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## Prospects for Stability in Post-Tito Yugoslavia

In the past, newspaper accounts and many scholarly articles have made dire and sweeping predictions about the imminence of civil war or the collapse of the Yugoslav federal state following the death of President Tito. The substance for these apocalyptic visions generally stems from Yugoslavia's nationality tensions, regional inequalities, and external pressure from both the Eastern and Western blocs. The widely accepted forecast is that the three factors will reinforce each other and exacerbate existing societal cleavages, leading to chaos or strict military rule. But most of the "dismal school" analyses of post-Tito Yugoslavia ignore the profound changes that have occurred in the country since 1945 and assume that the League of Communists of Yugoslavia (LCY) is unwilling or unable to take steps toward increasing the probability of political stability after Tito's death. In this article I shall critically evaluate the societal changes that have occurred and the LCY's response to them. In particular, I shall argue that the League of Communists of Yugoslavia is the only major integrative force in the political system, and that the future of post-Tito Yugoslavia will be determined by the ability of the League to maintain its unity and consistency in pursuing its present domestic and foreign policies.

Even to the casual observer, Yugoslavia suffers from serious weaknesses which threaten its viability: inflation; consistently large balance-of-payments deficits; rising unemployment; border disputes with Austria, Italy, Bulgaria, and Albania; and regional economic and social disparity. Although these problems beset most developing nations to some extent, in Yugoslavia they directly threaten the legitimacy of the government and the political system.

The high rate of inflation and its dramatic growth—from 5 percent per year in 1968 to 25 percent in 1975—are illustrated in figure 1. (In 1975 the Federal Executive Council took severe action to curb inflation, but it is too early to judge the long-term effectiveness of its measures.<sup>1</sup>) The growth in the inflation rate has exposed the government's weakness and has put strong pressure on the entire system of economic self-management. The worsening balance-of-payments situation has also seriously weakened the government's authority. Since 1948 the (current-account) balance of payments has generally recorded substantial deficits, and they have increased dramatically in recession years.<sup>2</sup> Since 1970 the trade deficit alone has exceeded one billion dollars annually, as shown in figure 2. The foreign accounts problem has strong domestic political

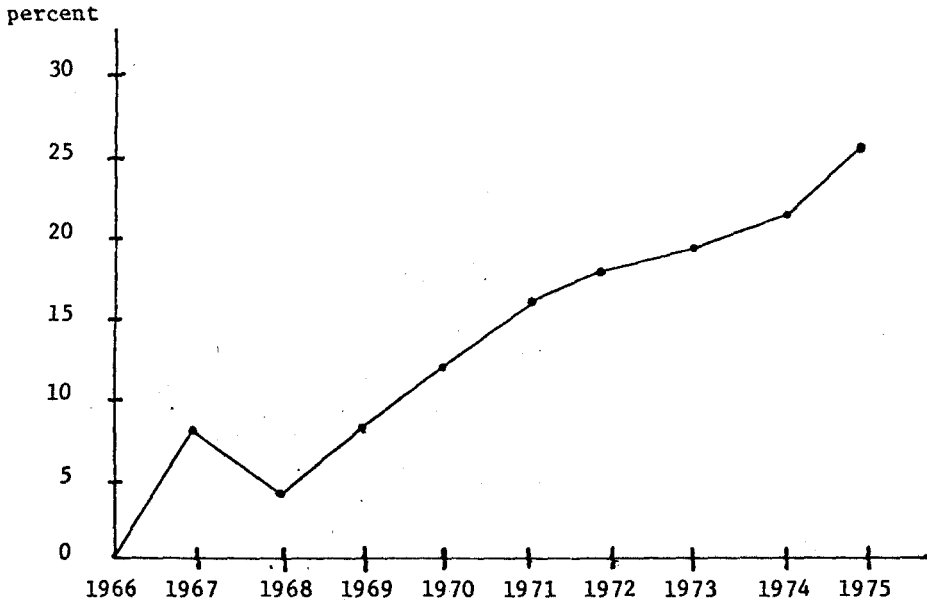
1. "Plan razvitka Jugoslavije do 1978," *Borba*, July 22, 1975.

2. International Monetary Fund, *Balance of Payments Yearbook 1964-1976* (Washington, D.C.: International Monetary Fund, 1977), s.v. "Yugoslavia."

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Figure 1. Annual Rate of Increase in Cost of Living, Yugoslavia, 1966–1975 (in percent)



Sources: 1966–1974: Savezni Zavod za Statistiku, *Statistički godišnjak*, 1975 (Belgrade: Savezni Zavod za Statistiku, 1975), p. 295. 1975: Savezni Zavod za Statistiku, *Statistički godišnjak*, 1976 (Belgrade: Savezni Zavod za Statistiku, 1976), p. 299.

implications because each Yugoslav republic is able to retain control over a large share of convertible currencies derived from its activities. Macedonia, Serbia, and Bosnia, therefore, are at a severe disadvantage with respect to Slovenia and Croatia, republics which receive disproportionate amounts of the country's convertible currencies through exports, tourism, and workers' remittances.

