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The Titoist Revolution Enters a New Phase

July 1966

"Have you heard the news?" a Zagreb friend shouted excitedly from his fourth-floor window as I drove up in front of his apartment house on the afternoon of July 1. "The biggest thing since the break with Stalin in 1948! Hurry, run!"

Three hours later Republic Square was filled with individuals and small groups eagerly, but quietly, reading the early edition of *Borba,* the "official" newspaper, its front page black with no less than sixteen lines of banner headlines. Newsboys were hawking their wares, which I had never before heard them do in Zagreb: "Extra! Extra! Ranković resigns!" (It was not really an extra, and the most exciting detail, the resignation of Aleksandar Ranković, vice president of the republic, secretary of the party's central committee and heretofore generally considered President Tito's heir apparent, was buried in the sixth line of the series of headlines.) An old man, obviously unaccustomed to buying *Borba,* groped in his pocket and asked, "How much does it cost?" "Forty *para* (four cents)," the boy

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answered. “That’s not an expensive resignation,” the old man said contentedly. In Radić Square, the governmental and sentimental center of Croatia, police were out in strength—an unnecessary precaution, for the square was otherwise empty.

The dateline on the story was Brioni, the group of Adriatic islands off the coast of Istria which is President Tito’s favorite retreat, a sunny and green paradise of rocky beaches, forests, meadows, Roman ruins, and luxurious villas. The central committee of the League of Communists of Yugoslavia had been meeting there that day, its fourth plenum since the eighth congress in December 1964. There had been persistent rumors that important decisions would be made, but few had expected them to be so dramatic. The resignation of Ranković, the denunciation of the state security police and other elements in the Communist leadership alleged to have been part of a “fractional group” engaged in a “struggle for power,” the promise of a purge of Communists opposed to liberalization, and the publication of the report of a special party-state commission investigating responsibility for insubordination in high places—these were the highlights of the news pouring from the island’s teleprinters.

The comparison with the drama of June 1948, when Stalin expelled the Yugoslavs from the Cominform and Yugoslav Communists responded with desperate defiance, was faulty in at least one important respect. The events of July 1, 1966, did not represent a sudden break with the past. They were rather the dramatic climax of a development that has been continuous, if spasmodic, since 1962—punctuating with a period and an end of paragraph a debate that had already made use of several semicolons.

The last general AUFS report on Yugoslavia, two years ago, described the status of this debate at the time as a conflict between “liberals” and “conservatives” in the Yugoslav elite over the future course of both political and economic development, two superficially distinct but in fact closely interdependent problems.[1] On that occasion, an attempt was also made to define the debate in terms of the four historic tasks that have concerned the Titoist regime since its establishment: (1) the maintenance of Yugoslav independence in an exposed position astride the frontier of the cold war; (2) the need to mold a half dozen often antagonistic nations, with dangerously diverse experience and traditions, into a unified state; (3) rapid economic development; and (4) the evolution [of] an ideology and a set of institutions which would conform both to Yugoslav practice and to prin-

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ciples which could still reasonably be called Marxist. The most important events of the past eighteen months have again demonstrated the relevance and interdependence of all of these tasks, as well as the vital questions each of them poses for the great Yugoslav debate of the 1960s.

It should also be said, at the risk of "Yugoslavcentricity," that the broader implications of these developments have again made Yugoslavia a place of far greater importance than its size and strength, or even its strategic location, would seem to warrant. This judgment too is of significance, for it would not have been valid a year ago. At that time, Yugoslavia appeared to be losing its uniqueness and importance: it was no longer the only Communist-ruled state independent of Soviet control and no longer the only one engaged in experiments in polycentric planning, indirect economic controls, and greater individual freedom. Today, Yugoslavia again stands alone and is again capable of inspiring cautious optimism that out of the crucible of civil war, socialist revolution, and Communist Party dictatorship there can emerge a pluralistic, modern society with a government responsive and eventually responsible to an independently organized and expressed public will.

