



The Self-Managing Factory after Tito.

The Crisis of Yugoslav Socialism on the Shop Floor

Goran Musić

Thesis submitted for assessment with a view to
obtaining the degree of Doctor of History and Civilization
of the European University Institute

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Department of History and Civilization

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Abstract

This dissertation investigates the altering ways in which Yugoslav blue-collar workers understood the recurring crises of Yugoslav socialism, as well as the changing nature of the relationship between different occupational groups inside the factories and the ruling party. It sheds light on regional specificities by systematically following and comparing the evolution of discussions and mobilizations inside two metal factories, based in Serbia (*Industrija motora Rakovica*) and Slovenia (*Tovarna avtomobilov Maribor*). The analysis begins with a short overview of the factory origins, the birth of workers' self-management in the early 1950s, as well as the emerging industrial conflicts taking place in the liberalized political and economic system of the 1960s, highlighting how the two factories formed opposing interpretations of self-management and attempted to grapple with the crisis of 'market socialism'. The focus of the dissertation, however, is on the later turbulent period between the peak of the Yugoslav welfare state in the late 1970s and its terminal crisis in 1989. During these years of prolonged crisis, the oppositional liberal and nationalist themes started reaching broader layers of the Serbian and Slovene public, challenging the inherited understandings of self-management and national equality. In contrast to the dominant historiographical accounts of political and social changes in the 1980s, which perceive workers as passive recipients of the new ideas from above, I will show how many themes adopted by the reformist party leaderships in Belgrade and Ljubljana in the second half of the decade were already in circulation inside the factories. Workers struggled to form their own views of the social crisis, tried to impress their grievances on official institutions, staged strikes and rallied around autonomous initiatives, but ultimately they failed to maintain a visible independent voice. In the case of Serbia, the communist party leadership managed to reinterpret the hitherto dominant notion of a dichotomy between the 'exploiter and exploited' in nationalist terms and thus defuse industrial action. In Slovenia, the local party-state acted in a more openly confrontational way and marginalized labor unrest by presenting it as an obstacle to further market modernization. The research explains how the growing social inequalities among the workers and undemocratic practices inside the self-management bodies facilitated the spread of a nationalist and pro-market ideology on the shop floors and illustrates how workers' local grievances were increasingly becoming connected to those views, which exchanged the logic of working class solidarity with the politics of exclusion.

Table of Contents

Acknowledgments	1
Introduction	
0.1. General Background	3
0.2. Bird’s Eye Views vs. Shop Floor Insights	7
0.3. Mighty Elites and Subservient Workers	11
0.4. The Invisible or Ethicized Agency	16
0.5. (Re) Discovering Labor	19
0.6. Approaching Class and Nation in a Self-Managed Factory	24
0.7. Sources and Structure	30
Chapter One: Two Roads to Self-Managing Socialism	
1.1. The First Contours of Two Blue-Collar Communities	33
1.2. Differing Origins	38
1.3. ‘Factories to the Workers’	48
1.4. Market Socialism	57
1.5. Losing Factory Unity	66
1.6. Reviving Revolution through Normative Acts	77
Chapter Two: Factory Structures and Everyday Life under Associated Labor	
2.1. The More Things Change	89
2.2. Claiming Tito	103
2.3. The Factory as a Collective	112
Chapter Three: Shades of Blue-Collar Workers	
3.1. Proletariat in the Making	121
3.2. Who Creates Value?	130
3.3. Skill, Gender and Place of Origin	136
3.4. Veterans and Youth	144
3.5. Appendix 1	153

Chapter Four: The Dragging Crisis, 1979-1986

4.1. The Sudden Breakdown	159
4.2. The Party at an Impasse	168
4.3. TAM's Pushback of Associated Labor	182
4.4. IMR Lags Behind	191

Chapter Five: Breaking the Pact: Workers, Nationalists and Liberals Against Political Privileges

5.1. Cutting out the Middlemen	203
5.2. The Stolen Golden Apples	217
5.3 The Diligent Ones	228
5.4. Appendix 2.....	237

Chapter Six: Mobilizations at the Bottom – Realignments at the Top, 1986-1988

6.1. Reaching Beyond the Factory Gates	241
6.2. A 'Firm Hand' Inside Serbia	250
6.3. Bypassing the Working Class in Slovenia	260
6.4. Beggar Thy Neighbor	269
6.5. The Party and Trade Union Competing in Rakovica	280

Chapter Seven: Workers in the Streets

7.1. Deus Ex Machina	293
7.2. Maribor's Blue-Collar Wrath	305
7.3. Post Festum	320

Conclusion	329
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Sources and Bibliography	345
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Introduction

0.1. General Background

Between the break with the Soviet Union in 1948 and the severe socio-economic crisis of the 1980s, Yugoslavia was often viewed as a living example of the possibility for an autonomous modernization path in a world divided between two rival development paradigms. Basing his arguments on the U.N. Yearbook of National Account Statistics, economic historian Rudolf Bićanić concluded that during the 1950s and early 1960s, next to Japan and Israel, Yugoslavia was the fastest growing economy in the world.¹ Unlike the peripheral capitalist countries, which often based their high growth rates on cheap labor and repressive trade union policies, or the socialist economies, where industry was obeying the commands issued by the party planners, Yugoslavia's development was apparently achieved with workers mastering their own companies. A complex structure of decentralized self-management institutions embedded in each enterprise was set up over time with the aim of regulating and coordinating the social and economic processes through popular participation.

Swift economic development triggered radical changes in the makeup of the traditional Balkan societies. After three decades of relentless industrialization and urbanization, the share of the population living off the land went from 67.2 per cent in 1948 to 28.8 percent in 1980, a decline from roughly 11 million to 4.9 million people.² Apart from the mere strength in numbers, the industrial workers and working people in general occupied an important place in the country's legal and political sphere. Yugoslav society was indeed under single-party rule, but workers' self-management and social property placed institutional brakes on the power of the state and the

¹ According to Bićanić, the aggregate rate of Gross National Product growth in Yugoslavia between 1950 and 1960 was 8.9 percent while Japan and Israel both achieved 10.8 percent growth. Oskar Kovač estimated that between 1950 and 1985 only Taiwan (6.64 percent), Japan (6.26 percent) and China (5.10 percent) achieved higher growth rates than Yugoslavia (4.46 percent). See: Rudolf Bićanić, *Economic Policy in Socialist Yugoslavia* (Cambridge: Cambridge University Press, 1973), 122 and Oskar Kovač, "Foreign Economic Relations", in Ljubiša S. Adamović and Sabrina P. Ramet (eds.), *Beyond Yugoslavia: Politics, Economics and Culture in a Shattered Community* (Boulder: Westview Press, 1995), 282.

² Gregor Tomc, "Classes, Party Elites and Ethnic Groups", in Dennison Rusinow (ed.), *Yugoslavia: A Fractured Federalism* (Washington DC: The Wilson Center Press, 1988), 61.

party elites and empowered labor in a way that did not occur elsewhere in Eastern Europe.³ Yugoslav society was a patchwork of nationalities with a history of ethnic contention inhabiting areas displaying great disparities in economic development. Yet, the creation of urban socialist citizens with cosmopolitan outlooks seemed to guarantee that national conflicts were a thing of the past.

Josip Broz Tito's death in 1980 coincided with the trend of rising oil prices in the world market and deteriorating terms of trade for developing countries. The global recession of the late 1970s hit Yugoslavia harder than any other socialist country. The increasing prices of raw materials, spare parts and components, needed for the export industry, resulted in the increase of production costs and the loss of competitiveness. In 1980, the costs of imported raw materials and components was 18 per cent higher than the total value of Yugoslavia's exports. In addition, the interest on loans was rising steeply and, by 1981, the Yugoslav government discovered that the self-managed economy was highly indebted to foreign creditors.⁴ The establishment was forced to give up its policy of relative independence in international politics and enter into debt reprogramming agreements with Western governments and economic reform programs under the tutorship of the International Monetary Fund (IMF).

A series of 'stabilization programs' was introduced in the 1980s, with the aim of improving international competitiveness and stamping out galloping inflation. They consisted mainly of decreases in collective consumption and stricter market parameters for company performance. Self-management structures inside the factories were increasingly being seen as an obstacle to economic performance and market flexibility. The austerity measures placed the main burden of the reforms on the shoulders of the industrial workforce in the social sector of the economy. In the first three years of the decade, average incomes had fallen by 33 per cent in real terms. By

³ Marko Grdešić, "Mapping the Paths of the Yugoslav Model: Labor Strength and Weakness in Slovenia, Croatia and Serbia", in *European Journal of Industrial Relations*, 14 (2), 2008, 134.

⁴ Jens Stilhoff Sørensen, *State Collapse and Reconstruction in the Periphery: Political Economy, Ethnicity and Development in Yugoslavia, Serbia and Kosovo* (New York: Berghahn Books, 2009), 136.

1988 the standard of living for workers in the socialized sector was pushed back to the levels of the 1960s.⁵

Faced with an unprecedented economic crisis and diverging regional interests the Yugoslav government was finding it increasingly hard to maintain social peace. The austerity policies provoked movements from below and stirrings at the top of society. In 1985, surveys showed that only 20 percent of the citizens expressed satisfaction with the Federal government. The League of Communists of Yugoslavia (LCY) was rapidly losing its image as the leading institution capable of solving social problems. That same year it experienced a net loss of membership among blue-collar workers for the first time since the end of the war.⁶ Tacitly accepted and positively perceived by the public, the workers' mobilizations were among the most prominent grassroots initiatives at the time. The number of strikes recorded nationwide went from 247, with 13,507 workers involved, in 1980 to 1,851 strikes, involving 386,123 workers, in 1988.⁷

Year	1980	1981	1982	1983	1984	1985	1986	1987	1988
Strikes	253	216	174	336	393	696	851	1685	1851
Participants	13,504	13,507	10,997	21,776	29,031	60,062	88,860	288,686	386,123

⁵ Carl-Ulrik Schierup, "Quasi-Proletarians and a Patriarchal Bureaucracy: Aspects of Yugoslavia's Re-peripheralization", *Soviet Studies*, 44, (1), (1992), 86.

⁶ R.J. Crampton, *The Balkans Since the Second World War* (London: Longman, 2002), 139.

⁷ Darko Marinković, *Štrajkovi i društvena kriza*, (Beograd: Institut za političke studije, 1995), 83.

These statistics place Yugoslavia among the countries with the highest strike activity in Europe at this time.⁸ Unlike the strikes in previous decades, the efforts of which were focused mainly against the company management and remained within the factory premises, workers were now eager to connect their demands to wider political issues and present their grievances to the authorities by staging marches, street demonstrations and gatherings in front of the government buildings. Inspired by the Solidarity movement in Poland, many observers at that time predicted that the working class would play the role of the ultimate arbiter in the resolution of the political and economic crisis that weighed down on Yugoslavia in the 1980s. There was hope that the system could be salvaged through an all-Yugoslav mobilization based on social issues and oriented towards a class identity, which would be able to democratize the country and keep it unified.⁹

However, the crisis was resolved in a radically different manner. The mounting popular discontent gradually spilled over into the shift in relations inside the ruling regional parties. Lower-rank officials and local state enterprise managers attempted to join forces with various protest groups inside the republics. In 1986, the Slovene League of Communists elected a new pro-reformist leadership determined to safeguard Slovenia's autonomy within the Federation and accelerate liberal reforms in local politics and the economy. One year later, the leadership of the Serbian party was overtaken by the radical reformist faction, led by Slobodan Milošević, which stood for market-inspired modernization of workers' self-management coupled with the stronger political influence of Serbia and more centralized federal institutions of the party-state. The two leaderships were set on a collision course. The watershed was reached in the autumn of 1988, when the Serbian branch of the League of Communists of Yugoslavia openly broke the unified line of the federal government against the street protests and extended political support to hand-picked demonstrations. By re-interpreting the hitherto dominant notion of a dichotomy between the 'exploiter and exploited' in nationalist terms, this group of the Serbian political elite organized a wave of rallies in Serbia and the surrounding republics which co-opted the movement that was previously based on class issues. These top-down, nationalist mobilizations,

⁸ Salih Fočo, *Štrajk između iluzije i zbilje*, (Beograd: Radnička štampa, 1989), 6.

⁹ Branka Magaš, *The Destruction of Yugoslavia: Tracing the Break-up 1980–1989*, (London: Verso, 1993), xxi.

which came to be known as the ‘anti-bureaucratic revolution’, opened the door for the violent disintegration of the country.

0.2. Bird’s Eye Views vs. Shop Floor Insights

The ideological break from Stalinism and the search for the ‘national road to socialism’ turned Yugoslavia into an attractive topic for social scientists during the decades of the Cold War. After the end of World War Two and the spread of socialist revolution in Eastern Europe and China, it became obvious that the so-called totalitarian model, widely used in the analysis of the Soviet Union was increasingly becoming too narrow and simplistic to explain the growing complexities of world communism. As the first dissident state in the socialist camp, Yugoslavia certainly helped break the insistence on the ideology, coercion and actions of the party leadership. The recognition of the popular base of the Partisan movement, the unique nature of workers’ self-management, and openness to Western culture intrigued researchers. This was particularly the case with left-leaning scholars, eager to highlight the possibility of a more tolerant and broad-based socialist development model. Inside Yugoslavia, social scientists were also keen to use the liberalized political atmosphere to tackle issues such as social inequalities, the class structure of Yugoslav society, and the distribution of power within self-management.

Despite the relaxation of ideological rigor, encouragement of intellectual debate and the opening of the economic elites, academia, art circles and wider society to contemporary Western influences, the Yugoslav communists maintained a very crude vision of the working class and its relation with the ruling party. The advance of working-class interests was officially proclaimed as the main *raison d’être of the socialist project, as the* proletariat was depicted as the main carrier of progressive socialist values. The teleological presentations of progress and the equating of class position and social consciousness implied that, slowly but surely, the workers were realizing the historical task that had been given to them by the ruling ideology. The official historiography, dealing with the prewar Yugoslav labor movement and the working-class

participation in the revolution, thus tended to be methodologically conservative, focusing on the politically most advanced layers of the proletariat and painting them in heroic images.¹⁰

As already mentioned, many scholars from Western and Yugoslav academia (mostly sociologists) wished to explore the state of the modern Yugoslav working class, brought about by socialist modernization, as well as the dynamics inside the self-management bodies. The communists' protective stance toward the industrial workers did not make this an easy task.¹¹ Those researchers aiming to deal with social inequalities and the class divisions inside self-management structures relied mostly on qualitative approaches. Having restricted access to the factories, the researchers depended heavily on surveys, questionnaires and official statistics.¹² Due to the limited knowledge of the languages, foreign researchers often relied on translated official government policy papers and conference declarations. Thus, even those scholars generally sympathetic to the Yugoslav experiment often unintentionally replicated the top-down approach of mainstream cold war academia. The rich texture of the Yugoslav shop floors was neglected. Topics such as the generation gap, ethnicity, the role of informal networks, kinship, private business and strikes remain underexplored to this very day.

Yugoslavia's system of self-management attracted yet another breed of sociologists and economists stemming from the broad field of so-called modernization theory. The existence of operating markets, combined with workers' participation, inspired these scholars to draw parallels with the institutional developments taking place in Western societies and to recognize convergence tendencies steered by the communist technocratic elites. The literature dealing with workers' self-management was thus often oriented towards organizational behavior inside self-managed firms and micro-economic performance rather than labor empowerment and its

¹⁰ Vladan Vukliš, "Writing Social History of Socialist Yugoslavia: the Archival Perspective", draft paper presented at Archival Education and Research Institute, University of Maryland 2015.

¹¹ John B. Allcock, *Explaining Yugoslavia*, (New York: Columbia University Press, 2000), 170.

¹² Rory Archer, Igor Duda and Paul Stubbs, "Bringing Class Back In: An Introduction", in Rory Archer, Igor Duda and Paul Stubbs (eds.), *Social Inequalities and Discontent in Yugoslav Socialism* (Farnham: Ashgate, forthcoming in April 2016), 15.

influence within society.¹³ In these approaches, the managerial and political elites therefore remained in the spotlight as the main agents of social change.

Inside Yugoslavia, the strands of modernization theory recognizing convergence between state socialism and capitalism found a strong echo. The 1960s were marked by the growing influence of a new generation of scholars who had the opportunity to attend Western universities and adopt theoretical postulates of structural functionalism and neoclassical economics. The party originally introduced the oxymoron of ‘socialist commodity production’, or ‘socialist market’, in the early 1950s as a result of the recognition that the law of value was still active in transitional societies. The party theoreticians assumed that operating markets might help Yugoslavia avoid many fallacies of the Soviet system of the command economy, such as bureaucratization, high waste, the low quality of the goods produced, and shortages, and thus ease the transformation to socialism. In the 1960s, liberal-oriented politicians and parts of academia increasingly perceived the functioning market combined with social ownership over the means of production as the end goal of the Yugoslav revolution. This was the socio-economic framework that, in contrast to the capitalist states, could allegedly facilitate the rational market solutions envisioned by neoclassical economic theory and enable the country to integrate into Western modernization on its own terms.¹⁴

Josip Županov, one of the most influential sociologists in former Yugoslavia and an ardent researcher of self-management, counterpoised the communist ideal of politically conscious workers with the vision of the self-manager as a *homo economicus* interested in maximizing personal gain. Far from ascribing pejorative connotations to this neoclassical economic concept, Županov and other liberal-oriented scholars envisioned a transformation from the peasant and wageworker to the collective entrepreneur as the future of self-management. All those tendencies in industrial relations that did not advance supposed rational choices along market criteria were declared a deviation from the universal development path. The main obstacle standing in the way

¹³ See for instance: Benjamin Ward, “The Firm in Illyria: Market Syndicalism in Yugoslavia”, *American Economic Review*, 48, 1958, 566-589, Jaroslav Vanek, *General Theory of Labor-Managed Market Economies* (Ithaca: Cornell University Press, 1970) or Saul Estrin, *Self-Management: Economic Theory and Yugoslav Practice* (Cambridge: Cambridge University Press, 1983).

¹⁴ Johanna Bockman, *Markets in the Name of Socialism: The Left-Wing Origins of Neoliberalism* (Stanford: Stanford University Press, 2011), 76-104.

of Yugoslavia's modernization was the alleged 'egalitarian syndrome' chronically present as a vestige of rural life encouraged by the statist faction of the ruling party.¹⁵ The expectation of an uninterrupted evolution of workers into free entrepreneurs and consumers thus occluded the investigation of class in a similar way as did the vulgar Marxist approach of the fully class-conscious and self-sacrificing proletarian.

Those rare researchers who managed to enter the factories and spend time in them, conducting qualitative research, shed light on the practices and phenomena that were crucial to the actual operation of the self-management system and yet were completely ignored by academia. In 1962, Yugoslav sociologist Cvetko Kostić produced an atypical study of a copper mine in the Serbian city of Bor and its surroundings. Kostić spent time living in the miners' settlement, which enabled him to describe the workers' connections to their home villages, their family structures and the proceedings of self-management meetings. He also made an unprecedented use of sources by going through the minutes of self-management and factory party meetings and coverage in the local papers.¹⁶

In the course of 1967, a doctoral student at Columbia Graduate School of Business, Ichak Adizes, was hosted as a foreign researcher by two unnamed Belgrade textile factories in order to explore the effects of decentralization on organizational behavior. Adizes carefully studied the administrative schemes and the economic performance of the host companies, but he also depicted the personalities of the professional managers, the ambience inside self-management meetings as well as the, often contradicting, management styles and communication with the workforce present in the two factories. Adizes proposed two models of industrial self-management enterprises. First, a market-oriented factory with strict hierarchical structures and strong management. The second model displayed a more horizontal organizational scheme, encouraging decentralization, weak management, a tendency to seek consensus and a culture of involvement at the bottom. Adizes' book uncovered the plasticity of the self-management system in real life. Regardless of the identical self-management institutions, the economic performance,

¹⁵ For a critical account of Josip Županov's writings see: Danijela Dolenc, "Preispitivanje 'egalitarnog sindroma' Josipa Županova", *Politička misao*, 51 (4) 2014, 41-64.

¹⁶ Cvetko Kostić, *Bor i okolina – sociološka ispitivanja* (Beograd: Savremena škola, 1962)

political influence and relations of power between different occupational groups determined the exact nature of self-management in each factory.¹⁷

Another American researcher, Ellen Turkish Comisso gained permission to enter an unnamed Zagreb toolmaking factory in the late 1970s. Turkish Comisso was interested in how the dual existence of plan and market conditions the self-management process. Rather than focusing on differences between factories, this research looked at different occupational groups within a single enterprise and presented their differing understandings of self-management. Furthermore, Turkish Comisso offered important insights about the overall functioning of Yugoslav industrial relations. She argued that, in contrast to the Soviet-type planned economy, there were two important breaks in the hierarchical command system in Yugoslavia. First, the workforce elected the enterprise management, which therefore had to be responsive to demands from below. This paved the way for workers to build alliances with their managers. Second, the state planning apparatus itself was divided between the local and the national government. Factories could therefore rely on the local authorities against the central government and seek protectionist measures.¹⁸

0.3. Mighty Elites and Subservient Workers

The 1980s proved to be fruitful years for historians wishing to take a bottom-up approach to labor under state socialism. The reforms initiated by the communist regimes and the increased possibility to access state archives made it possible to investigate socialist societies beyond official institutions. The emergence of the Solidarność movement in Poland and the growth of civil society in Eastern Europe contributed to the totalitarian paradigms losing their appeal. The power of ordinary people to influence and change government policies had finally been recognized. The practitioners of social history, and labor historians in particular, seized this moment to fill in the gap by conducting studies of socialist societies without giving precedence to high politics. The history of the October Revolution and the role of organized labor within it proved to be a particularly attractive topic for researchers in the West. The wave of new factory-

¹⁷ Ichak Adizes, *Industrial Democracy: Yugoslav Style. The Effects of Decentralization on Organizational Behavior* (New York: The Free Press, 1971).

¹⁸ Ellen Turkish-Comisso, *Workers' Control under Plan and Market: Implications of Yugoslav Self-Management* (New Haven: Yale University Press, 1979).

based studies led Lewis Siegelbaum to refer to the trend as the “late romance of the Soviet worker in the Western historiography”.¹⁹

In the case of Yugoslavia, the tendency to switch focus from the party-state to society was reflected in the edited volume *Yugoslavia in the 1980s*, edited by Pedro Ramet in 1985.²⁰ Among other things, the volume dealt with critical discourses about self-management, the changing nature of popular media, political initiatives of the party base, and religion. In Yugoslav academia, historians seized the opportunity of the end of thirty-year archive rule to embark on an exploration of the incipient years of workers’ self-management. Olivera Milosavljević researched the motivation of the party-state for the introduction of the new policy and workers’ responses to this shift, in her doctoral dissertation.²¹ Another example of this trend is Zdenko Radeljić’s research on the Yugoslav trade unions.²²

In the West, the newfound interest for the working class under socialism largely disappeared with the fall of the communist regimes in Eastern Europe. As Mark Pittaway noted, the opening of the archives and lifting of censorship control brought great possibilities for new research. Yet, few historians were interested in looking at labor under the new political climate, which was hostile to working-class traditions or saw workers’ organization around class grievances as an obsolete phenomenon.²³ The neglect of labor was part of a broader theoretical re-orientation of social researchers from class to other identities in the course of the 1980s and 1990s.²⁴ In South-Eastern Europe, the former party historians switched from positivist accounts of the proletariat’s

¹⁹ Lewis Siegelbaum, “The Late Romance of the Soviet Worker in Western Historiography”, *International Review of Social History*, 51, (3) 2006, 463-481, quoted in: Andrei Sokolov, “The Drama of the Russian Working Class and New Perspectives for Labour History in Russia”, in Jan Lucassen (ed.), *Global Labour History: A State of the Art* (Bern: Peter Lang AG, 2006), 414.

²⁰ Pedro Ramet (ed.), *Yugoslavia in the 1980s*, (Boulder: Westview Press, 1985).

²¹ Olivera Milosavljević, *Država i samoupravljanje: 1949-1956*, Doctoral dissertation (University of Belgrade, 1987).

²² Zdenko Radeljić, *Savez sindikata Jugoslavije i Hrvatske. Kronologija (1945-1985)*, (Zagreb: Radničke novine, 1986).

²³ Mark Pittaway, “Introduction: Workers and Socialist States in Postwar Central and Eastern Europe”, *International Labor and Working-Class History*, 68, 2005, 1-8.

²⁴ Lex Heerma van Voss and Marcel van der Linden, *Class and Other Identities: Gender, Religion and Ethnicity in the Writing of European Labour History*. (Oxford: Berghahn Books, 2002)

march toward communism to stories of the relentless resistance of nations under totalitarian regimes and similar newly-dominant narratives of nation building.²⁵

In the case of Yugoslavia, the emerging trend of writing history from below and labor history was cut short by a series of bloody civil wars in the 1990s, which paved the way for a return of the modernization paradigm, elite focus, and political history. The public thirst for explanations of the ‘Wars of Yugoslav Secession’, increasingly described by the media as ‘the most vicious atrocities in Europe after the Second World War’, triggered the mass production of new titles on the history of the Balkans and the causes of Yugoslavia’s disintegration. These early titles, labeled as “instant history” by the veteran historians of the region, fell into the trap of understanding the processes of the past in terms of their ultimate outcome.²⁶ To many writers, the temptation of newly acquired hindsight proved irresistible. In an attempt to frame the Eastern European social movements in the 1980s, Padraic Kenney notes that the literature on 1989 fails to appreciate the role of social protests in the early stages of that transformation.²⁷ Nowhere does this observation hold more weight than in the case of Yugoslavia. The rise of nationalist mobilizations and the subsequent wars cast a long shadow over the previous decades, erasing all memory of social movements and initiatives not fitting into the projected stream of inevitable events leading to disintegration and war.

The more serious scholarly accounts felt the same pressure to focus their writing on the most obvious lines of differentiation (religion, ethnicity) and the decisive social actors during the war years (political elites, diplomats, army officials). Locating the Serbian ‘anti-bureaucratic revolution’, in the fall of 1988, as a causal entry point in the analysis is a common place. *The Death of Yugoslavia* and *Balkan Babel*, key readings on the topic of disintegration of the

²⁵ For an overview of the development of historiography in South Eastern Europe in post-socialism, see: Ulf Brunnbauer (ed.), (Re) Writing History. Historiography in Southeast Europe after Socialism (Münster: Lit Verlag, 2004).

²⁶ Gale Stokes, John Lampe, Dennison Rusinow and Julie Mostov, “Understanding the Wars of Yugoslav Succession”, *Slavic Review*, 55, (1), (1996), 136-160.

²⁷ Padraic Kenney, Framing, “Political Opportunities and Eastern European Mobilization”, in Hank Johnston & John A. Noakes (eds.), *Frames of Protest: Social Movements and the Framing Perspective* (Lanham: Rowman & Littlefield, 2005), 144

country, both choose the rise of Slobodan Milošević with which to introduce their narrative.²⁸ The logical outcomes of this approach are the prominent role of the elites, the apparent power of ethnicity to mobilize, and skepticism toward any kind of sustained collective action of the masses. The 1980s therefore appear as a dark tunnel at the end of which awaits an explosion. The chapter titles, such as ‘The Gathering Storm’, ‘Milošević’s Irresistible Rise’ and ‘Unstoppable Slide to War’, reveal this fatalistic atmosphere.²⁹ The described ease with which the nationalist politicians rise to power and people march to war becomes overwhelming.

Authors who attempted to uncover the social forces gaining momentum in the decade preceding the break-up of the country more often than not found weak civil societies unable to activate the population and strong leaders in firm control of their territories. The role of individuals in the historical process was re-emphasized, thus seeking a replacement for the position once reserved for Josip Broz Tito. Many titles did not shy away from using alleged psychological profiles, made by the US psychiatrists of Slobodan Milošević and Franjo Tuđman, to help explain the course of events in the crucial years before the wars.³⁰ A biographical chapter on the life and political rise of Slobodan Milošević became a sort of historiographical cliché in the literature of the time.³¹ If one aimed at examining the other end of state-society relations, individual actors appeared once again in the shape of influential dissident nationalist intellectuals shaping the oppositional milieu and finding allies in varying factions of the ruling bureaucracy.³² Nebojša Vladislavljević thus rightfully labels the literature on the Yugoslav controversies of the 1980s as

²⁸ *Balkan Babel* does present a short historical introduction covering the political debates in the 1980s but, nevertheless, Milošević’s ‘coup’ inside the Serbian League of Communists remains at the heart of the argument. See: Sabrina P. Ramet, *Balkan Babel: The Disintegration of Yugoslavia from the Death of Tito to the Fall of Milosevic* (Boulder: Westview Press, 2002) and Laura Silber and Allan Little, *The Death of Yugoslavia - Revised Edition* (New York: Penguin Books, 1996).

²⁹ The first chapter title comes from Sabrina Ramet’s *Balkan Babel* while the following two can be found in Christopher Bennet, *Yugoslavia’s Bloody Collapse: Causes, Course and Consequences* (New York, New York University Press, 1995).

³⁰ Kate Hudson, *Breaking the South Slav Dream: The Rise and Fall of Yugoslavia* (London: Pluto Press, 2003), 70.

³¹ See for instance: Sabrina P. Ramet, *The Three Yugoslavias: State Building and Legitimation, 1918-2005* (Washington D.C.: Woodrow Wilson Center Press, 2006) or Christopher Bennett, *Yugoslavia’s Bloody Collapse: Causes, Course and Consequences* (New York: New York University Press, 1995).

³² See for instance: Aleksandar Pavković, *The Fragmentation of Yugoslavia: Nationalism and War in the Balkans*, 2nd Edition, (London: Macmillan Press Ltd, 2000).

“elite-centered, with a particular focus on high politics, dissident intellectuals and personalities”.³³

In the case that traces of popular mobilizations were detected, they were quickly dismissed as orchestrated affairs. In one of the most elaborate studies of the 1980s in Yugoslavia to this date, Dejan Jović explicitly argues that political elites were the sole relevant actors of the Yugoslav politics as the activism of the masses was “short-term, fairly unorganized and limited by the immediate intervention of the police and politicians”.³⁴ Jasmina Udovički and Ivan Torov went a step further by arguing that the labor protests in the 1980s were “carefully masterminded by special groups”.³⁵ Against this background, writing about the labor movement in Serbia, Mihail Arandarenko could confidently state that the local leadership “soon secured the support of virtually the entire nation...nationalist euphoria spread equally to the intelligentsia, farmers and white and blue-collar workers...no alternative conceptualizations were available for mobilizations”.³⁶

In the case of Serbia, the working class is thus typically placed in the context of nationalist mobilizations preceding the dissolution of the country. The event *most often used to illustrate the historiographical cliché of working-class support for authoritarian politics and nationalist calls is the protest of blue-collar workers from the Belgrade industrial suburb of Rakovica, in front of the Federal Parliament in October 1988. The workers supposedly arrived in a militant mood, armed with economic grievances, but decided to return to work after hearing a speech delivered to them by the League of Communists of Serbia leader Slobodan Milošević. At the time, journalist Jagoš Đuretić described the rally with the following words: “people arrived as*

³³ Nebojša Vladislavljević, *Serbia’s Antibureaucratic Revolution: Milošević, the Fall of Communism and Nationalist Mobilization*, (New York: Palgrave Macmillan, 2008), 4.

³⁴ Nevertheless, Jović’s book remains a seminal work for anyone trying to understand the inner party debates in late Yugoslav socialism and this thesis relies heavily on his insights. See: Dejan Jović, *Jugoslavija– država koja je odumirala: Uspon, kriza i pad Četvrte Jugoslavije 1974-1990* (Zagreb: Prometej, 2003), 325.

³⁵ Jasmina Udovički & Ivan Torov, “The Interlude 1980–1990”, in Jasmina Udovički & James Ridgeway (eds.), *Burn This House: The Making and Unmaking of Yugoslavia* (Durham: Duke University Press, 2000), 88.

³⁶ Mihail Arandarenko, “Waiting for the Workers: Explaining Labor Quiescence in Serbia”, in Stephen Crowley and David Ost (eds.), *Workers after Workers’ States: Labor and Politics in Postcommunist Eastern Europe* (Lanham: Rowman and Littlefield Publishers Inc., 2001), 161.

workers and returned as Serbs”.³⁷ Ever since, this phrase has been habitually used in popular and academic discourses to describe the alleged ease with which the workers abandoned their long-term class interests for nationalist demagoguery.³⁸

The historiography dealing with Slovenia, for instance, attributes more positive connotations to labor organizing in the late 1980s. Similar to popular accounts of the role of labor in Central Europe, the emergence of strikes and consequently independent trade unionism is typically seen as yet another manifestation of burgeoning civil society and democratization. Despite the more favorable normative claims, the Slovene workers are still perceived as mere side players in a broader transition toward the rule of law and liberal democracy, headed by the national intelligentsia and political leaders. Similar to the Serbian case, the dominant views on Slovene labor deny the workers an independent role and lack a more nuanced inspection of working-class protests at the time.³⁹ A notable exception is Tonči Kuzmanić’s effort to reveal the impact of labor strikes on Slovene popular opinion inside Yugoslavia and to distinguish between the different political orientations of various instances of strikes.⁴⁰

0.4. The Invisible or Ethicized Agency

Many of the authors focusing on the economic factors, as well as those opening up to cultural history, managed to escape the underlying traps found in the new wave of political history. The accounts of economic processes offer precious insights into the structural origins and social impact of the economic crisis in late Yugoslav socialism. In an attempt to research the inability of self-managed companies to perform in accordance with expectations, these authors were led to more society-oriented issues, such as relations of power within companies, inflation, wages,

³⁷ Slavoljub Đukić, *Kako se dogodio vođa: borbe za vlast u Srbiji posle Josipa Broza* (Belgrade: Filip Višnjić, 1992), 266.

³⁸ For instance: Momčilo Pavlović and Predrag J. Marković, *Od radničkog saveza do Saveza samostalnih sindikata Srbije* (Belgrade: Institut za savremenu istoriju, 2013), Nebojša Popov, *Radno mesto pod suncem: Radničke borbe u Srbiji* (Belgrade: Službeni glasnik, 2011), Zoran Paković, “Tri štrajka”, *Politika* (Kulturni dodatak), June 11, 2011.

³⁹ See for instance John K. Cox, *Slovenia: Evolving Loyalties* (London: Routledge, 2005), 70 or Rudolf Martin Rizman, *Uncertain Path: Democratic Transition and Consolidation in Slovenia*, (College Station: Texas A&M University Press, 2006), 38-49.

⁴⁰ Tonči Kuzmanić, “Strikes, Trade Unions, and Slovene Independence”, in Jill Benderly and Evan Kraft (eds.), *Independent Slovenia: Origins, Movements, Prospects* (New York: St. Martin’s Press, 1994).

investment in welfare, and standard of living. For instance, Susan Woodward's two monographs are consistently hailed as classics far surpassing the tasks they originally set on fulfilling.⁴¹ Woodward looks at the political economy of self-management in an international context. She sees the unequal terms of trade and the IMF-imposed liberalization drives as the central reasons for growing pauperization, insecurity and differentiation between the republics.⁴² Even though Woodward's description of working-class standards of living outshines other accounts in its openness toward themes of social inequality, her work does tend to present the workers primarily as victims, rather than dynamic social actors. The inclination of approaches coming from dependency and world systems theory background to belittle the activity of endogenous structures and internal agencies of change proves true in this case.

For its part, the cultural orientation contributed tremendously to the understanding of Balkan societies by pointing to previously overlooked phenomena and masked continuities. By relying on ethnographic and literary sources and personal accounts, these authors showed there were definite limits to the institutional power of the communist party-states on the ground. In the titles inspired by the 'cultural turn', the alleged let down by modernization in Yugoslavia was attributed not merely to the wrong policies and the inability to undertake the transition to a Western-style industrial society, as was the case with explanations relying on traditional modernization theories, or the pressures of the world market, as presented by Woodward. Instead, cultural history pointed to the instances of mimicry of genuine modernizing institutions and the persistence of patriarchal relations of power wrapped up in communist rhetoric. The Yugoslav socialist regime was regarded as being ultimately futile in its attempts to change society. Hidden beneath the statistical figures demonstrating a rapid makeover were surviving cultural bonds and traditional models of social behavior.⁴³

⁴¹ See for instance the favorable treatment of Woodward's works in: Gale Stokes, John Lampe, Dennison Rusinow and Julie Mostov, "Understanding the Wars of Yugoslav Succession", *Slavic Review*, 55 (1), 1996, 144-146

⁴² Susan L. Woodward, *Socialist Unemployment: The Political Economy of Yugoslavia 1945-1990* (Princeton: Princeton University Press, 1995) and Susan L. Woodward, *Balkan Tragedy: Chaos and Dissolution after the Cold War* (Washington D.C.: Brookings Institution Press, 1995)

⁴³ Dušan J. Djordjević, "Clio amid the Ruins: Yugoslavia and Its Predecessors in Recent Historiography", in Norman M. Naimark and Holly Case (eds.), *Yugoslavia and Its Historians: Understanding the Balkan Wars of the 1990s*, (Stanford: Stanford University Press, 2003), 11.