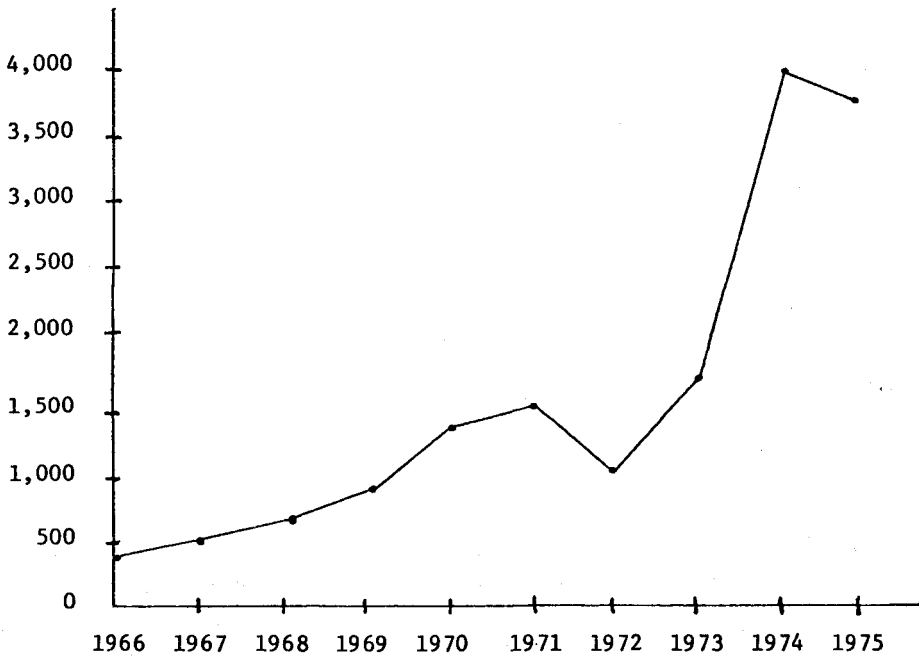
Unemployment, even by official statistics, has increased steadily, from 6.7 percent in 1971 to 10.4 percent in 1975.<sup>3</sup> This problem is aggravated by the wide disparities among republics in the unemployment rate: the poorer, less-developed republics, which average more than triple the unemployment rate of the more developed republics, are again placed at a disadvantage.

In addition to fundamental economic weaknesses, Yugoslavia has experienced serious border and nationality disputes. In 1974 the government clashed with Italy over the Trieste issue and the status of Yugoslav minorities in Italy,<sup>4</sup> and there is a developing concern over the treatment of Slovenian

3. Ljubica Srdić-Đaković, "Employment 1971–1975," *Yugoslav Survey*, 17, no. 3 (August 1976): 60.

4. See, for example, *New York Times*, March 22, 1974, pp. 76–77. Recently both nations agreed formally to accept the current boundary as permanent.

Figure 2. *Balance-of-Payments Trade Deficit, Yugoslavia, 1966–1975* (in millions of U.S. dollars)



Source: OECD, *Economic Survey: Yugoslavia* (Paris: Organization for Economic Cooperation and Development, 1976), pp. 47–48.

minority groups in Austria.<sup>5</sup> The government has also engaged in vituperative attacks against the Bulgarians in regard to the Macedonian question.<sup>6</sup>

The general weakness in the Yugoslav political system represented by the above set of problems can be traced to three general factors: nationalism, uneven economic development, and Great-Power rivalry. Each of these factors reinforces the basic divisions—cultural, social, and economic—among republics in Yugoslavia<sup>7</sup> and are of considerable importance to contemporary political affairs. Economic, cultural, social, and foreign-policy issues all tend to divide along the same republic lines. For example, the dispute in Croatia in 1971 was interpreted by the federal leadership as a nationality crisis,<sup>8</sup> but it was couched by the participants in economic terms,<sup>9</sup> and it also resulted in charges of foreign pressure on

5. See, for example, "Slovenes Accuse Austrians of Bias," *New York Times*, September 27, 1976.

6. The Bulgarian-Yugoslav exchanges on the Macedonian question are a good measure of the relations between the Warsaw Treaty Organization and Yugoslavia. Recently the exchanges have been quite sharp (see, for example, "Povodom popis stanovništva u Bugarskoj," *Komunist*, December 15, 1975, p. 24).

7. See Gary K. Bertsch and M. George Zaninovich, "A Factor-Analytic Method of Identifying Different Political Cultures," *Comparative Politics*, 6, no. 2 (January 1974): 219–44, for some empirical evidence supporting this point.

8. *Borba*, December 20, 1971, p. 1.

9. *Borba*, November 23, 1971, p. 5.

the domestic political situation. In this crisis all three factors reinforced each other and escalated the conflict into an all-or-nothing situation.

Obviously, the tendency for one problem area to reinforce another plays a significant role in creating a volatile political climate in Yugoslavia. In a strictly bipolar situation even minor administrative reforms imply potentially fundamental changes in societal priorities. It is therefore essential to the stability of the Yugoslav federation that institutions and intermediate groups be created and strengthened in order to provide the group loyalty and resiliency necessary to maintain the country's unity in periods of crisis.<sup>10</sup>

To date, the major institution capable of papering over and cutting across the basic social divisions has been the League of Communists led by Josip Broz Tito. Now 86 years old and the only individual not identified with Yugoslavia's social conflicts, Tito has become the symbol of Yugoslav unity. His death could have severe and immediate repercussions on the stability of the country. Even recent rumors of his illness were sufficient to initiate violence by Croatian terrorist organizations and stepped-up activity among Cominformist organizations within Yugoslavia.