Another kind of caution is necessary, however. Yugoslav Communists have recently displayed an extreme sensitivity to the praise of "the reactionary Western press," which has frequently interpreted the reforms of 1965–1966 as a turn toward capitalism and a multiparty system. For the "conservatives" of the elite, who oppose or at least have grave doubts about the reforms, such praise is proof that Yugoslavia is on the wrong track. For the "liberals" who fathered the reforms, the same praise is annoying both because it strengthens their opponents and because they consider it untrue and irrelevant. For them, what has lately been taking place in Yugoslavia is in no way a surrender to capitalism or "bourgeois-liberal" multiparty concepts—no return to private ownership of the means of production is envisaged, and the political goal is a nonparty, not a multiparty, system. They see the reforms, instead, as a perfecting of "socialist democracy," which is Marxist and humanist in spirit and undogmatic in form.[2]

From the Eighth Congress to the Fourth Plenum

The series of developments which led to the Brioni plenum had its point of origin, appropriately enough under an ostensibly Marxist regime, in an urgent question of economic principles, raised when an inflation-recession

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cycle in 1961–1962 and an associated balance of payments crisis exposed basic structural weaknesses in the existing model. What institutional changes were necessary, the Yugoslav regime asked itself, to restore and maintain a high, balanced, and stable economic growth rate? It took nearly two years of increasingly public and free debate to reach formal agreement on an answer, primarily because the most promising solution threatened to reopen, in an acute form, at least two other fundamental and political questions: the relations among nationalities with divergent economic interests and the role of the League of Communists in a genuinely pluralistic society.

The solution that was ultimately adopted called for a thorough reform of the economic system on the basis of principles which can probably best be described, for American readers, as "laissez-faire socialism" or "Adam Smith without private capitalism." There were to be drastic reductions in the number and kinds of state interventions in the functioning of the economy and a corresponding growth in the range and quality of decisions made independently by autonomous enterprises. The role of the state in financing investment and in secondary redistribution of national income was to be eliminated as far as possible. Lower taxes and fewer regulations, supported by a reformed banking system, would permit "the economy itself" to control such key sectors as investment, distribution of net income, foreign trade, prices, and even—in extreme versions—to decide how much should be spent on schools, health institutions, pure research, and subsidies for cultural activities. The ultimate goal is to limit the government's power over the economy to the use of post-Keynesian fiscal tools designed to facilitate optimum (not maximum) growth without inflation.

Like Cobdenite liberalism, the Yugoslav "liberal" solution is also concerned with political institutions as such, as well as with the relations between state and economy. The political corollaries of the "liberal" program included an upgrading of the role of representative bodies, that is, more decisions on matters of common interest, including economic policy, should be made in elected chambers, after public debate, rather than in closed meetings of party organizations. In Yugoslavia, with its peculiar system of multiple chamber parliaments representing corporate interest groups ("working organizations") as well as citizens, such a shift would also mean a further reinforcement of the power of those who run the enterprises.

One basic slogan implicitly contains both the program and the phi-

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losophy of the proposed reform: "let distribution be decided by the producers." Stated crudely and briefly, the "liberal" program seeks to move the primary locus of effective decision-making out of the hands of professional politicians (meaning the Communist Party in the classical sense) and into the hands of the money-makers of Yugoslav society (meaning the economic enterprises or, more precisely, profitable economic enterprises). Whether or not such a program should also be considered "democratic" depends on the nature of the decision-makers in these enterprises—whether these are workers' councils, in fact as well as theory, or directors, or some small and more or less exclusive "informal groups." The Yugoslav "liberal," using the arguments of classical Cobdenite liberalism, are certain that it would mean a more efficient economy, with the "laws of the market" under free competitive conditions (to be ensured by liberalized imports of competitive foreign products) enforcing cost consciousness and hence rationality. Presupposing an effective degree of workers' control over enterprises, they also see their reforms as a giant step toward a genuine "socialist democracy" supported by corporatist representative institutions.