Interestingly enough, one already encounters many of the conclusions reached by research oriented towards ethnicity and cultural continuities in the Yugoslav academic and popular discourses of the late 1980s. In these years, the vestiges of modernization theory and assumed cultural patterns intertwine with each other. As the decade was ending, the liberal opinion makers, market-oriented enterprise managers, and reform-minded party functionaries, increasingly viewed the working class as an obstacle to a faster “catching up” with the West. Inspired by Josip Županov’s theory of the ‘egalitarian syndrome’, the reformist-minded intellectuals in Serbia, Slovenia and other republics insisted that Yugoslavia was lagging behind other industrialized countries due to patron-client relationships inside the factories, in which labor legitimizes the dominant position of the communist elite in exchange for the bureaucratic redistribution of limited goods.⁴⁴ According to such interpretations, egalitarian values were part of the primordial consciousness of the Balkan people standing in the way of successful modernization through the market. After a wave of workers’ demonstrations in front of government buildings in Maribor, Belgrade and other Yugoslav cities in the summer of 1988, the Zagreb liberal weekly *Danas* commented:

At times of crisis and tension, the historical socio-psychological matrix of our society always becomes visible. This is the time when society, whose roots lie in poverty and scarcity, comes back to its traditional values – egalitarian demands for social justice and authoritarianism. The protests in Belgrade and Maribor are a proof that these values survive in the form of a latent consciousness. In Belgrade, the workers demanded the expropriation of summerhouses of the bureaucracy... In Maribor they called for the leveling of income with other producers in the metal industry, reduction of business trips and removal of luxury cars parked in front of the factory. In tense and heated situations we see that there are always cries for equality and justice and they are always greeted with applause and cheers.⁴⁵

Instead of taking Županov’s hypothesis as a stepping-stone for further research into the state of self-management structures in late Yugoslav socialism, many authors used it as an excuse to turn

⁴⁴ See: Josip Županov, “Znanje, društveni sistem i 'klasni' interes”, *Naše teme*, 7-8 (1983), 1048-1054.

⁴⁵ Milan Jajčinović, “Doći ćemo opet: Protiv koga se bune radnici u radničkoj državi”, *Danas*, June 26, 1988, 18-19.

away from labor-related issues altogether. Rural environments and underdeveloped regions came to the forefront as the key spaces for cracking the Balkan puzzle.⁴⁶ As a result, social inequalities remained embedded in territorial and national frames. John B. Allcock notices, for instance, how the study of inequalities in Yugoslav society is often automatically placed in the context of different levels of development between various regions, but rarely in relation to different social layers within the republics themselves.⁴⁷ The cruder accounts from this tradition tended to produce the views of ethnic groups as ontological entities with their own interests and mentalities upon which the political leaders can prey.⁴⁸ Just as in the case when focus was on the state apparatus, isolated from the rest of society, processes through which conflicts arise and escalate are neglected again, only this time through supposedly timeless attributes of cultures and atavistic traditions in the Balkans.

0.5. (Re) Discovering Labor

A turn away from the dominant approaches described above was finally on the horizon in the second half of the 1990s. *State-Society Relations in Yugoslavia*, edited in 1997 by Melissa K. Bokovoy, Jill A. Irvine and Carol S. Lilly, attempted to reverse the elite-centered approach and follow the evolution of social movements based on the issues of ecology, pacifism, feminism, religion and counter-cultural groups.⁴⁹ One year later, Melissa K. Bokovoy presented the changing relationship between the Communist Party of Yugoslavia and the peasantry in the early postwar years. She showed how the increasing resistance in the countryside forced the authorities to revise their original agricultural policy and eventually abandon forced land collectivization altogether.⁵⁰ A welcome exception to the general neglect of social history, these two books paved

⁴⁶ See for instance the focus of contributions in Joel M. Halpern and David A. Kideckel (eds.), *Neighbors at War. Anthropological Perspectives on Yugoslav Ethnicity, Culture and History* (Pennsylvania State University, 2000).

⁴⁷ John B. Allcock, *Explaining Yugoslavia*, (New York: Columbia University Press, 2000), 9.

⁴⁸ See: Zlatko Isaković, *Identity and Security in Former Yugoslavia* (Aldershot: Ashgate, 2000) or F.W. Carter and H.T. Norris, *The Changing Shape of the Balkans* (London: UCL Press, 1996).

⁴⁹ Melissa K. Bokovoy, Jill A. Irvine and Carol S. Lilly, *State-Society Relations in Yugoslavia 1945-1992* (New York: St. Martin's Press, 1997).

⁵⁰ Melissa K. Bokovoy, *Peasants and Communists: Politics and Ideology in the Yugoslav countryside 1941-1953* (Pittsburgh: University of Pittsburgh Press, 1998).

the way for more titles demonstrating the limits of the party and the state to impose their will and awakened interest in autonomous initiatives within society.

In 2002, came Jasna Dragović Soso's study on the making of Serbia's nationalist intelligentsia under socialism. Dragović Soso skillfully showed how the nationalist positions by the end of the 1980s were not the result of a pre-calculated chauvinist agenda, but rather extrapolations of a long process of ideological debates, conflicts inside the party and general trends in society.⁵¹ In 2004, sociologist V.P. Gagnon made a strong case for history from below.⁵² His book entitled 'The Myth of Ethnic War', used polling data, collected by Yugoslav sociologists in the 1980s, to discredit the idea of wars as the result of ancient hatreds or political manipulation of the people. On the contrary, he argued that violence was a strategic choice of the elites confronted with popular mobilizations. In 2008, Nebojša Vladislavljević followed this thread with a groundbreaking study on the movement of Kosovo Serbs, proving that it was not an invention of the bureaucracy, but a genuine grass roots movement containing a multitude of voices and conceptions only to be co-opted by the new Serbian officialdom in the autumn of 1988. Vladislavljević also partly covered the labor strike episodes, recognizing them as the primary social movement at the time.⁵³

In recent years, one can also witness a trend towards the study of everyday life in socialist Yugoslavia. It seems that historians of the region are finally in tune with the broader trend of rewriting the history of communism free from clichés of national awakening and totalitarian rule. Informed by the best theoretical insights of the 'cultural turn' and the surviving traditions of social history, a new generation of researchers is rediscovering the history of socialist Yugoslavia through consumption, leisure and popular culture.⁵⁴ While the trend of cultural and

⁵¹ Jasna Dragović- Soso, *Saviors of the Nation: Serbia's Intellectual Opposition and the Revival of Nationalism* (London, McGill-Queen's University Press, 2002).

⁵² V.P. Gagnon, *The Myth of Ethnic Conflict: Serbia and Croatia in the 1990s* (Ithaca, Cornell University Press, 2004)

⁵³ Nebojša Vladislavljević, *Serbia's Antibureaucratic Revolution: Milošević, the Fall of Communism and Nationalist Mobilization*, (New York: Palgrave Macmillan, 2008).

⁵⁴ See: Igor Duda, *U potrazi za blagostanjem: O povijesti dokolice i potrošakog društva u Hrvatskoj 1950-ih i 1960-ih* (Zagreb: Srednja Europa, 2005), or Breda Luthar and Marusa Pušnik (eds.) *Remembering Utopia. The Culture of Everyday Life in Socialist Yugoslavia* (Washington: New Academia Publishing, 2010), or Hannes Grandits and

social history is a boon to the general historiography of Yugoslavia, the question of labor and workers' self-management has rarely been tackled until recently. Despite an expansion of titles undertaking fresh, society-oriented theoretical approaches and empirically-rich case studies, the choice of subject matters and social groups placed under scrutiny still revolves around the themes already raised in the late 1990s. Historians are dealing mostly with consumerism, new social movements, the middle classes and the intelligentsia, but there is little concern with the industrial working class.

It certainly sticks out as an oddity that among the volumes of books written about the events leading up to the break-up of socialist Yugoslavia, a country officially built on workers' self-management, not a single one deals explicitly with labor. The working class and its potential reactions stood at the very center of the ruling party's contemplations about the appropriate policies. The previous section hinted at just how important it was for the liberal reformists in the 1980s to disconnect the party from its industrial base. *It makes sense to approach Yugoslav state socialism through the feature that allegedly made it exceptional and the social class considered to stand at the heart of its existence.* The disproportional weight given to dissident intellectuals and new social movements, as the main protagonists of democratization and change from below, seems all the more misplaced when one looks at the ever-increasing figures of industrial action and their presence in the media of the time. The image of a politically-engaged worker carried specific symbolic weight in socialism. The striking industrial workers sensitized the 1980s Yugoslav public to controversial political issues and opened a space for many other social mobilizations by the end of the decade.

In 2007, Sabine Rutar's pioneering essay set out to sketch different periods of modern forms of labor in Yugoslavia in a *longue durée* and to connect the writing of regional labor history to the theoretical insights of 'global labor history' developed by Marcel van der Linden and his

Karin Taylor (eds.) *Yugoslavia's Sunny Side. A History of Tourism in Socialism (1950s-1980s)* (Budapest and New York: Central European University Press, 2010).

associates at the International Institute of Social History.⁵⁵ This call was followed by a new generation of scholars motivated to grasp the Yugoslav socialist experience through the prism of the interaction of the party-state and labor. In 2008, sociologist Marko Grdešić questioned Mihail Arandarenko's application of the universal thesis of weak labor in Central and Eastern Europe to Yugoslavia⁵⁶ by reassessing the legacy of workers' self-management on organized labor in transitional Slovenia, Croatia and Serbia.⁵⁷ Vladimir Unkovski Korica's doctoral research into the formative years of workers' self-management is an overdue continuation of the research started in the 1980s but which was cut short by the emerging wars. By carefully examining the previously unexplored party-state documents from the archives, Korica concludes that trade unions had a tremendous influence on the shaping of the "Yugoslav road to socialism" during the 1950s and provided crucial support for the victory of the reformist wing of the party in the 1960s.⁵⁸

Other researchers focused on micro-studies of everyday life and working conditions in single regions, working class neighborhoods or factories, drawing upon previously unused locally-produced sources such as the press, party reports, minutes of self-management meetings and life-history interviews. Vladan Vukliš, a historian and archivist, launched an initiative to preserve the sources produced inside the self-managed industry and researched the making of the interwar proletariat in Western Bosnia.⁵⁹ Chiara Bonfiglioli looks at the gendered labor of the Yugoslav textile industry and the changing identities of women workers during the transition to

⁵⁵ Global labor history attempts to revive labor history by turning away from methodological nationalism and traditional orientation toward, male workers in heavy industry, the idea of free wage work as the norm, as well as the spatial focus on the North-Atlantic. See: Marcel van der Linden, "Introduction", in Marcel van der Linden (ed.), *Workers of the World: Essays toward a Global Labor History, Studies in Global Social History, Volume 1* (Leiden: Brill, 2008), 1-17.

⁵⁶ Mihail Arandarenko, "Waiting for the Workers: Explaining Labor Quiescence in Serbia", in Stephen Crowley and David Ost (eds.), *Workers after Workers' States: Labor and Politics in Postcommunist Eastern Europe* (Lanham: Rowman and Littlefield Publishers Inc., 2001).

⁵⁷ Marko Grdešić, "Mapping the Paths of the Yugoslav Model: Labour Strength and Weakness in Slovenia, Croatia and Serbia", *European Journal of Industrial Relations*, 14 (2), 2008, 133-151.

⁵⁸ Vladimir-Unkovski Korica, *The Economic Struggle for Power in Tito's Yugoslavia: From World War II to Non-alignment* (London: I.B. Tauris forthcoming in February 2016).

⁵⁹ Vladan Vukliš, "Radništvo i kapitalizam u Bosanskoj Krajini 1918-1941: nacrt za jednu socijalnu istoriju"; draft paper presented at the conference "Economy of the Bosnian Frontier in era of rising capitalism, 1878-1941", April 2013, Banjaluka (Bosnia and Herzegovina).

capitalism.⁶⁰ Rory Archer's doctoral research deals with the inequalities within social housing provisions in working-class communities during Yugoslav late socialism and the grassroots debates triggered by such practices.⁶¹ Finally, it is important to mention the ongoing comparative historical research of steel workers' cultures in Bulgaria and Albania, conducted by a team of researchers, headed by Ulf Brunnbauer, at the Institute for South East Europe at the University of Regensburg.⁶² This research could inspire other comparative approaches that go beyond Yugoslavia's supposed exceptionalism and the establishment of a common group of themes for studying Balkan labor history, thus bringing the regional historiography one step closer to Sabine Rutar's vision.

Most of the above-mentioned research is still work in progress or awaits publication. Nevertheless, there are already small but tangible signs of change in the historiography of the region. The edited volume entitled 'Social Inequalities and Discontent in Yugoslav Socialism' marks a clear return to social history and the investigation of class, far removed from the sterile focus on institutionalized and politically-engaged labor present in former Yugoslavia. The book's introduction states that the collected case studies include voices of a "wide spectrum of informants from factory workers and subsistence farmers to fictional television characters and pop-folk music superstars, from precarious rural and urban migrants to wealthy migrant workers and well-to-do children of the local elites".⁶³ The second 'Socialism on the Bench' conference organized in 2015 by the Centre for Cultural and Historical Research of Socialism at the University of Pula, which gave an overview of the current historiography on state socialism in

⁶⁰ Chiara Bonfiglioli, "Gender, Labour and Precarity in the South East European Periphery: The case of Textile Workers of Stip", *Contemporary Southeastern Europe*, 1 (2), 2014, 7-23.

⁶¹ Rory Archer, "Imaš kuću –vрати stan. Housing Inequalities, Socialist Morality and Discontent in 1980s Yugoslavia", *Godišnjak za društvenu istoriju*, 3, 2013, 119-139.

⁶² Biljana Raeva and Ulf Brunnbauer: "Fabrikarbeiter, Gewerkschaften und Funktionäre im 'entwickelten' Sozialismus. Die Aushandlung von Arbeiterinteressen am Beispiel des bulgarischen Stahlwerks Kremikovci", *Südost-Forschungen*, 72, 2013, 287-318.

⁶³ Rory Archer, Igor Duda and Paul Stubbs, "Bringing Class Back In: An Introduction", in Rory Archer, Igor Duda and Paul Stubbs (eds.), *Social Inequalities and Discontent in Yugoslav Socialism* (Farnham: Ashgate, forthcoming in April 2016), 4.

South-East Europe, hosted an entire slot of panels dedicated to labor history, with many of the aforementioned researchers presenting their work.

0.6. Approaching Class and Nation in a Self-Managed Factory

This research draws inspiration from the described shift in the historiography of socialist Yugoslavia toward class, micro-history and everyday history approaches. It seeks to contribute to a better understanding of the social effects ushered in by the large-scale phenomena of late Yugoslav socialism, such as economic and political crisis, the rise of nationalism, market reforms and, eventually, state dissolution by examining them qualitatively at the micro-level of two industrial communities. In order to catch the plurality of interests and contradictions of workers' self-management on the shop floor, it will focus on two case studies. The two factories and their wider communities, which give the research a micro-level focus, are Industrija motora Rakovica (IMR) located in Serbia and Tovarna avtomobilov Maribor (TAM) located in Slovenia. Both enterprises were large-engine and automotive plants with a rich inner cultural and political life, which were bound to reflect the broader discussions taking place in their republics, but also influential enough to impose their own concerns onto the public and the party-state.

The observed factories had an interconnected development throughout the existence of socialist Yugoslavia. In the initial post-war years, they competed head on with each other as a part of the government 'socialist competition' policies. In the following decades, they continued to be business partners in the expanding socialist market. In the late 1980s, the history of the relationship between the two factories entered popular discourses and political debates. The diverging development paths of the enterprises was picked up by the Serbian communist leadership to exemplify the allegedly unequal position of their republic inside the federation. As already noted, IMR played a prominent role in the Serbian social mobilizations of the late 1980s, ever since it staged a protest in front of the Yugoslav Federal Parliament in October 1988. Four months earlier, TAM workers initiated a citywide general strike in Maribor, forcing Slovene government officials to address their grievances.

Methodologically, the research follows the precedent set by Cvetko Kostić in his investigation of a Serbian mining community in the early 1960s. It will use the advantage of time distance to take a fresh look at the sources produced inside the factories and historicize workers' grievances. On

the other hand, like Adizes and Turkish Comisso and starting from the concrete case studies and the ‘shop floor view’, the research will not shy away from posing broader questions about the general dynamics of Yugoslav socialism or the different ways in which the official policies connected to the debates inside the factories. The dichotomy between the workers’ formal location of power within the Yugoslav socialist state and the apparent easiness with which they gave way to the populist nationalist leaderships and market reformers, poses the question of the composition of the Yugoslav working class and the dominant political and ideological discourses taking place amidst its ranks at this particular historical juncture.

Late Yugoslav socialism, defined here roughly as the period between the last grand reform of the self-management system adopted in 1976 (the Associated Labor Act) and the final dissolution of the country in 1991, was a challenging time for the working class and inherited understandings of socialism. The communist party ruled under the slogan of “brotherhood and unity”, upholding the equality of the different nations as the central value of the system. Bound together by shared material interests and political consciousness, the industrial working class was supposed to be the main protector of this revolutionary legacy. In contrast to the passive state of civil society in the 1970s, the final decade of self-managing socialism witnessed an increasing politicization of everyday life and growing unrest inside the factories. Until the death of Tito in 1980, debates about the problems of Yugoslav socialism tended to be restricted to political and managerial elites and intellectuals, but, during the 1980s, the discussion of social, economic and political change spilled out of institutional and elite frames and entered a broader public discourse. The political disagreements between the different republics and uneven regional development were increasingly mediated through nationalist language.

In Slovenia and Serbia, the party elites and intelligentsia felt the existing political and economic set-up of the federacy was strangling the prospective development of their republics. As Dejan Jović showed in his seminal study,⁶⁴ the nationalist ideology and oppositional discourses in general, gained most ground in Yugoslavia’s most developed, northern republic and the largest, most populous republic standing at its center. The industrial working classes of these two

⁶⁴ Dejan Jović, *Jugoslavija – država koja je odumirala: Uspon, kriza i pad Četvrte Jugoslavije 1974-1990* (Zagreb: Prometej, 2003)

republics were placed in a peculiar position. On the one hand, the top party leadership entitled the blue-collar workers with the role of a social vanguard, the staunchest defenders of brotherhood and unity. On the other, the crisis-hit, self-managing producers were often placed in relations of market competition and rivalry. When faced with economic difficulties, the management of the work collectives was quick to adopt nationalist-colored explanations and expected protection from their local political leaderships.

Theoretically, the research relies greatly on the insights of Ellen Turkish Comisso, in particular her observation that the system of self-management enabled the Yugoslav working class to pursue two distinct types of alliances. The workers could rally behind their local management and demand the extension of enterprise autonomy and greater market freedoms. Conversely, they were in a position to take advantage of their privileged status in the official party ideology and align with the political leadership, once the management had gained too much influence and social inequalities increased. Marko Grdešić builds upon this dynamic when he talks about ‘micro-corporatism’ in factories located in economically more developed regions, which were typically capital intensive, and oriented toward exports. This ‘insider coalition’ between the workers and the management was weaker in labor-intensive enterprises focused on the domestic market, which tended to rely on state subsidies. The micro-corporatist arrangement was a normal state of affairs in successful companies. Yet, in times of exceptional crisis, these local alliances tended to give way to a ‘grand coalition’ between the workers and the party leadership, directed against the management.⁶⁵

The research seeks to take a closer look at the changing nature of the bonds between the workers in the two selected factories, their management and the political leaderships in the late 1980s. The idea is not to simply reverse the dominant *lines of explanation* by arguing that labor was somehow immune to nationalist and liberal ideology, nor to paint an idealized picture of industrial workers in full accordance with the virtues projected onto them by the ruling socialist ideology or the post-socialist values of liberal society. Still, the research will not observe workers as passive recipients of ideas and organizational forms from above. By describing the changing alliances between the

⁶⁵ Marko Grdešić, “Exceptionalism and Its Limits: The Legacy of Self-Management in the Former Yugoslavia”, in Stephen Crowley, Teri Caraway and Maria Cook (eds.), *Working Through the Past: Labor and Authoritarian Legacies in Comparative Perspective* (Ithaca: Cornell University Press, 2015) 103-121.

political bureaucracy, the management and workers, the dissertation will try to shed light on the sheer complexity of Yugoslav industrial relations, as well as the ability of labor to shape independent interpretations of the crisis, impose its grievances onto official discourses, and rally around autonomous initiatives.

One of the main tasks of the dissertation is to capture the meaning of the concepts widely used by political and economic elites in late Yugoslav socialism once they filtered down to the factory shop floor. The question is: what categories dominated workers' descriptions of their immediate environment and how did they change over time? The research therefore seeks to question the stability of concepts and categories whose meaning is often taken for granted, and to explore how they were embedded in local contexts. It also looks for the main lines of contention and asks how different actors organized around them. Keeping in mind the heterogeneity of the factory workforces, the dissertation will shed light on the way the workers expressed their grievances and demands depending on their skill, age, gender or nationality. How did different occupational groups interpret the crisis and appropriate the official ideology from their particular position, and did they attempt to mobilize the work collective behind a common cause?

Apart from focusing on the inner factory debates developing over a longer period of time, the research will dedicate special attention to moments of industrial action, walkouts and protests. Frustration with the undemocratic practices inside the party and institutions of workers' self-management led many blue-collar workers to seek alternative channels for expressing their grievances and putting pressure on the authorities. Once it became clear that the party-state was particularly responsive to public gatherings and rallies of social movements utilizing official symbols and slogans to promote their demands, workers on strike started walking out of their factories and staging protests in front of the government buildings. It is during these brief moments of collective action that latent notions and discussions taking shape inside the institutionalised enterprise setting finally came out into the open. In these moments, various streams of explanations and opposing ideas were articulated and picked up by actors in motion.

Strikes, blue-collar marches, grassroots mobilizations of different social groups and rallies organized by the party-state offer good opportunities to observe different strands of oppositional discourse in action as well as the process of the collective framing of particular grievances. By looking closely at these events, the research aims to find out how blue-collar workers identified

themselves in relation to other occupational groups. Was there a particular blue-collar explanation of the crisis? Whom did the striking workers perceive as the main enemy and potential allies? Did they organize through the formal self-management bodies or were parallel structures created through industrial action? Which identities and ideas were used to connect with other workers on strikes or parallel social movements demanding change?

In his momentous study of the forging of the English working class, Edward P. Thompson saw class “not as a ‘structure’ or even as a ‘category’, but as something which in fact happens (and can be shown to have happened) in human relationships”.⁶⁶ This view of class formation as an active process looks for the awareness of an identity of interests among the workers against the interests of other classes and the growth of corresponding forms of political and industrial organization. By unraveling the multifaceted political, economic and cultural changes taking place in the everyday lives of the industrial working class and conceiving of workers as active agents in their surroundings, this research seeks to problematize the oversimplified, teleological presentations of the past in order to better capture the ambiguities, contradictions and inconsistencies of Yugoslav socialism and the experiences of the working class within it.

The terms ‘working class’ or ‘direct producers’ remain loaded with ideological and political connotations, as they were widely used by the party-state to justify the existing socio-political order. The research therefore approaches the notion of class in socialism with great caution. It recognizes the analytical usefulness of the term ‘working class’ as an empirical way of locating a particular layer of the population, which ostensibly occupied a privileged place in socialist ideology and yet increasingly came into conflict with the authorities by the 1980s. The research acknowledges that official ideology had (and likely still has) a lasting effect on the subjective ways in which workers saw themselves and their role in society. Nevertheless, it is wary of simplified and essentialist presentations of the working class as a homogeneous entity with a unitary consciousness automatically stemming from its social position and matching the ideological standards set by the party-state. Yugoslav workers had an array of different, often contradictory, identities influencing the ways in which they interpreted their world. Some industrial workers were members of the party while others were not. Some were religious, some atheist. Workers were

⁶⁶ E. P. Thompson, *The Making of the English Working Class* (New York: Pantheon, 1964), 66.

skilled and unskilled, women and men, semi-farmers and urban dwellers, migrants and natives, members of different ethnic groups, employees of rival enterprises and members of local communities in highly differentiated regions.

The aim is not to reduce this complexity by attempting to devise immutable categories but rather to explore the ways in which workers developed multiple interests, concerns and identities and what was the relationship between them in a particular historical moment. In order to investigate to what extent one can talk about the ‘working class’ in socialist Yugoslavia in any meaningful sense, in other words as a relatively coherent social group on the move from being the class “in itself” to the class “for itself”, the research reaches out to the four main elements of workers’ consciousness underlined by sociologist Michael Mann in his classical study *Consciousness and Action Among the Western Working Class*.⁶⁷ The criteria were developed for workers in capitalist economies. Still, contrasting the conditions of a market economy resting on private ownership with Yugoslav self-management might expose important and unique phenomena, which shaped local perceptions.⁶⁸

By looking at workers’ acknowledgment of shared common predicament with other manual laborers, their identification of the main opponents of labor, the power of blue-collar images of the world to explain the totality of workers’ daily experiences as well as workers’ capability to imagine a common goal toward which one moves in the struggle with the opponents, the research concludes that after three decades of dynamic industrialization and urbanization process, the Yugoslav working class was still highly atomized and lacked well rooted independent political traditions. These features enabled the reformist leaderships in the late 1980s to coopt or marginalize working class discontent. On the other hand, workers were not passive recipients of ideas from above. The dissertation will show how many themes adopted by the party leaderships in Belgrade and Ljubljana in the second half of the decade were already discussed inside the factories years beforehand. Workers struggled to form their own views of the social crisis, tried to impress their grievances on official institutions, staged strikes and rallied around autonomous initiatives. In

⁶⁷ Michael Mann, *Consciousness and Action Among the Western Working Class* (London: Macmillan Press, 1973).

⁶⁸ Mann’s criteria and their potential application to workers in late Yugoslav socialism will be discussed in the Conclusion.

order to mobilize workers' behind the reforms, the political elites had to confront rival explanations on the shop floor, offer concessions and strike deals with organized labor.

0.7. Sources and Structure

Each Yugoslav enterprise was crisscrossed by a network of self-management bodies on all levels, holding regular meetings in which workers participated in the business of decision-making, but sometimes also discussed more general topics of concern for the communities they lived in or even for the country as a whole. Self-management bodies were therefore places where unified company identity could be forged by contrasting the common interests of the entire workforce to that of other work organizations or the state. In other instances, these bodies could also serve as sites of contention between different occupational groups within the enterprise and seek alliances outside of the factory gates, along political, national or occupational lines in other localities. The enterprise therefore presents us with a crucial level of analysis when trying to uncover the specific understandings and interpretations of macroeconomic processes and political slogans launched by the party apex.

Unfortunately, the majority of materials from these institutions have not been archived or remain unprocessed and unavailable to historians. The research gets around this obstacle by focusing on the factory press. The spread of news and reports from various meetings among the workforce was seen as crucial for reaching well-informed business decisions in self-management bodies. Both factories maintained a professional staff of journalists and issued a weekly paper. The careful reading of these publications offers a good insight into the discussions taking place in the factory, including the reactions of shop-floor workers. IMR's paper was often severely criticized by the factory management for spreading rumors and stirring unnecessary discussion. The representativeness of debates reported in the paper was proved by comparison with the saved minutes of IMR's Vehicle Department Workers' Assembly – a broad-based self-managing organ. The minutes from this key blue-collar assembly largely confirm the inclusive and pluralist nature of the paper. In the case of TAM, by the mid-1980s, the paper was increasingly coming under the control of the management and being shaped as propaganda directed toward the workforce and business associates. Even in this case the articles and reports offer a sound overview of workers' grievances.

A precious source for Rakovica was the documentary film entitled *Žulj* (Blister) filmed during 1986, which contains interviews with various IMR production workers and offers an insight into enterprise-provided housing. *Umrli gigant* (Dead Giant), a documentary about TAM, was made after the closing of the factory in 2002 and contains interviews with former workers reflecting back on their experiences inside the factory. The film provides useful information, but understandably, the workers' narratives in this case are stamped by nostalgic sentiments. In the case of TAM, a good additional source were the comics appearing in the factory press, which are partly organized in separate appendixes. These comical drawings often reveal the important issues not discussed in public. In addition, the research is informed by a series of interviews conducted with former workers and self-management functionaries from both factories.

The structure of the dissertation is the following. The first chapter offers an overview of the historical development of two factories through different periods of Yugoslav socialism. It shows different and often-opposing tendencies within the 'Yugoslav road to socialism' as reflected in IMR and TAM, as well as the ways in which workers reacted to shifting official interpretations of self-management. Special attention is dedicated to the expanding influence of the market and the economic and political crisis of the late 1960s, which created conditions for a revision of the dominant local understandings of what constitutes a 'self-managed work collective'. The chapter closes by outlining the main aims and structures of the ambitious reform of workers' self-management initiated during the 1970s as a response to the growing influence of managers and market-induced inequalities in the previous decade.

The second chapter shows the ways in which the 1970s reforms were implemented and adjusted to the specific management culture of each enterprise. It also takes a closer look at the fading influence of the communist party in factories and workers' special connection to the populist rule of Josip Broz Tito. Finally, this part of the dissertation describes the everyday routines of work and leisure inside the two blue-collar communities at the height of the 1970s welfare state. The third chapter focuses on social inequalities within wider blue-collar communities and differentiates between different groups of factory workers based on their skill level, gender and place of origin. A special emphasis is placed on the generation gap between the older workers, whose life expectations were shaped by the experience of the World War Two, and the younger workers, who grew up in postwar prosperity. The chapter also exposes the problems of loose work discipline and

workers' misuse of social property. The appendix presents many of the themes running through the chapter in the form of caricatures published in the factory papers.

The fourth chapter shows the devastating effect of the 1980s economic crisis had on the workers' standard of living. It goes on to explore the inability of the party to influence the shop floor and details how different occupational groups saw the crisis and fought to impose their own solutions. The core theme of this chapter is the party campaign of bottom-up discussions, conducted in 1984, with the aim of reviving faith in the party-state and to gain a new momentum for reforms. It closely follows the main discussions and the results of the campaign in both localities. Finally, it will show how the managements took the opportunity of stalemate within the party to push for their own vision of market reforms and the different levels of success they had in both factories.

The fifth chapter gives answers to the question as to why the workers abandoned the self-management bodies implemented in the 1970s, which could have potentially defended their prerogatives and standard of living. The chapter demonstrates how the workers broke the alliance with the factory political activists and started orienting to the top management. It also describes the entry of oppositional, nationalist discourses into the factories and explains their attachment to local grievances. At the end of the chapter, the second appendix offers additional views of the main absurdities of self-management practice with the help of caricatures. The sixth chapter shows how the steady pressure from below finally brought political changes at the top of the Slovene and Serbian party in the second half of the 1980s. It will also show how a layer of the workforce was keen to abandon the ideology of brotherhood and unity and form an internal alliance with the management in calls for faster market reforms and greater protectionism. In the case of Rakovica, the discussion will show how an alternative path for organizing and understanding the crisis was also developed through the local trade union.

The seventh chapter describes two momentous strikes organized by workers of the two factories in the summer and fall of 1988. It will show how different, often contradictory, understandings of the crisis and workers' demands were intertwined in public spaces. The chapter concludes by revealing the different ways in which the Serbian and Slovene officials addressed workers' grievances and set the tone for increasingly nationalist-charged official public language in the following years, leading to the ultimate break-up of the country.

Chapter One

Two Roads to Self-Managing Socialism

1.1. The First Contours of Two Blue-Collar Communities

The picture of Rakovica as Belgrade's most blue-collar municipality was accepted as common knowledge in socialist Yugoslavia's capital. The media, citizens and the politicians alike associated this part of the city and its residents with straightforward, working-class attitudes held essential for the maintenance of the self-management system.⁶⁹ A glimpse at the distribution of the industrial workforce across Belgrade at the end of the 1980s does not seem to back up this widespread belief. The statistics show that Rakovica, with some 13,000 metal and rubber industry workers, lagged behind larger municipalities such as Zemun, home to over 30,000 industrial workers, or Palilula, which was located closer to the city center and still registered over 23,000 workers employed in industry.⁷⁰ Nevertheless, the blue-collar workers in the latter two municipalities were dispersed among numerous employees in the service sector and state administration. On the other hand, 70 percent of Rakovica's employed population worked in industrial enterprises.⁷¹ The image of a working-class municipality was therefore not based on absolute numbers, but on the high concentration of blue-collar workers in one smaller municipality.⁷²

A closer look at the city topography might additionally explain what set Rakovica apart from other blue-collar localities. Zemun and Palilula are positioned in Belgrade's northern part, close

⁶⁹ See, for instance, the way in which high LCY official Kiro Gligorov describes Rakovica as the place where "genuine workers' words always come to the fore" in D. Žujović, "Ostvariti Opređenja", IMR, November 22, 1983.

⁷⁰ *Statistički godišnjak Beograda*, (Beograd: Gradski zavod za statistiku i informatiku, 1989), 266.

⁷¹ In Palilula the share of industrial workers approached 30 percent of the total employed, while in Zemun this number went up to 50 percent.

⁷² In 1981 population census Rakovica had 87,067 residents. See: *Statistički godišnjak Beograda*, (Beograd: Gradski zavod za statistiku i informatiku, 1989), 222.

to the Danube River, on the lower edge of the Pannonia plain.⁷³ The wide spaces of the river plain allowed the factories to be set up with a significant distance between them, often separated by long stretches of roads and residential areas. In the south, the Rakovica industrial basin was a gateway to hilly Central Serbia, squeezed in the long and narrow valley along the small local river. The factories there were built in a straight line, one right after the other, almost with no clear-cut borders. In the morning, when the first shift workers would start arriving in the factories, the bottleneck at the entrance of the basin would form crowds of people resembling a big day at the football stadium.⁷⁴ Unlike most other municipalities hosting large factories, to which blue-collar workers commuted for work, Rakovica had the highest percentage of match between the workplace and residence.⁷⁵ This fact contributed to a pronounced feeling of common predicament and shared identity. As one trade unionist from the time remembered, if a strike would break out in a single department of one factory, within one hour the news would spread through the grapevine and become the main topic in the entire municipality.⁷⁶

The metalworkers formed the core of the basin's industrial workforce. Two large representative motor factories employed the majority of them. *Industrija motora Rakovica (IMR)* was the largest single factory in Rakovica, employing close to five thousand people at its height in the mid-1980s. It specialized in diesel engines and tractors. The second one was *21. Maj*, oriented to more demanding automobile and airplane engines. Situated between the two centerpiece enterprises was the rubber and tire producer *Rekord* – the factory with the lowest wages, unskilled workforce and the toughest working conditions. The top position in the Rakovica inner hierarchy was reserved for the nearby *Tehnogas*, the extractor of natural gas, whose managerial board served as the springboard for many functionaries of the Serbian League of Communists, including the two main party figures in the second half of the 1980s – Ivan Stambolić and

⁷³ Built on the confluence of Danube and Sava rivers, Belgrade marks the southern end of the European Pannonia plane and the beginning of the mountainous Balkan region.

⁷⁴ Interview with Radoš Karaklajić, March 2011.

⁷⁵ Some 70 percent of Rakovica workers also resided in the municipality. This number ranged between 10 and 36 percent in industrial zones located closer to the city center. Dragan Petrović, *Istorija industrije: Razvoj i razmeštaj industrije Beograda u XIX i XX veku, II tom* (Beograd: Srpsko geografsko društvo, 2006), 473-474.

⁷⁶ Interview with Milan Kljajić (IMR trade unionist), March 2011.