Two major objectives must be realized by Tito and his party in order to maintain unity and avoid civil strife in post-Tito Yugoslavia. First, nationalist, economic, and foreign pressures must be reduced or neutralized. Second, the party, as the intermediate group that transcends the major political cleavages, must be revitalized and strengthened. In this paper I will evaluate the extent to which both these objectives have been met.

Tito and the League of Communists have developed a three-pronged program designed to reduce the causes of nationalist tension, regional economic disparities, and international pressure on the nation-state. Administrative decentralism (*deetatizam*), economic self-management (*samoupravljanje*), and non-alignment (*nesvrstanje*) have become the keystones of Yugoslav public policies.

In the Yugoslav context, administrative decentralism means that the commune (a sociopolitical unit roughly equivalent to the county in the United States) becomes progressively more autonomous and evolves into the center of mass political behavior. This implies a gradual transfer of responsibility from the federal and republic levels to the local communal levels. The 1974 federal constitution gave legal support to this process<sup>11</sup> and the Tenth Party Congress stressed its importance in the overall sociopolitical system.<sup>12</sup> Administrative decentralism is politically valuable for two reasons. First, it can shift the center

10. See William Kornhauser, *The Politics of Mass Society* (New York: The Free Press, 1959) for a general theoretical discussion of this point; and Arend Lijphart, *The Politics of Accommodation* (Berkeley: University of California Press, 1968), for an application of the problem in a comparative setting.

11. *Ustav Socijalističke Republike Jugoslavije* (Belgrade: Prosveta, 1974), article 116.

12. In the formal report on the work of the League of Communists and the presidency given at the Tenth Party Congress, the role of the commune was strongly articulated in these words: "In the preparation of the constitutional changes the League of Communists came to the conclusion that the development of the entire political system and the stability of democratic relations in the entire society are fundamentally based on the more rapid development of self-managed social relationships in the commune as a self-managed sociopolitical community" (see *Deseti Kongres Saveza Komunističke Jugoslavije: Dokumenti* [Belgrade: Komunist, 1974], p. 480).

of political attention to lower political units, create new political splits, and maintain conflict on political levels where nationality and economic divisions are less relevant.<sup>13</sup> The transfer of political decisions to ethnically and socially homogeneous local populations makes it progressively more difficult to define the political conflict that arises from nationality or economic issues.<sup>14</sup> Decentralism, therefore, is a mechanism for rendering basic societal cleavages politically irrelevant. Second, administrative decentralism not only changes the locus of conflict but modifies the intensity of that conflict as well. The limitations of the corrective abilities of the state power become apparent to the general population when greater responsibilities are directed into the hands of local officials.<sup>15</sup> Expectations are reduced and demands on the political system fall off. Thus, Yugoslavia may remain divided but not necessarily divided against itself.

The second element of the government's program, economic self-management, is a system that places the means of production and the capacity to make economic decisions with the workers. Self-management also reduces the role of the state in economic decision making in the macroeconomic arena. Economic self-management is integrally related to administrative decentralism;<sup>16</sup> in fact, the two concepts are interdependent. A workable program of self-management can contribute to the political stability of Yugoslavia. Theoretically it provides a satisfactory solution to the dilemma of managing overall economic growth without promoting regional disparities. Economic self-management permits the free flow of capital to economically viable enterprises or for market needs. It also removes the onus of political responsibility for inequalities that may result, because microeconomic decisions remain outside the political sphere. This allows the state to focus on macroeconomic policy where its authority and investment capital can have the greatest long-term effect. The system of economic self-management thus permits political leaders to concentrate their efforts rather than dilute their authority by trying to solve all the problems of economic inequality.

Nonalignment is the third element of the League's program and is defined as not only passive neutrality or noninvolvement in world affairs, but also as an active attempt to create a world situation that would make direct foreign intervention in Yugoslav domestic affairs prohibitively expensive in a political sense—that is, other nonaligned nations and the opposing bloc would not permit such intervention.<sup>17</sup> Nonalignment is a type of nonmilitary deterrence policy,

13. This is the same point made by James Madison in the *Federalist Papers*, no. 10 (New York: New American Library, 1971), pp. 77–84; Alexis de Tocqueville in *Democracy in America*, vol. 1 (New York: Random House, 1945), pp. 116–79; and Karl Marx and Frederick Engels in *On the Paris Commune* (Moscow: Progress Publishers, 1971).

14. For a more detailed explanation of the relevance of this point to Yugoslavia, see Najdan Pašić, *Nacionalno pitanje u savremenoj epohi* (Belgrade: Radnička Štampa, 1973).

15. Radovan Pavičević (*Država kao konfederacija komuna* [Belgrade: Institut za Međunarodni Pokret, 1969]) makes this same point.

16. The platform of the League of Communists makes this connection very strongly (see *Platform za pripremu stavova i odluka Desetog Kongresa SKJ* [Belgrade: Komunist, 1973], p. 38).

17. It is evident from the public statements of President Tito on the subject that the Yugoslav government views nonalignment in this active sense (see, for example, Josip Broz Tito's speech at the First Conference of Heads of State or Government of Nonaligned Coun-

and the policy was reaffirmed at the Tenth Party Congress in 1974.<sup>18</sup> For the policy of nonalignment to be successful, however, it is essential that the position of Yugoslavia's leadership among nonaligned nations remain strong and uncompromised by dealings with the Western or Soviet blocs.

