade and Montemorra Marvin 2020: 13). Unlike the "lofty, solemn, heroic, and celebratory mode of the 'war music' of the past" (ibid.), the musical landscape of the late 1930s and 1940s was characterized by carefree entertainment aimed at providing relief from the daily auditory assaults of alarms, bombs, cries, marches, anthems, and dictatorial speeches. This shift is also evident in Elektroton's 1943/4 sales catalog, which, for instance, opens with a series of dance melodies and popular hits, mostly originating from contemporary sound movies. In fact, its production reflected the discographic trends of Europe and America at the time (Dunatov 2024: 234–244).

¹⁰ Elektroton was founded with a capital of 100,000 dinars, which, by the end of the war, amounted to 10,000,000 kunas. The exchange rate between dinars and kunas in 1941 was 1:1 (Hrvatski numizmatički portal Kunalipa, *Promjene domaće valute u dvadesetom stoljeću – 2*, available at https://www.kunalipa.com/katalog/povijest/20-stoljece-2.php).

¹¹ According to Beata Devčić-Domić (born 1930), "During the war, my dad also found [Radio] London, and there really was that recognizable sound, tatatataaa, tatatataaa [...], then: 'This is London calling ['Ovdje Radio London']. This is London'... There was someone speaking in Serbian, Croatian" (in an interview with the author, 6 February 2023).

¹² The spread of radio subscribers into the provinces was facilitated by Radio Zagreb doubling its transmitter power to 10 kW in early 1942 (Mučalo 2010: 145). The earlier signal reached only about 150 km around Zagreb (Šimunović, Bujić and Fajt 2019: 363) and was heavily dependent on weather conditions.



A visual example of escape from wartime daily life juxtaposing scenes from the battlefield with the latest fashion trends (*Hrvatski ilustrirani list Radio Zagreb* 1/28: pp. 33–34, 1940)

From the 1940s until the advent of television,¹³ radio emerged as one of the most pivotal components of musical life, reaching a broad audience and supporting other sectors, including the nascent domestic record industry. Up until the spread of vinyl records in the 1960s, a critical distinction between the two was radio's greater accessibility and its earlier transition from a luxury to a mass-market product.¹⁴ Radio's rapid expansion is evident in the following statistics: by 1929, radio stations were established not only in Zagreb but also in Ljubljana and Belgrade.¹⁵ By 1946, twelve radio stations were operational across the FPRY (Novak 1958: 268). By the late 1950s, as the era of shellac records waned in the domestic milieu, this number had risen to nineteen (Novak 1961: 289), with Yugoslav radio subscribers exceeding one million. In contrast, in 1958, Jugoton produced "merely" half a million records (Lipovšćak 2019: 773). Although the number of records produced by

¹⁵ The first television transmitter in Yugoslavia was installed in Zagreb in 1956 (Mučalo 2010: 169). However, it took another decade for television to become widely accessible in households across the republics. For an interesting example of television's impact on the modernization and urbanization of the northern periphery of Zagreb between 1960 and 1970, see Novosel 2021.

¹⁴ This was greatly facilitated by viewing radio as a cultural agent tasked with educating broader, primarily illiterate masses, a role highlighted in numerous features in Radio Zagreb's publications, especially in the period around World War II. In addition, during the 1930s, political propaganda disseminated via radio waves gained global recognition and intensified, leveraging radio's extensive reach, particularly in more developed countries where radio receivers were widespread (for Italy, see Harwell Celenza 2017; for Germany, Bergmeier and Lotz 1997; for the US, Lenthall 2007).

¹⁵ It is interesting to note that the coverage of early Radio Zagreb (transmitter strength 700 W) was minimal compared to Ljubljana's (2.7 kW) and Belgrade's radio stations (2.8 kW) (Mučalo 2010: 81–82).

the company would surge immensely in the following decade, this disparity in quantity in the late 1950s underscores the superior role that radio played in relation to the domestic record industry from the mid-1940s to the end of the 1950s, as well as its dominant influence on the Yugoslav music industry and music market in general. This period serves as the starting point for my analysis in the text that follows.