Slobodan Milošević.⁷⁷ Along with the reputation of delegating outspoken representatives to political forums and geographic closeness to the federal and republican institutions of power, the personal connection between the municipality and the leadership of the Serbian League of Communists certainly contributed even further to Rakovica's visibility and its political and economic prestige in the 1980s.⁷⁸

One part of the motors and components produced in Rakovica would certainly be sent to Yugoslavia's most northwestern industrial city of Maribor. As Slovenia's regional center, Maribor and its industrial basin Tezno were not sites of frequent high-profile political visits, as was the case with factories in Rakovica. The name of the municipality did not ring a bell outside of Maribor, but the local automotive industry, Tovarna avtomobilov Maribor (TAM), was a well-known and trusted trademark in Yugoslavia. TAM's trucks and buses were the transportation vehicles of choice for numerous companies and individuals throughout the country. The factory was also a staple supplier of the Yugoslav People's Army. TAM's wider image was based on the quality of its manufacturing and marketing. Its products were reliable, heavy-duty vehicles and considered top of the line on the domestic market. Located not far from the border with Austria, the media, political authorities and workers from less developed regions were eager to see Maribor as Yugoslavia's most "Western" industrial center. Maribor's geographical location seemed to predestine its high living standards and successful emulation of the most advanced production techniques.

In 1985 the Yugoslav Economic Chamber recognized the factory's achievements by inviting TAM's experts to present their research and development policy at a conference organized for the state functionaries and members of the LCY Central Committee. Upon returning from a visit

⁷⁷ Ivan Stambolić was briefly an apprentice on the IMR shop floor during his vocational education. Afterwards he went on to study law at the University of Belgrade. Before occupying key posts in the city and the republic in the late 1970s and 1980s, Stambolić was the executive manager of Tehnogas. Slobodan Milošević also worked as the general director of Tehnogas in the mid-1970s before pursuing a political career in the city party apparatus under Stambolić's tutorship.

⁷⁸ Between 1980 and 1988, the IMR paper reports no less than five official visits made by Ivan Stambolić to the factory as the city and republic official. In that same period, four LCY Central Committee representatives, as well as the Vice-President and the President of the Federal State Presidency, also spoke at the IMR. Foreign political leaders were often given a guided tour of the IMR as part of the protocol upon visits to the country, among them the President of Egypt, Hosni Mubarak, and the Prime Minister of India, Indira Gandhi.

to TAM in the mid-1980s, a group of workers from Bosnia wrote an article for their factory paper under the heading *The Giant of the Automobile Industry*. Reporting on their trip to Maribor, the guests compared TAM's plants to a nest of bees. "One cannot witness this genuine laboring atmosphere and not feel a certain pride for being present in such an environment", the article exclaimed. The aspect that impressed them the most was not the political work or social services offered by the factory, but the organization of the production process and work discipline, which, they were keen to observe "did not take anything away from the friendliness and camaraderie of the hosts".⁷⁹

The status of TAM was twofold. Observed from the perspective of the less developed regions and judged by the inner criteria of the Yugoslav automobile industry, TAM was counted among the technologically most sophisticated and market-oriented enterprises. Yet, for many white-collar employees and students in Maribor itself, TAM had the image of a political factory.⁸⁰ It employed a large number of low-skilled workers and a big part of its production program was dedicated to non-commercial, heavy transport vehicles. For over two decades, a single General Director, Stojan Perhac, stood at the head of the organization – a strong Partisan industrial cadre, who managed to survive the managerial revolution of the 1960s. Perhaps the most defining feature which contributed to this image was TAM's close relationship with the army. In 1987, the Federal Secretary for National Defense honored the factory with the highest Plaque of the Armed Forces, to commemorate forty years of common work.⁸¹

⁷⁹ By challenging the perceived dichotomy between work discipline and joyful social relations, the article obviously aimed to question the widespread image of Slovene workers as hard-working and cultured, but somewhat reserved people, standing closer to the traditions and ways of Central Europe than the Balkans. This stereotype only gained ground as the economic crisis became deeper during the 1980s and the more prosperous parts of the country showed a greater resistance to its effects. The author of the article seemed to believe that his co-workers should aspire to Slovenian standards of work without being afraid of losing their identity. See: "Radnici Zenicatransa u Mariboru", *Skozi TAM* (Serbo-Croatian edition), November 1985, 6.

⁸⁰ One encounters this term quite often in the industrial and political milieus of socialist Yugoslavia. It had a clear pejorative connotation, describing a company not able to stand on its own in the market without government protection. From the standpoint of an engineering, financial, touristic or trading firm, almost the entire processing sector could have been dismissed as such due to the import-substitution model of the Yugoslav economy. Inside the industrial sector, more efficient producers could apply the same label to less successful companies or simply those manufacturers positioned below them in the production chain.

⁸¹ Danilo Vincetič, "Tamu velika plaketa JLA", *Skozi TAM*, January, 1987, 7.

The municipality of Tezno employed close to 11,000 industrial workers, only 3,000 less than the much larger municipality of Rakovica.⁸² TAM's production made up 30 percent of the industrial output of Tezno and 16 percent of Maribor's total industrial production.⁸³ These figures show that the factory was indeed very important for the city but, at the same time, that local industry did not rely solely on the automotive industry. The second largest plant located in Tezno was Metalna – a metal construction enterprise employing around 4,000 workers with renowned engineering and consulting departments, which managed to contract jobs throughout the developing world thanks to Yugoslavia's favorable geopolitical position, and could thus send its workforce abroad to gain much needed hard currency. The third largest plant in Tezno was Tovarna vozil in toplotne tehnike (TVT) *Boris Kidrič* with 2,700 workers. *One of the first industrial establishments in Maribor, the factory enjoyed the prestige of being named after Boris Kidrič – a Slovene Partisan leader and one of the main theoreticians of workers' self-management,*⁸⁴ *but favorable insignia did not prevent it from falling into serious financial trouble during the economic turbulence of the late 1960s, from which it never truly recovered.*

It is hard to tell the story of these two municipalities separately from the development of their most distinguished factories – Industrija motora Rakovica and Tovarna avtomobilov Maribor. The privilege to carry the names of the municipality and the city in the official enterprise titles was not accidental. IMR was the only Rakovica enterprise with a pre-war industrial tradition⁸⁵ and the first plant in a row of factories inside the basin. Over the years, the factory had built a small sports stadium thanks to which it had become the focal point of social and political events

⁸² In 1981, Tezno started to catch up with Rakovica in terms of the total number of employed workers, even though the municipality had only 35,425 residents, almost two-thirds fewer than Rakovica. This implies that, unlike Rakovica, a large part of Tezno's workforce resided outside of Maribor and commuted to work. See: *Statistički godišnjak Jugoslavije*, 37, 1990 (Belgrade: Savezni zavod za statistiku, 1990), 631.

⁸³ Lučka Lorber, "Functional Changes in Tezno, The Industrial Zone in Maribor", *Revija za geografijo*, 2-1, 2006, 95-108

⁸⁴ Boris Kidrič was the head of the Economic Council and the Federal Planning Office in the initial postwar years. He was in charge of drafting the first Yugoslav five-year plan. After the break with Moscow, Kidrič became a strong advocate of workers' self-management, arguing that the law of value is a universal law, which should be recognized and used pragmatically. Having passed away in 1953, Kidrič was prevented from further developing his economic thought on the role of the market in socialism. Still, he is widely acknowledged as the most influential spokesperson and architect of Yugoslavia's distinct economic policy after the break with the Soviet Union.

⁸⁵ The tire producer Rekord also existed in the prewar years, but in the form of a small workshop employing only a handful of workers.

in the area. It invested heavily in housing construction and various other infrastructures for its employees and their families. The company built the majority of Rakovica's flats, kindergartens and schools in the first years after World War Two. TAM had a similar, if not even larger, significance for all aspects of life in Tezno. It was the largest single factory in the entire city, with employment numbers surpassing 8,000 by the mid-1980s.

Both factories witnessed their greatest expansion and influence in the second half of the 1970s, the decade of ambitious investment spending and heightened political sensitivity toward industrial workers. In the 1980s, IMR and TAM went through a prolonged crisis. In 1988, these two factories stood at the forefront of blue-collar protests in Belgrade and Maribor, which had an impact on broader political processes in Slovenia and Serbia at the time. The greater part of the research will focus on these last two decades of Yugoslav socialism. However, before continuing with the description of the peak of the Yugoslav welfare state and the subsequent crisis in the two respective factories and their wider communities, this chapter will cover the first two-and-a-half decades of socialist development. After a short account of the factory origins, the early postwar years, the birth of workers' self-management and the economic growth of the 1950s, special emphasis will be placed on the turbulent 1960s, since many of the issues that arose in this period resurfaced and became magnified during the prolonged economic and political crisis of the 1980s.

1.2. Differing Origins

Despite constant efforts to modernize, Serbia remained an overwhelmingly agrarian country decades after its official independence from the Ottoman Empire in 1878. Up until World War Two, the southeastern Yugoslav territories were the sites of slow and often futile efforts of the weak state to build up infrastructure and encourage manufacturing through attractive concessions to foreign capital and the connection of production to military needs. In the interwar period, Belgrade managed to attract finance capital and start with late industrialization as the capital of an enlarged state. In the late 1930s, the city had around 300 industrial enterprises employing over 30,000 workers. Nevertheless, the productivity of the local industry was much lower in comparison to the northwestern regions. More often than not, the industrial enterprises were small workshops, focusing on repairs instead of proper production and operating with outdated

technologies and an inadequately skilled workforce.⁸⁶ According to Marie-Janine Calic, between 40 to 60 percent of industrial workers in Yugoslavia in this period were agricultural laborers performing seasonal work in industrial facilities who did not cut their ties with the countryside. In more developed areas, such as Belgrade, this number was certainly lower, but the fact remains that industrial workers were not a well-settled urban layer and stood far from Western European standards in terms of work discipline, education and political activity.⁸⁷

The most modern industrial facilities, which employed a layer of skilled manual workers, were government-owned factories established to serve the most pressing needs of the developing state and its military. IMR was founded in 1927 as an airplane motor factory by a consortium of domestic and French capital. In 1936, the Yugoslav state nationalized the plant to secure lower prices and a steady supply of aircraft parts. On the eve of World War Two, IMR obtained a license from the Czechoslovakian automotive giant Českomoravská Kolben-Daněk and started to assemble Praga model trucks in a late effort to improve the overall motorization of the Yugoslav Royal Army.⁸⁸ A few years earlier, the communist party managed to infiltrate the factory. The local cell was not particularly numerous, but seems to have had a great amount of influence among the wider workforce.⁸⁹ It managed to recruit at least three IMR workers for the International Brigades in Spain and organized a three-month long solidarity strike with the Belgrade aeronautical workers in 1940. During the war, the influence of the factory communists spread as the surviving IMR cell became the center for organizing the antifascist resistance in the area. Between 1941 and 1945, some 300 workers from the factory joined the communist-led Partisan movement.⁹⁰

⁸⁶ Dragan Petrović, *Istorija industrije: Razvoj i razmeštaj industrije Beograda u XIX i XX veku, I tom* (Beograd: Srpsko geografsko društvo, 2006), 160-228.

⁸⁷ Marie-Janine Calic, *Sozialgeschichte Serbiens: 1815-1941, der aufhaltsame Fortschritt während der Industrialisierung* (Munich: R. Oldenbourg Verlag, 1994), 190-211.

⁸⁸ Bojan B. Dimitrijević, “Monopoliističke ambicije i „kašnjenje” u proizvodnji vazduhoplovne industrije u Kraljevini jugoslaviji“, *Istorija 20. Veka*, 3, 2012, 19-38.

⁸⁹ The cell numbered five members in 1940 and grew to sixteen by the time the war had started in April 1941.

⁹⁰ Živojin Spasojević (ed.), *Monografija 50 godina IMR-a* (Industrija motora Rakovica: Beograd, 1977), 12-23.

TAM was also established as an airplane parts manufacturer, but its origins were quite different from IMR's. The German occupying army built the plant in the summer of 1941. The fact that the foundation of the future TAM factory was set up by Nazi Germany for war production should not lead one to the conclusion that industrial development in northwestern Slovenia was the result of a state-led policy of late industrialization similar to the one applied in Serbia during the 1930s. One of the main reasons that the occupying German army chose Maribor as the location for their plant was precisely the rich industrial tradition of the city. Unlike the parts of Yugoslavia formerly ruled by the Ottoman Empire, the territories, which were ruled by the Habsburgs in general, and Lower Styria in particular, were sites of more spontaneous, market-led development and investments into modern manufacturing techniques already in the 19th century.⁹¹ The construction of the Südbahn railroad by the Austrian Empire in 1857 connected Slovenia with financial centers, such as Vienna and Prague, contributing to Maribor being one of the cities with the longest industrial traditions in Yugoslavia.⁹²

With Lower Styria considered to be at the core German state by the Nazi authorities, they did not hesitate to set up a state-of-the-art factory, which would serve as an important piece in the German war industry network. Combining the work of prisoners of war with technical expertise from Germany, the factory was constructed and began production in record-breaking time. Already by the summer of 1942, the Tezno suburb became a site of three production plants and their surrounding infrastructure (road, railway, workers settlement, administrative building), which employed over 7,000 people. Some 14,000 pieces of brand-new machines were producing for the needs of the Wehrmacht in three shifts while over 1,300 workers were sent to Germany for vocational training to operate them. Understandably, there was no organized communist cell

⁹¹ Under the Habsburg Monarchy, northwestern Slovenia formed a southern cone of the Duchy of Styria. After the collapse of Austria-Hungary, some two-thirds of Styria remained in the Federal State of Austria, whereas the so-called Lower Styria, with Maribor as its capital, joined the newly-established State of Slovenes, Croats and Serbs. In the interwar period, the Slovenian part of Styria remained home to some 24,000 ethnic Germans, whose cultural, political and economic influence remained strong, especially in the urban settlements such as Maribor

⁹² Maribor's metal working industry started in the 19th century with the railway maintenance workshop. In the year 1920, Metalna, one of the most successful metal processing plants in the interwar Yugoslavia, was built in Tezno. However, it was the textile industry, which marked this period. In the course of the 1920s, Maribor became the largest textile center in the country with most of the investments coming from Czechoslovakia. See: France Kresal, "Mariborska tekstilna industrija 1922-1992 – vzpon in zaton", in Željko Oset, Aleksandra Berberih Slana and Žarko Lazarević (eds.), *Mesto in gospodarstvo: Mariborsko gospodarstvo v 20. stoletju*, (Maribor: Inštitut za novejšo zgodovino in Muzej narodne osvoboditve Maribor, 2010), 257-289.

or resistance activity inside a newly-erected factory of this type. Thanks to the rapid escape of the occupying forces in the spring of 1945 and the existence of underground bunkers, much of the installed machinery remained in place despite the Allied air bombardment and Berlin's explicit order to leave behind as little machinery as possible in case of a retreat.⁹³ After the occupation, Maribor was thus left with the nucleus of the most up-to-date industrial infrastructure in Tezno – a unique situation in an economically underdeveloped and war-torn country.

After the liberation, the Partisan army leader, Josip Broz Tito, visited Czechoslovakia in the spring of 1946 as Yugoslavia's first postwar Prime Minister and Minister of Foreign Affairs. As noted, many Yugoslav companies, including the truck production in Rakovica and the local industry in Maribor, depended on technological imports from Czechoslovakia. While in Prague, Tito appealed for economic collaboration between the communist-dominated governments in the Soviet zone of influence. The Yugoslav communists believed that, with the assistance of the Soviet Union and other friendly countries in Eastern Europe, Yugoslavia could accomplish a grand modernization project in a relatively short time span. As Slovenia was economically the most developed part of the country, the leadership was convinced that the end of the first five-year plan could already mark the full industrialization of this republic.⁹⁴ The existence of heavy trucks was one of the major requirements for this ambitious task and the Federal Ministry of Heavy Industry decided to duplicate Rakovica's truck-producing technology in Tezno and placed the two factories in a 'socialist competition'. Along with centrally-determined five-year plans, shock brigade work and norm-breaking, the concept of socialist competition was copied from the Soviet propagandist brochures of the 1930s.⁹⁵ It implied a direct race in productivity between

⁹³ Slavica Tovšak, Šest desetletij od začetkov Tovarne avtomobilov Maribor, in Slavica Tovšak (ed.), *Tovarna avtomobilov Maribor: Sledovi mariborskega gospodarstva v arhivskem gradivu Pokrajinskega arhiva Maribor 60 let – spominski zbornik*, (Maribor: Pokrajinski arhiv Maribor, 2007), 4.

⁹⁴ See: Jože Prinčič, *Slovenska industrija v jugoslavenskem primežu, 1945–1956*, (Novo Mesto: Tiskarna Novo Mesto, 1992), 30.

⁹⁵ Socialist competition was originated by the Bolshevik leadership and implemented reluctantly during the early years of the Soviet state under the name *socialist emulation*. Faced with the urgent need to raise worker productivity in a technologically backward economy, Lenin and Trotsky advocated the application of methods of labor organization used widely inside large capitalist enterprises, such as the piece rate system and wage incentives, which stress the competitiveness and work efforts of individual workers. Still, the insistence on the usage of the word *emulation* instead of *competition* and the patchy application of Taylorist principles reveal that the Bolshevik leadership was careful not to trigger the breakdown of political solidarity of the working class or encourage a rise in

different manufacturers and the connection of production strains to the ultimate goal of achieving socialism.⁹⁶

In Rakovica and Tezno, as in other industrial centers, the communist leadership therefore attempted to apply methods of mass political mobilizations, successfully practiced during the struggle against fascism as a tool of economic policy.⁹⁷ The forced resettlements, Nazi reprisals against the civilian population and conscriptions into the Partisan army had scattered the old, skilled workforce in both localities, forcing the government to place emphasis on the work of volunteer brigades, communist youth and the mobilized peasant youth. In IMR, there were no stable work hours and workers often found themselves staying inside the factory for days in a row, departing from work only to catch a few hours of sleep. In TAM, the work revolved in two twelve-hour shifts six days a week, while on Sundays the volunteer brigades would take over the production efforts.⁹⁸ The mass mobilization into industry was carried out under the slogan of volunteer work, but records from the time show many freshly-recruited workers felt they had no choice but to follow the orders of the party-state. Basing herself on the reports of the local governments and central economic planning bodies between 1945 and 1955, Ivana Dobrivojević, shows how factories often suffered from the lack of laborers and a great turnover of the workforce, as peasants resisted recruitment or deserted their work posts due to dangerous working conditions, poor nutrition and inadequate housing.⁹⁹

social inequalities, both of which were seen as detrimental to the advancement of socialism. It was not until Stalin and the First Five Year Plan in 1929 that the concept was lifted to the level of a state policy, enclosed with heroic connotations and embraced uncritically as an allegedly unique socialist method of labor organization producing social effects the opposite to those found in capitalist economies. See: Isaac Deutscher, "Socialist Competition", *Foreign Affairs*, 30, 3, April 1952, 376-390.

⁹⁶ There are few studies of socialist competition in Yugoslavia. For its application in Croatia see: Tomislav Anić, *Radništvo i propaganda: 'socijalističko takmičenje' u Hrvatskoj 1945. – 1952.*, Doctoral dissertation (Zagreb: University of Zagreb, 2010).

⁹⁷ For a better understanding of the reorientation of the Yugoslav communist leadership made during World War Two from alliances at the top, under Moscow-dictated popular front tactics, to broad mobilizations under the concept of 'popular front from below', see: Vojislav G. Pavlović, "Stalinism without Stalin: The Soviet Origins of Tito's Yugoslavia 1937-1948", in Vojislav G. Pavlović (ed.), *The Balkans in the Cold War: Balkan Federations, Cominform, Yugoslav-Soviet Conflict* (Belgrade: Institute for Balkan Studies, 2011).

⁹⁸ Simona Trčko, "Delovna zavest je bila povsem drugačna", *Skozi TAM*, April 1987, 11.

⁹⁹ Ivana Dobrivojević, "„Svi u fabrike”! Instant industrijalizacija u Jugoslaviji, 1945-1955.", *Istorija 20. veka*, 2, 2009, 103-114.

One should however distinguish between the attitudes of the forcefully-recruited peasantry and the politicized layer of workers and youth who joined the Partisan movement during the war. The latter were used to hardship and self-sacrifice and performed industrial reconstruction with great élan. As one IMR worker with prewar experience, Radomir Vuličević, recalled, “Nothing was too hard for us. We who knew the work conditions and life under capitalism [*kod privatnika*] felt our time has come”.¹⁰⁰ Of course, one must take into account that this type of remembrance carried a great deal of rationalization and romanticizing, since it was recorded at the height of prosperity in the late 1970s. Still, the general feeling of optimism spread by the victory over fascism and the promise of a better life under socialism should not be underestimated. The Partisans were a popular mass movement and many uprooted peasant youth were eager to face the new challenges in peacetime despite all the difficulties. The veteran TAM worker Ivan Mustafa described the early postwar years in the following words:

From the beginning, we were forced to improvise. There were no organized meals, no protection gear, and no central heating. In spite of all of these problems, we did not complain or fall into desperation. We got down to work where necessary. We worked in shock brigades to rebuild the production facilities as soon as possible. These were volunteer brigades, but to us they seemed obligatory. We were aware that any gain had to be achieved through blisters. On Sundays, we helped with social work or assisted the farmers. We organized many solidarity actions. People appreciated our dedication and we were happy when the results of our work became visible.¹⁰¹

The picture from the TAM factory archive (see below), taken at the presentation of the first truck chassis manufactured in 1947, captures the atmosphere described by Ivan Mustafa quite well. In the picture, the factory technical director at the time, Ivo Hercigonja,¹⁰² stands on the chassis surrounded by dozens of workers in blue uniforms trying to climb onto the vehicle, next to him. There is little physical separation between the manual workers and the technicians. They all

¹⁰⁰ Sl. A. “Tri decenije vernosti IMR-u”, IMR, Februar 3, 1977, 8.

¹⁰¹ Simona Trčko, “Delovna zavest je bila povsem drugačna”, *Skozi TAM*, April 1987, 11.

¹⁰² Ivo Hercigonja was a Croatian mechanical engineer who had already taken part in the state-sponsored project of transforming Rakovica’s IMR from a plane engine factory to a truck manufacturer in 1936. It remains unclear how Hercigonja arrived at Tezno. It is safe to assume that the postwar Yugoslav authorities sent him to Maribor so he could help TAM with his experience.

mingle together spontaneously as they pose for the camera. Some are hugging and it is hard to spot a person without a proud smile on their face. The chassis was paraded through the streets, causing joyful reactions in a city still lying partly in ruins.



Picture 1: TAM workers posing in front of the first chassis produced in the factory in 1947.¹⁰³

The former guerilla leader turned statesman Josip Broz Tito remained the central symbol of aspirations for a better life in peacetime. Tito's visit to Maribor and the abandoned German factory in Tezno in June 1945 overlapped with the nationalization of the enterprise and the renewal of production.¹⁰⁴ In November that year, with combat operations still taking place outside of the city, the celebrated war hero visited Rakovica and appealed for increased production for the battlefield. The remaining workforce in both factories saw these first visits as a guarantee that production would be renewed and that the enterprises would play an important role in the new Yugoslavia. Tito was therefore treated as a sort of founder of the factories and the protector of industrial workers in general. An account of his exchange with the workers during the first visit to Rakovica shows how, very early on, Tito presented himself as a benevolent leader who understood the everyday difficulties of the people. An anecdote says that one worker responded to Tito's appeals for increased production and self-sacrifice in the face of hard working conditions and the lack of wages by exclaiming, "We do not need wages, we will work

¹⁰³ The picture is taken from Martin Prašnički, "Oris glavnih razvojnih mejnikov in proizvodov TAM", in Slavica Tovšak (ed.), *Tovarna avtomobilov Maribor: Sledovi mariborskega gospodarstva v arhivskem gradivu Pokrajinskega arhiva Maribor 60 let – spominski zbornik*, (Maribor: Pokrajinski arhiv Maribor, 2007), 48-77.

¹⁰⁴ Slavica Tovšak (ed.), *Tovarna avtomobilov Maribor: Sledovi mariborskega gospodarstva v arhivskem gradivu Pokrajinskega arhiva Maribor 60 let – spominski zbornik*, (Maribor: Pokrajinski arhiv Maribor, 2007), 5.

as much as we can”. Tito allegedly answered, “A worker cannot work without a wage. If I would come home without a wage, they would say ‘if you are working then where is your wage?’ Comrades, this will soon be take care of.”¹⁰⁵ The following remembrance of a female worker, Jelena Reljić, reveals workers’ excitement during the visit and Tito’s standing among a good part of the population at the time:

The news suddenly spread throughout the factory. Comrade Tito is here! We ran outside the building and gathered spontaneously at the gate. All plans of protocol broke down amidst mass joy. It was the first time we saw the man we considered a legend. We were spellbound. Many of us were not sure if the man from the wanted posters really exists. The man for whose capture the Germans offered 100,000 gold marks! Until that day, we had only heard stories about him, fiction and reality were becoming mixed up in our heads.¹⁰⁶

Despite the popularity of the new regime and the widespread zeal for the reconstruction efforts, the policy of rapid industrialization did not give the expected results. Self-sacrificing work could not make up for the lack of expertise and modern tools. Both enterprises were dependent on German specialists acquired through the War Reparation Committee in Berlin or serving time as prisoners of war. However, as the case of IMR shows, these foreign workers lived and worked isolated from the rest of the workforce and the Yugoslavs were not in a situation to learn from them.¹⁰⁷ The technological level of the local foundries was so low that entire series of cylinder heads had to be discarded due to poor casting.¹⁰⁸ TAM had great difficulty conquering the new technological process and fulfilling the plan. In 1947, the planned output was 250 vehicles, but the factory managed to produce merely 29 units on its own. In 1948, the plan envisioned 700 chassis, but the shop floor managed to assemble only 113. The year 1949 proved exceptionally

¹⁰⁵ Ljubomir vesković, “Tito je došao: sećanje Jelene Reljić na prvi susret radnika IMR-a sa Titom”, IMR, October 14, 1977, 14.

¹⁰⁶ Ljubomir vesković, “Tito je došao: sećanje Jelene Reljić na prvi susret radnika IMR-a sa Titom”, IMR, October 14, 1977, 14.

¹⁰⁷ Marko Miljković, *Western Technology in a Socialist Factory: The Formative Phase of the Yugoslav Automobile Industry, 1955-1962*, MA Thesis (Budapest: Central European University, 2013), 53-54.

¹⁰⁸ Marko Miljković, *Western Technology in a Socialist Factory: The Formative Phase of the Yugoslav Automobile Industry, 1955-1962*, MA Thesis (Budapest: Central European University, 2013), 5.

hard as the political break with the Soviet Union triggered an economic blockade on the part of Peoples' Democracies in Eastern Europe and the production of trucks depended on the import of parts from Czechoslovakia. The initial plan for that year was 2,000 vehicles, but after a few months, it had been cut to 1,250 units. By the end of the year, TAM fulfilled only 14.4 percent of the planned target.¹⁰⁹ The output in Rakovica during these years was only slightly higher, showing that IMR faced the same difficulties as its Slovene competitor.

The idea behind having factories competing with each other was for each enterprise to take initiatives, cut costs and raise productivity on its own, but the overall economic exchange and supply were supposed to be harmonized and administered centrally. The scarcity of raw materials, components and qualified workforce forced companies to use all means at hand to acquire inputs, reach their quotas and perform better than the competition. Rakovica's engineers were not enthusiastic about the duplication of their truck-manufacturing license in TAM. Their initial suggestion was to outsource production of certain components to Tezno and turn the Slovene factory into IMR's supplier. Nevertheless, they eventually gave in and handed all the blueprints to the Ministry of Heavy Industry.¹¹⁰ TAM also exhibited selfish attitudes. In the course of the first five-year plan, the Central Directorate of the Federal Motor Industry sent out three consecutive complaints to the management, warning that the enterprise was exceeding its investments and spending beyond the general plan. TAM's management reportedly ignored criticism.¹¹¹ The competition seemed to be losing its assumed socialistic content. The industrialization drive was supposed to thrive on mass mobilization and integrate the most distinguished workers into political work. The tendency on the ground seemed to go in the opposite direction. Factory management neglected mobilizations from below, broke common plans and tried to secure favorable allocation of resources by lobbying the party-state at the local and federal level.

¹⁰⁹ Jure Maček, "Tovarna avtomobilov in motorjev Maribor v obdobju prve petletke", in Slavica Tovšak (ed.), *Tovarna avtomobilov Maribor: Sledovi mariborskega gospodarstva v arhivskem gradivu Pokrajinskega arhiva Maribor 60 let – spominski zbornik*, (Maribor: Pokrajinski arhiv Maribor, 2007), 48-77.

¹¹⁰ "Sećanja Veterana (V) Nadmetanje sa TAM-om", IMR, October 30, 1984, 2.

¹¹¹ Marko Miljković, *Western Technology in a Socialist Factory: The Formative Phase of the Yugoslav Automobile Industry, 1955-1962*, MA Thesis (Budapest: Central European University, 2013), 76.

IMR was located in the federal capital and had a tradition of communist agitation among its workforce. This probably made it easier to place the factory under political control. On the other hand, it was a greater challenge for the party to counter the described tendency toward bureaucratization at the local level and the struggle for particular interests in the enterprise, such as at TAM. As already noted the plant was located in a prosperous northwestern corner of the country and had weak political structures. In its February 1947 report to the Yugoslav Central Committee, the Slovene party used the example of Maribor to illustrate the weakness of communists among the skilled labor in industrial centers. The report stated that among 17,000 industrial workers in the city there were barely 430 members of the party. In TAM, out of 1,200 employed, twenty-five workers were party members, but only one of them had been recruited from the factory itself, and this person was a white-collar worker.¹¹² A classified report in 1949 recognized that TAM was still operating under old organizational forms introduced at the time of its establishment. The lag in the implementation of a “socialist organizational skeleton” inside the larger factories was justified by the potential disruptions of production, which might accompany a hurried transition.¹¹³

As hastily as it was set up, the socialist competition between IMR and TAM was suddenly brought to a halt in the second half of 1950. The government decided to continue with truck production solely in Maribor, whereas IMR was to reorient to the production of engines and agricultural vehicles. The exact reasons for this rearrangement of industrial sites remain unclear. However, it is indicative that the relocation roughly overlaps with two great economic shifts happening at the time. The first change in the economic organization of the country was the result of military considerations. Fearing the advance of Soviet tanks from Hungary after the split with Moscow, in the first months of 1949 the government ordered the withdrawal of all army-related industries, located in the northeastern flatland border regions, including Belgrade, into Bosnia and Herzegovina, the mountainous heartland of the Partisan World War Two

¹¹² Vladimir Unkovski-Korica, *Workers’ Self-Management in the ‘Yugoslav Road to Socialism’: Market, Mobilisation and Political Conflict 1948–1962*, Doctoral Dissertation, (London: London School of Economics, 2011), 33.

¹¹³ Marko Miljković, *Western Technology in a Socialist Factory: The Formative Phase of the Yugoslav Automobile Industry, 1955-1962*, MA Thesis (Budapest: Central European University, 2013), 53.

guerrilla resistance, and Slovenia.¹¹⁴ The second, economic change that might have influenced the decision to move truck production to Tezno was the break with the command economy and a reorientation toward workers' self-management. The new system implied workers' control over the production process, but equally important were decentralization of economic decision-making and opening up to monetary incentives. The integral economic development, aiming at balanced industrialization through a centralized investment plan, was abandoned in favor of a more market-based system in which the economically most advanced regions served as the poles of development.

1.3. 'Factories to the Workers'

As the previous section has shown, the Yugoslav communists faced what would become emblematic problems of all command economies in Eastern Europe already before the end of their first five-year plan. The output lagged behind the planned targets, the quality of the produced goods was unsatisfactory and there were clear limits to further industrialization through self-sacrifice of a population exhausted by occupation and war. The competition for limited production inputs and a qualified workforce between the factories resulted in the overall increase of wage levels, breach of planned costs, lags in the rise of productivity and the surfacing of narrow regional interest inside the party. Boris Kidrič identified 'bureaucratic centralism' and 'economic particularism' as two main tendencies causing such disruptions and hindering the further development of socialism in Yugoslavia. Both were connected to the surviving modes of reasoning inherited from capitalism. The first label alluded to the belief that the swelling apparatus of the central state and its legal acts could resolve all the problems from above without connecting politics to the actual individuals and their immediate environment. The latter referred to the existence of narrow thinking, allegedly widespread among enterprise managers, which "holds and defends one's own without any regard to the broader community, unless something can be gained from it". According to Kidrič, these two harmful tendencies could appear at once

¹¹⁴ Susan L. Woodward, *Socialist Unemployment: The Political Economy of Yugoslavia 1945–1990* (Princeton: Princeton University Press, 1995), p.139.

inside the party-state of the republics, which start to act in a particularistic manner toward the central state and bureaucratically toward the workers below them.¹¹⁵

The introduction of workers' self-management in the summer of 1950 was an attempt to pierce through both of these tendencies by relying on grassroots initiative inside the factories. The Basic Law on Management of State Economic Enterprises and Higher Economic Associations by the Workers' Collectives made a single enterprise a sovereign body, able to debate and vote upon matters of a fundamental nature for the factory through the workers' council, elected among its members. The law therefore established a de facto distinction between the 'governing' and 'administrative' structure within the enterprise. The governing structure was the principal framework for the exercise of workers' self-management and rested upon a belief that workers had the political right to participate in the running of their enterprises. The workers' council was the basic governing body and functioned on the principle of popular vote and consensus seeking. The administrative structure, on the other hand, consisted of salaried personnel chosen on merit in compliance with the market and the technological demands of production, namely the general directors, department directors, section chiefs and supervisors. The professional management continued to function as a top-down hierarchical structure responsible to the workers' council, but also the local state organs.¹¹⁶

The administrative staff was supposed to operate under the direct control of the workers' council. The director was responsible for routine running of the enterprise, but the strategic documents and decisions such as the business plan, final accounts and distribution of accumulation had to be authorized by workers' representatives. The council members were re-elected by a secret ballot on a yearly basis and could stand for the maximum of two terms in that position. To prevent the alienation of the councils from the work collective, three-quarters of this body had to consist of manual workers. The council members met once a month and elected a management board – a professional administration headed by an enterprise director. The party-state kept the right to

¹¹⁵ Boris Kidrič, *Sabrana dela V* (Beograd: Komunist, 1985), 11-13.

¹¹⁶ Ichak Adizes, *Industrial Democracy: Yugoslav Style. The Effect of Decentralization on Organizational Behavior* (New York: The Free Press, 1971), 32-46.

appoint the enterprise director. The candidate was chosen for a four-year term, but the election had to be approved by the workers' council.¹¹⁷

The election of the first workers' council in the IMR was organized in a ceremonial manner. The forty-five voted council members were norm-breakers (*udarnici*), innovators, trade unionists, party activists and other distinguished workers and employees. Although the party celebrated the bill as the fulfillment of the prewar communist slogan 'factories to the workers', meaning workers running the enterprises, in practice, the legislation functioned more as the participation of most skilled workers in the decision-making of the professional management. IMR's first council discussed ways to cut costs, approved balance sheets and gave their opinion on investment priorities. According to the official factory history, self-management was received with great enthusiasm among the workforce and the first results were obvious already the following year when the factory recorded a 35 percent rise in productivity.¹¹⁸

Workers' councils proved able to boost performance on the shop floor, but their actual power to influence factory income was limited, since the business results still largely depended on state economic policies, beyond the reach of a single enterprise. The factories remained heavily dependent on political intervention. During the first mandate of the IMR workers' council, the enterprise went through a brief crisis. The sales of finished vehicles came to a halt. The trucks started piling up in the factory circle and workers' wages were late. The meetings of the workers' council and the professional management went on until late in the night without results, until finally the workers' council came up with the idea of sending a factory delegation to Tito. In a matter of days, the stocks were cleared and the wages started to be paid on time.¹¹⁹ During the early years of industrialization, visits to Tito became a sort of a ritual for IMR. Rakovica valley is located below Belgrade's Topčider hill – the elite neighborhood where many of the top ranking communist functionaries resided. IMR workers would take advantage of the factory

¹¹⁷ Blagoje Bošković and David Dašić, (eds.), *Socialist Self-Management in Yugoslavia 1950-1980, Documents* (Belgrade: Socialist Thought and Practice, 1980), 63-73.

¹¹⁸ Živojin Spasojević (ed.), *Monografija 50 godina IMR-a* (Industrija motora Rakovica: Beograd, 1977), 45.