Effective implementation of the three policies described above would undoubtedly enhance the prospects for civil peace and stability in post-Tito Yugoslavia. The next section of the paper is an evaluation of the extent to which the program goals have been implemented. An attempt will be made to measure as objectively as possible the gains in administrative decentralization, the reduction of interrepublic economic inequality, and the strength of the nonaligned position.

Administrative decentralism can be measured by examining the growth of local autonomy and the extent of professionalism in leadership at the local level. If these two factors are generally strong over time it is reasonable to assume that administrative decentralism is being implemented. Measures of local autonomy include consolidation of local administrative units, changes in the relative distribution of government expenditures across federal units, and changes in the distribution of formal administrative responsibilities.

There was a marked growth in the average size of the commune and a steady consolidation of physically or economically handicapped communes between 1956 and 1968. In 1956 there were nearly three times as many communes in existence (1,479 communes) as there were twelve years later (510 communes). From 1969 to 1975, however, there were no substantial changes in the number and boundaries of communes. The reorganization of communal units in the 1956-68 period increased the capabilities of communes to meet expanding social, economic, and political responsibilities.<sup>19</sup> The subsequent stabilization of commune size indicates that the commune must have a sufficiently large tax base from which to pay for public services, but must also remain small enough to maintain the principle of popular local control.<sup>20</sup>

In addition to the consolidation of communes into larger and more economically viable units, there has recently been a dramatic increase in the financial responsibilities and expenditures of the commune. In fact, self-financing of commune programs has become the most serious problem that now confronts the commune.<sup>21</sup> The fiscal growth of the commune may indicate a parallel growth in its political importance as well. Since 1965 communal budgetary expenditures have consistently exceeded 30 percent of the total expenditures of all socio-

tries, held in Belgrade, September 1, 1961; reprinted in *Yugoslav Survey*, 16 [1975]: 107-46).

18. *Deseti Kongres Saveza Komunista Jugoslavije*, p. 10.

19. This conclusion is supported in Branislav Mirić, "Yugoslavia's Search for the Optimum Size of Commune," *Studies in Comparative Local Government*, 1 (Summer 1967): 49.

20. Stalna Konferencija Gradova Jugoslavije, "Teritorijalno organizovanje samoupravljanja," *Bilten*, 75 (September 1967): 4-13.

21. Lazar Đurovski, *Mesto i uloga opštine u društveno-političkom sistemu Jugoslavije* (Belgrade: Politička Škola JNA, 1972), pp. 28-29.

Table 1. *Distribution of the Total Budget of the Yugoslav Government to its Various Levels, 1965–1970 (in percent)*

Level of Government	Year					
	1965	1966	1967	1968	1969	1970
Federal	47.8	45.8	42.1	40.8	38.8	39.9
Republic	12.2	13.3	16.5	18.0	18.8	17.5
Autonomous Provinces	1.9	1.6	1.8	2.4	2.6	2.6
Commune	32.7	34.7	39.2	39.8	39.8	40.0

Source: Petar Jambreč, "Socio-Economic Developments and Political Change in the Yugoslav Commune" (Ph.D. diss., University of Chicago, 1971), p. 242.

political levels combined and this share has been increasing steadily (see table 1). From 1966 to 1970, tax revenues in the commune increased 83 percent, educational expenditures 240 percent, and the budget 93 percent.<sup>22</sup> Thus, the financial importance of commune government appears to be growing both in absolute and in relative terms.

The third trend, growth in communal administrative responsibilities, is evident from a comparison over time of the number of laws passed by the communal legislature. In 1963 communal assemblies passed approximately 73,900 acts; in 1964, 117,803 acts; in 1966, 124,735 acts. In 1968 the number of acts that were passed fell to 87,860, but because of a general administrative consolidation plan this number actually represented an increase over previous years.<sup>23</sup> In addition, the number of administrative reports received by the communal assembly also increased dramatically: 6,964 reports in 1963; 11,257 reports in 1965; and 12,217 reports in 1968.<sup>24</sup>

An examination of the laws passed in a sample of Yugoslav communes indicates that recent constitutional changes (in 1974) are clearly associated with a rapid increase in the number of laws passed by communal assemblies.<sup>25</sup> The typical communal assembly passed fifteen laws in the period examined before the new constitution was adopted; in the corresponding period after, this number increased to twenty-five.<sup>26</sup> A comparison of the levels of government responsible for initiating laws during these time periods will help to determine whether the commune is exercising greater administrative autonomy. The conclusions are summarized in table 2, which shows that the commune has significantly increased its involvement in political affairs and that it is independently responsible for initiating a considerably greater percentage of its laws—from 23 percent of all administrative actions to the present rate of 40 percent. The evidence seems to indicate that the political autonomy of the commune is growing.

22. Odbor Društveno-Političkog Veća, *Aktuelna pitanja komunalnog sistema* (Belgrade: Draga Srnić, 1972), p. 20.

23. Lazar Đurovski, "Stvarni položaj opštinskih skupština u sferi normativne delatnosti," *Socijalizam*, 1 (1971): 42.

24. *Ibid.*, p. 50.

25. Sixty-five communes in the republic of Serbia were selected. All laws passed and registered with the various intercommunal organizations were examined and coded by type and form of passage.

26. The period used is the five months preceding the implementation of the various communal charters and the five months following it.