RADIO AS THE ADMINISTRATIVE AND OPERATIONAL MANAGER

While both Elektroton and EBP engaged with radio to varying extents, particularly with Radio Zagreb due to its convenience and proximity,¹⁶ it was Jugoton that established the most intensive collaboration. In fact, from 1947 to around 1950, it would be more accurate to describe radio as having a supervisory role of over Jugoton. Here, a brief clarification of the responsibilities of the AOR (Administrative and Operational Management) role and a specification of the relevant period is in order.

In the early post-war period, until the reconstruction and eventual elimination of the management system, Administrative and Operational Bodies were pivotal governing bodies that controlled and supervised the entire Yugoslav economy. They centralized political, economic, and social functions within the state, issuing directives to enterprises. Starting in 1947, they were initially known as Main Directorates and later as General Directorates. Within the hierarchical structure of the administrative-centralized management system, they operated under the supervision of Committees (Holjevac Tuković 2003: 133–134). For the radio industry, this system included the Main Directorate of the Radio Industry under the Radio Broadcasting Service Committee of the FPRY Government. In Čepo's words,

[i]n such a system, companies lost their autonomy; all revenues flowed into the state budget, covering expenses such as salaries, material costs, and investments. The AORs were responsible for determining production and distribution plans, setting product prices and wages, appointing directors as absolute leaders, and making decisions on mergers, company separations, capacity expansions, and the construction of new facilities. (Čepo 1983: 84)

When, Jugoton was officially registered by the Ministry of Finance on August 8, 1947,¹⁷ it was immediately placed under the oversight of the Main Directorate of the Radio Industry (MDRI),¹⁸ which was its AOR. As noted by Čepo's earlier citation, archival records from Jugoton's early days indicate its adherence to this subordinate role. This involved col-

¹⁶ From 1942 to 1945, during the period of the Independent State of Croatia, Radio Zagreb operated under the State Institute for Broadcasting known as "Hrvatski krugoval". It transitioned to state ownership two years earlier, during the Kingdom of Yugoslavia, prior to which it had been privately owned as a joint-stock company (Mučalo 2010: 145, 86, 75).

¹⁷ The decision of the FPRY Ministry of Finance, IV No. 34019 (AJ-8-50).

¹⁸ MDRI in Croatian stands for "Glavna direkcija radioindustrije".

laborative development and revision of company regulations,¹⁹ formulation of production, operational, and financial plans, and alignment of capital construction plans within its own frameworks.²⁰ Moreover, the MDRI exercised authority over working capital and company assets,²¹ provided support in organizing operations and procuring goods,²² maintained comprehensive business records, and played a role in appointing directors and other officials.²³ This supervisory relationship between Yugoslav radio, particularly the MDRI, and Jugoton persisted until the dissolution of AORs in 1949 and related Committees a year later. From 1952 onward, all responsibilities related to broadcasting, including those impacting Jugoton, were transferred to the Council for Science and Culture of the FPRY Government (Dubovečak 2021: 1060–1062), marking a transformative phase in Jugoton's operations.

In the latter half of its first decade, following the 1948 Informbiro Resolution, Yugoslavia underwent a reorganization of its bureaucracy. This shift marked a departure from the Soviet-inspired statist governance model to embrace a new concept of social self-management. The state's economic management mechanism gradually democratized and decentralized, establishing organs of workers' self-management (Holjevac Tuković 2003: 132). At Jugoton, the Worker's Council and Management Board were first established in 1951 (Vukadinović 1967: 7). While detailed archival records between 1948 and 1958 are limited, preventing a detailed reconstruction of Jugoton's operations and a closer analysis of its relationship with the radio industry, Jugoton's productions during this period reflect greater autonomy in selecting a commercially viable repertoire, particularly popular music. This period also marked a gradual independence from the management and resources of the radio industry. With both sides experiencing an increased workload, achieving independence in the case of Jugoton and relief from supervisor duties in the case of radio became mutually beneficial goals.

Despite the restrictive nature of the supervisory relationship, it is undeniable that the Yugoslav radio industry firmly laid the foundations for the newly established record com-

¹⁹ In AJ-8-50, there are preserved instructions for revising Jugoton's rules (dated 1 July 1947) sent to Jugoton from the office of the MDRI. These instructions reveal that the initial Jugoton team lacked the necessary qualifications to effectively manage a record company. As a result, critical components such as a dispatch and programming group, as well as a laboratory and production control group essential for record production, were overlooked.

²⁰ This is supported by extensive correspondence from 1947 and 1948 (AJ-8-50, AJ-8-58).