¹¹⁹ Slobodan Jovanović, "Tito među radnicima: susreti koji ne prolaze", IMR, June 28, 1983, 4.

proximity to the party apex and drive the newly-conquered vehicle models uphill to present them to Tito in the White Palace.¹²⁰

Workers' self-management was therefore launched with the idea of restoring economic efficiency by breaking bureaucratization and self-centeredness on the enterprise level. The main task of the workers' councils was to internalize work discipline and the spirit of self-sacrifice among the broader layer of non-politicized workers, while simultaneously cutting through the jurisdictions of the professional management. On the other hand, the policy also helped the party find a more stable anchor for its rule among the industrial workers.¹²¹ The ideology of industrial democracy created a bond between the manual workers and the highest leadership of the party. The workers were to develop loyalty toward the political force, which guaranteed them unalienable rights within the enterprises. The organs of industrial democracy did not extend beyond the factories and the working class was still reliant on the party for political representation. Correspondingly, the self-managed factories remained dependent on the party-state to coordinate production and channel investments. Central planning was abolished, but state control over the expanded reproduction was still insured through heavy taxation, federally-imposed accounting regulations and strictly-prescribed rules for distribution of net income between different funds. Even with the greater autonomy of each enterprise over its business plans, the party leadership preserved direct communication with the laboring masses and retained influence on enterprise business decisions through the activity of communists inside the factories and state control over the economy.

In Tezno, one can detect similar efforts to express allegiance to single communist strongmen and gain their patronage. As we have seen, the local railway workshop was named after the party theoretician Boris Kidrič. In 1952, one of the first prototypes of bus vehicles produced by TAM

¹²⁰ The White Palace (*Beli Dvor*) was a royal court built as a residence for the Yugoslav royal family in the 1930s. After World War Two, the compound became home to Tito and the place for diplomatic processions. On a clear day, the palace complex positioned on the top of the hill could be seen from Rakovica's factories nestled in the valley.

¹²¹ The Partisan movement took the form of a guerilla army, consisting mostly of the peasant youth operating far from the urban centers. The shock brigade movement and deployment of communist youth in industrial work was not a permanent solution for the industrial policy. The party was in need of a settled proletariat and cadres capable of running industrial facilities in peacetime.

was named Luka, after the Slovene party official Franc Leskošek.¹²² The dependency on the top communist leadership was far from a pattern the party hoped that all the factories would follow. The official political theory considered bureaucratic centralism to be just as harmful as economic particularism. Consequently, workers' self-management introduced more business autonomy and stricter market criteria for enterprise performance. The government freed the enterprises from operating under strict production plans and encouraged them to maximize their income through competitive sales on the market.¹²³ A 'socialist commodity production' – market exchange, grounded in the law of value, coupled with collective social ownership over the means of production – supposedly provided the only objective criterion for distribution.¹²⁴

The introduction of market competition, greater enterprise independence and workers' participation in the election of the management enabled the directors to escape direct control of the party-state and build a base of support among their workers. The directors, workers' councils, and the broader workforce could develop a group identity by contrasting their enterprise interests with those of rival producers and the political authorities. In many factories the directors became prominent local figures to which the workers addressed their grievances. TAM was to become a good example of this trend. In 1953, Stojan Perhac¹²⁵ arrived at the head of the enterprise – a person who would prove to play a decisive role in factory's development over the next twenty-three years. Perhac governed TAM in highhanded manner. On the shop floor, he enjoyed the image of a strict, but righteous director. The doors of his office were allegedly always open for workers wanting to submit complaints, but it remained clear that, despite all the self-

¹²² Franc Leskošek–nom de guerre Luka, a metalworker by vocation, was a staunch supporter of federal investments in Slovenia, managing to recruit trained personnel and direct resources for industrial projects in the republic, despite the scarcity of the early postwar period.

¹²³ Susan L. Woodward, *Socialist Unemployment: The Political Economy of Yugoslavia, 1945 – 1990* (Princeton: Princeton University Press, 1995), 169-173.

¹²⁴ Boris Kidrič, *Izabrana dela I*, (Belgrade: Izdavački centar Komunist, 1985), 66-69.

¹²⁵ Stojan Perhac was born in 1910 and completed his studies in mechanical engineering in the first Yugoslavia. He gained work experience in the north Italian industrial town of Monfalcone before joining the Partisans in 1944. After the liberation, Perhac worked as a clerk for the metal and electrical industry at the Federal Planning Office and served as the Chief of the metal industry sector in the Slovenian Ministry of Industry and Mining. Belonging to the same generation as the Slovene party leadership and having the advantage of being in the privileged group of prewar professionals who joined the Partisans, Perhac was well positioned to represent TAM's interests in the higher forums of the new socialist state. He remained TAM's General Director until his retirement in 1975.

management bodies and workers' control mechanisms, he was the ultimate authority deciding on the validity of their claims. Perharc secured his popularity with a clever balance between the blue-collar workers' demands for income redistribution and white collar workers' push for development investments. TAM based its business success on continuous innovation and a sound engineering department. However, when the shop floor showed signs of dissatisfaction, a strong character like Perharc did not hesitate to round up the professional staff and put them in their place. One engineer remembered the general director was fond of telling TAM experts: "If you were worth anything you would have been working someplace else a long time ago".¹²⁶

Perharc's political allegiance and authoritarian style of management did not stand in the way of a market-based business model. Quite the contrary, strong communist directors with good standing in the local party apparatuses often acted as bulwarks against the political pressure for radical experiments and demands for the redistribution of profits. Workers' self-management enabled the factories in Maribor to continue looking for pragmatic and self-centered solutions in business performance, relying on their inherited advantages, such as more up-to-date production facilities and the ability to adopt the newest trends from neighboring Western European markets. As early as 1951, Maribor's City Party Committee noted that local workers' councils were dedicating little attention to social issues such as work protection and medical care of the workforce. Insufficient funds were devoted to collective consumption and public infrastructure. The self-management bodies tended to pass the decision-making initiative to professional management and became isolated from their blue-collar base. Moreover, Maribor communists complained that market incentives did not necessarily contribute to greater productivity by inspiring harder work and a cost-effective allocation of resources. The factories in their region were reportedly trying to boost total income by manipulating prices, competing among each other to establish parallel sales outlets, and hoarding assets in most profitable products and services.¹²⁷

¹²⁶ Cited in the oral history project initiated by Maribor's Museum of National Liberation, see: Borivoj Breže, "Tovarne v Mariboru", <http://www.muzejno-mb.si/spomini/home.html>

¹²⁷ Jože Prinčič, "Mariborsko gospodarstvo v času prilagajanja socialistični ureditvi in miselnosti (1945-1953)", in Željko Oset, Aleksandra Berberih Slana and Žarko Lazarevič, eds., *Mesto in gospodarstvo: Mariborsko gospodarstvo v 20. stoletju*, (Maribor: Inštitut za novejšo zgodovino in Muzej narodne osvoboditve Maribor, 2010), 198.

The top leadership was obviously well informed about the harmful effects the market forces left on the overall economic solidarity and political unity, yet they chose to tolerate these tendencies amidst robust economic growth and the rise in living standards. Between 1953 and 1960, Yugoslavia's industrial production grew 13.8 percent annually, the highest rate in the world at the time. Self-management opened doors for cross-border exchange, but also stabilization of the core workforce at home. In 1952, the government canceled the state monopoly over foreign trade, aiming to encourage economic exchange with the West. The single enterprises were now free to seek business partners abroad. The transfer of technological patents from the highly industrialized economies opened prospects for the growth of a manufacturing sector thriving on local consumption. The new technology required a smaller, settled and well-trained workforce instead of constant mobilizations of laborers from the countryside and shock work. The party went ahead and abandoned the policy of forced land collectivization, leaving the vast majority of food production to small family farming. Hundreds of thousands of workers mobilized into industry during the postwar industrialization drive returned to their villages. The decision to atomize agricultural production brought fluctuations in food supplies; however, by 1959 the problem of food production also seemed to have been resolved as for the first time after the war Yugoslavia stopped wheat imports from the United States.¹²⁸

In 1954, IMR signed a long-term cooperation program with the renowned British engines manufacturer Perkins and obtained a license for its diesel motor. Perkins' diesel engines became the foundation of Yugoslav industrial motorization. IMR sold its motors to various truck, tractor, agricultural vehicle and boat manufacturers at home, whereas a smaller part was exported to England under the licensing agreement with Perkins bringing much needed hard currency into the country. The cooperation with Perkins included IMR sending workers abroad to its partners' plants for training.¹²⁹ In the late 1950s, the factory workers' council decided to invest in a state-of-the-art foundry, which finally satisfied its demand for high quality metal casts. The first

¹²⁸ Momčilo Pavlović and Predrag J. Marković, *Od radničkog saveza do Saveza samostalnih sindikata Srbije* (Belgrade: Institut za savremenu istoriju, 2013), 252.

¹²⁹ Visits to the Perkins plant also involved illicit means of acquiring modern technology, as IMR specialists would often secretly fill their pockets with various components, hoping to recreate them back home. It is interesting to note that older workers remembered British engineers choosing to turn a blind eye to these appropriations. Yugoslavia's image of a socialist country nurturing industrial democracy obviously awakened empathy and feelings of solidarity among the hosts. See: Sećanja Veterana (III) "Odakle vam ta licenca?", IMR, September 11, 1984, 2.

assembly lines were introduced in 1960 and the enterprise evolved from a large workshop into a modern plant with serial production. The new technology made the work conditions inside the IMR plant less challenging. The factory started to invest into social amenities. As one worker recalled:

We were facing fewer difficulties each day. Central heating was installed. New machines and better tools started to arrive. Everyday work demanded less physical strain. The enterprise started building and allocating apartments.¹³⁰

In Tezno, the period between the mid-1950s and mid-1960s brought similar advancements for the factory and its workforce. With the help of Perhac's political contacts, TAM managed to obtain a licensing contract with the Cologne-based engine and vehicle producer KHD (*Klöckner-Humboldt-Deutz AG*). KHD's technology enabled TAM to manufacture light trucks named *TAM 2000*. In the course of the 1960s, this vehicle proved to be a big success as it offered a solution for lighter cargo transport in the decade of the flourishing service sector and consumerism. The factory continued to produce heavy-duty vehicles for industrial and military use. However, this smaller, commercial truck assured TAM's place as the leading transport vehicle manufacturer in the country. The influence of the workers' council directed part of the income into the improvement of the living conditions of the workforce. Similar to Rakovica, one of the main concerns in Tezno was housing. Between 1945 and 1965, TAM had built some 1,137 apartments in the municipality for its workers. Dozen of factory-based sports and hobby sections contributed to the spread of a communal spirit and attachment to the factory. In the course of the 1950s, as a part of the all-Yugoslavia trend, TAM's trade union also started organizing affordable collective summer holidays on the Adriatic Sea.¹³¹

The introduction of self-management reshuffled the broader industrial roles of the two factories and created distinct local identities in Rakovica and Tezno. IMR abandoned truck manufacturing

¹³⁰ Sl. Avramović, "Naši veterani: Život se nastavlja na Zlatiboru", IMR January 20, 1977, 8.

¹³¹ Marta Rendla, "Mariborski gospodarski gigant TAM v skrbi za izboljšanje življenjske ravni zaposlenih", in Željko Oset, Aleksandra Berberih Slana and Žarko Lazarević (eds.), *Mesto in gospodarstvo: Mariborsko gospodarstvo v 20. stoletju*, (Maribor: Inštitut za novejšo zgodovino, 2010), 553-577.

and took over the production of agricultural vehicles. The mechanization of agriculture was an important goal of the revolution and IMR took up the political and engineering challenge to develop Yugoslavia's first domestic tractor. The factory also became responsible for expanding diesel engine technology through its partnership with Perkins. The existence of the state-of-the-art foundry encouraged the enterprise to specialize in heavy-duty motor parts whereas technologies for smaller components were outsourced to other factories. The IMR showed no open signs of dissatisfaction with the fact that it had been downgraded to a lower value-added category of products. As the supplier of engines and the source of newly-conquered technologies for other plants, IMR occupied an important position at the center of the Yugoslav automotive industry. This industrial arrangement, coupled with its geographical location in the suburb of the federal capital, brought the factory great political credentials and general recognition, contributing to a specific feeling of pride and entitlement among its workforce

Situated far from the centers of institutional power, but at the same time in one of the economically most developed regions, spread along Yugoslavia's western border with Austria, TAM based its growth on marketing, application of the most up-to-date, imported production technologies and market specialization. The workforce developed a strong allegiance to the general director, under whose leadership the company flourished. TAM was among the first industrial producers to open sales outlets in the largest Yugoslav cities. The enterprise built its image through media campaigns, including rewards for truck drivers who covered the most mileage in its trucks. The factory began to create a network of domestic suppliers through vertical integration. This move allowed it to shift production costs to its partners and release space for more income-generating products in its own plants.¹³² By the late 1960s, the factory had established long-term subcontracting agreements with 158 companies all over Yugoslavia.¹³³ The Tezno plant maintained a large foundry, but it tended to channel investments into engineering innovations and outsourcing of parts production, thus developing into a lean and mechanized assembler of contracted parts.

¹³² "Najvažniji događaji u TAM u 35-godišnjoj historiji", *Skozi TAM* (Serbo-Croatian edition), March 1982, 9.

¹³³ Anton Vagner, "Koooperanti Tovarne avtomobilov Maribor", in Slavica Tovšak (ed.), *Tovarna avtomobilov Maribor: Sledovi mariborskega gospodarstva v arhivskem gradivu Pokrajinskega arhiva Maribor 60 let – spominski zbornik*, (Maribor: Pokrajinski arhiv Maribor, 2007), 43-48.

Tezno's most successful product, the TAM 2000, for instance, was powered by the IMR-produced diesel engine. This made IMR one of TAM's chief business partners. During the years of rapid extensive economic growth and high demand for their products, both factories seemed to benefit from the new division of work. IMR was prospering through sales of its unique diesel engines and tractors. TAM enjoyed the position of the largest truck producer in the country. It seemed that socialist competition had been replaced by co-operation on the market. Nevertheless, as the reforms deepened the entry of new producers and liberalized foreign trade saturated the Yugoslav market, causing clashes between the companies and open dissatisfaction with the government policies.

1.4. Market Socialism

During the initial twenty years of industrialization, the main concern for the Yugoslav producers was not how to sell their products, but catching up with demand. The country was passing through extensive economic growth from a very low level of industrialization. There was a great need for basic capital and consumer goods, causing the market to absorb entire factory outputs, regardless of their quality or price. Local authorities were opening factories and attracting foreign licenses with little concern for cost-effectiveness or duplication of industrial facilities. By the mid-1960s, the first signs of market saturation were already starting to appear. The federal industrial planners tried to overcome these structural challenges by integrating different producers, achieving economies of scale and boosting exports. The year 1965 marks the watershed moment when implicit tendencies from the previous decade and a half were finally turned into an official party line, popularly known as 'market socialism'. The number of smaller reforms spilled over into a qualitatively new concept of the state as the leadership embraced liberal assumptions about economic development. The liberalization of foreign trade and more market-based reasoning inside the enterprises were the key components of the economic reform. The policymakers were hoping to enter a new stage of intensive economic growth with a modernized, well-connected industry, fully integrated into the world market.

In 1954, just a few kilometers away from IMR, a new tractor-producing plant named IMT (Industrija mašina i traktora) was constructed in the municipality of New Belgrade under the licensing agreement with the Canadian company Massey Ferguson. A fierce rivalry developed

between the two factories. IMT took advantage of IMR's double-track duty to produce engines and agricultural vehicles. It specialized in the manufacture of tractors and emerged as the largest and technically most advanced agricultural machinery producer in Yugoslavia. IMR's skilled workers, engineers and management kept IMT in low regard. They saw the city competitor as an inferior factory with no tradition in metalwork, assembling parts acquired from other producers.¹³⁴ In 1961, the local authorities' decided to merge IMR with IMT, put an end to tractor production in Rakovica and reorganize its oldest plant as an engine department of the New Belgrade rival. The decision infuriated IMR's management and the workforce.

The management called upon self-management rights to defend factory autonomy and reverse the integration process. In 1965, the company organized a referendum among its workers. Confronted with a popular vote in favor of an independent enterprise, the merger was annulled. The rhetoric used by the management to justify the exit was attuned to the political line of market socialism. IMR claimed IMT was refusing to pay the market price for its motors and that the fusion was creating a robust and costly central administration.¹³⁵ In 1968, the factory was pushed into yet another merger. The party initiated an even more ambitious attempt to fuse the entire Belgrade metal industry into one giant enterprise. The exposure to competition and constant changes in its legal status took a toll on IMR's performance record. The steady rise in the output of IMR engines and tractors came to a halt in 1967, followed by the fall in total income.¹³⁶ As the local management struggled to stay competitive by introducing more automated and serial production, the employment level between 1963 and 1969 started to stagnate to around the number of 2,800 employees, only to record a sharp fall to below 2,500 people in 1970. IMR therefore found itself on the losing end of the market reform already in its early stages. In 1968, the factory paper concluded the following:

¹³⁴ IMR was proud of the fact that it produced its own engines, still keeping the foundry and a large part of component production inside its walls, whereas IMT was colloquially called a 'screwdriver factory' (*šrafciiger fabrika*) – a fully-automated enterprise whose production process did not depend that much on the skill levels of its workforce.

¹³⁵ "Integracija je dobra ako je korisna", IMR, July 1965, 1.

¹³⁶ Between 1963 and 1967, the average yearly output of engines was 12,151 pieces. In 1967, this number fell to 9,301 units. The production of tractors recorded an even sharper decline. Between 1963 and 1967, the average yearly production was 1,905 tractors. In 1970, the factory produced merely 772 tractors with its own logo. See: Živojin Spasojević (ed.), *Monografija 50 godina IMR-a* (Industrija motora Rakovica: Beograd, 1977), 73-80.

The economic reform placed the metal processing industry in a less favorable position in comparison to the previous period, causing a significant fall in the enterprise income. Due to the lack of investments on the domestic market the demand for our products has fallen. On the other hand, our tractors are too expensive and do not reach the quality standards needed for export to industrially developed countries.¹³⁷

For its part, TAM retained the status of the largest and most successful truck manufacturer in the country until the end of the 1960s. Nevertheless, its further development had been slowed by the rise of other vehicle manufacturers and the inflow of foreign-produced trucks. In 1954, the start of an ambitious FIAT-licensed Zavodi Crvena Zastava (Red Flag Institutes) automotive industry in Central Serbia prevented TAM from expanding into the production of passenger cars. A year earlier, the Serbian government founded the truck producer FAP (Fabrika automobila Priboj) in Priboj, an underdeveloped mountainous municipality bordering the republics of Serbia, Montenegro and Bosnia and Herzegovina, thus creating a direct challenger to TAM. In the beginning, TAM's management looked down upon FAP. The Slovene experts labeled it a 'political factory', established in a place with no industrial tradition and carrying license suitable for craft fabrication, which did not meet the needs of a modern factory with serial production technology.¹³⁸ In 1969, however, FAP joined forces with Sarajevo-based engine producer FAMOS and entered into a prestigious partnership with Mercedes, positioning itself as potentially the prime truck manufacturer in the country. Instead of aiming for integration, TAM chose to match the challenge with its own forces. In 1969, the factory signed a ten-year extension of its cooperation agreement with the German company KHD, securing foreign credit for an increase of production capacities. In 1970, the Slovene party mediated a merger between the neighboring Tezno rail vehicle workshop TVT Boris Kidrič and TAM, with the idea of specializing the former into a producer of truck engines. TAM also extended credit to and

¹³⁷ "Izveštaj o radu", IMR, April 1968, 4.

¹³⁸ Martin Prašnički, "Oris glavnih razvojnih mejnikov in proizvodov Tovarne avtomobilov Maribor", in Slavica Tovšak, ed., *Tovarna avtomobilov Maribor: Sledovi mariborskega gospodarstva v arhivskem gradivu Pokrajinskega arhiva Maribor 60 let – spominski zbornik*, (Maribor: Pokrajinski arhiv Maribor, 2007), 16-21.

integrated many of its closest component suppliers in different parts of the country, forming its own industrial grouping.¹³⁹

TAM's management, the trade union and party organization were generally supportive of the ongoing reforms. With the help of customer and supplier credit, the factory managed to maintain sales and fulfill its business plans until the very end of the decade. Wages inside the enterprise were 17 percent higher from the average incomes in the Slovene metalworking branch. In comparison to the country as a whole, TAM workers enjoyed 39 percent higher wages than their Yugoslav colleagues did.¹⁴⁰ However, the management found it increasingly hard to uphold stable output due to suppliers, which were not able to follow TAM's pace of growth despite the extension of credit. The plant in Tezno faced scarcities in the supply of raw materials and components from the crisis-ridden basic industry.¹⁴¹ It was not only the suppliers from less developed republics that found it hard to catch up with TAM. The preparations of the local communists for the Sixth Congress of the Slovene party in 1967 revealed that Maribor's foundries and textile factories were also facing great difficulties in operating in a liberalized economic environment.¹⁴² TAM started to realize its success as a final producer depended on the overall progress of Yugoslav industry and the local infrastructure. In 1965, the usual number of housing units built by the enterprise for its workforce suddenly decreased almost by half (from 57 to 29) as Tezno's local government lacked budgetary resources to connect the new living areas to the sewage system and asphalt the nearby roads.¹⁴³ As one of TAM's delegates to the 1967 party congress, Alojz Rant, commented, "We focused on the individual incomes, but neglected collective social standards".¹⁴⁴

¹³⁹ In spite of different arbitration attempts by the federal government, in the decades to come TAM and FAP remained competitors with different technologies dependent on foreign partners.

¹⁴⁰ "Ocena poslovanja v letu 1968 je pozitivna", *Skozi TAM*, February 1969, 4.

¹⁴¹ "Sindikata ima vlogo pobudnika i organizatorja. Razprava", *Skozi TAM*, February 28, 1969, 2.

¹⁴² "Govorijo delgati za 6. Kongres ZKS", *Skozi TAM*, November 1968, 7.

¹⁴³ Marta Rendla, "Mariborski gospodarski gigant TAM v skrbi za izboljšanje življenjske ravni zaposlenih", in Željko Oset, Aleksandra Berberih Slana and Žarko Lazarević (eds.), *Mesto in gospodarstvo: Mariborsko gospodarstvo v 20. stoletju*, (Maribor: Inštitut za novejšo zgodovino, 2010), 553-577.

¹⁴⁴ "Govorijo delgati za 6. Kongres ZKS", *Skozi TAM*, November 1968, 7.

In the winter of 1968, the import of eight hundred foreign-made trucks led the factory management to send a protest letter to the Federal Secretariat of Foreign Trade, calling the government decision “unique in the world” and “discriminatory against domestic industry”.¹⁴⁵ TAM also encouraged its suppliers to send letters of protest and put pressure on the central government. The management addressed the problem from the perspective of the entire Yugoslav automotive industry, yet this was not a genuine show of unity. When speaking to the local workforce, TAM’s management and Slovene politicians were fond of placing Tezno’s industry in the role of a neglected outsider in comparison to other plants.¹⁴⁶ The factory management also complained about the “unfair competition” from the local private sector. The reform encouraged the opening of small machine and automotive repair shops around Maribor, taking away clients from TAM’s maintenance unit. The enterprise claimed the privately-owned shops were undercutting market prices by not employing a permanent workforce and large technical service.¹⁴⁷ The protest letters and accounts of the unequal conditions for doing business in different plants and regions were featured prominently in the factory newspapers. It is important to note that TAM’s management did not attack the market reforms as such, but the allegedly unequal application of reformist policies by the central government and the political favoring of certain plants. Similar to IMR’s fight to preserve its independent status, TAM’s management did not hesitate to stir company identity and rally its workers behind what they saw as discriminatory acts by the political authorities against their enterprise.

A sharp polarization was taking place between different factories, economic branches and regions. The withdrawal of the state allowed successful final producers to have both intensive capital formation and high wages, while the component producers and basic industry were under pressure to catch-up. It became common wisdom that the place where one works is what counts and not what one does. A semi-skilled worker in a reputable final goods producer could often

¹⁴⁵ Staša Marinković, “Obustavom rada protiv štrajka. Može li: sindikat organizator štrajka?”, *Nedeljne novosti*, December 29, 1968, 7. For the open protest letter sent by the management to the Federal Secretariat for Foreign Trade see: “Uvoz kamionov ogorža naše proizvodne nacrte”, *Skozi TAM*, December 14, 1968, 1.

¹⁴⁶ For instance, speaking in Tezno in 1970 the Slovene party leader Stane Kavčič claimed the Serbian Zastava factory was a thriving enterprise because the production of passenger cars remained under protectionist measures. Truck production remained exposed to unfair competition, he noticed regrettably. See: “Stane Kavčič o združitvi TŽV i TAM”, *Skozi TAM*, August 1970, 1-2.

¹⁴⁷ A.G. “Nelojalna konkurenca”, *Skozi TAM*, November 1968, 4.

earn a higher wage than the white-collar employees of a raw materials supplier did. The management of less profitable work collectives was under pressure to allow wage rises for their workforce and they came to depend on banks or business partners for further investments. High-income final goods producers used the expansion of commercial credit to merge with financially troubled firms and integrate suppliers into conglomerates, restricting the sales of raw materials, shifting costs to their partners and forbidding local firms to buy elsewhere.

The animosity that IMR displayed toward its more successful city rival IMT and TAM's belittling of the up-and-coming truck producer FAP were illustrative of the tensions building up between different factories in the same industrial branch. Nevertheless, the customary suspicion toward the state as well as the belief in the non-exploitative nature of the 'socialist market'¹⁴⁸ often led the workers to focus their criticism on the state bureaucracy and non-productive branches, which allegedly lived off the surplus value produced by the industry.¹⁴⁹ IMR workers liked to point out the fact that cleaning personnel in various Belgrade-based government agencies and banks were more likely to move into new apartments than skilled metalworkers in Rakovica.¹⁵⁰ In Tezno, as we have seen, TAM's management spread the idea among its workforce that the biased decisions of politicians in the central government were responsible for the enterprise business plights.

A favorable position in the production chain often overlapped with the geographical location of a factory. The decentralized, profit-driven and export-oriented industrialization strategy created regional disparities with the over-development of processing factories, concentrated in the

¹⁴⁸ The Yugoslav communists saw the overtly bureaucratized systems in Eastern Europe and lack of independence given to the economy as the main potential danger to further development. According to the theory of 'socialist commodity production', the law of value was an objective economic law influencing socialist societies as equally as the capitalist ones. Too much administrative interference against the market would prove counterproductive and lead to bureaucratization. Self-managed units should therefore have resisted the arbitrary exercise of power by non-economic factors, which could distort distribution to their own ends. The social ownership over the means of production allegedly prevented exploitation inside the enterprises and therefore it was the state bureaucracy, more than the market, that the communists should have feared. The operating law of value coupled with collective ownership was seen as the only objective criterion for socialist distribution.

¹⁴⁹ The idea of industry and manual workers as the sole producers of surplus value in society will be explained more thoroughly in Chapter Three (3.2) when discussing the notion of productive labor and workers' views of white-collar employees.

¹⁵⁰ "Komunisti ocenili sistem raspodele", *Motor*, March 1968, 1.

northern republics, enjoying developed transportation and communication links with Western Europe, and the subordinated basic industries dependent on the federal subsidies, located mostly in the southern republics. The policy of closing the development gap between the regions with different levels of economic development ended in 1965 when the central government dismantled the General Investment Fund and established the Fund for Accelerated Development of Less-Developed Republics and Kosovo.¹⁵¹ This act was a clear abandonment of government control over the extended reproduction and integrated development of the country as a whole. The profit logic prevailed, recognizing that the areas and enterprises offering higher return on investments should be relied upon as the centers of economic growth, while the less developed regions should be compensated through the mechanism of solidarity transfers. Already by 1963, the share of federal government in total investments had fallen to 22.5 per cent, leaving the decision of investment proportions to the competitive capital market.¹⁵²

The dismantling of the centrally-run General Investment Fund did not lead to the abatement of political quarrels over the allocation of state investment. On the contrary, due to the liberalized climate in the media, the bickering between communists, formerly taking place behind closed doors in the highest bodies of the party-state, started to appear on the pages of the national newspapers. The ‘road affair’, which broke in 1969, exposed the ongoing struggle for investments and favorable positions in which the leaderships of different republics were engaged inside the federacy. After the central government reached the decision to allocate the important World Bank development loan to Serbia and overlooked Slovenia’s bid for the construction of the regional road network, the leader of the Slovene party, Stane Kavčič, openly accused the federal structures of political machination and the disregarding of sound economic criteria. The Slovene party-state followed up its open protest over the lost bid with an increased public

¹⁵¹ Kosovo was an autonomous province inside Serbia with a majority Albanian population. The region was economically the most underdeveloped part of Yugoslavia and the place where social tensions were often expressed along ethnic lines. The multiethnic Partisan movement in Kosovo never took strong root under the German occupation. After World War Two, Kosovo was overseen by a strong police presence, while Serbs dominated the regional party-state. During the decentralization and liberal policies of the 1960s and 1970s, Kosovo went through a cultural and political emancipation of Albanians and the local non-Serb elites were increasingly occupying places in local institutions. The economic slowdown of the 1980s increased ethnic tensions and accelerated migration out of the region.

¹⁵² David A. Dyker, *Yugoslavia: Socialism, Development and Debt* (London: Routledge, 1990), 63.

circulation of nationalist-colored grievances, claiming Slovenia was neglected in Yugoslavia's postwar development and that the southern republics were profiting on its account.¹⁵³

The establishment of solidarity funds within each enterprise in Rakovica and Tezno would become a major issue of contention and nationalist-colored grievances during the economic crisis of the 1980s. Yet, interestingly enough, they stirred no immediate controversy during the turbulent second half of the 1960s. The opening of the national question in high politics found no visible reflection inside IMR or TAM. In Rakovica, as we have seen, the anger was focused primarily on the nearby tractor producer IMT and various Belgrade-based government agencies. In the case of TAM, the criticism of the central government seemed to carry no national undertones either. It was framed in the liberal-inspired notion of business freedom against political intervention. The 'road affair', for instance, seems to have been a controversial issue among the factory communists. There were many grievances directed at the central government and, at a certain point, it seems the more conservative senior members, aligned with the federal leadership, decided to close the discussions. The complaints thereafter were directed primarily toward the question of internal democracy in the local party, not Slovenia's position inside Yugoslavia.¹⁵⁴

The wave of pro-market reforms in the industry was preceded by the democratization and decentralization of the ruling party and the state apparatus. In 1952, the Communist Party of Yugoslavia changed its name to the League of Communists of Yugoslavia (LCY). The new name signified an altered role for the party in society. Internal debate was allowed more openly and communists were no longer instructed to lead by passing directives from the top. Instead, they were supposed to act as the most conscious elements within the self-management and state bodies.¹⁵⁵ Political democratization was tightly coupled with decentralization. The orientation toward federalization of the party-state was underlined at the Eighth Congress of the LCY in 1964 with a decision that in future the congresses of the party branches in the republics should

¹⁵³ Peter Štih, Vasko Simoniti and Peter Vodopivec, *A Slovene History: Society, Politics, Culture* (Ljubljana: Inštitut za novejšo zgodovino, 2008), 486.

¹⁵⁴ Jože Planovšek, "Soočimo se s stvarnostjo", *Skozi TAM*, September 1969, 3.

¹⁵⁵ April Carter, *Democratic Reform in Yugoslavia: The Changing Role of the Party* (Princeton, Princeton University Press, 1982), 2.

take place before the central congress. The 1960s brought a new layer of liberal-oriented younger politicians, such as the above-mentioned Stane Kavčič, to the fore in the party apparatuses of most republics.¹⁵⁶ Immersed in the Western-influenced postwar modernization, these functionaries did not share the values of the older generation of prewar communists and cadres recruited from the partisan army. They were eager to accelerate the market reforms while pushing the decision-making over the economic, social and cultural matters further away from the party forums. What distinguished them from the circle of older, top cadres in particular was the inclination to put forward the wellbeing of their respective republics before the common, federal objectives, in a more determined manner.¹⁵⁷

The industrial elites contributed greatly to pushes for further liberalization. The liberal coalition, headed by the liberal politicians of the more developed regions, consisted of forces organized along production principles, such as the management of more successful companies, economic chambers, professional associations and trade union officialdom.¹⁵⁸ The latest archival research shows that the Yugoslav trade union federation often acted as the maverick of market reforms during the first fifteen years of self-management.¹⁵⁹ Labor representatives connected the interests of their blue-collar base with the loosening of government control over economic flows and enterprise autonomy. The liberal coalition defined workers' self-management primarily as the freedom of the workers in a single enterprise to exercise control over their income. More economic liberalization was thus presented as the victory of 'workers' control' over 'political forces', as well as the path toward higher wages and a greater standard of living for the working

¹⁵⁶ The rejuvenation of cadres was not limited to the highest party ranks but also took place inside the industry. The process was encouraged from the very top of the party-state, which was convinced that the older Partisan cadres were undereducated and did not have the skills required to meet the challenges of modern society, new technologies and an economic system open to the world market. In 1966, the party campaign inside the self-managing enterprises removed 1,369 general managers across the country, proportionately 19 percent of all directors. See: Jože Prinčič, "Direktorska funkcija v jugoslovanskem socialističnem gospodarskem sistemu", in Jurij Fikfak and Jože Prinčič, eds., *Biti direktor v času socializma: med idejami i praksami*, (Ljubljana: Založba ZRC, 2008), 73.

¹⁵⁷ Sabrina P. Ramet, *The Three Yugoslavias: State Building and Legitimation 1918-2005* (Bloomington: Indiana University Press, 2006), 243-247.

¹⁵⁸ April Carter, *Democratic Reform in Yugoslavia: The Changing Role of the Party* (Princeton, Princeton University Press, 1982), 20.

¹⁵⁹ Vladimir-Unkovski Korica, *The Economic Struggle for Power in Tito's Yugoslavia: From World War II to Non-alignment* (I.B. Tauris forthcoming).

class.¹⁶⁰ The maintenance of harmony between different occupation groups inside the two factories until the mid-1960s in IMR and all the way until the end of the decade in the case of TAM can thus partly be explained by the spread of the ideology of market socialism coupled with staunch enterprise loyalty.

Workers were prepared to support the reform and pass the initiative and responsibility for decision-making to specialists as long as they felt that their measures were contributing positively to the company's total income. Yet, the liberal politicians, factory managers and higher trade union bodies were increasingly becoming out of touch with the grievances and critical language emerging inside the workers' collectives on the losing end of the market reforms and among the low-paid workers of more successful companies. As the economic crisis became more severe, the lingering class frictions between different occupational groups started to take precedence over the structurally-favored cleavage between the single factories and the party-state. The widening differentiation between the blue-collar workers and white-collar employees led to the break-up of the corporatist agreement on the enterprise level and inspired shop-floor workers to organize industrial action. It also inspired workers to reach beyond the factory gate and connect their dissatisfaction with political actors who were criticizing the existing social divisions and inequalities as too great for a society presenting itself as socialist.

1.5. Losing Factory Unity

On the micro level, the biggest change in the second half of the 1960s was certainly the further increase in enterprise autonomy. The government loosened its control over income allocation to different funds in each enterprise and gave up on heavy redistributive measures, thus allowing workers' councils to choose freely between investments and wage increases. The self-managed collective gained control over 70 percent of its income. The Constitutional Amendment enacted in 1968, gave the work collectives almost complete freedom to formulate their own self-management structures. Along with the ever-greater reliance on profitability criteria for industrialization and the loosening of the budgetary character of investments, the workers' councils were under pressure to allow the professional and managerial layer an ever-increasing

¹⁶⁰ Denisson Rusinow, *The Yugoslav Experiment 1948-1974* (Berkeley: University of California Press, 1978), 115.

influence inside the self-management structures. Many enterprises used this legal opening to abandon the compulsory membership quota of workers from direct production inside the workers' councils and substitute them with specialists.¹⁶¹

In April 1968, TAM's party conference discussed the state of self-management inside the factory. In the early 1960s, workers' councils were introduced at the level of each work department, thus significantly increasing workers' participation. Communists expressed satisfaction over the fact that 1,450 workers, or 29 percent of the workforce, were active inside the self-management bodies. However, conference speakers expressed their dissatisfaction with the makeup of these bodies, especially the Central Workers' Council. Three quarters of the total workforce were direct producers engaged on the shop floor. Yet, manual workers occupied merely 17 percent of posts in this body. The remaining membership consisted of engineers, economists and other office staff (*režija*). Furthermore, party activists complained that there was only one female member on the Central Workers' Council even though women added up to almost one quarter of the employed workers. The conference revealed that some 20 percent of the workforce was less than 27 years of age. Even so, not a single young worker was voted into TAM's main council.¹⁶²

There is no information about the makeup of IMR self-management bodies at the time. However, an incident, which took place in August 1967, exposed the level of alienation of factory self-management activities from the shop floor. That summer an unprecedented event took place in Rakovica when metalworker Milorad Karišik resigned from the IMR Central Workers' Council in an act of protest against the passing of a new income distribution scheme favoring white-collar employees. Karišik claimed he was not prepared to be part of a body that reached decisions against the "socialist principle of reward according to work".¹⁶³ Interviews with workers on the

¹⁶¹ Christopher Prout, *Market Socialism in Yugoslavia*, 57.