Table 2. *Source of Communal Assembly Legislative Action in Yugoslavia by Time Period*

Initiator	Mean Percent of Laws		Level of Significance <sup>a</sup>
	Pre-Constitution	Post-Constitution	
Republic Only	10	7	.172
Commune Only	23	40	.000
Republic/Commune Combined	56	44	.003
Federation/Commune Combined	5	5	.999
Federation/Republic/Commune Combined	6	4	.083
Total	100	100	
Average Total Laws Enacted	15	25	

<sup>a</sup> The T-test was the level of significance test employed. The smaller the coefficient, the greater is the probability that the difference across periods for each initiation is not due to chance. Thus a coefficient of .003 indicates that the probability that there is no difference between the two columns is less than 3 per thousand.

*Sources:* Republički Zavod za Javnu Upravu, *Opštinski službeni glasnik*, vols. 7-8 (1973-74); Sekretar Skupštine Opštine Kruševac, *Meduopštinski službeni list Kruševac*, vols. 3-4 (1973-74); and Sekretarijat Stručnih Služba Skupštine Grada Beograda, *Službeni list grada Beograda*, vols. 20-21 (1973-74). (Data collected and coded by the author.)

A second measure of the growth of administrative decentralism is the involvement of professional personnel in communal affairs. In particular, it would be more likely for local government to attract professional personnel into its ranks if its activities are important and less rigidly controlled by outside factors. Thus, one would expect a disproportionately larger percentage of individuals with higher education to be members of communal legislative bodies when compared with the average communal population. In fact, the data indicate that after the 1969 and 1974 communal assembly elections, highly educated individuals were overrepresented by more than 1,100 percent.<sup>27</sup>

In general, the evidence points to successful implementation of administrative decentralism in Yugoslavia. There has been a marked trend in the growth of local autonomy and a widespread professional involvement in communal political responsibilities.

Reduction of economic tensions is the second criterion for evaluating the success of the League's program. Economic self-management must permit the state to concentrate its efforts on reducing economic differences across regions. If economic self-management endangers the goal of regional equality, it will be

27. For statistics on the 1970 assembly, see Nine Opačić, ed., *Društveno-političke zajednice*, vols. 3-4 (Belgrade: Međunarodna Štampa, 1969), and Socijalistička Republika Srbija, Republički Zavod za Statistiku, *Statistički podaci o opštinama 1969-1970* (Belgrade, 1971); for the 1974 assembly, see Savezni Zavod za Statistiku, "Delegacije osnovnih samoupravnih organizacija i zajednica i skupštine društveno-političkih zajednica u 1974," *Statistički Bilten*, vol. 888 (Belgrade: Savezni Zavod za Statistiku, 1974); and for population statistics, see Savezni Zavod za Statistiku, *Popis stanovništva i stanova 1971* (Belgrade: Delatnost, 1974).



Table 3. *Coefficients of Variation for Various Measures of Economic Inequality, Investment, and Productivity, Yugoslavia, 1965-1975*

Year	Unemployment	Economic Inequality Measure		Income Per Worker	Investments <sup>a</sup>	Productivity <sup>a</sup>
		Income Per Capita	Income Per Worker			
1965	.70	.45	.11			.09
1966	.67	.44	.13			.10
1967	.63	.45	.13		.21	.09
1968	.55	.47			.21	.10
1969	.64	.47	.15		.25	.11
1970	.68	.50	.16		.27	.11
1971	.66	.50	.17		.29	.12
1972	.62	.51	.17		.29	.13
1973	.58	.50	.17		.22	.13
1974	.56	.47	.15		.21	.15
1975	.54					.15

<sup>a</sup> Computed on the basis of investment or production per worker.

Source: Calculated from data provided by the Savezni Zavod za Statistiku, *Statistički godišnjak SFRJ 1968-1976* (Belgrade: Savezni Zavod za Statistiku, 1968-76), tables 203-1, 204-212.

seen as contributing to general political instability.<sup>28</sup> The government's success in reducing present regional inequalities and its commitment to reducing them even further in the future can be evaluated by comparing the relative dispersion of republic economic indicators over time (see table 3). The coefficient of variation ( $v$ ) provides this information.<sup>29</sup> When the value of the coefficient is larger, more inequality across republics exists.<sup>30</sup> Three measures of present economic inequality are employed: per capita income, national income per worker, and the unemployment rate. All six republics plus the two autonomous regions are included for the period 1965–75. If economic self-management promotes more regional equality, one would expect a gradual reduction in the value of the economic inequality measure coefficients over time.

It is obvious from table 3 that Yugoslavia has been more successful in reducing regional disparities in unemployment than in reducing income disparities. Although the coefficients of variation for unemployment drop from .70 in 1965 to .54 in 1975, there is still room for considerable improvement.