The "liberal" program was formally, if not explicitly, accepted at the eighth congress of the League of Communists of Yugoslavia in December 1964. Its advocates were told, in effect, to reduce their economic program to a set of specific proposals. These in turn were proclaimed on July 16, 1965, to launch what has come to be known as "The Reform" but which President Tito himself has occasionally preferred to call an economic and social "revolution"—a strong and meaningful word for an old Marxist and revolutionary to use.

In the following months, however, and despite an impressive volume of newspaper fanfare, detailed analysis, and rousing speeches by political leaders, very little seemed to be happening. By mid-winter, "liberals" were complaining, "It's like punching a rubber wall—you seem to make an impression, but then it's just like it was." By January 1966, at least one was ready to say, despondently, "The reform is dead!"

It was increasingly clear, even before President Tito and others began to say so openly, where the source of resistance was to be found—precisely where some observers had seen that it must be long before the eighth congress had sanctioned the victory of the "liberals."[3] Those in the League of Communists who had felt deep-seated reservations about the new course even before it was adopted were not reconciled to their formal defeat. They

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were, moreover, a powerful group, both numerically and in the positions they held.

These were the "conservatives" opposing from conservative positions what Tito himself had called a new revolution. There are several ways of describing these men and their opposition, each of which focuses on a different facet of a complex crisis. The conflict contains elements of a clash of generations, of quasi-Marxist class conflict under socialism, of regional differences, and, hence, of a conflict among Yugoslavia's nationalities, plus elements of a simple power struggle and a clash of ideologies.

The "conservatives" tend to be old Partisans. They include many, probably a majority, of the men who ran the war and revolution of 1941–1945 and led the struggle against Stalin in 1948—loyal and devoted Communists who created the new Yugoslavia. They are usually men of simple background, uneducated or half-educated, often from socially primitive communities, who find it intellectually and emotionally difficult either to comprehend the modern, technological, and industrial society they themselves did much to create or the modern, often technocratic socialist entrepreneurs, economists, and scientists, with what the West calls "middle-class values," that this emerging society has generated. They are old revolutionaries, unable to agree that the next stage in their revolution may demand different talents and virtues and different, more sophisticated instruments.

They tend to come from the country's underdeveloped regions, which means that they are often Serbians, Montenegrins, Macedonians, or Serbs of Bosnia and Croatia. The operative word is "often," not "always," but the distinction is as frequently overlooked by Yugoslavs as it is by foreigners. Serb "conservatives" tend to think that pro-reform "liberals" are all Croats and Slovenes, favoring the interests of their relatively developed parts of the country; at the same time, a terrifying weakness of Croat "liberals" is their common failure to perceive that all Serbs, etc., are not necessarily "conservative" representatives of economically and politically underdeveloped regions.

The "conservatives" tend to be men in influential posts in the League of Communists who are defending established positions of personal power and privilege, and the established monopoly of political power held by the party, against the challenge of a "new class" of socialist entrepreneurs (which is not, *nota bene,* the "new class" of party apparatchiks described by

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Djilas).[4] The latter wield economic power and are demanding a matching voice in political decision-making. There is an analogy, although it should not be stretched too far or taken too literally, to the challenge of the English middle classes to the Tory establishment which led to the Great Reform of 1832, with the "liberals" in the Yugoslav Communist hierarchy playing the role of the liberal Whigs of the English establishment in the pre–Reform Bill crisis of [more than] a century ago. Like their English counterparts, Yugoslavia's Communist "Whigs" have decided, with a mixture of self-interested concern for their own power and ideological commitment to a freer society, that the essential (in the Yugoslav case, socialist) values they consider important are best preserved and advanced by admitting a wider effective suffrage and by broadening the basis of consent and participation on which the regime depends. The Communist "Tories," on the other hand, fear that any meddling with the power structure will jeopardize not only their personal positions but also the basic values of the society they are trying to create, because they believe that both "class enemies" and "nationalist chauvinism" are still present and strong enough to jeopardize both socialism and the unity of the country if power is shared with those now demanding an effective voice.