¹⁶² "Naloge komunistov pred volitvami v organe samoupravljanja", *Skozi TAM*, April 1968, 5.

¹⁶³ The catchphrase "distribution according to work" was one of the central criteria for the division of net income within the self-managed industrial enterprise. The production workers and the management used the saying equally to back up their positions. During her research time spent in one of the self-managed enterprises, American sociologist Ellen Turkish Comisso noticed just how differently the two main occupational groups interpreted the slogan. The blue-collar workers primarily saw direct *use value* in the objects they produced and estimated the result of work in relation to the quantity and quality of work actually performed on the shop floor. The management, on the other hand, considered that, regardless of the production strain, the product had no value until it was confirmed

shop floor showed many disagreed with Karišik's resignation. This does not mean the workers were in favor of the new distribution agreement. Most of the workers also perceived the favoring of specialists as an unfair measure. Still, they were of the opinion that their representative had the duty to remain inside the council and continue the fight for their interests. On the other hand, a number of manual workers applauded this act of defiance. Karišik's co-worker Ljubiša Savić argued that there was no point in directing grievances to the workers' council since it consisted of people who benefited from the new wage system and passed decisions in accordance with their own interests.¹⁶⁴

The white-collar dominated workers' councils in Tezno and Rakovica collaborated closely with the professional management in implementing the 1965 reform. The new measures required a sharp reduction in non-productive costs and the removal of previous income redistribution mechanisms on the factory level, such as bonuses for the manual workers and numerous non-wage payments. In the case of IMR, the rising wage disparities between the manual workers and the specialists created great anger on the shop floor and led many workers to stop perceiving the self-management bodies as defenders of universal interest, but as places of contention between different occupational groups instead. Some workers went as far as abandoning the workers' councils altogether as platforms where workers' could raise their grievances. In TAM, the discussions inside the party show that the self-management bodies were just as alienated from the broader workforce. The minutes of trade union meetings at the time show that blue-collar workers were aware and very critical of the growing wage differentiations inside their factory.¹⁶⁵ Still, there were no open acts of protest, as the management had a firm grip over the factory and the business results were satisfactory.

by realization on the market. The second view thus focused more on the *exchange value* of the product as a commodity and the capability of the firm to attain a favorable position in competition with other producers. The meetings of workers' councils were therefore sites of never-ending competition over the 'just' distribution of income. The end decision was usually based on a compromise expressed in the catchphrase 'Distribution according to *work* and the *results of work*', with the first trope (*work*) meaning the actual physical and mental strain invested on the shop floor, and the latter (*results of work*) implying market evaluation of the end product. See: Ellen Turkish-Comisso, *Workers' Control under Plan and Market*, 159-171.

¹⁶⁴ Ljuba Vesković: "Presedan u samoupravnoj praksi: Ostavka zbog socijalističkih principa", *Motor*, August-September 1967, 4.

¹⁶⁵ "Obćni zbor sindikalne organizacije", *Skozi TAM*, February 28, 1969, 1-3.

The blue-collar workers' connection to the party on the local level also seemed to wear thin. The factory branches succumbed to the professional management with little independent initiative or guidance from the communists, leading workers to lose interest in political work or to perceive the party as a place for the privileged. The people who were mobilized into the industrial workforce to construct a new society with the promise of workers' democracy felt that there was no longer any clear concept or direction behind the LCY's vague commitment to self-management. Once an organization whose ranks were filled by peasants and workers, the LCY became the representative of the middle classes and professionals. Between 1958 and 1970, the percentage of card-carrying low-skilled workers of the total LCY membership decreased from eight to five percent. The number of skilled workers also decreased slightly from 18 to 16 percent. On the other hand, the percentage of highly technical staff that joined the party during the same period doubled from 22 to 44 percent.¹⁶⁶ In 1966, around half of the party membership consisted of people employed in administrative and white-collar positions while 33.9 percent were manual workers of different skill levels.¹⁶⁷

Party members added up to 38 percent of the Central Workers' Council in TAM. As we have seen, the white-collar workers were a great majority in this body. In the workers councils of the productive departments, where blue-collar workers had a stronger representation, the average share of communists went down to 15.8 percent, indicating that professional staff dominated the factory party.¹⁶⁸ A survey of the party members in Maribor, conducted mostly among industrial workers in 1969, disclosed that the local branches limited their work to the circulation of information without any real political influence over business or social matters. Only 32 percent of the surveyed communists had the impression that their organization followed the political conclusions with some type of concrete action. The survey stated that 22 percent of the members

¹⁶⁶ Jim Seroka and Radoš Smiljković, *Political Organizations in Socialist Yugoslavia*, (Durham: Duke University Press, 1986), 66.

¹⁶⁷ The percentage of working-class membership was actually lower since many party members with vocational education officially registered as workers, advanced to desk positions or were engaged in bureaucratic tasks. See: Mirko Arsić and Dragan R. Marković, *68. Studentski bunt i društvo* (Beograd: Prosvetni Pregled, 1984), 20.

¹⁶⁸ "Naloge komunistov pred volitvami v organe samoupravljanja", *Skozi TAM*, April 1968, 5.

had a low knowledge of basic ideological concepts. The young workers in particular showed little interest in politics.¹⁶⁹

The dissolving of a common identity and loosening of the party grip over the factories resulted in a disorderly atmosphere. TAM communists pointed out that the factory was losing skilled workers who used the regime of open borders to find employment in Western Europe.¹⁷⁰ Amidst the consumer frenzy of the 1960s, workers were looking for individual ways to earn more income and take part in the ‘good life’ exemplified by the urban middle classes. Among the main problems identified by TAM’s party branch was the spread of “illegal enrichment”.¹⁷¹ In 1969, TAM’s wider image was tarnished when Slovene newspapers picked up the affair involving a group of employees embezzling the factory holiday fund.¹⁷² A year later, the factory paper wrote about the arrest of Vili Dominc, a twenty-five-year-old worker accused of systematically stealing expensive auto components from the factory circle. Accusations against this young worker carried specific political weight as he allegedly came from a well-situated family and engaged in theft with the idea of collecting enough money to start a private business.¹⁷³ The political tide inside the factory was slowly turning. The liberal reforms were no longer associated with raising the general living standard, but with the easy enrichment of unscrupulous individuals. The main usurper of the value created on the shop floor was no longer the abstract bureaucracy in the central government. It was now to be found much closer to home, inside the factory.

The process of the discrediting of the party and internal polarization can be observed in a much faster and clear-cut manner in Rakovica. By the second half of the 1960s, the reputation of IMR’s communists had been all but lost on the shop floor. There are no exact figures on the share of blue-collar workers and professionals in the factory organization. The fact that among 25 people sitting on the workers’ council of one of the most blue-collar departments (Foundry)

¹⁶⁹ J.P. “Uspešnost organiziranosti komunistov v Mariboru“, *Skozi TAM*, June 1969, 3.

¹⁷⁰ TAM was suffering from a lack of qualified staff. In 1969, some 40 percent of its workforce were unskilled or semi-skilled workers. One quarter of TAM’s workers had not even finished the eight-year primary education.

¹⁷¹ “Govorijo delgati za 6. Kongres ZKS”, *Skozi TAM*, November 1968, 7.

¹⁷² “Mešetarjenje z regresi”, *Skozi TAM*, January 1969, 5.

¹⁷³ F.K., “Prevejani zmikavt se je ujel”, *Skozi TAM*, July 1970, 13.

only two were members of the party indicates that IMR's branches were also under the decisive influence of the white-collar workers and directors. The party members complained that communists were unpopular among the workers, who saw the functionaries as opportunists. The atmosphere in the party meetings did nothing to dispel such views. The proceedings often ended up in loud quarrels with different groups accusing each other of political maneuvering for personal financial gain. Competing functionaries would hold informal meetings with their supporters in the factory yard and local pubs in order to fix the elections and assign their own people to key positions. The factory press reported numerous disciplinary breaches among the ordinary party members, including a refusal to pay the membership fees, verbal abuse of party functionaries and skipping branch meetings in order to perform additional work in their villages and build privately-owned houses.¹⁷⁴

The discipline in the workplaces was not much better. The most pressing concern for the factory management and the party organization was the migration of skilled workers to Western Europe.¹⁷⁵ The phenomenon of workers using the open border policy to leave the factory seems to have been more widespread than in Tezno, despite TAM's proximity to Austria. The drainage of the workforce happened in a chaotic manner. Workers would use the vacations to travel abroad, where they found work and often never returned. The situation became critical when the distinguished party members started to abandon the factory. In spring of 1968, the factory management found out that the former President of the League of Socialist Youth and a functionary in the city youth organization, Mihajlo Miličević, had been employed in Switzerland for months even though officially he was still on the factory pay sheet. Miličević claimed he had to take leave in order to take care of his sick mother at home. Letters were regularly arriving from his mothers' address in his home village, asking for an extension of his leave, until the truth was revealed.¹⁷⁶ The incident led to further loss of faith in the factory officials. What made the

¹⁷⁴ Lj. Vesković, "Otvoreno i odgovorno o slabostima", *Motor*, September 1966, 2.

¹⁷⁵ Unemployment appeared as one of the central problems of Yugoslav socialism during the 1960s. In 1965, the unemployment rate stood at 8.8 percent, or some 326,800 people unemployed in total. One of the ways to relieve the pressure of the rural population on the cities was the encouragement of an immigration policy through bilateral agreements with Western European states in need of manual workers.

¹⁷⁶ "Miličević u inostranstvu?", *Motor*, May 1968, 7.

matter worse was that Miličević was one of the most outspoken critics of migration to the West.¹⁷⁷

The management had little authority among the workforce. A rumor circulated on the shop floor that the general director made jokes about the wage differences between the specialists and blue-collar workers at the management board meeting. This turned him into a hate figure. By the spring of 1968, wages started arriving with delays and workers did not hesitate to point the finger at the management. At the end of the year, the general director described the dominant mood inside the plant as a “psychosis of dissatisfaction”.¹⁷⁸ The senior workers organized and regulated the work process on the shop floor with little control from above. In October 1968, the factory attempted to introduce a more exact work performance tracking system, whereby workers were supposed to fill in work cards daily, specifying the work operations and times. This triggered an outrage among the more established manual workers who called the measure “an insult”.¹⁷⁹ The shop floor obviously had substantial power in relation to the management and the socio-political bodies.

In 1969, the prolonged internal turmoil gave way to the independent organization of the blue-collar workers and a wave of work stoppages.¹⁸⁰ Between January and April, four small strikes had already taken place in IMR, leading the factory newspaper to conclude, “Nowadays work stoppages have become the fashion”.¹⁸¹ In May, a major work stoppage took place with the

¹⁷⁷ As already noted, the work migration toward Western Europe was an official policy, introduced in order to deal with rising unemployment. However, the idea of exporting workers from a self-managed society as a cheap workforce into Western capitalist economies was highly unpopular among the public and criticized in the media. The local party branches followed popular opinion and discouraged workers from leaving their workplaces, especially if they were skilled.

¹⁷⁸ “Psihoza nezadovoljstva-otežavajuća okolnost”, *Motor*, February-March 1969, 2.

¹⁷⁹ “Pale teške ali neosnovane optužbe na rukovodioce”, *Motor*, October 1968, 4-5.

¹⁸⁰ All the way until the late 1980s, the officially used name for the strike was ‘work stoppage’ as the authorities refused to recognize the possibility of class conflict within self-management.

¹⁸¹ IMR was not an exception. In the course of the 1960s, blue-collar workers started organizing spontaneous, wildcat strikes, independently from the trade unions and self-management bodies, in all corners of Yugoslavia. In 1958, some 4,000 miners from Trbovlje, Slovenia went on the very first recorded strike in Yugoslav socialism. One year later the internal memo of the federal government mentioned 150 strike occurrences nationwide, while in 1962 this number rose to 225 instances. The statistics for the rest of the decade are unreliable. The pioneer researcher of industrial action in socialist Yugoslavia, Neca Jovanov, estimated that, between 1958 and 1969, some 2,000 strikes took place. Most of them were concentrated in basic industries and low-income manufacturing enterprises, where

Tractor department being the most militant.¹⁸² The month before, tractor workers recalled their trade union representative as he was not “active and energetic enough” when confronting the management.¹⁸³ It is remarkable that the workers had such expectations from their trade unionists. The exact role of the unions had become somewhat vague after the introduction of self-management. The workers’ councils were promoted as the main institutions of organized labor and the task of the trade unions was to take care of social standards and facilitate self-management activities.¹⁸⁴ With the workers’ councils and the party coming under the control of the management, the trade union seems to have accommodated part of the shop-floor frustrations.

Most of the workers’ grievances inside IMR were expressed at the trade union meetings. Exposed to pressure from below, the trade unionists started taking a more active stance in broader forums and attaching their grievances to political issues. In the winter of 1968, IMR representatives in the city trade union council insisted that the Belgrade union organization should launch a demand for a decrease in the wages of the Federal Parliament. They argued that the wages of metalworkers in Rakovica had been stagnating for two years in a row and asked why the political functionaries should be exempted from general efforts to cut costs. The media picked up this initiative, bringing recognition and popularity to Rakovica workers. At the Sixth Congress of the Yugoslav Federation of Trade Unions in 1968, the delegates from Rakovica built on the critical tone of Josip Broz Tito’s opening speech, in which he attacked private businesses and earning money through rent.¹⁸⁵ IMR unionists demanded the radical redistribution of wealth and democratization of the party-state. “Is it not so that the individuals got rich off our backs?”

groups of workers were unsatisfied with wages and income distribution between direct production and the administration. See: Neca Jovanov, *Radnički štrajkovi u Radnički štrajkovi u SFRJ od 1958. do 1969. godine* (Beograd: Zapis, 1979).

¹⁸² “Vreme u kome živimo“, *Motor*, February-March 1969, 11. and Nikola Milinović, “Obustave rada“, *Motor*, April 29, 1969, 6.

¹⁸³ “Smenili sindikalnog poverenika“, *Motor*, April 29, 1969, 7.

¹⁸⁴ See: Sharon Zukin, “The Representation of Working-Class Interest in Socialist Society: Yugoslav Labor Unions,” *Politics & Society*, 10, 3 (1981), 281-316.

¹⁸⁵ Momčilo Pavlović and Predrag J. Marković, *Od radničkog saveza do Saveza samostalnih sindikata Srbije* (Belgrade: Institut za savremenu istoriju, 2013), 271.

IMR foundry worker Miloš Kićević asked from the congress podium. “If this is the case, and it definitely is, then these assets should be taken away from them”, he argued.¹⁸⁶

The speakers from other republics supported the sharp criticism of Rakovica’s delegate with demands for the introduction of a law enabling the confiscation of property acquired through corruption. Many conference delegates also condemned the practice of preselecting groups of candidates listed on the election ballots and suggested secret voting for the federal trade union’s Central Council. A spontaneous initiative developed from the crowd for the outspoken Rakovica delegate Miloš Kićević to be included on the list of candidates for the highest Yugoslav trade union organ, since he “described in the best possible way our wishes and feelings”.¹⁸⁷ The end decision on the voting procedure was a compromise. The vote was secret, but the lists remained closed with predetermined candidates. The grassroots candidates failed to enter the Central Council. Out of one thousand delegates, some three hundred walked out of the conference in protest at the refusal to change the voting procedure as well as the trade union’s support for the toughening of pension requirements.¹⁸⁸

As briefly mentioned, inside TAM, the popular dissatisfaction was also channeled through the local trade union branches. Yet, the enterprise union bureaucracy was more responsive to the actions of the management than to the shop-floor grievances. In the winter of 1968, for instance, Maribor’s City Trade Union Council picked up TAM’s campaign against the import of foreign trucks and launched an initiative for an officially authorized four-hour work stoppage in the entire city. The municipal trade union leader Ivan Kuzma defended work stoppages in principle, claiming that they can encourage “further development of self-management relations against the

¹⁸⁶ For an overview of press reporting about the discussions taking place at the 1968 Trade Union Congress and critical interventions from the podium see: April Carter, *Democratic Reform in Yugoslavia: The Changing Role of the Party* (Princeton, Princeton University Press, 1982), 159-168.

¹⁸⁷ April Carter, *Democratic Reform in Yugoslavia*, 163.

¹⁸⁸ Similar blue-collar workers’ initiatives from below were recorded inside the party as well. The 1968 congresses of both Serbian and Croatian Leagues of Communists had labor delegates demanding the greater influence of workers on the decision-making inside the party organs. In Serbia, there were calls for open-end candidate lists and more blue-collar delegates on the Central Committee. In Croatia, such voices went further, arguing for a change in the LCY Statute so it would guarantee a majority presence of workers from direct production in all the leading bodies of the party. See: Nebojša Popov, *Društveni Sukobi-Izazov Sociologiji: ‘Beogradski jun’ 1968, Second Edition* (Belgrade: Službeni Glasnik, 2008), 226.

bureaucratic structures, including the ones inside the trade unions”, and criticized the system for failing to connect workers beyond the enterprise level.¹⁸⁹

That summer, TAM’s union delegate, Jože Planovšek, was present in Belgrade at the Sixth Congress of the Yugoslav Federation of Trade Unions. In a report written to the factory paper, he described being struck by the fiery speeches delivered by many delegates. Planovšek was in favor of open debates. However, he was also of the opinion that many of the most critical unionists had missed the point. The rebellious delegates acted as if the trade union stood outside of the self-management system, he argued. They called upon the outside political forces to intervene in the internal matters of the enterprises. According to Planovšek, it would have been more fruitful to channel the astonishing energy released at the congress toward the self-management bodies in each factory, as this would result in higher productivity and a better standard of living. The workers were allegedly in control of their factories and the trade union had the duty to act in a constructive way.¹⁹⁰

All the way until the end of the decade, TAM’s management therefore managed to keep its influence inside the factory socio-political bodies, cover up the growing internal polarization and impose itself as the leadership capable of bringing sound business results in the middle of the economic crisis. While its suppliers’ production was blocked by fierce occupational clashes, TAM continued to operate without a trace of industrial conflict. However, in the summer of 1970 the wider trend finally caught up with the truck manufacturer. That year, the wages inside the factory lost the race with inflation for the first time. Between May and August, a series of strikes broke out in various departments, with workers complaining about the low wages and unequal income distribution inside the enterprise. The striking workers used none of the existing factory bodies to organize their actions and even came into physical conflict with the part of the workforce that wanted to continue working.¹⁹¹

¹⁸⁹ Staša Marinković, “Obustavom rada protiv štrajka. Može li: sindikat organizator štrajka?”, *Nedeljne novosti*, December 29, 1968, 7.

¹⁹⁰ Jože Planovšek, “Bilo je vroče kot malokdaj“, *Skozi TAM*, July 1968, 3.

¹⁹¹ A.Ž., “Duhovi se pomirili po razgovoru”, *Skozi TAM*, June 1970, 9. “Delavski svet o prekinitvi dela v MO 22”, *Skozi TAM*, July 1970, 6.

The dynamics taking place inside IMR and TAM during the late 1960s show how under workers' self-management labor grievances could have been framed differently, depending on the relationship of forces inside each factory and their position within the national economy. IMR's management structures were never particularly influential and they were additionally weakened through a series of attempted mergers. The workforce consisted of a high number of skilled workers who were in a position to exercise great control over the production process. The proximity of the federal institutions inspired workers to bypass the powerless factory elites and seek connections with the conservative fractions inside the party, who were potentially willing to put a break on the reforms. The trade union representatives discarded the ideology of harmonious self-managing units cooperating in the market and adopted the language of class distinction, workers' unity and social equality promoted by the top federal communist leadership, embodied by Tito. Despite appealing to the party, Rakovica's unionists launched a rather independent campaign inside the higher trade union bodies, which identified the privileges of the managerial and lower-level political elites, the splintered nature of self-management and the lack of working-class participation in official institutions as the root causes of the economic and political crisis.

Inside TAM, the situation was different. The enterprise was faring better in the market. It was headed by strong management and employed a great number of low-skilled workers. The internal polarization was present, but developed at a slower pace. The management was able to prevent grassroots actions by encouraging the vision of common, enterprise-based interests stacked against the central state. It also undertook initiatives of its own to mobilize the workforce and shape the understandings of the crisis locally. The workers' recollections reveal that as early as the mid-1950s, during the debates over the allocation of foreign licenses, TAM's management was using strikes as a threat in case the federal government did not connect the enterprise with a preferred business partner abroad.¹⁹² In 1968, the management and the city trade union leadership were able to channel workers' dissatisfaction toward demands for an industrial policy more sensitive to local needs. The action was closer to an industrial lockout than a workers' strike.

¹⁹² Danilo Vincetič, "Srečanja s Titom – najlepša doživetja", *Skozi TAM*, June 13 1980, 23.

As the decade was ending, IMR's trade unionists started looking beyond the factory-based self-management structures, seeking empowerment of labor through political unity. They envisioned achieving this mainly by appealing for the support of the highest party leadership, through greater inclusion of working-class concerns in the existing organs of the party-state. On the other hand, Maribor's unionists cherished the concept of enterprise independence from political authority. The interview with the president of the municipal union, Ivan Kuzma, shows the local union did not deny the need for connecting workers beyond the factory gates, but envisioned that this would happen within the realm of self-management and market interaction, along functional, production principles.

These were the dominant tendencies within each factory. Still, it is important to note that IMR and TAM were not consistent in articulating grievances along these two distinct lines. As we have seen, IMR's workforce was capable of uniting behind the management-organized internal referendum for independent status when faced with politically-steered merger plans. In the same vein, individual communists and workers inside TAM who raised their voices against "illegal enrichment" and the growing internal income gap were gaining popular support. During the summer of 1970, the prevailing view of self-managing decisions made in the common interest of the entire workforce was forced to give way to other explanations, when faced with open revolts on the shop floor. In the years to come, the top party leadership would connect to these rebellious voices, strike a blow against the managers and revise the institutional set up of workers' self-management.

1.6. Reviving Revolution through Normative Acts

The sketched developments inside the factories show that workers' self-management was not a static system and had few fixed meanings. A person's understanding of the Yugoslav road to socialism largely depended on whether one perceived either 'bureaucratic centralism' or 'economic particularism' as the greater danger. Those who found the alienated state as the largest potential threat to the revolution but welcomed the idea of 'market socialism' tended to see workers' self-management primarily as the freedom of the workers in a single enterprise to make their own collective business decisions and maximize incomes, regardless of the wider social implications of their activity. In this liberal interpretation, the formula of social ownership

implied that the installed capital and the income made with its usage, belonged to the group of people employed in the respective enterprises. On the other hand, those who recognized growing regional and social polarization as the key problem inside Yugoslavia emphasized the class character of self-management. The second group recognized the existence of opposing interests inside the factories and wished to further the coalition between the blue-collar workers and the more conservative parts of the party against the managerial layer. In this constellation, the factories and their products were seen as belonging to society as a whole and redistributive measures were encouraged.

The official interpretation at a particular moment of time and space was determined by alliances and conflicts building up between the three main social groups involved in the project and their understanding of self-management, namely: the party leadership, blue-collar workers and the professional management. This mosaic was made even more complex by the fact that regional communist leaderships were becoming increasingly independent from central authorities and pursuing their own agendas. In the case of concrete enterprises, the self-management practice was shaped through relations of power between the main factory institutions: the party, trade union, professional management board and workers' council. To a certain degree, all of these bodies could fall under the influence of groups of workers with different skill levels, the managers and specialists or the local trade union and party bureaucracy. The participants of the self-managing process might enter into conflict with one another over the exact nature of the system and its implementation, but they all recognized the same ultimate arbiter.

The federal party apex, consisting of the veteran Partisan leadership and personified in the figure of Josip Broz Tito, performed a crucial role in the functioning of the self-management system. The atomized economic and political landscape called for a cohesive ideology and a central institution that could provide a unified perspective and act as a mediator of social disputes. By carefully presenting himself as standing above fractional squabbles and narrow entitlements, Tito played the role of the undisputed mediator of political disputes and a guarantor of all-national interests. Ascendancy of every political tendency inside or outside the party-state institutions depended on its ability to gain the official sponsorship of Tito, as this support brought political legitimacy and safeguards from potential state repression.

During the first two decades of self-management, Tito tacitly supported the general trajectory of pro-market reforms. However, parallel to the liberal politicians gaining the upper hand inside of most republics, the federal leadership made sure the party forums remained open for opposing tendencies, which could act as a corrective force and a put a check on the power of the radical reformers. Tito used every opportunity to draw a line between him and the leaderships on the lower levels, issuing periodic warnings about the dangerous consequences political decentralization and market liberalization could have on Yugoslav unity and socialist egalitarian principles. For instance, in February 1958, the LCY Executive Committee sent out a letter to the party rank and file, criticizing the party functionaries for the lack of economic cooperation between municipalities, immoderate usage of social funds and luxurious lifestyles. In 1962, Tito used a mass rally in the Croatian city of Split to deliver a speech that was to be seen as a prophetic address in the years and decades to come. The speech warned of “localism and even signs of chauvinism” caused by “material reasons” and “dormancy of communists” with “some party members forgetting about the broader interests of the entire community”.¹⁹³

Apart from regulating factional clashes inside the party-state, the veteran Partisan leadership also centered on popular dissatisfaction and accommodated grassroots grievances before they had the chance to evolve on their own and constitute a potential political opposition. The federal party apex, above all Josip Broz Tito, was in the position to defuse movements from below with a careful mix of suppression and concessions. Tito would use his revolutionary credentials to engage in direct, non-institutional contact with social movements and lean on the masses in order to prosecute alternative centers of political power. As we have seen, the blue-collar workers were one of the central reference points for the top leadership. Next to equality among the Yugoslav nations and social justice, the historical mission of the working class to construct socialism was a central theme of Tito's political philosophy.

Workers' self-management remained an enterprise-focused practice with few meaningful broader institutions that could facilitate the forming of an independent, all-inclusive workers political platform. In this situation, the highest party leadership played the role of the guardian of

¹⁹³ See: Josip Broz Tito, “Treba preduzjeti mere koje će omogućiti normalniji razvoj naše zemlje (Govor u Splitu, 6. maja 1962)”, in Josip B. Tito and Miloš Nikolić, eds., *Jugoslavenska revolucija i socijalizam, vol. 2* (Zagreb: Globus, 1982), 112-124.

the working class. The party was the designer of the political identity and the common interests of the proletariat. Nonetheless, the symbolism and slogans used by the LCY apex to thwart autonomous organizing and crown itself as an indispensable social arbiter could also be appropriated by workers and used to assert their demands from below. The faith in the existence of a direct, non-institutional communication between the shop floor and the party apex enabled the workers to have leverage over their directors and the local political authorities. The industrial workers believed they had an ally at the very top of the party-state and this conviction encouraged them to stand up and raise concerns more confidently. Tito's insistence on the centrality of manual labor in socialist society strengthened workers' faith in the system and gave blue-collar grievances much-needed public legitimacy.¹⁹⁴

The political liberalization of the 1960s encouraged the ascendance of two distinct political currents, which escaped the control of the federal leadership. The first one was the already mentioned amalgam of demands for further economic liberalization and political decentralization, personified by the younger party leaderships located mostly in the republics.¹⁹⁵ The second strand came from the left. Inspired by the ideas of the global New Left, the autonomous student movement in Belgrade, Zagreb and Ljubljana was eager to articulate the popular dissatisfaction with social inequalities. Capitalizing on the ideas of the *Praxis* group of socialist-humanist intellectuals,¹⁹⁶ the students insisted that the emergence of the privileged elites

¹⁹⁴ The top institutions of the party-state were well aware of this mechanism. The federal government's memo on industrial action, circulated among the highest leadership in 1963, noted how the first official strike organized by the Slovene miners in 1958 was encouraged by the "favorable atmosphere" created after the publication of the LCY Central Committee letter earlier that year, which criticized wealthy functionaries. The memo also directly connected the upsurge in industrial action during 1962 with Tito's dramatic speech in Split, which condemned nationalism and easy enrichment. As we have seen, the critical speakers at the Sixth Congress of the Yugoslav Federation of Trade Unions in 1968 tended to position their contributions as follow-ups to the opening speech of the Congress given by Tito. See: Neca Jovanov, *Radnički štrajkovi u SFRJ*, 101.

¹⁹⁵ In Croatia, the party leaders who endorsed greater sovereignty of the republics and more market freedoms in the economic sphere found support among nationalists in local cultural institutions and the university. By 1971, the coalition of liberal politicians, nationalist intelligentsia and student initiatives triggered a broader movement spilling over into the streets (*Maspok*). Mobilizations were also taking place inside Kosovo. In November 1968, inspired by the official federally-endorsed campaign of Albanian cultural revival and greater jurisdictions of Kosovo's authorities, students in Pristina went out onto the streets demanding that the autonomous province gains the status of a republic.

¹⁹⁶ The Yugoslav critical left intelligentsia established institutionalized contacts with the international protagonists of the New Left in 1964 with the launch of the *Praxis* magazine and the organization of the first summer school on the island of Korčula. The *Praxis*-organized Korčula Summer School brought the leading left-wing intellectuals of the time to Yugoslavia and initiated translations of their works (among others: Ernst Bloch, Erich Fromm, Herbert

and the resurrection of nationalism were processes inseparable from the introduction of self-centered firms competing against each other in the market. Instead of associating self-management with decentralization, national rights, markets and opening to the world economy, the student movement connected further modernization and democratization to the strengthening of the political power of the working class. One of the main slogans of the students in Belgrade, who managed to occupy the University building in June of 1968, was ‘Down with the Red Bourgeoisie’.¹⁹⁷

Faced with political challengers left and right, the core LCY leadership felt the need to abolish political alternatives and reassert itself as the sole champion of national rights and guardian of social equality. The 1968 street demonstrations for more regional autonomy in Priština, were violently dispersed by the police.¹⁹⁸ In 1972, Tito used the excesses of the radical wing of the Croatian national movement as a pretext for the purge of nationalist and liberal elements in the state institutions and party apparatuses of the different republics. The 1968 student movement, on the other hand, was demobilized peacefully with the help of Tito’s direct intervention. On the seventh day of the occupation of Belgrade University, Tito addressed the nation on television, declaring that the student protest was justified and that the party will take up their demands. With this act, Tito went over the heads of the student movement leadership and triggered the spontaneous lifting of the blockade and the jubilation of students on the street.

After the clampdown on institutional exponents of broader mobilizations, the federal leadership picked up the popular demands of the suppressed social movements and introduced them into the legislature as its own initiative. In the aftermath of the campaign against nationalism, the federal leadership drafted a new Constitution in 1974, which integrated many demands of the suppressed national movements. The party apex continued to equate democratization with the increasing

Marcuse and Henri Lefebvre). Positions held by *Praxis* contributors as assistants and professors at Yugoslav universities brought these scholars into close contact with the student population. Their teachings created the climate for more activist-oriented groups and individuals in the universities.

¹⁹⁷ Other slogans on banners hung from the walls of the occupied university building included: “The Revolution is Still Not Finished”, “Self-Management from the Bottom to the Top”, “Bureaucracy Hands off Workers”, “Political Work-Free Work”, “No to the Restoration of Capitalism”, etc. See: Nebojša Popov, *Društveni Sukobi-Izazov Sociologiji: „Beogradski jun“1968, Second Edition* (Belgrade: Službeni Glasnik, 2008) 97.

¹⁹⁸ Mary Motes, *Kosova-Kosovo: Prelude to War, 1966-1999* (Homestead: Redland Press, 1998), 103

rights of nationally defined republics. The Federation was left with regulating a couple of core state functions, such as the implementation of federal law, regulation of the economic system and national defense, all other powers were transferred to the republics. The agreements between the republics were reached by consensus of the delegations voted into the federal bodies according to national quotas. Yugoslavia thus acquired the features of a confederation. Serbia itself was federalized with increased authorities of its two autonomous republics, Vojvodina, in the north, and Kosovo, in the south.

Then again, after accusing a number of left oppositional figures as exponents of ideological deviation labeled ‘anarcho-liberalism’,¹⁹⁹ the party adopted an increasingly revolutionary posture in public. The Sixth Congress of Yugoslav Trade Union Federation in Belgrade took place just days after the student rebellion. In his opening speech, Tito launched an attack on private profiteering and the alienated layer within the party and state institutions standing in opposition to workers’ interests, but also made sure to mention the left-wing dissidents at universities as political opponents.²⁰⁰ The efforts of the student movement to enter the factories and the workers’ responses remain poorly researched. In his account of the 1968 movement, former Praxis member Nebojša Popov suggests how the numerous letters published by the media at the time, in which the work collectives dismissed the student occupation, were drafted and sent by the factory party branches without any participation or knowledge by the workers. Popov cites several letters of support sent by individual workers irritated by public accusations of students made by their branches.²⁰¹ On the other hand, a close reading of the speech delivered by the Rakovica delegate at the 1968 federal trade union congress, Miloš Kićević, indicates that the

¹⁹⁹ See: Srđan Cvetković, “‘Kradljivci tuđih leđa’, Obračun sa anarholiberalističkim grupama u SFRJ posle 1968”., *Istorija 20. veka*, 3, 2011, 39-56.

²⁰⁰ Momčilo Pavlović and Predrag J. Marković, *Od radničkog saveza do Saveza samostalnih sindikata Srbije* (Belgrade: Institut za savremenu istoriju, 2013), 271.

²⁰¹ Nebojša Popov, *Društveni Sukobi-Izazov Sociologiji: ‘Beogradski jun’ 1968, Second Edition* (Belgrade: Službeni Glasnik, 2008), 86-88.

most radical unionists were ready to prove their loyalty and make their cause more appealing to the top leadership by criticizing the left opposition.²⁰²

In the following decade, the party apex went on to facilitate the expansion of workers' self-management under its tutorship, while campaigning against the professional enterprise elites. Summoned under the pejorative term *technocracy*, the business and technical experts were accused of misusing their influence inside self-management bodies to manipulate economic allocation. Allegedly, the introduction of self-management handed the decentralized social capital over to the working class, but the managers were in the position to place it under their control, spread the mentality of 'group ownership' (*grupno-svojinski odnosi*) among the workforce and gain powers similar to those enjoyed by private entrepreneurs in capitalism. The party claimed that company executives were joining forces with local state bureaucracies, causing atomization of the Yugoslav market and harming common interests. This amalgam of local political leaders and managerial elites was labeled 'techno-bureaucracy' and was presented as connected with rising nationalism as well as the appearance of embezzlement and corruptive practices inside the enterprises. The political turn was thus used for the reelection of a great number of prominent directors in banks, trading companies and the most successful manufacturers in all republics.²⁰³

The 1970s therefore brought the spread of anti-market language and rediscovered importance of manual labor and the political rights of blue-collar workers. Along with the new Constitution, the Associated Labor Act, passed in 1976 (colloquially also known as the Workers' Constitution), was supposed to lay down the legal blueprint for a society fast approaching the Marxist ideal of the association of free producers. The large, centralized enterprises were recognized as the epicenters of new forms of undemocratic social relations. Allegedly, workers could not exercise their self-management rights in big units, which require multiple representation and invite the creation of bureaucracy. The work collectives were thus broken down into the Basic

²⁰² In his speech, Kićević criticized privileged groups living off the state budget who act as "disseminators of 'progressive' ideas in the name of the working class", adding that the nationalist ideologists came from the same milieu. See: "Ne uljuljkuje nas frazersko samoupravljanje", *Motor*, August-September 1968, 2.

²⁰³ Jože Prinčič, "Direktorska funkcija v jugoslovanskem socialističnem gospodarskem sistemu", in Jurij Fikfak and Jože Prinčič, eds, *Biti director v času socializma: med idejami i praksami*, (Ljubljana: Založba ZRC, 2008), 84-88.

Organization of Associated Labor (BOAL) – defined as the smallest part of the enterprise which constituted an economic-technological entity and whose financial performance could be assessed independently by market or other means.²⁰⁴ Each of these smaller enterprise departments was equipped with its own set of self-management bodies and joined the larger collective voluntarily, based on a self-management contract and a delegation in the central workers' council. The enterprise was transformed into a 'work organization' – an association of BOALs enjoying full legal and political sovereignty.