²¹ For instance, Jugoton had to seek MDRI's approval to open stores, and the MDRI could also order their closure, which occurred in March 1948 (AJ-8-50). In the same archival document, Jugoton had to obtain permission to use their sales revenue to purchase new factory equipment.

²² For instance, archival documents reveal that the record company Gramofonové závody addressed its letters to the MDRI rather than Jugoton, despite discussing Jugoton as a newly established factory that outsourced recording and matrix-making services from this Czechoslovak company in 1947 and 1948 due to a lack of its own equipment. Furthermore, the MDRI was documented as responsible for procuring raw materials needed for record production (AJ-8-50).

²³ When identifying the responsibilities of the AOR, I referred to the AJ document titled "Sumarnoanalitičkim inventarom fonda AJ-134: Glavna direkcija savezne elektroindustrije 1946–1950", pp. VIII-IX; accessible at https://www.arhivyu.rs/public/front/aj/images/arhivska-gradja-fondovi/235/1120230607inv_aj134.pdf.

pany, especially considering that Jugoton's new director, Slavko Kopun, was a 28-year-old law student with no prior experience in similar industries. Without management experience (especially within the framework of the new state), usable recording equipment, a studio, funds for royalties, and a developed marketing net, Jugoton had no choice but to heavily rely on the MDRI. It provided essential support, including the provision of recordings and facilitation of business, especially during the challenging and crisis-ridden post-war period.²⁴ Moreover, radio support ensured legitimacy and recognition by the state authorities, which helped Jugoton secure loans for factory equipment during the 1950s and construct its famous complex in Dubrava in 1963. Most importantly, the close relationship with radio allowed Jugoton to produce and shape the domestic variant of popular music – entertainment ("zabavna") music – which became a lucrative business from the mid-1950s onwards. It is surprising, then, that only two decades after its foundation, Jugoton-produced monograph on its own history (Vukadinović 1967) overlooked the critical role of radio in its formative years, not mentioning its contribution even once. This oversight persisted in Jugoton's narrative on its own history, developed after the 1960s, and has been maintained to this day.

RADIO AS A HUMAN RESOURCE BASE

In addition to its role as Jugoton's AOR, radio functioned similarly to what could be compared to a modern Human Resources (HR) department with regard to all three domestic record companies. While the comparison might seem unconventional for early 20th-century record industry, given that modern HR concepts evolved in the context of the new economy (Jambrek and Penić 2008: 1182), applying this perspective can aid in understanding how vital radio was in shaping and operating the early domestic record industry. This significance became evident from the late 1930s onward, when the domestic radio industry amassed over 155,000 subscribers (Novak 1958: 268). Although perhaps unconventional, this perspective is supported by a contemporary understanding where human resource management is recognized as the foremost business function, philosophy, and strategic advantage, valuing people as the most critical asset (Jambrek and Penić 2008: 1182–1183). Human resources, encompassing employees as well as their knowledge and activities, are considered the cornerstone of a company's intellectual capital (ibid.: 1184).

Radio activities that can be compared to HR functions significantly impacted domestic record companies by handling recruitment, selection, education, training, and potential

²⁴ Duda highlights that post-WWII Europe encountered significant economic challenges. For example, in 1950s Italy, half of the family income went towards food. In addition, "obtaining items like cars and household appliances required considerable effort, strict savings, or loans [...], while the status symbol initially wasn't a refrigerator – by the mid-1950s, few working-class families believed they would ever own one – but rather, it was white bread" (Duda 2005: 41).

rewards (cf. ibid.: 1183). Worth emphasizing is the fact that this comparison focuses on the musicians hired rather than on factory employees. Illustratively speaking, over two-thirds of recordings made by Elektroton feature performances by radio singers active between 1943 and 1946.²⁵ An even higher percentage can be observed in post-war Jugoton's 78 RPM record production. In contrast, EBP hired fewer radio musicians, with notable exceptions such as Sulejman Džakić and Andrija Konc, soloists from Radio Belgrade and Radio Zagreb, recorded during EBP's later years and its bankruptcy period.²⁶ Yet, compared to its overall production, which included musicians from various backgrounds (e.g., theater, cabaret, taverns, military orchestras, etc.), radio musicians represent only a small fraction. In contrast, excluding radio musicians from Elektroton's and Jugoton's productions would have left them with a significantly impoverished discography.