To put the same interpretation a little differently: the reform inaugurated in July 1965 represented the program of an alliance between the new class (the phrase is not entirely happy) of successful socialist entrepreneurs, backed by all those sharing in or dependent on the prosperity their entrepreneurship has been generating, and a "liberal" faction in the Communist apparatus, acting with the vital concurrence of President Tito. It was, and is, opposed by a "conservative" faction in the party, backed by those for whom centralized authority and centralized redistribution of national income offer advantages.

It is therefore a real revolution, because it challenges the existing political establishment and seeks to replace it with another. It was adopted by President Tito and part of the party hierarchy, whose support was vital to its success, in an effort to make it a revolution from above that could control new and (in their view) progressive forces by channeling these forces in approved directions and maintaining the party's "leading role." It was opposed by the rest of the party, who are "conservative" in defending established positions, both personal and institutional, which were won in two earlier stages of the revolution, in 1941–1945 and in 1948–1953.

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When it became clear that the "conservative" opposition was both unreconciled to defeat and capable of sabotaging implementation of the reform, the first reaction of the party leaders of the "liberal" alliance was to reach for an old weapon, which proved pathetically inappropriate in the new circumstances. They called, with voices that became increasingly strident, for a return to Communist discipline, to "democratic centralism," with its obligation upon a defeated faction in the party to carry out an agreed decision loyally. The appeal became formal with the third plenum of the 154-member central committee of the League of Communists summoned in February and continued in March 1966, when even Vice President Ranković, widely considered to be the leading "conservative," gave passionate lip service to the need for discipline. President Tito pointedly said that he expected results by June 30.

Subsequent events are still partly obscured by the dust raised at and since the fourth plenum. At some point, someone persuaded President Tito that the primary culprits were the secret police, formally known as the State Security Service (SDB) but still generally called by their earlier name, the Administration of State Security (UDBA), and that responsibility lay at his own right hand, with heir presumptive Aleksandar Ranković, organizer and longtime chief of the UDBA. In the second week of June, the president established a special technical commission to investigate the security service, and when the report was in, the executive committee of the party was convened (June 16). Ranković was confronted with the evidence and offered his resignation. A second commission was appointed, with representatives from all six republics and major nationalities, to continue the investigation.

It was the report of this second commission, presented to the fourth plenum of the central committee on Brioni on July 1, that made the crisis a matter of public, official knowledge and launched a purge of the security services and the party generally.[5]

After the Plenum

With the "historic fourth plenum" (Tito's words), the latest Yugoslav revolution has entered a new phase. The purge of the security police, which gained momentum in July, accompanied by dramatic revelations of their alleged misconduct (employing both traditional Balkan police methods and modern electronic devices, including the wiretapping of the resi-

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dences or offices of Tito and other senior officials), has obscured the real basic issues. The UDBA is no doubt more than a mere scapegoat, although it is also a popular one, but the security service was at most an enthusiastic agency of a more widespread and deep-seated resistance to the "liberal" program. Two perennial and fundamental problems, which acquired a new urgency in the context of the reform and which are the real sources of rational opposition, cannot be resolved merely by taming the UDBA. These are the nationalities question under decentralized laissez-faire socialism and the future role of the League of Communists.

Most opponents of the reform are Serbs or their nearer kinsmen; so were most of the security police, for historical reasons having their roots in the nature of the Yugoslav civil war of 1941–1945; so is Ranković[, who is] considered by even anti-Communist Serbs he had once jailed as "their" candidate for the succession to Tito. Ranković's disappearance, the reform, and the purge of the UDBA are therefore inevitably interpreted, especially by the half-informed (a category including most Serbs and nearly all Croats), as a serious defeat and degradation for Yugoslavia's most numerous nationality. All of the precautions now being taken—the replacement of every purged Serb by another Serb, the use of Serbs to make almost all speeches denouncing the UDBA and the Ranković "fractional group," and the quid pro quo purges of ultra-"liberal" elements in Zagreb and elsewhere—will do little to dissuade those inclined to this interpretation.