Work organizations were free to enter broader association agreements and form Complex Organizations of Associated Labor (COAL). The reforms therefore did not abandon the idea of improved efficiency through economies of scale and market incentive. Radical decentralization and extended influence of the shop floor were to help stimulate a new wave of economic associations from below and unrestricted exchange of goods and services, while simultaneously preventing the emergence of alienated economic and political elites with power to manipulate decisions in self-management bodies and bring about wasteful economic allocation. In other words, Associated Labor was to free the market of monopolies and place it under the control of the direct producers. The relations between different occupational groups within single BOALs, the BOALs inside a work organization, various industrial branches as well as the industry and the state were to be planned and stabilized through a series of long-term agreements and compacts discussed and voted upon by the self-management bodies. The term 'contractual economy', often colloquially used to describe the new system, encapsulated this idea of a rich network of self-management institutions harmonizing industrial relations through elected delegations controlled by their constituencies.²⁰⁵

The main task of the Associated Labor Act was nothing less than to finally promote direct producers to the position of chief regulators of socialist modernization, thus fulfilling the almost forgotten revolutionary promise of workers as the ruling class. In the past often overtly influenced by the professional management, the Central Workers' Council was now made

²⁰⁴ Cristopher Prout, *Market Socialism in Yugoslavia*, 65-70.

²⁰⁵ Henryk Flakierski, *The Economic System and Income Distribution in Yugoslavia* (New York: M.E. Sharpe, Inc., 1989), 11-12.

dependent on the agreement of the delegates from workers' councils of each BOAL, positioned closer to the shop floor. The democratization of self-managing process was further insured with the strengthening of more inclusive self-management institutions. The freedom of workers' councils to reach business decisions was limited by Workers' Assemblies (*radnički zborovi*) – open, general vote, meetings held upon need in each department as well as the Referendums– the plebiscitary voting of workers in all BOALs. All major choices concerning the work organization, such as the income distribution agreements, large capital investments, collective consumption etc., had to be ratified by the entire work collective.

To make sure the workers were informed about the management process, Associated Labor gave special attention to enterprise communication channels, such as factory newspapers, bulletins and internal radio systems. The spread of information was considered crucial for broad participation in the decision-making process and choosing of rational common choices. The Workers' Control was a unique impartial body empowered by the Workers' Constitution to prevent machinations and abuse of self-management by the factory elites. It monitored the work of the governing and administrative bodies and made sure they complied with the general Associated Labor laws and inner self-management agreements. Members of the workers' councils and professional bodies were excluded as candidates for posts in Workers' Control. Its membership was supposed to mirror the social makeup of the work collective.²⁰⁶ Workers' Control was often the institution most willing to pick up the causes of the more marginalized groups within the enterprise and advance the idea of workers' power in practice.

The associated Labor Act also revised the importance of the factory socio-political bodies as the main supervisors of industrial relations. The three main socio-political organizations in Rakovica and Tezno were the League of Communists, the Trade Union Confederation and the League of Socialist Youth. In an effort to win back control over its industrial branches, the top party leadership decentralized the enterprise-level party organizations. Single BOAL branches were turned into the center of communists' activities, while their co-ordination became limited to ad-hoc Action Conferences whose decisions had no obligatory character. The Action Conferences and its elected Presidency remained dominated by the professionals, but BOAL-based blue-collar

²⁰⁶ See: Tiosav Velimirović, et. al., *Zakon o udruženom radu* (Belgrade: Privredna štampa, 1976), 349-350.

cadres were also directed to communicate inside higher forums (*aktivi*) of communists from direct production established at the communal and city level. Additionally, the leading party figures from the republics and the federacy would periodically invite secretaries from various notable industrial BOALs to discuss the implementation of Associated Labor, thus nurturing direct channels of communication with the shop-floor communists.²⁰⁷ Great efforts were invested to organize political schooling inside the factories and raise the quota of blue-collar members.

As we have seen the occupational clashes of the late 1960s unexpectedly found expression inside the formerly neglected local trade union branches. Within the concept of Associated Labor, the trade unions were awarded greater responsibilities and accordingly placed under more scrutiny. They were to participate in the drawing up of self-management agreements and suggest the candidates for self-management bodies. Apart from this, the trade unions also kept the social-welfare function of organizing vacations, supplying basic foodstuffs and other goods and service that social sector workers obtained outside of the market. Similar to the League of Communists, the trade union work was focused inside BOALs, but they kept a slightly more robust permanent apparatus at the factory level, which included a Presidency elected by the Conference. The youth organization was in charge of connecting young workers with the World War Two revolutionary heritage, recruiting people into the party and organizing spare-time activities. It participated in the commemoration of all major public holidays, sent young workers to voluntary work brigades and financed concerts of popular music within the factory premises.²⁰⁸

Being the local branches of nation-wide organizations, the duty of the socio-political organizations was to synchronize enterprise initiatives with wider social concerns. In effect, most of these organizations served as conveyor belts for official policies made by the higher bodies in the factories. Nevertheless, the new system also made sure the factories were able to voice their own concerns beyond the factory circle. The corporatist order inside the enterprises was now replicated inside the state lawmaking bodies. Workers were supposed to influence wider political

²⁰⁷ For an illustration of this method of work among communists in Tezno and Rakovica see: Edvard Gabrič, “Uspešno delovanje aktiva radnika komunista”, *Skozi TAM*, November 1980, 18, and M.M., “Jednoglasno za novo organizovanje”, *IMR*, April 24, 1979, 4.

²⁰⁸ Apart from these three, each factory had numerous other socio-political organizations such as Women’s Forums, Partisan veterans’ organization, etc. The largest party front organization, The Socialist Alliance of Working People, had no structures inside *IMR* or *TAM*.

decisions through elected delegations in the *Chambers of Associated Labor* (*veća udruženog rada*), introduced at the communal level and the republican parliaments.²⁰⁹

These new legislative bodies were to allow workers' direct influence over the policy-making process. But, they were seen as a temporary solution, a bridge between the realm of self-management and the state, until self-management could expand and strengthen enough to dissolve state bureaucracy and take over the daily running of most tasks in society. The transfer of many state functions to alternative self-management institutions under the direct control of the enterprises was supposed to equip the working class to take over not only the running of their factories, but the totality of social reproduction. In due time, the Associated Labor Act would replace the Constitution and various self-managed bodies would assume responsibility for all tasks of the traditional state.²¹⁰ The skeleton of the new institutional arrangement was already put in place. The foundation of communal self-management courts (*samoupravni sudovi*) transferred parts of the judicial system outside of the state.²¹¹ The national defense structures were set up in each work organization parallel to the official army bodies through Committees for People's Self-Defense (*Komiteti za opštenarodnu odbranu i društvenu samozaštitu*). Another example of these parastate institutions were the Self-Managing Communities of Interest (*Samoupravne interesne zajednice- SIZ*), organs at the community and republic level consisting of delegates from different work organizations interested in joining funds and regulating a certain social function of common concern. By taking over many of the services usually offered by the state, such as healthcare, schooling, public infrastructure, etc., the SIZ network embodied the core idea of Associated Labor.

The new approach of the politically-driven market contracting from below enabled the industry to alleviate much of the production strains caused by the *laissez-faire* socialist market of the 1960s. The new integration with former suppliers and contractors based on self-management agreements and long-term planning enabled manufacturing enterprises to secure a steady inflow

²⁰⁹ It is important to note that the Federal Assembly did not contain the Chamber of Associated Labor.

²¹⁰ Dejan Jović, *Yugoslavia: A State that Withered Away* (West Lafayette, Purdue University Press, 2009), 142.

²¹¹ For the description of the self-managing courts and their practice see: Robert M. Hayden, *Social Courts in Theory and Practice: Yugoslav Workers' Courts in Comparative Perspective* (Philadelphia: University of Pennsylvania Press, 1990).

of raw materials and components. Inside the enterprise, tensions between different occupational groups were eased through more equal distribution of income enabled by ‘transfer prices’, charged to allocate costs and benefits while keeping in mind the fact that the profitability of one BOAL was highly correlated with the contribution of another. The market pressure on the loss-making plants was alleviated. The state bodies were now in a better position to encourage less successful enterprises to integrate into profitable work organizations on favorable terms, thus fostering inter-regional cooperation whilst avoiding takeovers, bankruptcies and unemployment. The promotion to the status of a BOAL or a work organization gave these plants a stronger say in the collective decision-making and protected them from unequal exchange and monopoly pricing.

The robust intervention of the party-state into the ‘socialist market’ paved the way for the most prosperous and peaceful decade of Yugoslav socialism. It was during the 1970s that the broadest layers of the population, including manual workers, felt a substantial rise in their living standards and started to participate fully in the consumer culture. The expansion of the welfare state and the general wellbeing made the economic crisis and political turmoil of the late 1960s seem like an accidental glitch in the straightforward path of socialist development. The factories in Rakovica and Tezno underwent radical transformation through new investments and the inflow of young workers. The growth of housing stock and social amenities turned Rakovica and Tezno into established communities where working people could feel at home and raise families. The next chapter will try to describe their everyday life and factory routine during the peak of the Associated Labor reforms.

Chapter Two

Factory Structures and Everyday Life under Associated Labor

2.1. The More Things Change...

Associated Labor helped ease the pressure on the self-managed industry to modernize its capacities and produce highly competitive goods. The factories were now in a position to continue with extensive growth. In Belgrade, the general encouragement of decentralization confirmed IMR's sovereignty in relation to more successful companies. Rakovica's industry benefited from the partial reorientation of Yugoslav exports from the demanding Western markets to the developing markets in the Global South and COMECON economies in Eastern Europe. IMR was finally in the position to find an outlet for its tractors and secure steady inflow of hard currency independently of income-sharing schemes with larger final goods producers and exporters, such as the rival IMT. By 1981, almost 40 percent of IMR's output was exported through state-run import companies to Egypt and India, which now became its main trading partners.²¹²

The years of crisis inside IMR were unquestionably left behind with the help of the ambitious new government investment cycle. A hefty renewal of machinery introduced the complete serial production of diesel motors and increased IMR's production capacity to 60,000 engine units per year. Unlike the late 1960s, this time modernization was not followed by a cut in the workforce. In 1976, the number of employed persons stood at 4,600, marking over two thousand new employees in just six years. The factory had every reason to celebrate its 50th anniversary that same year with great optimism for the future. The new five-year development plan envisioned IMR as a modern producer with 6,000 employees producing close to 100,000 motors and over 3,000 tractors per year. Most importantly, the early 1980s were seen as the years in which IMR

²¹² For statistical data on this period see: Živojin Spasojević (ed.), *Monografija 50 godina Industrije motora Rakovica* (Belgrade: Industrija motora Rakovica, 1977), 72-80.

would finally take decisive steps to re-conquer the production of more profitable products through the development of light vehicles.²¹³

As far as TAM is concerned, the new orientation made the company compensate the broader society excessively for the gains achieved on the market by accommodating less successful work collectives and introducing stricter political control of internal income distribution. Nevertheless, the favorable economic conjuncture of the 1970s enabled the factory to keep thriving and retain the status of Yugoslavia's leading producer of trucks and engines. In 1976, the management decided to start with a renewal of its complete vehicle program. The stated intention was to undertake a slow transition toward more cost-effective final products for international markets, such as buses and specialized terrain vehicles. The more ambitious executives kept talking about the need for additional foreign licenses and more exports to Western countries. However, the increased ideological alertness and negative image of technocracy silenced critical voices, which claimed the company should be developing more in line with global market trends. The main business orientation throughout the 1970s was geared toward extensive growth on the domestic market, exports to developing countries and specialization through politically-steered agreements made with factories in other republics. In addition to this, TAM continued to be one of the main manufacturers for the Yugoslav People's Army.

The factories spent the second half of the 1970s trying to implement the ambitious new organizational design demanded by the Associated Labor Act. IMR began introducing Basic Organizations of Associated Labor in March 1975 and by 1980 finally managed to present an operative Work Organization, employing 6,000 workers and consisting of eight sovereign BOALs with independent professional managements and self-management structures. Foundry stood at the lowest stage of the production process. This BOAL employed an unskilled workforce and the neglect of investments over time turned it into a factory bottleneck. The department operated in three shifts and often failed to satisfy the demand of manufacturing BOALs due to its limited capacity and the oscillating quality of raw materials it received. Accordingly, it had very little power in the collective decision-making. Motor was the largest department employing 1,500 workers in 1980. This BOAL was responsible for the chief activity

²¹³ Živojin Spasojević (ed.), *Monografija 50 godina Industrije motora Rakovica*, 72-80.

of the enterprise – the manufacture of vehicle engines. Its size and responsibility for the main productive task made it very influential and placed it at the very center of the new structure. Vehicle dealt with the production of tractors. With 800 employees it was almost half the size of Motor; however the presence of a skilled workforce and access to hard currency, through the export of tractors to foreign markets, gave this BOAL a much bigger influence than one would assume based on numbers alone. Taken together, these three BOALs constituted the technologically interconnected, industrial core of the factory.

Each of the above-described blue-collar BOALs had their own accounting, engineering and planning staff, but there were also three autonomous organizational parts employing the shared factory administration.²¹⁴ Administrative Division was the bureaucratic center of the factory, which employed the general director, most office staff (350 people), published business results and calculated wages. Engineering, with some 200 employees, was in charge of developing new products, and introducing improved production technologies. Packed with highly-qualified staff this was the BOAL from which many of the enterprise directors and specialists were traditionally recruited. Komerc employed around 300 people. The main task of this BOAL was to purchase production input materials for the factory and sell IMR's products on the domestic and foreign markets. Positioned somewhere between productive and administrative BOALs was Maintenance, with 700 highly skilled workers responsible for the repair of the machines, and Social Standard, whose 200 employees worked in the kitchen and cleaning units. The latter BOAL employed mostly low-skilled female labor and had little influence inside the factory. The skilled workforce of Maintenance differentiated itself from the main body of production workers and tended to oscillate between the blue-collar and administrative group of BOALs.

In the case of TAM, after the formal overturn of thirty years of centrally steered growth, companies formerly sucked in through vertical market integration were now emerging as sovereign entities. The new organizational scheme was passed in a referendum in 1979. The

²¹⁴ According to the Associated Labor Act, the BOAL status was reserved for blue-collar departments, whereas the white-collar workers, servicing the work organization as a whole, were organized into Work Communities. The Work Communities enjoyed slightly less self-management rights than productive departments, but contained all the formal structures of a BOAL. In practice, both institutions were usually treated equally and the text will not insist on a distinction between BOALs and Work Communities in order not to confuse the reader, since the general account of the 1970s reforms at the end of the previous chapter already introduced a multitude of different self-management bodies operating under novel, generic names.

referendum granted nine plants the status of a work organization and grouped them back together in a Complex Organization of Associated Labor (COAL) based on a self-management agreement. Each of the nine work organizations was further divided into numerous BOALs scattered all over Slovenia and other republics. The research focuses on developments inside two core manufacturing work organizations located in Maribor's industrial basin Tezno. The first was TAM – the vehicle and engine producer, which continued to employ more than half of the COAL workforce (6,694 workers) and contributed the largest share of the total income. The second was the neighboring factory specializing in rail vehicles and heating systems – TVT Boris Kidrič.²¹⁵

The Work Organization of TAM was divided into twenty-two BOALs. Eight of them formed the backbone of the production process, extending from metal casting, to chassis and engine manufacture, to final cabin construction. This was the largest group of BOALs employing close to 4,000 metalworkers of all skill levels. Next to these blue-collar departments, the factory hosted eight smaller BOALs consisting of 1,000 skilled workers servicing direct production with tool and machine repairs, energy supply, storage and transport. The white-collar staff, comprised of accountants, economists, secretaries and managers, was organized into four separate smaller departments, whereas engineers were concentrated in Research and Development. Unlike the other four white-collar BOALs, Research and Development was one of the largest sections of TAM, employing 750 people. Similar to IMR the engineers played the crucial role not only in the development of the production process, but also occupied positions in the professional management chain.

TAM's strategy of vertical market expansion was altered. The enterprise was now forced to grant its partners a stronger say in the common business plans and enter into politically-motivated horizontal integration schemes. TAM's relationship with Tovarna Jože Kerenčič Ormož *is a case*

²¹⁵ In 1984, the COAL employed 12,760 people. Apart from the two plants already mentioned, it consisted of: *Avtotrgovina* – the former sales department with BOALs in Maribor, Zagreb, Sarajevo and Belgrade (483 employees); *Avtoobnova*, Maribor – the vehicle repair shop with (251 workers); *Karoserist*, Maribor – the constructor of vehicle bodies (291 workers); *Autokaroserija*, Novi Sad – vehicle body constructor (553 workers); *Remont i Servis*, Novi Sad – repair workshop (267 workers); *BELT*, Črnomelj – the foundry located in southeastern Slovenia (929 workers) and finally, *Tovarna Jože Kerenčič Ormož* – the plastic and optical frames producer from Slovenia with one of its BOALs located in Croatia (550 workers).

*in point. In 1980, the COAL opened its doors to this plastic mass and optical frames producer, even though it had no immediate business interest for the fusion. Tovarna Jože Kerenčič Ormož was founded in the greater Maribor area in 1960 as a pilot workshop for disabled workers and carried the name of a local Partisan war hero. The factory also had a BOAL in Lika – an underdeveloped Croatian region with a history of ethnic strife. With the significant part of its workforce consisting of disabled workers and one of its plants located in a poorly-industrialized region, the company was a sensitive political issue. For years, it was unsuccessfully integrated with different producers and finally it was TAM's turn to accommodate this low-income enterprise and grant it full self-management rights. The neighboring TVT, *Boris Kidrič*, was another example. Through Associated Labor's restructuring of the loss-making plant, once envisioned to become TAM's motor department, it evolved into an independent work organization with its own interests, making the management of TAM dependent on its votes in order to pass crucial strategic decisions at the level of a COAL.*

This type of radical decentralization failed to whip up significant enthusiasm among those whose interests Associated Labor Act claimed to further, namely the core industrial workers in productive BOALs. On the shop floors, the atomization of integrated technological processes was perceived as an irrational move, potentially hurting the productivity, multiplying bureaucracy and making the company product less competitive on the market.²¹⁶ In 1977, the IMR paper reported that workers in Motor protested against the plans to divide this largest company department into two separate BOALs. They accused the new organizational scheme designers of “dividing the workers”.²¹⁷ Workers in Tezno seemed to share their skepticism. TAM's blue-collar workers believed that the administration was using the reform to assert its positions by promoting the already-existing departments into BOALs and creating numerous new desk jobs in the process.²¹⁸ In early 1978, the referendum on the conversion of TAM into a COAL had to be repeated since five departments rejected the plan.²¹⁹ In the spring of 1980, local

²¹⁶ Interview with Mića Milanović (IMR Socialist Youth activist) March 2011.

²¹⁷ “Bez pogađanja“, IMR, February 3, 1977, 2.

²¹⁸ “Rezime i analiza samoupravnih odnosa u OOUR i ZS u RO TAM”, *Skozi TAM* (Serbo-Croatian edition), September 5, 1976, 1-2.

²¹⁹ “Ponovni referendum je uspeo”, *Skozi TAM* (Serbo-Croatian edition), April 5, 1978, 1.

party cadres had difficulty convincing TAM's workforce to crown the Associated Labor reform in Maribor with a vote in favor of splitting the unified city administration into six separate municipalities. Workers objected that atomization of the city government and the formation of six associated labor chambers on the municipal level would facilitate the flight of highly-skilled workers from production into offices and increase administrative costs.²²⁰

In the end, the reform proposals passed the popular vote in both factories. The majority of workers were ready to give Associated Labor a chance, despite the underlying cynicism toward grand political intrusion into self-management and fear of a mushrooming bureaucracy. Numerous factors had contributed to this. Associated Labor was the brainchild of Edvard Kardelj, a member of the Partisan old guard and Tito's closest ally. Its endorsement by the party apex certainly helped raise popular support for boalization, even though many workers were wary that the local factory elites might tailor the measures to their own advantage. Additionally, the rising standard of living throughout the decade contributed to a relaxation of the tense atmosphere inside the factories during the late 1960s. In Rakovica and Tezno, the 1970s pretty much brought the work collectives back to their routine operations. New production orders started arriving and most workers were preoccupied with their daily work chores and personal advancement. This made the decision-making process not as contested as it was during the crisis years. Both general managements could regain initiative, rely on predictable business plans and, to a different degree, restore inner cohesion.

One of the main intentions of Associated Labor policymakers was to weaken the top managers' capacity to forge an inner coalition with the workers. In IMR, the prerogatives of the general management were dissolved into a Collective Board of Directors (*Kolegijalni poslovodni organ*, KPO), a forum of departmental directors with a powerless President at its head. Each productive BOAL consisted of sections, which were further divided into work groups. The shop-floor foremen were at the heart of the system. They were in constant contact with workers in single groups and reported on daily developments to the chiefs of the sections. The section chiefs overlooked the production process in groups and approved the assigning of single workers to various work positions. The section chiefs were directly responsible to the BOAL executives.

²²⁰ Zmago Gomzi, "Mišljenje o preoblišanju opštine Maribor", *Skozi TAM*, April 1980, 9.

The task of the General Director was to coordinate the BOAL executives. However, it is important to note that BOAL executives were not appointed by the General Director, but proposed by the socio-political organizations and elected by the workers' councils of each BOAL instead. IMR's lower level directors were therefore quite powerful and independent figures, often defying the authority of the top management and placing the interests of their department before the company as a whole.

The BOAL executives showcased different management approaches. The Director of Motor, for instance, followed the party line closely and was in the habit of promoting foremen to executive positions, thus strengthening the self-sufficient, blue-collar character of his department. On the other hand, the director of Vehicle, the second largest productive BOAL, Strahinja Kostić, surrounded himself with young engineers recruited from different parts of the company.²²¹ The former trade unionist Milan Kljajić describes how workers in Vehicle were hostile to the specialists the director brought to the department as they were of the opinion that most technological improvements come from the shop floor and the skilled manual workers, not the university graduates. If the executives gave the position of foreman to a person whom the workers felt did not deserve the job, the group would protest loudly or even stop production until the decision had been reversed.²²² Nevertheless, the Vehicle director, Strahinja Kostić, was very popular among the workers. His reliance on professionals was balanced by a special attention to manual workers and the shop floor. Each morning, Kostić²²³ would take a walk through the production hall, making sure all the components were there. He paid special attention to the cleanness of the machines. The director also made sure all the holidays were celebrated properly, with food and drinks on the shop floor.²²⁴

As already noted, IMR's decision-making power was largely concentrated at the level of powerful BOAL directors. However, the skilled manual workers and self-management organs

²²¹ Interview with Mića Milanović (IMR Socialist Youth activist), March 2011

²²² Interview with Milan Kljajić (IMR trade unionist), March 2011.

²²³ Strahinja Kostić belonged to the first postwar generation, which grew up in socialist Yugoslavia. He entered IMR directly after earning an engineering degree in the early 1960s and patiently climbed through the factory hierarchy, spending time in each responsible position, from shop-floor constructor to top executive.

²²⁴ Interview with Milan Kljajić (IMR trade unionist), March 2011.

maintained great influence over the production process and limited the executive prerogatives. In order to prevent stalling, the BOAL directors were therefore prone to developing client networks with workers who could influence the shop floor and help implement management decisions on the ground, namely the senior workers who advanced to the positions of group leaders, foremen and section chiefs. The decentralized structure and strong production-oriented core of skilled workers placed limits on the power of specialists and the directors. In the landscape of Yugoslav self-managed enterprises, IMR governing bodies and socio-political organizations certainly counted among the more involved ones and expectations of the blue-collars were set high.

Almost all the interviewed former employees who held a position in the factory hierarchy remembered the constant stress they felt, as the BOAL assemblies and socio-political organizations were known for calling out professionals or political functionaries by their name and accusing them of alleged wrongdoings. It was a common occurrence for workers to put executives under suspicion for embezzlement during periods of financial trouble. For instance, in March 1981, the Maintenance Workers' Assembly withdrew the rights of their director to use the company car for commuting to work.²²⁵ In a similar manner, in February 1986, after the Vehicle executive publicized the bad business results achieved in the previous year, a worker in the local Workers' Assembly loudly demanded that the factory paper published the names of all the employees who undertook business trips in that period and should conclude if they were justified or not.²²⁶ The list was never published. Nevertheless, such instances clearly show the far reach of workers' criticism and their moral judgment made possible by the broad-based self-management structures, such as the workers' assemblies.

The hostile political attitudes toward 'technocratic managers' were aimed particularly at companies such as TAM, which relied on domineering directors for internal unity and business freedom in relation to the state. The obvious question posed to the Maribor communists at the time was how Stojan Perhvac's patriarchal style of management could be reconciled with the vision of a society made up of independent thinking, self-managing workers. The newfound ideological rigor demanded a change in TAM's managerial culture. For more than two decades

²²⁵ "Direktor-pešice?", IMR, March 31, 1981, 7.

²²⁶ Zapisnik sa Zbora radnika OOUR Vozilo, XI Zbor, februar 1986, tačka 2.

TAM's general director, Stojan Perhac, was able to weather many political storms, but in 1975, he was forced to retire due to old age. At a September 1975 common meeting of administrative, governing and political functionaries of the factory, the main topic was the need for parting with the idea that directors are best equipped and always the most responsible for finding the optimal business solutions, whereas the primary task of managing workers is to execute decisions.²²⁷ The local party had finally broken into the TAM fortress. In the second half of the decade, the key seats in the company Collective Board of Directors (KPO) became reserved for the 'outsiders' – senior politicians from the city party apparatus subservient to political dictates and less capable of defending TAM's business autonomy. Yet, the everyday running of the factory was still dependent on the executives and engineers who came of age under Perhac.

The retirement of the iconic director and the subsequent decentralization of the enterprise must have weakened the shared identity and inner cohesion of the factory to a certain level, but, in comparison to IMR, the professionals were still well capable of establishing common business goals. TAM's efficient, top-down managerial culture survived even under the new circumstances. The policies proposed by the professionals were straightforward and different departments were held accountable for their realization. In 1976, the general management established a permanent committee responsible for the maintenance of good co-worker relations. It performed weekly checks on the progress of production plans. BOALs and sections found responsible for slowdowns were called out in the factory paper. If the production problem was associated with a single worker, this person could expect to be fully named.²²⁸ A repetition of the self-management voting procedure due to a veto from the governing bodies of a single BOAL was a rare occurrence.

The passing of five self-management agreements in January 1979, including the agreement over the internal distribution of income – a regular point of dispute in IMR– offers a good example of how well-oiled TAM's decision-making machinery was in practice. In late December 1978, KPO issued a recommendation to the delegations inside the Central Workers' Council to discuss the

²²⁷ Tomislav Perlič, "Stručne službe nisu izvršile zadatke", *Skozi TAM* (Serbo-Croatian edition), September, 1975, 1.

²²⁸ Liberat Budžon, "Ubuduće javno o krivcima za zastoje u montaži", *Skozi Tam* (Serbo-Croatian edition), March, 1976, 4.

proposed self-management agreements. The Central Workers Council concurred and set January 15 as the date by which all BOALs had to go through the documents with their workers and send back comments and suggestions. By January 15, all the BOAL councils had responded and the Central Workers' Council was able to present the final proposal of the five documents to be put to a vote at the workers' assemblies. To help prevent the rise of disagreements between different BOALs, KPO formed an expert commission to mediate, study possible problems and suggest solutions. Already by January 20, the referendums in departmental workers' assemblies were conducted successfully and delegations in the Central Workers' Council gained the green light to pass the final vote. In spite of the tortuous self-management procedure, all of the five agreements were pushed through in less than a month.²²⁹

Unlike IMR, where the Central Workers' Council acted as a mediation forum for lower level councils and department directors, TAM's highest self-management body was doing just the opposite – it transmitted initiatives from the general management and experts down to the governing bodies. The main bridge between the administrative and the governing structures was the Central Workers' Council Executive Board (*Izvršni odbor*) – a body of up to a dozen elected veteran workers and employees, well integrated into factory life. They were usually highly-skilled workers, executives and engineers. The fact that the factory party was under the dominance of the white-collar BOALs and the general management helped the spread of unified business visions among the senior self-management functionaries gathered in the Central Workers' Council and its Executive Board. Another important feature enhancing TAM's efficiency was the outsourcing of business initiatives from the governing structures to expert bodies. Most strategic plans came from the economists and engineers concentrated in various expert commissions formed by the Central Workers' Council. Once the professional management, the experts and highest self-management body agreed on a policy and presented it as a measure, which would improve business performance and increase income, it was hard for single blue-collar workers or groups of unsatisfied workers to stand in opposition. The management presented all disagreements as obstruction of common decision-making, which hurt the company unity, divided the working people and hindered future development.

²²⁹ D. Vincentič, "Sa sednice Radničkog saveta ZIV TAM", *Skozi TAM* (Serbo-Croatian edition), January 1979, 1.

The myriad of legislative acts and new institutions introduced by the Workers' Constitution therefore made few changes in the deep-rooted management cultures of the two enterprises. Associated Labor's ability to empower the shop floor and weaken the internal alliance between the workers and the managers was limited. One could say IMR was the prime example of an enterprise in which the legislation disabled the central management from coopting the workforce. Nonetheless, in this case, the new organizational scheme simply codified the de facto long-standing self-sufficient and decentralized nature of the departments. Boalization loosened the authority of IMR's general management even further, but it is also important to note that it empowered lower-level executives and encouraged group identity at the level of a single BOAL.

In TAM, Associated Labor forced the management to comply with the new self-management procedures. This certainly slowed down the decision-making process, but the factory was still capable of rallying the workforce behind the shared objectives and operated in a relatively efficient manner. The aforementioned grievances of TAM's workers showcased during the implementation of the new structures offer us a potential explanation for the sturdiness of Perhac's managing culture. Workers were of the opinion that the management was adapting the legislation to suit its own interests and finding ways to replicate, and even extend, its privileges under Associated Labor. Without grassroots control, it is conceivable that the reorganization was used to paper over the old relations of power.²³⁰

The actual results of the Associated Labor legislative reform on the ground depended on the likelihood of the factory managements resisting the party pressure and implementing the new laws in a flexible way. The different outcomes of similar actions initiated by the managements and the professional elites of both factories during the closing months of institutional restructuring in 1979, demonstrate how a different distribution of power between the main occupational groups shaped the actual content of the reforms. In January that year, IMR's

²³⁰ The resistance to restructuring in TAM came not only from the shop-floor workers, but primarily from the management. In 1977, the most responsible governing and administrative functionaries were accused of foot dragging in the heat of the reforms. The party and Technical Secretary responsible for the implementation of the Associated Labor Act sent a letter to all governing, administrative and political bodies demanding more decisive action and threatening disciplinary measures by the Central Workers' Council against all responsible individuals who keep stalling the decisive changes. See: Sekretariat organov upravljanja, Neizpolnjevanje programa realizacije Zakona o združenem delu, May 16, 1977, Regional Archive Maribor, Zapisniki delavskega sveta, Fond: SI_PAM/0990.

League of Communists (LC) Secretariat issued a report written by the internal work group formed to address the business weaknesses of the company. The work group was initiated by the communists from Engineering and enjoyed the support of general management. The report warned that, in order to stay on the development course envisioned in the mid-1970s, the enterprise would have to pay more attention to modernization and the recruitment of highly-qualified cadres.

The main obstacle in achieving these aims was allegedly the lack of discipline inside the large blue-collar BOALS so as to abide by the internal agreement on the distribution of wages. According to the white-collar dominated Secretariat, the piece-rate norms were set too low and there was an overall tendency for extreme income leveling (*uravnilovka*). Furthermore, the report criticized the BOAL executives for tending to isolate themselves from the enterprise as a whole.²³¹ The Engineering BOAL branch followed up the Secretariat's initiative with even more alarming comments, rendering the factory business achievements during the 1970s as "illusory"—allegedly achieved in the climate of extensive economic growth and ever-increasing market demand while the enterprise failed to build a stable foundation for future results. Engineers warned of the growing number of highly-educated employees leaving the enterprise.

The response of the party branches from direct production was ferocious. The blue-collar communists stood up in defense of their executives. They denied the existence of *uravnilovka*, claiming that the overall system of income distribution was unfair to manual work from the outset. The factory party was accused of "chasing production quotas" and neglecting social relations. The Secretariat was deemed to be incompetent and operating largely cut-off from its base (*forumski rad*). Most blue-collar branches called for the resignation of the Secretariat.²³² The following month, the factory party conference took place in the presence of the municipal party secretary. The conference voted down four members of the Secretariat and gave public

²³¹ Sekretarijat SK IMR, "Odluĉnom akcijom prevazilaziti slabosti", IMR, January 15, 1979, 4.

²³² Lj. V. "Odgovornost Sekretarijata", IMR, January 30, 1979, 4 and D. Źujović, Delovati brže i efikasnije, IMR January 30, 1979, 5.

warnings to the remaining eight.²³³ By the end of 1979, the factory Secretariat had been shut down altogether as a permanent body in accordance with the Associated Labor reforms.

The relation of forces was quite different inside TAM's party branches. Ten months after IMR's expert work group came out with its divisive report, a similar initiative took place in Tezno. In October 1979, the communists from Research and Development pointed to the fact that the party had not convened on the enterprise level for more than a year and they initiated a special conference, calling for the participation of all BOAL secretaries and general management. The conference discussed the ongoing business problems, effectively positioning the general management and the white-collar staff as the main point of reference for all the self-managing and socio-political bodies. The factory paper presented the gathering as a great success. One of its major conclusions was that this type of meeting should continue and that the communists should establish better connections inside the enterprise in the future.²³⁴ In October 1981, the general management launched an initiative to restructure the existing COAL. The idea was to introduce more discipline among the Work Organizations and their BOALs by relating all plants to the same final product, namely auto vehicles. The proclaimed aim of the more centralized structure was to achieve faster decision-making, more efficient production and a larger income.²³⁵

The TAM Workers' Control defended Associated Labor and came out against the suggestion. It warned that the broad interests of the workers are different from the ones claimed by the administrative bodies and insisted that the new solution must take into account the voice of the wider layer of workers who had not participated in the discussions. The management answered back, labeling the reaction of Workers' Control as "high-pitched and inappropriate". It claimed that the majority of the workers were indeed supportive of the proposed changes.²³⁶ In March 1982, TAM's new, controversial way of connecting the enterprise communists as well as the

²³³ Dragan Žujović and Slobodan Avramović, "Energičnije protiv slabosti i teškoća", IMR, February 13, 1979, 1-5.

²³⁴ Danilo Vincetič, "Komunisti se raspituju", Skozi TAM (Serbo-Croatian edition), October 1979, 2.

²³⁵ "Dvostepeno preodražanje u jednoprogramsko usmeren SOUR", Skozi TAM, (Serbo-Croatian edition) November 6, 1981, 1-2.

²³⁶ "Baza neka kaže kakav SOUR želi", Skozi TAM, (Serbo-Croatian edition), Skozi TAM, November 1981, 3.

issue of COAL reorganization were the main topics at Tezno's LC Municipal Conference. France Popit, the President of the Slovene LC Central Committee, a Partisan cadre and the prime representative of the hardline faction, which insisted on the continuity of solutions reached at the end of the 1970s, attended the meeting. He criticized TAM's tendency to co-ordinate the factory's socio-economic organizations under the guidance of the general management, arguing that this type of forum is beyond the influence of the blue-collar base. Nevertheless, Popit was reluctant to go all the way in condemning the factory and its leading white-collar communists. "I have nothing against TAM's model, but there are also other ways to link the work of the party branches", Popit concluded in a diplomatic tone. The President of the Central Committee stuck to narrow party matters and chose not to comment on the ongoing plans for the business reconstruction of the COAL. The leading white-collar communists, who pushed for the centralization of the enterprise, went unchallenged.²³⁷

The two incidents show how, in decentralized factories with weakened central management, the party was able to control the implementation of the reforms by leaning on the blue-collar enterprise branches. In companies with a more durable central management, the political pressure could be repelled and the internal relations of power maintained through creative implementation of new laws and informal institutions. The reform wave of the 1970s therefore left mixed consequences on the industrial enterprises depending on their previous shape. The party influence was traditionally stronger in Rakovica than in Tezno. In IMR, around 20 percent of the workforce were members of the LC. The factory white-collar party leadership was discredited and the branches in the blue-collar BOAL served as the transmission belts for the city LC apparatus. In TAM, the membership hovered at around 10 percent of the total number of people employed and fell under this mark in the 1980s. The factory party remained a forum for the leading white-collar employees and the managers, in which they could crystalize their business vision, mobilize the workforce and launch demands toward the higher party structures.