Popular radio musicians often recorded by Jugoton (Radio Zagreb 8/12: 1, 1952)

²⁵ The records in question are cataloged between E-488 and E-505. The remaining Elektroton recordings feature the Music of the Air Force conducted by Štjeh.

²⁶ Due to the absence of sales catalogs in later EBP periods, we can only identify its production through preserved records and possibly fragmentary archival materials. Currently, there are thirteen known records featuring Džakić (Z-2223 to 2226, 2192, 2193, 2197, 2198, 2206, 2207, 2216, 2220, 2221) and three with Konc (Z-2227 to 2229).

To understand the close collaboration between these record producers and radio, the broader context of Yugoslavia's music scene at the time should be considered. In the post-war period, Yugoslav music scene, particularly in urban centers where record labels sourced their talents, increasingly revolved around the state's radio stations. This is illustrated by a quote from the minutes of a 1959 Radio Program Committee meeting:

Most foreign countries have numerous top-tier professional performers outside of radio stations, and editorial teams can choose freely. Performances by their own performers on the radio serve as supplements and corrections. Our editorial teams are in a completely different position because they have to create everything themselves, from refining compositions and lyrics to rehearsing singers and external instrumental groups. In our case, everything of quality in entertainment music is concentrated in radio. Therefore, Yugoslav radio needs to take on the main responsibility for our entertainment music as a whole, simply because this is a natural course of events and there is no one else who could do it due to the nature of their tasks and capabilities.²⁷

Even though by the late 1950s entertainment music had become widely embraced in Yugoslavia, emerging as a distinct national genre, it actually struggled under the dominance of folk music within Jugoton's production throughout the 1950s. It is interesting to highlight the suggestion that, outside of radio, entertainment music either did not exist or, if it did, its quality was questionable. The notion of "quality" encompasses both musical performance and lyrical content, crucial for meeting stringent communist standards, which, for example, censored inappropriate lyrics (e.g., vulgar language) that did not serve the agenda of conveying new socialist values. Additionally, direct connections to jazz and jazz-inspired music were condemned, as they led to the appearance of Western products, undesired in the early discourse of communist Yugoslavia.²⁸ Similar censorship can also be found in folk music, as these standards formed around the idea of music as a means of educating the masses. Thus, pre-war folk music, previously dominated by musicians from taverns and similar controversial urban venues, saw a significant reduction after the war. In fact, in radio programs, performances of tavern musicians were completely replaced by standardized, "detoxified" (i.e., lyrically censored, musically arranged, and stylized) productions featuring genre-specialized well-known radio singers and professional radio ensembles. Consequently, the same shift happened within record production. Nevertheless, it is worthwhile to explore in more detail the reasons behind the scarcity of musicians and musical ensembles in the late 1950s that operated outside of the Yugoslav radio industry. As the quote suggests, there was a notable absence of high- quality popular music musicians during this period. Most talented artists were quickly affiliated with various Yugoslav radio stations, which offered them consistent fees and relatively secure careers. While this dynamic certainly contributed to the observed scarcity, a more in-depth exploration of the underlying factors promises to yield intriguing insights.

²⁷ "Analiza kulturno-zabavnih emisija jugoslavenskih radiostanica", p. 22 (AJ-646-F60).

²⁸ To borrow a quote from Milovan Djilas, the head of the Communist Party's Agitprop Department, as cited in Vuletic (2008: 866): "America is our sworn enemy, and jazz, likewise, is a product of the American system".

In the post-war period, radio recruited musicians through auditions and shows like "Mikrofon je vaš" ("The microphone is yours"), attracting amateurs eager to showcase their skills. Once selected and employed on a freelance basis, these musicians collaborated with established colleagues from radio.²⁹ The continued collaboration within a relatively small pool of musicians employed at the radio stations in Yuqoslavia served as informal training for the newly-employed musicians, as the established colleagues provided role models. Furthermore, established radio singers, ensembles, and their respective conductors played an especially important part in the evolution of specific repertoires and the formation of recognizable musical performance standards for each individual Yugoslav republic radio station. The best musicians eventually got the chance to record for Jugoton. At the same time, Jugoton did not hesitate to build extensive discographies for popular radio singers like Ivo Robić, Rajka Vali, Zaim Imamović, and the Dalmatian Group ("Grupa Dalmatinaca") led by Petar Tralić. As the radio fees were nominal in the 1950s,³⁰ the opportunity to record for Jugoton must have been a welcome addition. Moreover, besides soloists, Jugoton regularly hired permanent radio ensembles (e.g., tamburitza, folk, entertainment, dance orchestras), serving as the most frequent backing bands on Jugoton 78 RPM records.