A comparison of the two income inequality measures shows that the coefficients have been marginally affected and in the wrong direction. It is possible that efforts to reduce the high unemployment rate in underdeveloped areas, as well as depressed farm prices, have led to the employment of marginally trained workers and have lowered overall income. This point is more striking when social production ratios between the developed regions, such as Slovenia, are compared with underdeveloped regions, such as Bosnia-Herzegovina, Macedonia, and Kosovo. The data indicate that while employment in underdeveloped regions has grown faster than in developed areas, the disparity in productivity per worker across republics has not been altered. It appears that efforts to stimulate one economic indicator (such as employment) may lead to slower growth in the other economic indicators (such as productivity).<sup>31</sup>

The policy preference for reducing disparities in unemployment rates even at the risk of decreasing worker productivity gains may have important political and economic implications for the future. A worker within an economic enterprise can have a considerably greater impact on investment and income decisions, and thus on future earnings and productivity, than a worker outside it. There-

28. Dr. Dragisa Miličević (*Ekonomski položaj regiona Jugoslavije* [Belgrade: Institut Društvenih Nauka, 1971]) endorses the concept of economic equality across regions. He contends that regions should not be compared across similar criteria but that the criteria should be balanced according to the economic structure of the regions. While there is some merit to Professor Miličević's suggestion in terms of economic planning, it should not be employed when examining policy decisions.

29. The coefficient of variation is simply the standard deviation divided by its mean. It has been used earlier for examination of similar problems by J. G. Williamson in "Regional Inequality and the Process of National Development," *Economic Development and Cultural Change*, 13 (1965): 3–45; by I. S. Koropeckyj in "Equalization of Regional Development in Socialist Countries," *Economic Development and Cultural Change*, 21 (1972): 68–86; and by Brian Silver in "Levels of Socio-Cultural Development Among Soviet Nationalities: A Partial Test of the Equalization Hypothesis," *American Political Science Review*, 68 (1974): 1618–37.

30. This study does not use the weighted coefficient of variation since a weighted coefficient would stress the position of Croatia and Serbia too heavily for political purposes.

31. Calculated from data provided by the Savezni Zavod za Statistiku in *Statistički godišnjak SFRJ 1968–1976* (Belgrade: Savezni Zavod za Statistiku, 1968–76), tables 203-1, 204–212.

Table 4. *Selected Imports to Yugoslavia, by Bloc (in percent), and OECD Dependency Ratio, 1966–1975*

Year	OECD	Socialist <sup>a</sup>	Third World	Total	Dependency Ratio <sup>b</sup>
1966	56	32	12	100	1.75
1967	63	27	10	100	2.33
1968	64	27	09	100	2.37
1969	65	24	11	100	2.71
1970	69	21	10	100	3.29
1971	66	24	10	100	2.75
1972	65	25	10	100	2.60
1973	63	25	13	100	2.52
1974	61	23	16	100	2.65
1975	61	25	14	100	2.44

<sup>a</sup> Includes North Vietnam, Cuba, People's Republic of China, North Korea, and the Comecon countries.

<sup>b</sup> Dependency ratio is computed by dividing the OECD percentage by the Socialist bloc percentage. Numbers smaller than 1.00 indicate a relative dependency on Socialist countries. Numbers greater than 1.00 indicate a relative dependency on Western trade sources.

Source: Calculated from data provided by OECD, *Economic Survey: Yugoslavia* (Paris: Organization for Economic Cooperation and Development, 1976), p. 47.

fore, reducing unemployment co-opts a greater percentage of the labor force into a decentralized economic system, one that puts the burden of responsibility for economic success on individual economic enterprises rather than on the shoulders of centralized, bureaucratic, political decisionmakers. Consequently, the question of economic inequality can be temporarily removed from the political domain.

From a long-term perspective, the question of regional inequality cannot be postponed or excluded from the political arena. Investment decisions can give a good indication about the commitment of political authorities to the goal of regional economic equality. If investments are allocated disproportionately to lesser-developed regions, then, in the long run, one can expect a narrowing of the regional gap. Examining investment allocations in Yugoslavia from 1965 to 1974 (see table 3) suggests some disparity, which is reflected in the coefficients of variation in the period examined. Examination of the primary data reveals that it is the less-developed regions that are benefiting from this trend.<sup>32</sup>

Apparently, the party and the government have been reasonably successful in defusing the immediate political impact of economic disparities and have undertaken action that should reduce other inequalities in the future.

Nonalignment is the most difficult policy for the League of Communists to implement because it is the area least under the control of the domestic leadership. Diplomatically, the country has promoted and actively participated in most meetings of nonaligned nations. It has given support to the Marxist faction in

32. I do not assume that variation is minimal or unimportant within republics. From an economic perspective, disproportionate investment in one city of a republic is significant; from the viewpoint of overall national stability, however, the republic is the only relevant unit of analysis.

Table 5. *Selected Exports from Yugoslavia, by Bloc (in percent), and OECD Dependency Ratio, 1966-1975*

Year	OECD	Socialist	Third World	Total <sup>a</sup>	Dependency Ratio
1966	49	37	15	100	1.32
1967	52	36	12	100	1.44
1968	52	34	14	100	1.53
1969	56	31	13	100	1.81
1970	56	32	11	100	1.75
1971	53	37	10	100	1.43
1972	57	36	07	100	1.58
1973	56	34	10	100	1.65
1974	47	42	12	100	1.11
1975	36	47	17	100	.77

<sup>a</sup> Totals may not equal 100 percent because of rounding.

Source: Calculated from data provided by OECD, *Economic Survey: Yugoslavia* (Paris: Organization for Economic Cooperation and Development, 1976), p. 47.