²³⁷ "Ne čudotvorni recepti već samoupravni put", *Skozi TAM* (Serbo-Croatian edition), March 12, 1982, 1.

2.2. Claiming Tito

Throughout the 1970s, the LCY dedicated much effort to reversing the trend of manual workers leaving the party and to winning over more blue-collar workers into its ranks. Between 1973 and 1982, the party membership peaked at a record high of 2,117,083 people in the country as a whole, or 9.5 percent of the population. Among the employed, the party membership went up from 19 to 26 percent in the same period. In Serbia, 28 percent of employed citizens were party members in the early 1980s, whereas the share of communists among the total working population in Slovenia was around 13 percent at the same time.²³⁸ In Slovenia, the participation was thus much lower, but still, the 13 percent figure presented an all-time high. On the surface, the party drive seemed to have countered the waning influence of communists inside Yugoslav industry. However, most of the above-mentioned growth was due to a new affiliation of highly-skilled workers and administrative staff. Out of 1.5 million members accepted between 1973 and 1982, less than one-quarter were industrial workers.²³⁹

In Rakovica, the number of communists almost doubled from 2,800 to 5,000 between 1974 and 1978.²⁴⁰ Considering the occupational structure, inside the municipality a significant part of these new members had to be manual workers. In TAM, the factory party conference in 1974 reported that 127 new members joined them during the previous year, mostly young workers from direct production.²⁴¹ There are no exact data showing the participation of different occupational groups in the factory LC chapters. The professionals seem to have continued dominating the internal political life in both factories. As a rule, the white-collar BOALs had the highest party membership rates. Engineers were the most active individuals in political life and held most of the top positions in both factory organizations. At the opposite end, BOALs with predominantly low-skilled workers, such as those in the foundries and social standard units, had the weakest

²³⁸ The difference in the presence of communists in the two factories therefore mirrored the divergent overall strength of the Serbian and Slovene League of Communists

²³⁹ See: Jim Seroka and Radoš Smiljković, *Political Organizations in Socialist Yugoslavia* (Durham: Duke University Press, 1986), 64-65 and Peter Štih, Vasko Simoniti and Peter Vodopivec, *A Slovene History*, 490.

²⁴⁰ "Povodom Dana oslobođenja Rakovice održana svečana akademija", IMR, October 17, 1978, 3.

²⁴¹ A.Ž., "Ugodna ocena dela ZK v minulem letu", Skozi TAM, February 28, 1975, 1.

party branches.²⁴² Nevertheless, by the end of the 1970s, the increased attention given to the recruitment of workers did manage to create a layer of blue-collar party cadres in both factories.

In 1972, the Slovene LC Central Committee established a cadre political school dedicated to industrial workers. On average, TAM sent three workers each year to this twelve-month intensive education course, during which the attendees were exempt from their work duties. In Rakovica, factories organized five-month long political evening schools for their workers. Starting from the second half of the 1970s, IMR maintained two classes each semester, each with approximately 20 workers attending two seminars per week. The factory-based political schools had many dropouts, as manual workers found it hard to attend evening classes after the regular workday.²⁴³ In 1976, both factories joined the *Borba* daily newspaper's initiative to introduce distance political education for workers in Associated Labor. This type of education was less time consuming, as workers would receive readings per post and send back weekly homework.²⁴⁴

The curriculum in the political schools consisted of basic Marxist theory and the history of the Yugoslav Revolution, but, more importantly, there was also a practice-oriented introduction to numerous institutions of Associated Labor, its decision-making procedures, as well as speechmaking skills and ways to conduct a meeting. The mastery of the political jargon was a key prerequisite for engaging in discussions inside the factory. One had to know when to insist on the “distribution according to work” and when to claim the existence of *uravnilovka*, depending on whether the party was aiming to close or increase the income gap. One also had to learn to recognize and appropriately label left-wing “political deviations” (‘anarcho-liberalism’, ‘false solidarity’) as well as those of the proto-capitalist and right-wing sort (‘social relations of collective ownership’, ‘technocratism’, ‘national-particularism’, ‘chauvinism’).²⁴⁵

²⁴² In TAM's Social Standard, for instance, the BOAL with almost exclusively low-skilled female workers, out of 140 employed there, only ten were party members, and eight of them were managers.

²⁴³ In 1985, for instance only 17 out of 40 IMR workers who appeared at the first session remained in the class. See: S. Frajst, “Osipanje na početku”, IMR, February 5, 1987, 7.

²⁴⁴ In Maribor, the reach of *Borba*'s distance education program was limited since the materials were published only in Serbo-Croatian. D. Vincetič, “Završi dopisnu školu Borbe”, August 5, 1976, 7.

²⁴⁵ IMR also sponsored a youth political school at the municipal level. The classes there were organized in collaboration with the Belgrade party's university organization and topics were geared to be more appealing for young workers. In the winter of 1984, for instance Rakovica's political school for young workers discussed topics

Those manual workers who managed to finish the political schooling and immerse themselves in the political culture of the socio-political organizations enjoyed a great reputation in the higher forums of the party-state. The addresses of blue-collar cadres carried specific weight as they were seen as conductors of the mood from the working-class “base”, the social layer the communists still referred to as their main constituency, but with which they maintained little direct contact. One of the recognizable features of blue-collar cadres was that their speeches were less burdened by political and legal jargon. Workers in official bodies had to understand and navigate through the internal codes, but they were also encouraged to address the issues head on. This less opaque form of political speech was cherished as the original quality that the communists had lost with the creation of professional politicians and the bureaucratization of the party-state. The other political actor that was expected to use simple, everyday language in official communication was the top leadership, embodied in Tito.

Contrary to their image in higher political forums, workers who entered professional politics could expect little recognition from their peers. Ordinary workers usually perceived these individuals as careerists who were seeking a comfortable way of earning a living far away from the shop floor. Indeed, many workers who had the chance to leave the factory for a period in order to obtain a political education tended to continue their work careers in administration and political bodies. An interview with the TAM metalworker and secretary of the BOAL branch Anton Gačnik, who attended the year-long Slovene Central Committee’s political school in 1975, revealed that his plan was to use the school credentials to continue his education at the Law School or the Faculty of Organizational Sciences – typical entry points for a bureaucratic career within the state administration.²⁴⁶ As TAM worker Adolf Kekec remembers: “Through schooling, workers would often end up with an office job. Some of them kept a sense of responsibility toward the shop floor. Some of them, however, became indifferent”.²⁴⁷ In IMR, the fact that the political schools were organized within the factory did not prevent the spread of

such as religion, drug abuse, sexuality, the students’ movement of the 1960s, social protests in the province of Kosovo, etc. See: Omladinska politička škola, IMR, December 25, 1984, 5.

²⁴⁶ D. Vincetič, “Plansko osposobljavanje radnika”, Skozi TAM (Serbo-Croatian edition), August 1975, 7.

²⁴⁷ Bojan Labović, *Umrlji gigant*, DVD (Ljubljana: Studio Legen, 2002).

negative opinions about blue-collar workers with political functions. As one of IMR's workers commented in 1986:

We do not share the party or the homeland any longer. For the worker the homeland is his work suite, hard-working conditions, the public bus, etc... For the official it is his cabinet and those who tap him on the shoulder... so, are we the same party?"²⁴⁸

Recent research on industrial workers in Hungary and Eastern Germany shows how an awareness of the privileges of the factory-level communist leaderships paved the way for the alienation of the working class from the party-state and the spread of cynicism toward the system and socialist ideals.²⁴⁹ The above-quoted worker, however, indicates a somewhat different dynamic at work in Yugoslavia. In the imaginary of the IMR worker, political functionaries did enjoy unjustified rewards, but this did not lead him to discarding the party completely. Instead, he identified two different wings within LCY, the working people and the bureaucrats. Yugoslav manual workers tended to contrast the privileges of communist functionaries in their immediate surroundings to the idealized image of communists of the past or the virtues of the highest party leadership. The popular nature of the World War Two Partisan movement as well as the populist rule of Josip Broz Tito gave credence to such views. The manual workers' allegiance was not to the party, but to Tito and the general values of the revolution.

Tito's cult of personality was widespread in working-class communities. It was preserved through a great number of official manifestations and rituals. The central state festivity honoring Josip Broz Tito's exceptional role in Yugoslav socialism was Youth Day, a manifestation dedicated to the celebration of socialist youth, which overlapped with Tito's birthday. On this day, Tito would be presented with a baton previously carried by the youth in relay races through all major cities in the country. In Rakovica the welcoming of the baton was a major event attracting thousands of spectators each year. The honor of carrying the baton through the main streets of the neighborhood was usually given to Rakovica's best young workers, who were greeted by applause from the crowds standing on the sidewalks and the workers gathered in front

²⁴⁸ Žulj, VHS, Directed by Mića Milošević (Centar Film: Belgrade, 1987).

²⁴⁹ Eszter Bartha, *Alienating Labour: Workers on the Road from Socialism to Capitalism in East Germany and Hungary* (New York: Berghahn books, 2013).

of the factory gates. In Maribor, Youth Day was celebrated with a parade in the city center where groups of workers from each enterprise would march next to their latest products.

In the blue-collar milieu, Tito's cult was also nurtured independently of the state and factory rituals. It was kept alive through numerous inside stories, firsthand accounts, personal reminiscences and factory myths circulating on the shop floors. The top revolutionary leader was credited for assisting the factories whenever they experienced business troubles. The IMR factory catalogue from 1977 stated "Tito's hand is being felt wherever the help is needed and where the obstacles are seemingly overpowering".²⁵⁰ However, according to workers' stories, Tito could also be critical of the enterprises, especially of irresponsible managers. Many workers in IMR were convinced that after the great manifestation celebrating IMR's 50 years of existence in 1976, Tito phoned the general director personally and criticized him severely for using the anniversary as an excuse for lavish expenditures.²⁵¹ The older workers recalled how, upon their visits to the White Palace in the early postwar years, Tito would take time to enter into conversations with ordinary laborers. The workers were honored that Tito engaged them in discussions on delicate political topics, usually reserved for members of the higher forums of the party-state.

We talked for a long time, face to face about everything... about Stalin, the Soviet blockade... imagine that! All of these things interested us, but we did not ask him much. The questions were in our eyes, and he understood that well.²⁵²

Just as everyone else, the workers addressed the revolutionary leader simply as "comrade Tito", without official titles. The veteran communist workers were also in the habit of calling him "old man" (*stari*), Tito's inner party nickname and a term of endearment. Still, the last two sentences in the quotation above clearly indicate that the conversations were far from comradely exchanges. The personality cult was well in place and the workers positioned themselves in the role of pupils standing in front of the all-knowing teacher, hesitant to ask questions. Perhaps

²⁵⁰ Živojin Spasojević (ed.), *Monografija 50 godina Industrije motora Rakovica*, 2.

²⁵¹ Mića Milanović (IMR Socialist Youth activist), in discussion with the author, March 2011.

²⁵² Slobodan Jovanović, "Tito među radnicima: susreti koji ne prolaze", IMR, June 28, 1983, 4.

more interesting than these official meetings were stories of the surprise appearances Tito would supposedly make on the shop floor. These legends were commonly told in IMR and TAM, with many versions circulating inside the factories. An old metalworker himself, Tito would allegedly use semi-secret visits to IMR production halls to engage in more open conversations with the workers, finding out how the new machines worked and witnessing the work conditions firsthand:

One day, I don't remember exactly which year, the old man [Tito] was out hunting and then he came to the factory without an escort, so to say. He came to the shop floor and started talking to the workers. The word spread and we all gathered around him. Then the escort appeared and the visit was soon over.²⁵³

A chance to meet Tito in person brought workers prestige in their immediate surroundings. TAM foundry worker Emil Lesjak claimed to have had no less than four such encounters. The first one took place during a postwar reconstruction volunteer brigade in which he participated as a young man. Tito visited the worksite and stopped spontaneously in front of him, complementing him for being a shock worker (*udarnik*). Lesjak was unable to say much, but this was not necessary since, as he put it: "It was obvious that comrade Tito judged people by their deeds and not their words". The second time Lesjak saw Tito was during a holiday at Lake Bled where Tito had one of his summer residences. A TAM worker was curious to see the villa and somehow managed to enter the estate without authorization. After some time an army officer from Tito's escort spotted him and ordered him to leave immediately. However, before the officer was able to finish his command a voice from the back interrupted: "Let the man go! If he is interested let him see what it is like here". According to Lesjak the compassionate voice was that of Tito.²⁵⁴

²⁵³ Slobodan Jovanović, "Tito među radnicima: susreti koji ne prolaze", IMR, June 28, 1983, 4.

²⁵⁴ Tito led a high-profile and luxurious lifestyle. As a rule, workers in Rakovica and Maribor were very critical of even the slightest perks enjoyed by their managers or political functionaries. Interestingly enough, this criticism was never applied to Tito. As this and other stories show, Tito's material wealth and physical separation from everyday society were seen as imposed upon him by ambitious and opportunistic personalities in the party-state. In the accounts Tito therefore comes across as a victim, a man of the people trapped in sterile surroundings, rather than a dignitary indulging in hedonism.

The next two occasions on which Lesjak saw Tito took place in more formal surroundings. In 1958, Tito had scheduled an official visit to the factory. The entire welcoming committee, with Lesjak as one of its members, was nervous. In those months, TAM had launched an open campaign within the federal bodies to bring the KHD license to Maribor. A rumor was circulating that the factory was ready to press the authorities with threat of a strike to obtain the desired wanted foreign license. According to Lesjak, the first words to come out of Tito's mouth upon entering the factory premises were "I hear there was talk about some kind of a strike among you". For a moment, there was silence. The welcoming committee expected the worst. Nevertheless, the anxiety soon disappeared as the honored guest continued to speak. "You did the right thing, otherwise you wouldn't accomplish anything!" Tito allegedly cheerfully exclaimed. The fourth occasion upon which TAM's storyteller met Tito was in Belgrade in 1972. By that time, Lesjak had become a director of his department and took part in consultations on the federal industrial policy. What he remembered the most from this meeting was the way Tito used every opportunity to steer away from the protocol and create a relaxed atmosphere. "With his approach he gave each one of us the courage to open up our hearts and souls and reveal what was bothering us", Lesjak concluded.²⁵⁵

The presence of a benevolent leader in the popular imagination prevented the build-up of anti-communist political opposition and focused workers' frustrations toward the reform of the existing system. Nonetheless, the idealized picture of Tito and the Partisan movement could be used against the managers and party functionaries once workers had estimated that these local elites departed from 'Tito's path'. In the same way that in workers' accounts Tito allegedly kept dodging his entourage and appearing on the shop floor, the popular image of Tito escaped sanctioned interpretations, continuing to have a subversive quality and present a point of reference in struggles for more social equality. The above-quoted account of Tito's visit to TAM around the time of the license controversy in 1958 shows that blue-collars were confident Tito would support all actions aimed at improvement of the working-class status including strikes. All the way until the late 1980s, the party flag and Tito's picture were inescapable symbols present

²⁵⁵ Danilo Vincetič, "Srečanja s Titom – najlepša doživetja", *Skozi TAM*, June 13 1980, 23.

in the first row of workers' rallies whenever they were claiming their rights in public or confronting the authorities.

The amplified political confidence of industrial workers and the widespread faith that their grievances would eventually find an echo in the higher echelons of the party-state stabilized the ruling party, but they also encouraged spontaneous independent actions by blue-collar leaders inside the factories. In 1975, the TAM paper reported on the efforts of communists in the Repair and Service BOAL, located in the Serbian city of Novi Sad, to undermine the authority of unnamed individuals who "build positions under the mask of self-management rights and the struggle for the common good". The article described how the party was trying to block these "professional discussants" from self-management meetings, thus enabling a "productive and democratic exchange of opinions which leads to proper conclusions". TAM communists warned the workers that the true motivation behind this type of cry for the alleged common good was the personal interest of the rabble-rousers, who tried to divide the collective between the blue-collar workers and employees (productive and non-productive workers). The party termed this type of independent agitation for more egalitarianism as 'false solidarity' (*lažna solidarnost*).

TAM's press did not offer personal details about the blackened informal leaders. The accounts of IMR's internal life offer us a sketch of Đorđe Golubović, a blue-collar political activist who did not lose support on the shop floor despite holding functions and being exposed to smear campaigns similar to the one described above. Golubović was a party member, a veteran worker who participated in the political turbulence of the late 1960s. During his rich political career, he served as a factory trade union President and the IMR delegate in the republican Chamber of Associated Labor. In their recollections, the former IMR workers recognized Golubović as one of the rare delegates in the self-management structures who stood out from the crowd.²⁵⁶ He was not the standard blue-collar political cadre who depended on the factory party apparatus for his position and formulation of ideas. A metalworker by vocation, Golubović used his free time to attend lectures at the Faculty of Law in downtown Belgrade, but he never abandoned the factory. One of his main gifts was the ability to read the factory documents written in technocratic jargon

²⁵⁶ Interview with Milan Kljajić (IMR Trade Union activist), March 2011.

and convey their meaning to the rest of the workers in simple terms.²⁵⁷ According to Mića Milanović, unlike most delegates, Golubović actually took time to study the documents before the meetings, knew how to level with the more educated delegates, and did not hesitate to enter into debates.²⁵⁸

The minutes of his BOAL Assembly meetings show that Golubović was a constant target of attacks by a group of fellow workers who were trying to remove him from the trade union.²⁵⁹ He was accused of strolling around the factory, attending various meetings during work hours and receiving the wages of a skilled worker, even though he was officially only semi-skilled by vocation. The most serious claims against the renowned activist came in 1981, during the street protests of Albanians in Kosovo. Golubović allegedly threatened one of his long-standing critics that he would use his personal connections in the Serbian parliament to frame his opponent with involvement in the “counterrevolutionary activities in Kosovo”.²⁶⁰ Many workers and factory activists usually defended Golubović from such attacks. In 1986, he was finally removed from the trade union in the face of persistent defamation.²⁶¹

The LCY drive to recruit blue-collar members thus brought certain results in Rakovica and Tezno. It created a new layer of politically active workers loyal to the party. The task of these blue-collar communists was to maintain a balance between different occupational groups and preserve enterprise unity by offering a voice to the marginalized manual workers. The communists were supposed to act as a counterweight to pushes by particular interests and the increase of wage disparities once the managements were seen as gaining too much influence. Conversely, blue-collar cadres had to tone down incipient workerism and struggle against populist forces rising beyond the party ranks. The communists found it hard to juggle between

²⁵⁷ “He spoke the ‘workers’ language”, as Milan Kljajić explained to me in an interview.

²⁵⁸ Interview with Mića Milanović (IMR Socialist Youth activist), March 2011.

²⁵⁹ Kljajić claims that these were ‘party people’ (*partijaši*) whose aim was to discredit Golubović.

²⁶⁰ These accusations were never proven. The fact that the accuser mentioned ‘counterrevolutionary activities’ as the alleged threat Golubović directed against him, indicates the atmosphere of fear created by events in Kosovo. The last time this type of crass political denunciation had sounded plausible was probably in the early postwar years. For this and other accusations against Golubović see: Zapisnik sa Zbora radnika OOUR Vozilo, V Zbor, 7. maj, 1984, tačka 1.b. Also: Zapisnik sa Zbora radnika OOUR Vozilo, 9. January, 1986, tačka 7.

²⁶¹ See: Zapisnik sa Zbora radnika OOUR Vozilo, XII Zbor, 22. maj, 1986, tačka 2.

these two duties and often capitulated when confronted by challenges from the factory top and bottom.

In TAM, the blue-collar cadres seem to have oriented their activities toward the party-state, far away from the factory. There is no sign that the enterprise maintained a factory-based political school apart from the one organized within the Slovene LC Central Committee. The factory party was controlled by the white-collars, who fought ferociously against all local signs of independent, blue-collar leadership. In IMR, the communist cadres were educated within the factory premises and seem to have kept a stronger connection to the shop floor. The blue-collar BOAL branches had a strong say inside the enterprise party. Consequently, as the longevity of Đorđe Golubović's career shows, IMR communists behaved opportunistically toward workerism. Not only did the local party tolerate the rise of more organic working-class leaders, but also it allowed them to occupy crucial positions in socio-political organizations.

2.3. The Factory as a Collective

During the thirty “golden” years between 1950 and 1980, apart from its periodic crises, the self-management system secured relentless economic growth and social development. The optimism and faith in the official slogans of social equality were widespread among the industrial workers. The 1970s proved to be the highpoint of the Yugoslav welfare state. The preservation of secure employment, rising incomes, stable domestic currency, and the extension of credit paved the way for a boom in house construction, the spread of affordable household equipment and a significant increase in the number of automobiles and travel opportunities. Personal consumption increased more than 50 percent in total on a national level. The number of Yugoslav households with refrigerators went from 25.1 percent in 1968 to 70.4 percent in 1978. The consumption of meat and fish jumped from 36 kg per capita in 1970 to 57.6 kg in 1980. The percentage of homes owning an automobile increased from 7.9 to 29.2 in the same period.

Maribor developed into a traffic node and cultural hub, hosting numerous regional administrative institutions, service-oriented enterprises, trading companies and tourism facilities. Following up on the strong tradition of vocational education and engineering schools, Maribor became the site of Slovenia's second university in 1975. One year later, the city was crowned with a commercial airport hosting direct routes to Belgrade and the Croatian Adriatic coast. The parking lot in front of TAM's factory was becoming too small for the growing number of commuters who arrived at

work in their own cars. The factory paper noted that workers who owned land were increasingly able to afford new agricultural vehicles. The pages of the factory newspapers were also filled with the advertisements of tourist agencies. In 1975, close to 2,500 TAM workers decided to spend their winter or summer holidays traveling through a private arrangement, alongside the subsidized vacations offered by the factory trade union.²⁶²

In Rakovica, the heavily subsidized social housing rents and procurement of food through the factory enabled workers to use a bigger part of their wages to acquire durable goods. The documentary footage of IMR workers' dorms in the 1980s show that even the tiny rooms of working-class families living in factory dorms were often packed with washing machines, television sets and functional modern furniture. The local motor club estimated in 1977 that up to one-third of the workers owned an automobile.²⁶³ Between 1975 and 1978, the total retail space in the municipality of Rakovica increased four times. In 1978, the second-largest retail store in Belgrade was built close to the industrial basin. The retail company boasted 200 parking places and 100,000 items on its shelves, including 145 types of wine and other imported delicacies.²⁶⁴

During the 1970s, both factories opened up to new recruits. In 1980, the IMR youth organization conference reported that some 1,500 workers, almost one-third of the workforce, were under 27 years of age.²⁶⁵ In the first half of the 1980s, the economic crisis caused the overall national employment rate to sink again, but the intake of new employees at IMR continued under administrative measures. In order to combat youth unemployment the city authorities prescribed a mandatory number of interns that each enterprise was supposed to admit every year. In 1982, IMR employed 402 new workers, 137 of which were interns ranging from people without

²⁶² The growing figure of individually-organized vacations could indicate that the enterprise did not offer enough places at the subsidized trade union hotels; however, the complaints about inadequate capacities were not numerous and the trend seemed to indicate rather a rising standard of living for a large percentage of TAM workers. See: "Godišnji izveštaj Konferencije osnovnih organizacija sindikata RO TAM Maribor", *Skozi TAM* (Serbo-Croatian edition), April 1976, 6-8.

²⁶³ "Odjeci o našem jubileju", *IMR*, October 27, 1977, 11.

²⁶⁴ Živan Adamović, "Od igle do lokomotive", *IMR*, June 9, 1978, 9.

²⁶⁵ Snežana Mitrović, "Protekao period stagnacije", *IMR*, November 24, 1980.

primary education and no work skills to university graduates.²⁶⁶ In Maribor, TAM also continued to employ young workers from vocational schools as well as the unskilled workforce from the countryside. A promotional brochure encouraged all those seeking employment to come to the enterprise directly without previous notice. “Our gates are wide open for you and the personnel unit will be glad to arrange an interview”, the brochure stated.²⁶⁷

The recollections of workers who entered the factory during the prosperous 1970s suggest that the open door policy was not just an advertising slogan. TAM was in constant need of skilled metalworkers and people without skills willing to undergo the basic training and earn a living through manual labor. As economist Božidar Ipavic recalls, being the largest employer in Maribor, TAM was also the target for many white-collar workers of all professions with no clear idea of further advancement path after graduation. According to Ipavic, the admissions procedure was brief. Upon arriving at the factory gate for the first time, he was offered an interview and sent to have a medical examination. The following day he was already employed.²⁶⁸ The experience of less qualified workers confirmed that getting a job in TAM was not particularly hard. Anton Brezljjen, a metalworker, remembered that during his recruitment the company doctors diagnosed him with damaged lungs. He was given a job despite his chronic illness and sent to have appropriate medical therapy. A foundry worker, Feliks Fekonja, recalled that the personnel unit was mainly interested in two things during the interview: if he knew how to cast metal and if he owned any land. He was self-taught in metal casting and the company offered to employ him and finance his further schooling. The second question was very important since many workers commuted to work from local villages where they held smaller plots of land.²⁶⁹

What attracted these youths to large factories such as IMR or TAM? The factory was not considered an environment suitable for an ambitious professional career or a high salary, but it did provide a safe workplace, a steady income and many smaller benefits usually attached to

²⁶⁶ The number of workers leaving IMR in that same year was 233, meaning that the factory management opened 169 additional work places. See: Sl. A., “Prošlogodišnje zapošljavanje pripravnika: premašena sva iščekivanja”, IMR, February 15, 1983, 6.

²⁶⁷ *Radnice-Radnici, Pozivamo vas da saradujemo*, TAM Maribor Marketing, JA/KT, 5000/78.

²⁶⁸ Interview with Božidar Ipavic (TAM economist), April 2013.

²⁶⁹ Feliks Fekonja’s account was recorded in a television documentary about the factory: Bojan Labović, *Umrli gigant*, DVD (Ljubljana: Studio Legen, 2002).

work within such large collectives. The already-cited TAM advertising brochure mentioned some of the factory services the personnel unit thought would interest prospective job applicants. The publication listed: “adequate” (*odgovarajuće*) wages, organized transport and nutrition, housing, paid vacations in company resorts and the possibility of continuous education. As a factory with a highly-automated production process TAM employed a large number of low-skilled workers, which lowered the enterprise wage average. In the post-Perhac era, the company ceased to be a factory with outstanding wage levels. In the late 1970s and throughout the 1980s, personal incomes inside TAM usually stood below the Maribor and Slovene average. Yet, in the federal context, the average blue-collar wage in TAM was still well above the median Yugoslav wage. A migrant manual worker in Maribor could earn an income two to three times higher than that received for the same type of work in the less-developed republics. IMR was not an income-generating company in the same rank as TAM, yet the share of funds it directed to the wage fund habitually exceeded the planned proportions. The factory had above an average concentration of skilled metalworkers and its wages usually topped the personal income of other industrial facilities in Belgrade, ranking among the highest in the automobile branch of Serbia.²⁷⁰

The wage was certainly not the sole pull factor for the potential recruits. Employment in a social sector enterprise was the most direct way to access universal health care and pension insurance. However, in self-management, many social benefits were connected to the workplace and their quality depended on the financial standing of each enterprise. As a well-to-do company, by the late 1980s, TAM had been able to amass three thousand apartments for its workforce and build two dormitories with single rooms for apprentices and young workers. IMR financed the construction of close to 1,500 modern apartments in Rakovica. Furthermore, it provided some 300 rooms for single workers in two dormitories and offered favorable credits for private house building. The company possessions did not end with housing. TAM invested in two resorts on the Adriatic Sea and built a swimming pool within the factory complex, serving as one of the main attractions for the workers’ families and the neighborhood youth in the summer months. IMR operated a sports stadium in Rakovica, which was used by many youth and workers’ sport teams. The factory also maintained its own mountain resort and regularly enabled workers to go

²⁷⁰ Komisija za društveno-ekonomske odnose, “Samoupravno organizovanje i ekonomski odnosi”, IMR, January 29, 1980, 4.

to medical rehabilitation centers and have subsidized holidays at seaside hotels. In both enterprises, the canteen had an important place in the workers' daily routine. The factory restaurants guaranteed hot meals for each work shift and a special nutrition plan for people with chronic illnesses. The prices were heavily subsidized. TAM introduced breakfast delivery to the machines so that workers could dedicate more time to their production tasks in busy periods. The quality of meals was sometimes an object of criticism, but, in general, organized nutrition was highly cherished, in particular by the commuters and single workers.

Basic medical care was also organized inside the factory circle. IMR ran a dental care ambulance. TAM offered general psychological support for its workforce and developed a highly successful program of support for its recovering alcoholics based on the involvement of family members and work colleagues. If a colleague took sick leave the workers were expected to take time to visit their co-worker at home or in hospital, offering help and solidarity. As many interviewees from both factories pointed out the word 'collective' used by the self-management language to describe the enterprises was more than empty rhetoric. Identification with the factory and a team spirit were also encouraged through an array of social practices and customs not directly related to material benefits. Both factories financed numerous hobby groups, sports teams and leisure activities. TAM was known for its mountain climbing society and photography club. IMR organized poetry clubs, amateur singing nights, and retired workers' anniversaries, and its sports teams took part in regional leagues. The company contributed to the publication of two books of blue-collar workers' poetry. Its library had around 1,000 regular users and employed professional staff. The books in greatest demand were primary- and middle-school textbooks, indicating that many workers indeed used the opportunity for adult education.²⁷¹

Employment in a self-managed factory therefore carried the privilege of access to a great number of services outside of the market, which in return increased workers' loyalty to the enterprise. The idea of belonging to a Yugoslav community of industrial workers was always stressed by the official symbols, media and political discourse. However, in practice, this was a vague notion and workers usually identified themselves and others as members of a particular work collective. For instance, *tamovci* was a widespread colloquial term used to describe TAM workers.

²⁷¹ D. Jugović, "Nagrada najboljem čitaocu", IMR, February 10, 1982, 6.

Workers' self-management was a system of political, economic and social rights obtained through a specific socially-owned enterprise with few overarching institutions connecting workers from various collectives. Theoretically, social ownership implied that the entire working class, or society in general, was the possessor of the means of production. Nevertheless, as the solitary enterprise remained the microcosm of the workers' everyday activity there was a strong tendency to interpret social ownership as a collective possession of the respective workforce. "I treated the factory as if a piece of that enterprise was mine", an unnamed TAM worker recalled.²⁷² The law prohibited companies from issuing shares and turning self-managers into private owners with inheritance rights. The status of the manager of social capital came with employment and ended with retirement. Yet, there was an unwritten rule in both enterprises that the children of the company workforce were strongly favored among applicants for new work positions.²⁷³

The factory-connected perks, and the possibility to participate in business decisions and community life internalized the overall vision of development set by the professional staff and made the workers willing to accept short-term sacrifices for the sake of higher incomes in the future. In the aftermath of the prolonged stagnation of the 1980s and its ultimate economic breakdown, workers' self-management in former Yugoslavia is today typically associated with low-work motivation and wasteful production. Yet, the recollections of professional managers active at the time remind us that the system was often capable of rousing the collective behind the common goal and motivating workers to give their best effort. As an unnamed TAM executive recalled: "The collective responded well to campaigns. You could inspire people to work harder through certain messages. When things went well, there was no production goal we could not accomplish".²⁷⁴

The collective decision-making meant that the management and socio-political organizations had to dedicate great care to communicating with the workforce and mobilizing it behind the

²⁷² Bojan Labović, *Umrlji gigant*, DVD (Ljubljana: Studio Legen, 2002).

²⁷³ For instance, in the summer of 1983 IMR's internal control warned that the departments were not sticking to proscribed rules when employing new workers and instead favored the children, wives and relatives of the current employees. See: D. Žujović, "Prijem radnika bez privilegija", IMR, July 27, 1983, 2.

²⁷⁴ *Umrlji gigant*, DVD, Directed by Bojan Labović (Ljubljana: Studio Legen, 2002).

business goals. The introduction of new organizational forms or decisions to enter into a significant investment demanded months of preparatory work and campaigning inside the self-management bodies, the trade union and party meetings. At important turning points, the management would decide to call an assembly of the entire factory in order to motivate the workers and secure the success of a referendum vote. Once the collective had embraced the business measure and recognized it as a goal from which everyone would prosper the management could count on periods of unity and Stakhanovite-like work efforts. Solidarity did not end at the factory gates. As already mentioned, both enterprises contributed part of their total income to the Federal Fund for Accelerated Development of Underdeveloped Republics and Kosovo. Moreover, workers regularly donated part of their personal income to various causes, such as Tito's Fund, established to give educational grants to young workers, self-financing schemes to build local infrastructure, aid campaigns to Yugoslav regions affected by natural disasters or solidarity spending for national liberation movements in the Third World. Voluntary labor was also common and ranged from work Saturdays to youth labor brigades during the summer months.²⁷⁵

The yearly work rhythm revolved around a series of state holidays commemorated inside the factories. As already described in the case of Youth Day, most of the holidays were connected to the great events of the Partisan struggle and the ruling ideology. The heroic endeavors of the Partisan forces during World War Two were related to the willingness of the new generations of workers to sacrifice for further modernization of industry. In 1971, the celebration of the 25-year anniversary of TAM's existence emulated a military parade, with workers of different crafts and work units marching and saluting beneath a podium filled with party dignitaries and other honored guests. At the same time, the evening program was styled in the fashion of a television show quiz, with workers answering trivia questions about the company history and winning prizes.

²⁷⁵ The labor brigade movement lost its economic significance after the introduction of self-management. Still, the youth camps engaged in brigade work were kept as symbolic places where youth from various parts of the country and different social backgrounds could come together and socialize in the communist spirit of joint work and camaraderie.



Picture 2: TAM workers marching in a parade on the commemoration of the factory's 25th anniversary.



Picture 3: 'How well do you know your enterprise?'; a quiz organized during the celebration of TAM's 25th anniversary.²⁷⁶

The actual content of celebrations, even when commemorating important ideological dates, was thus often carefree and oriented to socialization through having fun. A self-managed factory was usually the sponsor of many cultural institutions in the wider community, such as theaters and

²⁷⁶ Pictures 2 and 3 are taken from the digitization project of the Slovene regional archives: www.kamra.si.

dance groups, which in return held free manifestations for the workers and their families. The Belgrade Film Festival organized special screenings of the latest Hollywood blockbusters and European cinema inside Rakovica's factories. TAM's celebration of International Women's Day (March 8) in 1988 is a good example of how socialist form was combined with commercial content and Western-influenced consumer culture. The central celebration took place in one of the production halls where machines were cleared to make room for a fashion runway. The event started with a talk about women's role in socialist society and the struggle for female emancipation, delivered by the President of the factory party organization. The program then continued with a fashion show with the latest designs of the Slovene textile and jewelry industry. The pinnacle of the evening was the tongue-in-cheek performance of a television star, Biljana Ristić. "A singer, imitator, entertainer and, above all, an extraordinary beauty", as the factory paper described her, she exited the television screen and entered the production hall, performing exclusively for TAM's female workers. Their wages may have lagged behind those of the downtown white-collar companies, but events such as these made the workers feel that they mattered and that society appreciated their hard work.²⁷⁷

²⁷⁷ Danilo Vincetič, "Biljana in manekenke so ogreli srca in dlani", *Skozi TAM*, March 11, 1988, 3.

Chapter Three

Shades of Blue-Collar Workers

3.1. Proletariat in the Making

On paper, all members of a single work collective had equal access to social property and factory-based benefits. In practice however, the distribution of company-owned goods and services was skewed in favor of workers with more qualifications, better earnings and a higher position in the factory hierarchy. The company apartments were the prime example of locally generated inequalities. The housing entitlements exposed divisions that were often hidden inside the working-class neighborhoods. As with all other socially-owned property, the company apartments were supposed to be built and allocated based on need. Workers' assemblies approved the general plans of future investment in housing. Workers' councils elected housing commissions, which were in charge of maintaining the apartment waiting lists.²⁷⁸ However, the housing development budgets were chronically underfunded and the plans rarely fulfilled. Moreover, one category of apartments was legally allowed to be allocated outside of the self-management procedures. These were the so-called 'cadre apartments', used to attract skilled workers and professionals to the factory. As the industrial enterprises were chronically short of a qualified workforce, the distribution of cadre apartments became standard procedure and prolonged the waiting time for ordinary candidates.

Socially owned apartments were a very scarce good. In 1979, one third of IMR's workforce had an unresolved housing situation. The average waiting period for a socially owned apartment in Belgrade was around 15 years. Following the regular procedures, IMR workers could therefore expect to spend a good part of their working age on the waiting lists before having a chance to move into one of the modern high rises.²⁷⁹ The average waiting time for a socially owned flat in Maribor was somewhat better: it ranged between 5 and 10 years. During the 1970s, TAM bought

²⁷⁸ The criteria for placing individual workers on the list were living conditions, work qualifications, seniority, health, family status, etc.