Similar recruitment processes for radio musicians likely occurred during the era of "Hrvatski krugoval", with whom Elektroton collaborated to produce thirteen records of mostly popular music by renowned radio singers such as Nina Selak, Andrija Konc, Zvonimir Krkljuš, Rudolf Dugulin, and the Sutlović brothers.³¹ Unlike Jugoton and Elektroton, whose collaborations with radio musicians were partly a result of necessity (due to technological limitations and no studio space), EBP recruited recognized radio musicians through its own intermediaries or agents.³² There is no indication of such roles in early Elektroton or Jugoton operations as currently understood. Nevertheless, given the strong collaboration with radio and the concentration of musical life around it, such roles were not even necessary. Radio handled all aspects of finding, selecting, and refining musicians – essentially managing human resources on their behalf.

Looking at the statement from the beginning of this section in the light of the presented discussion, it seems even clearer why effective human resource management is crucial for every business's success (Jambrek and Penić 2008: 1183) and why human resources became acknowledged as the primary asset in the modern economy. This is even more true in the case of the record industry, which builds its reputation around its featured stars.³³

²⁹ Petar Luković, a Serbian journalist and columnist, recorded fascinating stories of collaborations among Yugoslav musicians from 1940 onwards in his book published in 1989.

³⁰ According to Rajka Vali, as mentioned in the radio show "Ljudi XX. stoljeća", ed. by Aris Angelis, broadcast on HRT on 15 October 2005.

³¹ The details of how these records were made are unknown, so it is unclear if "Hrvatski krugoval" contributed financially to their recording.

³² For instance, Sulejman Džakić was recommended by M. Sasson, the owner of Fonomobil, to re-record during the bankruptcy period, as noted in the Creditors' Committee Meeting Minutes on 20 September 1939 (DAZ-D).

³³ According to Shuker, "[m]arketing has come to play a crucial role in the circulation of cultural commodities. It is a complex practice", and in "popular music this has centred on the marketing of genre styles

RADIO AS A PUBLIC RELATIONS ARENA

Defining the concept of "public relations" (PR) proves challenging due to the range of theories and practices it encompasses (see Hutton 1999: 199). Many now resort to comprehensive definitions characterizing PR as a "systematic, planned process of influencing favorability by means of mutually satisfying, interactive communication, based on open, democratic, and meaningful actions by both parties – the company and the public" (Mirosavljević 2008: 20). Considering the role of the early radio industry in relation to the record industry, this definition closely aligns with the activities seamlessly carried out by the radio, activities that the companies themselves hardly ever practiced (except for EBP).

The focus of this section, like the previous one, is primarily on Jugoton's operations, with less emphasis on Elektroton and EBP. One of the key reasons for this is the significant number of radio musicians concurrently hired by Jugoton. In this context, post-war broadcasting served as an unpaid and unplanned, but rather effective form of advertising for the state-owned record company. It is therefore not surprising that Jugoton paid little and almost no attention to marketing until the advent of vinyl, when it started hiring musicians outside of the radio industry, so there are almost no print advertisements for shellac records. With radios far more prevalent than record players in the country, broadcasting reached a large audience, simultaneously building an audience for itself and for Jugoton. Eventually, certain segments of the radio's audience became Jugoton's customers, especially through the increase of purchasing power from the late 1950s onward, as radio sets spread to households across the country and as the newly introduced vinyl production made records financially more accessible. Interestingly, this shift is reflected in the "knowledge barrier" regarding domestic record production, sharply distinguishing the shellac and vinyl eras, thereby making the latter known to a significantly broader audience, while the former remained within an older audience – at this point, extremely niche and by now largely deceased -that had experienced, if not gramophones, than at least the radio of the 1940s and the 1950s.