The dangers of a possible Serb reaction are obvious. Less obvious, but equally dangerous, is the strong possibility that nationalists inside and outside the Communist hierarchy in other republics, especially Croatia, may lose their heads in an atmosphere of what they consider "victory" and embark on a provocative course extreme enough to invoke the reimposition of strong central control from Belgrade and thus bring about a belated and ironic triumph for the "conservative centralists." There is already talk in Slovenia of "confederation instead of federation"; whether the idea is a good one or not, the road is alarmingly slippery. A Communist Party dictatorship long seemed justified, even in the eyes of many non-Communists, as the only way to maintain the unity of the state.

The proper role of the League of Communists under a liberalized and democratized constitution based on workers' self-management was defined in theory more than thirteen years ago, before the Djilas crisis: the party should become progressively less an instrument of power and more

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an instrument of influence based on prestige. For thirteen years, however, no one has known how to translate the theory into practice. Many, to be sure, have not wanted to do so, but others, equally certainly, have. Even so, for sincere "liberals" inside the party apparatus there is a serious dilemma, which many outsiders consider insurmountable, hidden in this Titoist theory of the role of the party.

The "liberals" agree that the League of Communists, as an association of "progressive" humanity equipped with special wisdom based on schooling in scientific socialism, must continue to exercise a "leading role" in society as a kind of ideological mentor guiding other "socio-political organizations" along what it believes to be the correct path. Even the most dedicated among them must wonder, however, how the organization is to perform this function if it divests itself of most of the usual aids to political power. It will either remain in a position to see to it that essential principles are transformed into policies, or it will not. Its advice can either be disregarded by the executive, the legislatures, and the enterprises, or it cannot be. If it can be disregarded, Yugoslav institutions and policies might be diverted into paths the party considers unacceptable; at the very least, the party would be little more than a debating club, shorn of dynamism as well as power, and the "liberals" have specifically said that they do not intend to reduce it to that. If it cannot be disregarded, it will not have divested itself of power and the theory is empty rhetoric. Influence without power seems to many a contradiction in terms.

The developments of the first year of the reform have dramatized this dilemma. The party still held an effective monopoly of political power, but there was no longer a monolithic party. The reform was opposed by many, perhaps most, middle-rank Communists and by some of the top hierarchy who simply refused to support measures they felt (and had been told quite honestly) would destroy their monopoly of political power, but the reform could not be implemented against the will of an insubordinate party as long as that monopoly existed. When the invocation to party discipline (the third plenum) failed to be effective, the reformists were obliged to undertake a purge (the fourth plenum) as the only alternative to surrender. Their initial success in getting a purge started was dependent not only on the backing of the oracular figure of President Tito but also on the support of elements . . . who do not comprise part of the party apparatus, even though they usually carry party cards. With this maneuver, the party's

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effective monopoly of political power may already have ceased to exist. The structure and values of the more complex political configuration now coming into being are as uncertain as its durability and the future role of the party.

Three days after the fourth plenum was convened, I drove down to Sisak, an attractive Croatian industrial town (steel and oil refining) at the juncture of the Sava and Kupa Rivers, for an open-air "Fourth of July" celebration. The fourth is a national holiday in Yugoslavia, "Fighter's Day," commemorating the appeal issued by the Communist Party of Yugoslavia on July 4, 1941, calling for a nationwide uprising against the German and Italian occupiers of the country. July 4, 1966, was thus the twenty-fifth anniversary of the beginning of the Partisan war in which the new Yugoslavia was born. The festivities at Sisak were to be addressed by Vladimir Bakarić, secretary of the League of Communists of Croatia, member of the executive committee of the League of Communists of Yugoslavia, an acknowledged but quiet leader of the moderate "liberal" group, and the first participant in the Brioni plenum to make a public speech after returning from the historic island meeting.