Angola, provided weapons and training to Libya and other Third World forces,<sup>33</sup> supported the OPEC oil boycott, antagonized the United States in Angola, attacked the Soviet Union at the Warsaw meeting of European Communist parties, and settled disputes with Italy over Trieste. Militarily, Yugoslavia has developed its armaments industry to the point that it is self-sufficient in most military weapons, and has divided its remaining arms purchases among the United States, France, and the Soviet Union.<sup>34</sup> Economically, the government has tried to maintain its global independence by promoting trade with Third World countries and by avoiding trade dependencies with either the Western or Soviet blocs, but it has not been very successful in expanding trade relations with nonaligned countries. Yugoslavia was able, however, to increase the non-aligned share of exports from 15 percent in 1966 to 17 percent in 1975, and imports from 12 percent in 1966 to 14 percent in 1975 (see tables 4 and 5). On the other hand, since 1970 Yugoslavia has been more successful in reducing its trade dependency on Western nations. In imports the trade dependency ratio decreased from 3.24 in 1970 in favor of the OECD nations to 2.44 in 1975. In exports, Yugoslavia has been able to reverse the trade dependency ratio favoring the OECD nations in 1970 to a smaller ratio favoring the socialist states.

In spite of diplomatic, military, and economic efforts, the Yugoslav government has no cause to believe that its sovereignty will be respected by outside forces. Recent Ustasha activity in some Western nations and Cominformist activities on the part of some Soviet bloc nations have led Yugoslavia to ask for pledges of noninterference in internal affairs from both the Soviet Union and the United States.<sup>35</sup> Through these actions the government clearly indicates

33. See Stockholm International Peace Research Institute (SIPRI), *World Armaments and Disarmament: SIPRI Yearbook 1976* (Cambridge, Mass.: The MIT Press, 1976), p. 260.

34. *Ibid.*, p. 210; and Trevor N. Dupuy, Grace Hayes, and John Andrews, *The Almanac of World Military Power*, 3rd ed. (New York: R. R. Boulton, 1974), pp. 165-66.

35. See "Belgrade Asked to Clarify Aides' Charges that Nixon Backed Croatian Disent," *New York Times*, December 14, 1976, p. 10; and "Brezhnev in Belgrade," *New York Times*, November 16, 1976, p. 3.

that it is not convinced that the potential of Third World condemnation will be sufficient to forestall outside interference in Yugoslav affairs in the future.

In summary, it appears that in recent years the League of Communists has been reasonably successful in implementing its program for political stability in Yugoslavia. The multinationality problem appears to be subsiding because of administrative decentralism; the problems of economic inequality are being temporarily removed from the political arena; and the threat from outside interference is being minimized as much as possible.

The second objective of Tito and the League of Communists is to strengthen the role of the League as the major integrative force in Yugoslav society. To this end it has become necessary to change the orientation of the LCY from that of ideological social leader as formulated at the Eighth and Ninth Party congresses to that of active participant in political activities.

The authority of the LCY as the instrument of social unification suffered a severe setback with the Croatian and Kosovan demonstrations in 1971, when regional parties acted weakly, and possibly in sympathy with the demonstrators. The movement toward revitalization began at that time and was first expressed in President Tito's letter of September 18, 1972 calling for an active and involved party.<sup>36</sup> Subsequently, Tito launched a strong attack on the leaders of the Serbian party, accusing them of withdrawing from public involvement and ignoring the directives of the national party apparatus.<sup>37</sup> Tito particularly stressed that at the national and republic levels the party must replace its leadership and make party membership accessible to youth and workers. The campaign to implement these changes was actively prosecuted, culminating in the Tenth Party Congress. A subsequent campaign encouraged participation of the masses in the formal political process. It became the party's responsibility to provide community leaders and to promote actively mass participation in political affairs.

The success of the LCY's revitalization efforts can be evaluated by examining the extent to which the national and republic party leadership has changed, the extent to which workers and youth have been admitted into the party, and the extent to which mass participation in formal political processes has increased. An examination of incumbency rates in the federal and republic central committees for the period 1959-74 indicates that 1974 was a year in which tremendous turnover occurred in the party leadership (see table 6). The incumbency rate was lowest in Croatia and Serbia, the two republic organizations under the most severe pressure to reform. In fact, the overall incumbency rate was considerably lower in 1974 (18 percent) than in 1969 (26 percent), a year that included the Ranković purges.<sup>38</sup> Evidently the party leadership has been radically transformed under pressure from the highest levels. In addition, there has been remarkable growth at the grass-roots level of the party. From

36. Josip Broz Tito, "Pismo Predsednika SKJ i Izvršnog Biroa Predsedništva SKJ," in *Dokumenti SKJ* (Belgrade: Komunist, 1973), pp. 3-11.

37. Josip Broz Tito, "Govor Druga Tita političkom aktivu SR Srbije," in *Dokumenti SKJ*, pp. 13-25.

38. The extent of the Ranković purge in some republics is apparent from the incumbency rate of the Party Central Committee of Montenegro in 1968.