Furthermore, besides promoting and spreading cultural knowledge about Jugoton's "human capital" (such as numerous articles on famous radio musicians in the radio's official publication) and its significant role in shaping music stars of that era, the radio industry also acted as a kind of a music chart, a role that the domestic record industry could not have fulfilled in its early stages, even if such technology had been invented before the 1960s. This included ranking music that was popular and fostering two-way communication with the listeners (e.g., through letters and responses in the radio's official publication), which was not a practice of the record industry at the time. This communication allowed radio, and consequently, the record industry, to adjust their repertoire based on audience demand.

and stars, which have come to function in a similar manner to brand names, 'serving to order demand and stabilize sales patterns' (Ryan 1992: 185; as cited in Shuker). Above all, it involves utilising star images, linking stars and their music with the demands/emotions/desires of audiences" (Shuker 2001: 45).

At EBP, the relationship with radio for advertising and public relations was quite different. EBP began collaborating with Radio Zagreb as early as its first year in December 1926, securing a Wednesday evening slot for Edison Bell (Penkala) records.³⁴ Similar arrangements were made with the radio stations in Belgrade and Ljubljana. Interestingly, Ljubljana's radio programs were structured around EBP's product categories from its sales catalogs, such as popular songs, rare instruments, instrumental solos, etc. However, research shows that radio advertisements for EBP records ended around 1934 after the London-based parent company's bankruptcy. Nevertheless, the importance of radio advertisements for EBP is evident from numerous print ads in local publications, promoting their records with slogans like "Gramophone records heard on the radio, buy only at the gramophone salon of the first Yugoslav factory of gramophones and records EDISON-BELL-PENKALA LTD".



EBP's advertisement in Radio Zagreb 2/1: 6, 1930

It could be concluded that the "role of radio as (spontaneous) PR" is directly linked to its "role as (spontaneous) HR". Applying these comparisons to Elektroton is tricky due to its very limited domestic production. However, had the company continued operations as a private company after the war alongside the state-owned Jugoton, Yugoslavia might have seen a situation similar to Fascist Italy, where the state-owned company Cetra and the private Fonit monopolized the record industry. They often intertwined but also clashed over their repertoires, both broadcast largely on the radio stations of the Italian Radio

³⁴ Regarding EBP's negotiations with Radio Zagreb for 'record reproduction with timely manufacturer attribution for advertising' see the Minutes of the EBP Management Meeting, 30 October 1926 (DAZ-D).

Union (URI) (see Harwell Celenza 2017). Considering this in the context of the present article, it might even be ventured that PR efforts within the Italian radio industry aimed at supporting the record industry within the country.

CONCLUSION: WHO GOT THE SHORT END OF THE STICK?

The debates surrounding radio's varying impact on the record industry is a topic widely discussed in scholarly literature. Some see radio as being complementary rather than competing with the record industry (Tschmuck 2012: 71), others consider it as their primary rival "at the heart of domestic leisure activities" (Martland 2013: 244, 273), and some identify it as the main cause of declining record sales in the first half of the 20th century (Liebowitz 2004: 103–109). For domestic record companies like Jugoton and Elektroton, radio was undoubtedly a highly beneficial and necessary complement, whereas for EBP, due to its technological limitations (only three radio stations, with the Zagreb station audible mainly in Zagreb and its surroundings), radio could not significantly impact the decline in record sales, although it was once attributed to it. The primary reasons for the decline in EBP's record sales were the economic crisis of the 1930s and gross mismanagement of the company (Dunatov 2024: 298–299). Considering what had been said earlier, it is evident that radio served as a significant advertising and a valuable collaborative institution for EBP, which the company publicly valued.

However, taking into account the quote from the previous section regarding the poor quality of local record production, it begs the question: what advantages could the radio industry have derived from this collaboration? Regarding EBP, the advantages were not particularly significant and were primarily evident in the early years, when Yugoslav radio stations were still in the process of expanding their record collections. When Radio Zagreb started broadcasting records from foreign discographers in 1928, which soon dominated the airwaves, EBP's records gradually seemed to have vanished from the programming.