The occasion was deliberately low keyed, exuding the atmosphere of a revolution that has matured and can afford a touch of humdrum instead of drama—a Fourth of July celebrated in a style older Americans can remember forty or fifty years ago, in any Midwest town. The site was an oak wood on the edge of the city, next to a new housing development of high-rise apartment buildings; the first unit of Sisak Partisans had been organized there and is said to have been the first in the field in the entire country. Now the wood is a natural park for the town. At one end, where the trees yield place to a more formal patch of grass and flower borders, a large wooden speakers' platform had been built and decorated with red-white-and-blue bunting—the Yugoslav and Croatian colors—and a bust of Tito.

The townspeople gathered in a carnival mood, some in their Sunday best, with the girls in cheaply fashionable short skirts and some in picnic informality—shorts, barefooted, shirtless, or wearing undershirts. Throughout the wood, private enterprise competed with socialist: sellers of beer, soft drinks, and *šljivovica,* ice cream, sausages, the little hamburgers called *čevapčići,* and lambs being roasted whole on spits over charcoal;

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sellers of those painted plaster-of-Paris dolls, animals, and other monstrosities bought at fairs and carnivals throughout the world; and grab-bag games of chance, portable roulette with miniature wheels, and painted oilcloth betting boards. Some sellers represented "socially owned" catering firms, and some were private citizens, earning extra dinars with an ice bucket and a few cases of beer, a trunk full of plaster *objets d'art,* or a roulette wheel. While we waited for the politicians to come and make their speeches, we were entertained by two ancient biplanes doing acrobatics just over our heads and by three parachutists, who floated down under bright orange and green silk to land in an adjacent meadow.

Promptly at ten o'clock, a covey of local dignitaries escorted most of the executive committee of the Croatian party onto the wooden platform. An official urged the crowd to come in close, to make up a more impressive picture for the television cameras of Radio Zagreb. The speechmaking lasted a bare thirty-five minutes—ten for the mayor, twenty for Bakarić, and five for the reading of a letter of greeting to be sent to President Tito. No one paid much attention.

Bakarić's speech was typical of the setting and of the man: low keyed and significant. The starting point was a Fourth of July speechmaker's homage to July 4, 1941, used as a springboard for an exposition of the consistency of the Yugoslav revolution's evolution toward freedom from that day to the fourth plenum, "where President Tito spoke again of these matters." For two key dates, 1941 and 1948, Bakarić advanced claims which I believe were being made for the first time by a responsible Yugoslav leader. The uprising of 1941, he said, opened a new epoch, as important as the October Revolution in Russia. It is important because in 1948, when the Yugoslavs broke with Stalin, they were "not only defending the independence of the country but were also preserving precisely what had appeared as a new development in socialism . . . opening new prospects and a new process." Yugoslavia's success in 1948, he went on, had proved two things: that "socialism could exist outside of what at that time represented the socialist bloc" and that Yugoslavia "could not build socialism" in the way she had started building it, that is, on the Soviet model.

The reform and the fourth plenum, he concluded, represented another stage in this evolution of a revolution, one which was "shaking and threatening" all precedents in socialism, "which is why there has been so

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much resistance within the party," and one which now required "a unanimous realization that we cannot go back to what we had been before."

When he had finished and departed, and the crowd returned to the more compelling attractions of beer, roast lamb, and roulette, the loudspeakers that had carried his message began broadcasting an old American popular record of fifteen years ago, the throaty voice of Vaughn Monroe singing "Ghost Riders in the Sky." The Fourth of July speechmaking had been mercifully short and was quickly forgotten.

A few days later I paid a call on a party official to ask a few questions. It had been raining hard for a week and temperatures were miserably low for a Yugoslav July, so as a meaningless opening remark I said, "You must do something about this awful weather!"

"I'm sorry," my official friend replied with a wan smile, "but since the fourth plenum we're not permitted to intervene at that level anymore."

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