Table 6. *Central Committee Membership Re-elected at Succeeding National and Republic Party Congresses, Yugoslavia* (in percent)

	Year of Congress		
	1974	1969	1964
National Party	20	29	29
Serbia	10	20	45
Croatia	12	32	59
Macedonia	18	51	49
Montenegro	29	10	33
Bosnia	23	23	45
Slovenia	17	21	50
Mean from Republic Congresses	18	26	47

*Sources:* For data used in calculating percentages for 1974, see *Almanah 1975-76* (Zagreb: Stvarnost, 1975). For 1969, see *V Kongres SK Bosne i Hercegovine* (Sarajevo: Oslobođenje, 1969), pp. 373-98; *VI Kongres SK Srbije* (Belgrade: Komunist, 1968), pp. 369-71; *Peti Kongres na SK Makedonije: Stenografske beleške* (Skopje: Kultura, 1969), pp. 519-25; *Šesti Kongres Zveze Komunistov Slovenije* (Ljubljana: Delo, 1969), pp. 435-37; *Peti Kongres SK Crne Gore* (Cetinje: Obod, 1968), pp. 201-2; *IX Kongres SK Jugoslavije: Stenografske beleške* (Belgrade: Komunist, 1969), pp. 301-3; and "Članovi rukovodstva Saveza Komunističara Hrvatske," *Borba*, December 9, 1968, p. 7. For 1964, see *1965 Kongres Saveza Komunističara* (Belgrade: Sedma Sila, 1965). For 1959 (the base from which turnover is measured), see *Politička dokumentacija IV Kongres SK Hrvatske* (Belgrade: Kultura, 1959), pp. 159-63; *Politička dokumentacija III Kongres SK BiH* (Belgrade: Kultura, 1959), pp. 8-10; *IV Kongres SK Srbije: Stenografske beleške* (Belgrade: Kultura, 1960), pp. 702-9; *VII Kongres SK Jugoslavije* (Belgrade: Kultura, 1958), pp. 465-68; *Politička dokumentacija III Kongres SK Makedonije* (Belgrade: Kultura, 1959), pp. 317-20; *IV Kongres SK Slovenije* (Belgrade: Kultura, 1959), pp. 187-89; and *III Kongres SK Crne Gore* (Belgrade: Kultura, 1959), pp. 339-41.

1972 to 1976 the total membership of the party has grown nearly 40 percent. Nearly 80 percent of newly accepted members are 27 years old or younger.<sup>39</sup> The League has also begun to reverse the decline in the proportion of worker membership: in 1962, 36.7 percent of party members were workers; this percentage dipped to 28.3 percent by 1972, but rebounded to 31 percent in 1976.<sup>40</sup> These figures tell only part of the story, however. Current reports on the local activity of the League of Communists suggest that the membership not only is more involved in political and social affairs but is taking a more direct approach to this involvement as well.

39. *Komunist*, December 22, 1975, p. 3.

40. For 1960, 1962, and 1964-66, see Svetozar Tempo, "Statistički pregled razvoja KPJ-SKJ u periodu 1946-1966 i struktura članstva," in *SKJ u uslovima samoupravljanja*, ed. Miloš Nikolić (Belgrade: Kultura, 1967), p. 755; for 1968-72, see Boris Vušković, "Givanje u socijalnoj strukturi članstva SKJ," *Socijalizam*, 17 (1974): 679-702; for 1973, see *Borba*, March 30, 1974, p. 5; for 1974, see "Sednica Centralnog Komiteta Saveza Komunističara Jugoslavije," *Borba*, July 10, 1975, p. 6; and for 1976, see *Komunist*, November 15, 1976, pp. 4 and 13.

Table 7. *Mean Communal Scores on Measures of Mass Participation, Yugoslavia, 1970-1973*

	1970	1971	1972	1973
I. Total Local Communities	17	19	20	21
A. Sessions of Local Communities	7	7	7	6
B. Average Number of Questions per Local Community	22	21	24	21
C. Average Number of Questions per Commune	331	332	381	413
II. Total Town Hall Meetings	55	52	53	64
A. Total Percent with Quorum	77	80	84	85
B. Total Questions	138	143	146	179
C. Total Questions per Local Community	9	—	—	10
D. Total Meetings per Local Community	3	3	3	3

Source: Calculated from data published by Savezni Zavod za Statistiku, in *Statistički Bilten*, no. 724 (1972), no. 783 (1973), no. 837 (1974), and no. 901 (1975).

Table 7 lists various measures of mass political participation for 1970-73.<sup>41</sup> The figures show a gradual increase in participation in political activities, which suggests that subjective involvement and identification with the political system are spreading. Unfortunately, there is no procedure by which the party's role in this growth can be established. The evidence shows that the League of Communists has initiated strong steps to reform and revitalize its organization and to strengthen its role as an active integrative force in society. The change has been marked, but at this point whether or not sufficient changes have occurred to provide the discipline, direction, and goals needed in the event of leadership turnover at the highest levels cannot be accurately determined. It seems reasonable to assume, however, that the League's prospects for integrating society and for maintaining political and social stability will be more favorable if these changes continue.

This paper does not make a definite prediction about the possibility for political stability in Yugoslavia should President Tito relinquish his leadership in the near future. It has been established, however, that there are considerably stronger pressures toward stability than are generally perceived, and that these pressures have been steadily increasing. Thus, dissolution of the present Yugoslav political system in the event of turnover at the highest leadership levels is far from certain and may in fact be improbable. In this respect the analysis is very similar to the proverbial dilemma between the optimist and the pessimist, who cannot decide whether the sky is partly sunny or partly cloudy. But the evidence does indicate that, in the long run, the optimist's position may be more tenable. Both major objectives of the party leadership are being met, and the changes that have occurred in Yugoslavia since 1971 have been profound and well orchestrated. If the pace and direction of these changes continue, Tito will have done much to defuse the Balkan powder keg of Europe and will leave a legacy less bitter and conflict-ridden than the one he inherited.

41. More recent data are not available.