During the war, the state-supported radio industry bought records at discounted prices from the bankrupt EBP, later shifting this partnership to Elektroton. Elektroton then became the main source for supplying the radio industry with current foreign records, which were challenging to obtain through other means during wartime. Despite this, the quality of local Elektroton's and EBP's records did not live up to the expectations:

Although the radio station has almost all the records produced by the domestic industry, the number is relatively small. However, that is not all. Over fifty percent of these recordings are of poor quality and do not meet the radio station's needs. The domestic record industry has failed to match the excellence of foreign productions; manufacturing has been subpar, resulting in new records sounding worn out and prompting justified complaints from the listeners. (Anon. 1940: 5) Nevertheless, one of the main issues for the local radio stations was their inability to store their recordings on shellac records, like those produced by the record companies, as they simply lacked the necessary and expensive equipment. Instead, they primarily relied on magnetic tapes, whose playback would eventually wear them down, requiring constant re-recording. This, in turn, led to increased royalty expenses, as performers had to repeatedly record the same music. This problem was partly addressed by a brief collaboration with Elektroton and more significantly by the establishment of the state-owned Jugoton, whose beginnings were under the direct supervision of radio as Jugoton's AOR. However, due to copyright laws, the relationship between the Yugoslav radio industry and Jugoton was more complex than it seemed. For example, in the late 1950s, some radio stations to BIEM, an international organization managing mechanical playback rights.³⁵ Therefore, due to the lack of archival material on the matter, it is not entirely clear for how long or how frequently the Yugoslav radio industry utilized Jugoton's records.

In essence, the relationship between radio and the record industry – the two levers of musical life – has been integral to the local music scene from their beginning, adapting to historical and political shifts over time. In the post-war period, radio became pivotal for domestic record companies like Jugoton, Jugodisk, and later PGP RTB, significantly boosting their operations. Despite this, Jugoton, for instance, never fully acknowledged the crucial role of radio during its initial fifteen years, even after decades of operation and its present continuation under the Croatia Records company.³⁶ Elektroton also relied on radio for its production, though it was minor compared to its foreign record assortment. For EBP, radio was a useful but not an essential component for business operations. However, no company truly managed to return the favor with equal intensity to suggest that radio could not have succeeded without it. In other words, in their collaboration, radio ultimately got the short end of the stick.

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³⁵ The Minutes of the JRT Music Commission meeting, 10, 11, and 12 September 1959 (AJ-646-71). Although detailed information on the relationship between BIEM and Jugoton is lacking, it is certain that Jugoton was obligated to pay a fee to the agency for each record it produced, as seen from the presence (or lack of) "BIEM" markings on the record label. See Vukobratović (2022) for more on the introduction of copyright in the early Yugoslav record industry.

³⁶ Following the breakup of Yugoslavia in 1991, Jugoton's legacy was privatized. The company ceased to exist, and Croatia Records emerged to oversee Jugoton's archive, a responsibility it continues to hold today.

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TKO JE IZVUKAO KRAĆI KRAJ? SURADNJA RADIJA I ZAGREBAČKIH DISKOGRAFA TIJEKOM RAZDOBLJA ŠELAK PLOČA

Članak se oslanja na hrvatski etnomuzikološki istraživački projekt koji predstavlja prvi sustavni znanstveni pristup temi najranijih zagrebačkih diskografa, promatrajući je unutar okvira teorija kulturne i kreativne industrije te naglašavajući njezinu ulogu u stvaranju (glazbene) kulture i zrcaljenju društva. Razmatrano razdoblje (1926. – 1959.) obuhvaća produkciju šelak ploča na 78 ok./min. u tvrtkama Edison Bell Penkala, Elektroton i Jugoton. U ovom se tekstu bavim ključnim aspektom razvoja diskografske industrije: ulogom radija. Tako kroz tri fokusne točke identificiram različite uloge koje je radio imao u odnosu na diskografsku industriju, ističući njezin esencijalni tržišni aspekt. Crpeći inspiraciju iz poslovnog svijeta i eksperimentirajući s njegovim konceptima, ova analiza doprinosi rastućoj literaturi unutar nove grane discipline: ekonomske etnomuzikologije. Nakon analize nadzorne uloge radija kao administrativno-operativnog rukovoditelja (AOR) Jugotona, istražujem njegove uloge slične odjelima za upravljanje ljudskim potencijalima (HR) i za odnose s javnošću (PR). Posljednji segment članka promišlja o pogodnostima koje je radio mogao imati od prvih domaćih diskografa.

Ključne riječi: ekonomska etnomuzikologija, povijesna etnomuzikologija, radio, diskografska industrija, ploče na 78 ok./min.