²⁷⁹ V. Andrejić, "Omladinci IMR-a o problemima stanovanja: nužni smeštaj kao san", IMR, January 15, 1979, 3.

some 100 flats per year on average. Still, the annual demand was three times higher.²⁸⁰ Most of the senior workers had already managed to settle down over the years with the help of company-acquired apartments or individually built houses. The waiting lists were typically filled with younger workers, but also long-time employees with lower qualifications and inadequate living conditions. The great majority of young recruits arriving from other parts of the country had to rent a room on the free market. In 1979, the rent for a single room in Belgrade ranged around 2,000 dinars, while the average blue-collar wage in IMR amounted to 5,400 dinars. In other words, workers without secured factory lodgings had to spend close to one-half of their monthly wages only to live as subtenants in other people's apartments and houses. This type of accommodation was highly unpopular among younger workers. Apart from the high prices, they often complained about the patriarchal behavior of the property owners and the fact that they were not able to have intimate space and to start a family.²⁸¹

The alternative was to attain a room in the company-owned dorms. This type of lodging was up to five times cheaper than renting rooms in private homes and therefore was in high demand. Yet, the dorm tenants often complained about the unsatisfactory living conditions and the absence of house rules. In January 1979, TAM's youth organization organized a special conference dedicated to problems in company dorms. The speakers pointed out that the dorms had no space for collective activities, the heating was poor, the hygiene badly kept and people were able to move in although they were not employed at the factory.²⁸² In IMR-kept dorms, many tenants continued occupying the room years after they had left the factory, and residents were notoriously late with rents.²⁸³ The dorms were supposed to serve as short-term lodging for apprentices and young single workers until they found a more permanent solution. However, due to the scarcity of housing stock many older workers with families lived in dorms as well. It was not uncommon for a working class family to organize their daily chores in single rooms. On average there was one toilet serving thirty residents. Entire families slept, cooked and spent their

²⁸⁰ "Srednjeročni plan ZDV u javnoj raspravi", *Skozi TAM* (Serbo-Croatian edition), October, 1976, 6.

²⁸¹ D. Kordulup, "Omladinske novine o mladima u IMR: Metla umesto struga", *IMR*, February 28, 1983, 4.

²⁸² D. Vincetić, Problemska konferencija o samačkim domovima, *Skozi TAM* (Serbo-Croatian edition), January, 1979, 3.

²⁸³ D. Kordulup, U samačkom hotelu: može i besplatno!, *IMR*, November 23, 1982, 2.

free time in nine to twelve square meters.²⁸⁴ What was supposedly a temporary solution would often turn out to be a long-term home in which the children grew up and their parents became pensioners.

Those IMR workers who decided to take the initiative and build their own houses usually lived in the ‘wild settlements’ concentrated around the city. The more peripheral parts of Rakovica were sites of unplanned, semi-rural neighborhoods, which often lacked asphalt roads and a proper sewage system. These informal neighborhoods had rural features, with many residents supplementing their income with private farming. However, the agricultural work performed there was closer to garden cultivation and the possession of a few smaller domestic animals, rather than farming on proper plots of land or maintenance of animal barns. The peripheral settlements were not traditional villages, but improvised extensions of the city. Although built illegally, in practice the city authorities were forced to accept these settlements as parts of various Belgrade municipalities and public transportation usually connected them with more centrally located neighborhoods. A detailed description of the life of a migrant worker, published in an article in the IMR factory paper, offers an insight into the living conditions of many blue-collar workers at the time. Milovan Čolaković arrived in Rakovica from Kosovo. After years of room renting, he managed to build a house of his own in a village on the outskirts of Belgrade. The house was not complete and different parts were added each year. Milovan, his wife and their two children occupied the first floor. The second floor was left for his mother and younger brother.²⁸⁵ The family could not afford a car and depended on a place in the mountain resort owned by the company for taking its holidays. Many foodstuffs for the household were obtained at subsidized prices through the trade union. Even though the article does not mention it, Milovan, as many of his colleagues, probably also raised domestic animals and obtained vegetables from his own garden.²⁸⁶

²⁸⁴ The organization of everyday life in dorms was presented in the documentary film *Žulj*, shot in 1986, which focused on TAM workers. See: *Žulj*, VHS, directed by Mića Milošević (Belgrade: Centar Film., 1987)

²⁸⁵ “Ruke za dva takta”, IMR, June 6, 1989, 6.

²⁸⁶ The number of requests for sick leave from the factory would normally increase significantly around the months of intensive agricultural work. Numerous articles in the factory paper report on this trend. See for instance: S. Frajst, “Umesto posla na njivu”, IMR, June 12, 1984, 7.

The residents of these ‘wild settlements’ expected the city to urbanize their communities further. Many hoped the enterprise would enable them to escape the informal status and move into new, modern flats in other locations. However, workers who decided to build a private house frequently found themselves caught in a legal limbo, with reduced access to factory-provided services. A reader’s letter published in the IMR factory paper described the case of Dragoljub Nešić, a low-skilled foundry worker with a work disability employed in the factory since the mid-1950s. Over the years, Nešić had built a house in a village near Rakovica where he resided with his wife and two children. He asked the company to grant him a housing credit in order to complete the house and connect his household to the public infrastructure, but the Foundry BOAL workers’ council declined the request because the house had been built without proper authorization from the communal authorities. The petitioner then asked to be granted adequate housing in social property. With his seniority, work-related disability and family status, Nešić was a strong candidate for a company apartment. Nevertheless, since he already had a house, the workers’ council considered his case solved and his name was taken off the apartment waiting list.²⁸⁷

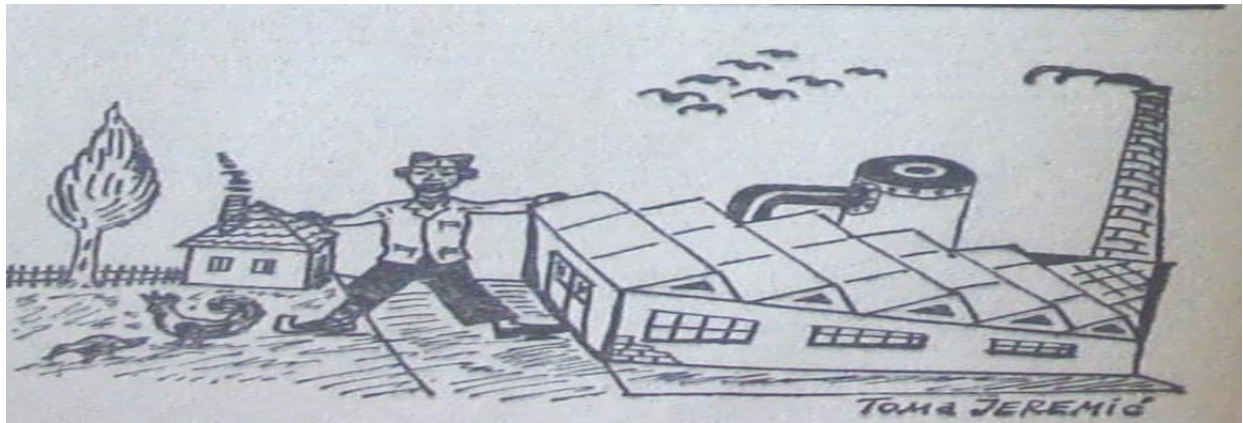
The border between Maribor and its countryside was more harmonious. TAM used the liberalization of the mid-1960s to complement investments into socially owned apartments with credits for individual house construction. Unlike Belgrade, where a flat in a high-rise continued to be the symbol of modern lifestyle and sophistication, the villages around Slovene cities evolved into suburban settlements consisting of single-family houses whose residents commuted to nearby urban centers by car.²⁸⁸ A large percentage of TAM’s workers escaped the precariousness of the wild settlements and company dorms by never leaving their home villages. Workers from the more distant villages were engaged in full-scale farming activities and undertook daily trips to Tezno without having to leave their family plot permanently.

TAM was the nearest large social-sector employer for the entire agricultural region of *Međumurje*, extending some 50 kilometers east and south of Maribor, toward the borders with

²⁸⁷ Toma Jeremić, “Imaš kuću-nemaš ništa”, IMR, April 12, 1983, 7.

²⁸⁸ James Gow and Cathie Carmichael, *Slovenia and the Slovenes: A Small State and the New Europe* (London: Hurst & Company, 2000), 131.

Hungary and Croatia. Thirty-nine factory buses and two hired train carriages supported the daily transport of the rural workforce to the factory. The larger villages had up to four buses departing for TAM in the morning, two in the afternoon and one for the evening shift. In order to reach the factory, workers from the most remote villages had to wake up in the middle of the night and walk up to one hour to the closest larger village that was visited by a factory-organized morning bus. These ‘semi-proletarians’ would then travel up to two additional hours, collecting workers from other villages on the way to Tezno.²⁸⁹



Picture 4: A Drawing of an IMR peasant worker with one foot in the factory and the other in the field.²⁹⁰

The examples above show how three decades after the introduction of workers’ self-management, a good proportion of the industrial workforce was still not the settled urban proletariat that the ruling ideology saw as an ideal subject for constructing socialism. The large industrial plants were usually located on the outskirts of the cities, bordering the nearby villages. This placement was symbolic. The factories failed to become the well-established locus of new social relations, but served as a bridge between the countryside and the middle-class urban communities. Associated Labor was supposed to return the working class and its institutions to the center of the political, social and cultural development of Yugoslav society. Yet, for many workers the factory was a place where they could obtain additional fixed income next to land cultivation or a mere stepping-stone for other, less difficult and better-valued jobs in the city.

²⁸⁹ The stories of these peasant workers were caught on camera in *Umrlji gigant*, DVD, Directed by Bojan Labović (Ljubljana: Studio Legen, 2002).

²⁹⁰ IMR, April 15, 1980, 2.

The low wage levels and scarcity of enterprise-provided services meant the industrial enterprises had few means to keep the arriving young workers fully attached to the factory.

The factory-derived income was often complemented with unregistered jobs in the city. It is hard to uncover the true scope of this practice, but oral interviews and records of disciplinary breaches give the impression that moonlighting was widespread. The informal work ranged from house repair services to smuggling scarce consumer goods from abroad. The factory was often used as a base for private business ventures, where individuals had access to work tools and a network of customers. Workers found numerous ways to smuggle materials into the factory and use the machines to perform work and conduct repairs for private purpose. In December 1981, the IMR self-management control informed about groups of workers leaving their posts in order to participate in the official sales of redundant tools and machinery in the factory yard. The sale items were reportedly greatly underpriced and included brand new pieces not appropriate for sale.²⁹¹ In the production halls, parallel food and beverage services were flourishing. The Social Standard female workers prepared and sold coffee to production workers next to their machines. The paper reported that these informal coffee stalls also offered fried fish and snacks.²⁹² At the other end of the factory, the white-collar offices would often turn into showcase spaces where informal sellers offered books, foreign clothing or foodstuffs from the countryside.

After repaying the company-sponsored stipend obtained during their vocational schooling, many workers left the factory altogether for other companies, which offered higher wages. In the mid-1970s, the labor turnover rate in TAM as a whole was around 15 percent and reached the alarming rate of 30 percent in some BOALs.²⁹³ The factory paper caricaturists joked that a rotating door at the front of the factory would serve the workers' needs much better than the entrance gate. The local party organization concluded that most workers were leaving because of hard work conditions, low wages and bad co-worker relations.²⁹⁴ In IMR, between 1979 and

²⁹¹ D. Žujović, "O slučaju 'otpadnog materijala'", November 24, 1981, 5.

²⁹² Momčilo Šćekić, "Pisma čitalaca: kafenisanje", IMR, February 16, 1978, 10.

²⁹³ "Srednjoročni plan ZDV (1976-1980) u javnoj razpravi", Skozi TAM (Serbo-Croatian edition), October, 1976, 4.

²⁹⁴ Danilo Vincetić, "Jedinstvena sindikalna organizacija", Skozi TAM (Serbo-Croatian edition), May, 1975, 3.

1982, the turnover rate ranged from seven to ten percent.²⁹⁵ The turnover was certainly lower than in Tezno. Still, there was a worrying trend of skilled workers leaving the factory. In April 1981, Motor reported that 100 qualified workers had left the BOAL, claiming that the production might come to a standstill if an additional 50 skilled blue-collars decided to vacate their work places.²⁹⁶

For the factory management, those workers who stayed inside the factory but continued to regard it as a place for additional income may have been more of a problem than those who left altogether, since these ‘semi-proletarians’ contributed to undermine discipline on the shop floor. The so-called ‘peasant workers’ (*polutani*) were certainly the largest group among them. This layer of blue-collar workers continued to reside in the villages and tended to neglect their shop floor responsibilities in favor of fieldwork. One of the main ways to gain free time for farming on private plots was the liberal use of sick leave. In the course of the 1970s, TAM’s management formed sick leave control units. Factory teams would pay random visits to the homes of allegedly sick workers only to find them in the field instead of in bed. If the control unit discovered the doctor’s permission was forged the perpetrator risked losing the right to one part of the sick leave money, but this did not significantly decrease sick leave figures.²⁹⁷ As already noted, the residents of the nearby villages spent up to two hours in commuting and bus timetables did not always match the end of each shift. In 1975, TAM’s factory paper complained that each day a few hundred workers would gather in front of the factory gate trying to exit half an hour before the official end of the work hours. The wave of people would often push against the factory security and scream insulting words at the door attendants.²⁹⁸ In Rakovica, in late 1981, the IMR management estimated that some 600 out of 4,800 workers were absent from work each day. Out

²⁹⁵ S. Avramović, “Smanjeni odlasci iz fabrike”, IMR, April 26, 1983, 4.

²⁹⁶ L.V., “Proizvodnja sve manja”, IMR, June 17, 1981, 5.

²⁹⁷ Interview with Branko Gerlič (TAM factory paper journalist), April 2013.

²⁹⁸ Liberat Buždon, “Razrastanje nediscipline treba obuzdati”, Skozi TAM (Serbo-Croatian edition), November, 1975, 7.

of this number, 495 people were on sick leave.²⁹⁹ The rise in sick leave during certain months was closely related to the seasonal rhythm of work in the field.³⁰⁰

In an effort to introduce more discipline on the shop floor, TAM's management ordered that no one was allowed to exit the factory gate during work hours without written permission signed by the foreman. In spite of this, people always found ways to exit the enterprise premises and use the work hours to shop in the city or visit the nearby pubs.³⁰¹ Most of the time, therefore, the workday was cut short, but when there was enough processing material, and wages could be augmented through additional work, the management complained that workers stayed on single machines for too long. Many senior workers used overtime work as they pleased. The materials were applied in a wasteful manner and machines damaged by careless use and efforts to exceed the norms in the shortest possible time. The white-collars showed a similar lack of conscientious work practices. In August 1976, the self-management control discovered the purchasing department had ordered a whole shipment of expensive tires that were incompatible with TAM's vehicles.³⁰² The general neglect often led to misappropriation of factory property. In 1975, TAM's self-management control stated that toilets were often found with missing sanitation elements while the canteen reported more than 3,000 eating utensils stolen in only one year.³⁰³

The disciplinary breaches at IMR were very similar to the ones already described at TAM. Workers would consume alcohol at work, jump over the factory fence to conduct personal business in the city, steal telephones, etc.... Social Standard considered employing guards at the canteen entrance due to widespread theft of kitchen utensils. The idea was abandoned, since the practice of workers being searched upon leaving lunch would have been humiliating for the individual workers and the self-managed factory as a whole.³⁰⁴ In 1979, the disciplinary

²⁹⁹ D. Žujović, "Odvojiti rad od nerada", IMR, October 6, 1981, 3.

³⁰⁰ S. Frajst, "Umesto posla na njivu", IMR, June 12, 1984, 7.

³⁰¹ Liberat Buždon, "Razrastanje nediscipline treba obuzdati", Skozi TAM (Serbo-Croatian edition), November, 1975, 7.

³⁰² "Rad odbora samoupravne radničke kontrole", Skozi TAM (Serbo-Croatian edition), August, 1976, 3.

³⁰³ Liberat Buždon, "Da li smo svesni šta je društvena imovina?", Skozi TAM (Serbo-Croatian edition), July 1975, 7.

³⁰⁴ Živan Adamović, "Čiju imovinu uništavamo", IMR, May 15, 1979, 5.

commission handled 300 cases of breaches, most of them dealing with theft of factory property, brawls, alcoholism, refusal to obey the foremen, and leaving the workplace without permission. In total 37 workers were fired, 23 were given financial penalties and 19 were issued public warnings. In other instances, the perpetrators faced no consequences.³⁰⁵ The communists were supposed to set an example for other workers with their work efforts and conduct, but, in 1984, the trade union stated that 15 percent of the IMR communists were also implicated in disciplinary offenses.³⁰⁶

The careless attitude exhibited by parts of the workforce and regular members of the socio-political organizations frustrated leading workers in the governing structures. This type of behavior went against the preconception of solidary social relations, which were supposed to flourish in a self-managed society. Many influential members of both enterprises were of the opinion that sanctions were not the best way to fight negligence and that the communists and leading self-managers should appeal to workers awareness instead. “Where is the self-management consciousness?” was the question often posed in a desperate tone by the factory papers. Calls to treat social property with care constantly circled around the factories. The tone of the TAM journalists reveals the level of frustration with the persistent devastation of factory tools.

Why such an attitude? Do we handle private property at our own house in the same way... do we use measuring instruments instead of sledgehammers, do we start cars with screwdrivers instead of keys... do we intentionally destroy what we created?³⁰⁷

In a similar article, after presenting a list of factory items found missing, TAM’s distinguished self-manager functionary, Liberat Buždon, concluded:

We cannot be proud of ourselves, but we have all the preconditions to be different and to behave as *cultured people* [emphasis added]... We should be behaving quite different in

³⁰⁵ D. Žujović, “Kazne za nedisciplinovane”, IMR, February 12, 1980, 3.

³⁰⁶ Lj. Vesković, “Rasprava o (ne)disciplini: autoritet rukovodilaca”, IMR, March 13, 1984, 4.

³⁰⁷ Franc Lenhart, “Brižljiv rad sa društvenom svojinom doprinosi stabilizaciji“, Skozi TAM (Serbo-Croatian edition), March 1984, 6.

a self-managing society, considering the fact that social property is managed by all of us.³⁰⁸

Buždon's words reveal the dominant understanding of factory relations among the management and the leading self-managers. The factory elites observed the enterprise in an idealized manner – as a collective of free producers with common interests, choosing to ignore the disparities present among them. The dominant view was that malpractices were not the result of inequalities and deficiencies present in the systemic solutions, but a leftover of old ways of thinking that the workers brought with them from the countryside or the proletariat's lack of culture. Consequently, the role of the self-management organs and the party was to emancipate the workers further and transform them into “cultured people”, who realize the full meaning and potential of self-management socialism.

As we will see, a few years later, when disciplinary breaches expanded even further despite appeals from above, the eagerness to uplift the workers among the leading cadres gave way to pessimistic conclusions about self-management as an allegedly idealistic system not yet fit for human beings. Yet, it is impossible to understand the rapidly growing disharmony inside Associated Labor without a more careful examination of various forms of inequalities that market-steered socialism and undemocratic practices inside the self-management organs generated inside the working class milieus.

3.2. Who Creates Value?

The disparities in access to social property described in the previous chapter were an extension of deep-seated divisions inside the enterprises. The principal cleavage in both factories was certainly the one between the workers in direct production and the white-collar employees. In IMR, the ratio between the lowest and the highest wage bracket was 1:2 in 1979. There was always a number of low-skilled workers, who slipped below the regionally determined minimum wage, and a few exceptionally well-paid executives, but the personal income of a great majority of workers and employees moved within this range. The best-valued professions were engineers

³⁰⁸ Liberat Buždon, “Da li smo svesni šta je društvena imovina?”, *Skozi TAM* (Serbo-Croatian edition), July 1975, 7.

and highly-educated staff in the white-collar BOALs such as Engineering. However, the skilled manual workers did not lag too far behind, especially those in departments reliant on craftwork, such as Vehicle and Maintenance. Workers in the more mechanized BOALs, such as Motor, or low-skilled female service workers from Social Standard traditionally earned the lowest wages.³⁰⁹ TAM upheld a similar wage differentiation policy during the climax of Associated Labor in the late 1970s. TAM's sales and marketing departments recorded the highest average salaries, whereas workers in fully automatized vehicle production departments and the factory canteen staff received below average wages.³¹⁰

The wage spread was low by Western standards. However, inside the Yugoslav industry, where the political culture cherished the manual worker as the prime producer of value, different nominal rewarding of shop floor and deskwork was unreasoned and often controversial. As Stojan Perhac's successor at the head of TAM, Mirko Žlender, explained in his 1977 New Year statement, the discrepancy in salaries between the productive and non-productive BOALs were not justifiable as personal incomes³¹¹ were not only economical, but also a social and political issue.³¹² The blue-collar resentment toward the employees did not grow so much out of wage differentiation as from different ways in which the personal income was calculated. Being closely related to output norms, the wages of the manual workers had a significant variable part. On the other hand, the white-collar workers' wages were fairly secure and calculated by the work hour or job description.

The blue-collar workers were frustrated because they often had to work overtime and invest much effort to match and surpass the production targets so as to earn the expected wage, whereas the earnings of office workers seemed to be guaranteed, regardless of the actual physical output and overall success of the company. Direct production was highly dependent on the services and supplies offered by white-collar BOALs. If the marketing department failed to negotiate the

³⁰⁹ "Koliko smo zarađivali", IMR, October 16, 1979, 5.

³¹⁰ "Prosečni bruto lični dohotci u januaru 1977", Skozi TAM (Serbo-Croatian edition), April 5, 197, 2.

³¹¹ The Associated Labor terminology abandoned the usage of the term "wage" as Yugoslav workers were allegedly not engaged in wage relations. They were collective managers of social property who deducted one part of the total income.

³¹² "Mirko Žlender, Novogodišnje poslanice", Skozi TAM (Serbo-Croatian edition), January 5, 1977, 1-2.

necessary components, the production lines stood still. If the sales department failed to find a buyer and organize the shipment, the products would overflow the storage capacities and start piling up in the production halls, thus preventing free movement on the shop floor. The fixed hourly wage of manual workers was counted with lower coefficients during waiting periods. The longer the waiting periods were, the less opportunity a production worker had to fill the monthly output norm and secure the variable part. The shop floor felt the specialists bore great responsibility for occasional underperformance, but the production workers were the only ones bearing the consequences.

In order to back up their grievances, workers embraced the theoretical concept, introduced by the official Marxist economic theory and the accounting system, of rigorous separation between those economic branches that allegedly created new value, and those living off this value. According to this view, the basis of the socialist system were economic activities that injected surplus value into society. The source of surplus value was located in the sphere of material production (industry, building, transport, etc.). On the other hand, the typical non-productive economic branches were healthcare, culture or state administration. The division was largely inconclusive and contingent. The regimes in state-socialism used the concept to justify high investments into heavy industry and keep a lid on the expansion of state bureaucracy and red tape. The work places in non-productive services were regarded as socially useful, but their spread had to be brought in line with the growth of the material base.

Yugoslav manual workers appropriated the concept of “productive and non-productive work” to promote their narrow interests inside the factories. The creation of common wealth was in the hands of the direct producers and all other professions in industry were supposed to be rewarded strictly in accordance with their contribution to the smooth running of the production cycle. Ideally, the performance of an office worker was to be quantified and measured similar to norms on the shop floor. The official political economy textbooks classified the white-collar worker who also directly served the material production as a producer of new value. Yet, the shop floors developed workerist attitudes, which regarded manual labor behind a machine as the sole “true work”. The vulgar application of Marxist concepts such as the ‘labor theory of value’ or ‘productive work’ led to a questioning of the very usefulness of office staff. Workers often referred to employees as *režija*. This was an official bookkeeping term for non-productive job

positions. However, when used by manual laborers, it usually gained additional pejorative connotations, implying a burden on production or the existence of a superfluous workforce.

In IMR, there was a strong feeling among direct producers that white-collar positions were multiplying much faster than productive output. Official factory statistics claimed that the number of employees in *režija* was well below the Yugoslav industrial average, with almost 75 percent of the workforce stationed in production.³¹³ Nevertheless, the manual workers were convinced that *režija* accounted for 50 percent of total employment, if not more. The following two statements given by IMR blue-collar workers in a documentary film and the press are exemplary of workers' attitudes toward employees:

I hear from comrades that the numbers in *režija* climbed up to 3,000. This is the reason why out of the whole tractor we are left with a single switch. It is our own fault.³¹⁴

In my work group, we assigned one controller to each person standing behind the machine, not to mention those upstairs in the administration. In our society, there is too much bureaucracy and a worker has to work for himself plus three other people. That is the heart of the problem!³¹⁵

In Tezno, the suspicion nurtured by the shop floor toward the office employees was equally strong. The former TAM journalist Branko Gerlič remembers that most workers regarded everyone working behind the desk, from the interns all the way up to executives, as an overhead – a “pure cost”, as he put it.³¹⁶ An anonymous TAM worker was recorded in front of the camera explaining the difference between productive and unproductive work in the following words: “My job is to make money. Your job (*režija*) is to see how to spend it”.³¹⁷ The blue-collar pressure inside the factories and the broader political climate, which praised manual labor, forced

³¹³ Darko Marinković, “Štrajk u Industriji motora Rakovica”, in Milonja Čukić (ed.), *Obustave rada (štrajkovi) u Beogradu* (Belgrade: Veće Saveza sindikata Beograda, 1987), 100.

³¹⁴ Žulj, VHS, Directed by Mića Milošević (Centar Film: Belgrade, 1987)

³¹⁵ D. Kordulup, “Metla umesto struga”, IMR, February 28, 1983, 4.

³¹⁶ Branko Gerlič (TAM factory paper journalist) in discussions with the author, April 2013.

³¹⁷ *Umrlji gigant*, DVD, Directed by Bojan Labović (Ljubljana: Studio Legen, 2002).

the management to stage occasional balancing acts. In October 1980, for instance, the executive of TAM's Metal Cutting BOAL forced all desk workers to perform a day shift on the shop floor and engage in production work.³¹⁸ The factory white-collar staff was the standard mocking victim of TAM's paper comics section. The drawings presented the white collars as lethargic personalities, sitting at empty desks, passing time with the help of coffee, cigarettes and newspapers, constantly eyeing the shop floor, scared of workers' reactions.³¹⁹

The management and white-collar workers nurtured their own prejudices and suspicion toward the manual workers. For managers, engineers, economists and other factory professional workers', everyday efforts on the shop floor were futile without a proper long-term development strategy, marketing and selling skills. The official ideology might have granted manual labor with a special quality of being able to produce surplus value. Yet, the managers knew that the Yugoslav market economy rewarded those producers who conducted business in a more efficient manner and knew how to market their products. The workers were embellished on the political posters and factory emblems, but the managers were the ones who made crucial decisions and made the factories profitable. They had special expertise, making sure the factories obtained the necessary production materials, traveling abroad to maintain contacts with foreign partners, holding the highest positions in the local party branches, and enjoying direct access to political authorities.

The professional management in IMR and TAM was frustrated with the state of affairs inside the factories brought about by Associated Labor. The administrative elites felt they had to answer in front of the higher government and party institutions for the success of the enterprise, without having sufficient legal authority among the employees or the institutional opportunity to implement decisions. The strengthening of the governing function and radical decentralization meant that the central administrative bodies had only consultative powers, whereas the real power was located in the BOAL councils. The managers felt the power was handed over to the shop floor, yet the manual workers were not competent to make complex assessments and there

³¹⁸ Jože Gregoran, "Neproizvodni radnici radili u proizvodnji", *Skozi TAM* (Serbo-Croatian edition), November, 1980.

³¹⁹ For the sake of space, these comics are presented in Appendix 1 at the end of this chapter.

was no concrete responsibility for collectively reached unsound and harmful business decisions. The professional decision-makers asked for a clear separation of administrative and governing functions. In their view, professionals should be allowed a chance to bear greater responsibility for and to guarantee business results, but they should also be rewarded accordingly.

One of the main battle cries of market-oriented managers and professionals inside IMR and TAM was the struggle against income leveling (*uravnilovka*). *Uravnilovka* carried clearly negative connotations in the LCY jargon. It was associated with rigid communist regimes and backward economies, such as China's, a clear antipode of self-managed socialism. As we will see, TAM's workers felt the need to deny any affinity to *uravnilovka* before they spoke for less income disparity in public. Wage leveling was allegedly unfair as it punished hard-working individuals while rewarding the lazy ones. Moreover, it stifled progress, since skillful workers and innovators were not motivated to strive further. In 1985, a newly employed IMR engineer expressed the prevailing attitudes among the management and professionals in the following way:

One of the biggest problems among the youth is the egalitarian life philosophy of equality in poverty. This is a dangerous ideology maintained by the politicians...if the consciousness that we are a poor country spreads, then people say let us at least all be equally poor. Social differentiations are justified, but only if they are based on distribution according to work and capabilities. The ones who are more capable among us should lead the way, not the noise-making demagogues who point their fingers and exploit social differences.³²⁰

The management and better-educated employees often looked down upon workers as overprotected, ignorant, unschooled, unruly, infantile and irrational. Expressing an overtly critical stance toward the working class was not politically acceptable and the strategy used by the white-collars was often to use the concept of 'semi-proletarians' as an entry point for their allegations, insisting on a division between the pure proletariat, immersed in the values of self-managing socialism, and those workers who still showcased a peasant, petty-bourgeois or

³²⁰ Drug predsednik bivši, IMR, December 9, 1985, 6.

lumpen mentality. Many of these controversial views of the working class were expressed more freely through caricatures (see Appendix 1 below). As noted in the previous section, the factory elites often adopted paternalistic attitudes toward their less educated colleagues, aiming to emancipate the unskilled workers through factory-based programs, only to raise their voices in despair once their actions did not produce the expected results. For instance, according to Branko Gerlič, TAM's campaign to offer evening schools for a layer of unskilled workers who did not complete a legally proscribed primary education, failed miserably in the 1980s and demoralized many leading workers in the factory.³²¹

3.3. Skill, Gender and Place of Origin

The less obvious divisions were the ones among groups of blue-collar workers in direct production. The exposure of cleavages inside the production halls is crucial if one is to understand the success of the new elite-driven reforms of the 1980s. The manual workers differentiated themselves as a bloc when confronted with the white-collar employees, but they were far from a homogenous group. The basic tenet of workers' self-management stated that those who work harder and achieve better results should be rewarded for their efforts. However, workers of a single work collective knew from experience that their wage levels depended less on their individual work pains than their skill levels, job position on the shop floor and often-informal ranking within the enterprise hierarchy, which was connected to gender, place of origin, seniority and fraternal relations with foremen and other leading workers.

IMR employed an exceptionally high number of skilled metalworkers. The unskilled and semi-skilled laborers made up 20 percent of the workforce. In the automotive branch as a whole, the average share was 30 percent.³²² TAM's management could claim a roster of innovative engineers, but at the same time, close to 40 percent of the people it employed were low-skilled workers without a vocational education.³²³ Workers with lower skill levels were usually assigned

³²¹ Similarly to political education, peasant-workers living far away from the factory and those holding two jobs found it hard to attend evening classes and invest time in activities that brought them little immediate material reward. Interview with Branko Gerlič (TAM factory paper journalist), April 2013.

³²² Darko Marinković, "Štrajk u Industriji motora Rakovica", in Milonja Čukić (ed.), *Obustave rada (štrajkovi) u Beogradu* (Belgrade: Veće Saveza sindikata Beograda, 1987), 100.

³²³ See: Milena Iršič (ed.), *Tovarna avtomobilov in motorjev Maribor 1947-1987* (Maribor: ČGP Večer, 1987).

to assembly lines and other work places where they had little influence over the production process. On the other hand, those with more skills and seniority were operating single machines and consequently had more control over the organization of work and a better chance to exceed the production norms. This was especially the case if one was allowed to work on a more up-to-date machine. The foremen in both factories kept the output norms on certain work positions low. In this way, during months when the production was in full swing, a skilled manual worker in a favorable work position could earn a higher wage than the one received by most employees in white-collar departments.

The management of IMR's productive BOALs was hard pressed to allow low-wage workers to catch up with their better-paid colleagues. The wages of low-skilled workers could have been augmented by allowing them to transfer to a norm-breaking position. An internal analysis conducted in 1983 showed that the practice of promoting workers to positions for which they lacked proper qualifications was widespread.³²⁴ In TAM, the space for enhancing incomes in this way was limited due to the higher automation of the work process. In weeks when the production was slow, the wages of low-skilled manual workers in both factories were often just enough to cover the minimal costs of living. Due to a high variable share in personal income, it was not unusual for the lowest wages to fall below the legal minimum wage. In such periods, the trade union would appeal for an amendment of the income distribution agreement and allow additional payments to groups of workers falling below the republican or municipal minimum wage requirements. In the summer of 1979, the IMR trade union warned that the salaries of 130 workers fell below the municipal minimum wage.³²⁵ In Tezno, these numbers were somewhat higher. In 1980, TAM's paper reported that the wages of 588 workers (almost 10 percent of the workforce) were ranged below the legal minimum.³²⁶

The shop-floor position was also of great importance due to the discrepant work conditions. TAM was praised for its modern production halls, but workers' recollections reveal that the work

³²⁴ Sl. Avramović, "Analiza stvarne i potrebne stručne spreme: Veliko šarenilo u raspoređivanju", IMR, May 31, 1983, 4.

³²⁵ L. Vesković, "Sa 'minimalcem' 130 radnika", IMR, June 12, 1979, 5.

³²⁶ "O minimalnim ličnim dohocima", Skozi TAM (Serbo-Croatian edition), November, 1980.

ambience was far from standardized. The spatial expansion through mergers with other plants brought about an unequal development of infrastructure, with smaller workshops still located in wooden barracks without heating and equipped with obsolete technologies. The lack of modern mechanization in these places meant that workers often had to lift heavy parts with their hands. Even in fully automated work positions, the norm-measured workers preferred to lift processed parts with their hands, as this made the operation faster. The foundries were the places with the hardest work conditions in both factories. The work there was not only physically demanding, but dangerous as well. In an interview for TAM, the factory paper, the female foundry worker Amalija Miketič complained about the presence of toxic fumes and work in heavy draughts.³²⁷ In Rakovica, the temperature inside the foundry during winter months would regularly fall below freezing point and groups of workers in each shift were located outdoors, regardless of the weather conditions. The molds filled with molten metal were known to explode and the mechanic crane frequently jammed thus threatening the lives of nearby operators.³²⁸ In January 1982, the Serbian Chamber of Associated Labor discussed the inadequate state of foundries in the republic, pointing out that the average work career of workers in this sector was twenty years and a high percent of them went into early retirement due to work-related disabilities.³²⁹

Gender also played an important role in the informal factory hierarchy. An article published in a youth magazine in 1983 featured an interview with Slavica Njegovan, a young female metalworker from IMR. She explained how as a skilled worker she initially worked behind a machine, a place that matched her qualification. However, since there was not enough work, the foreman gave her a broom and made her clean the shop floor. After a while, she was transferred to a low paid job in *režija*.³³⁰ The shop floors in Rakovica were a masculine surrounding with

³²⁷ Danilo Vincetič, “Naši razgovori povodom Dana žena”, *Skozi ZIV TAM*(Serbo-Croatian edition), March 1981, 4.

³²⁸ D. Žujović, “Plan proizvodnje u livnici: Teškoće na startu”, *IMR*, January 15, 1979, 1. and D. Žujović, “Ne znaju za predah: Kako rade u kaluparnici nove livnice”, *IMR*, April 27, 1982, 3.

³²⁹ “Kako pomoći livecima i livnicama”, *IMR*, January 19, 1982, 5. In Tezno, the work conditions were not much better. Up to 50 percent of male and 43 percent of female workers who retired between 1970 and 1975 received an early disability pension. See: Danilo Vincetič, “Jedinstvena sindikalna organizacija”, *Skozi TAM* (Serbo-Croatian edition), May 1976, 3.

³³⁰ D. Kordulup, “Omladinske novine o mladima u IMR: Metla umesto struga”, *IMR*, February 28, 1983, 4.

ripped out posters from sports and erotic magazines often hanging above the workstations.³³¹ There was an unwritten rule that female manual workers should be moved to jobs beyond direct production if the opportunity arose, since work positions involving physical strain behind the machine were considered unsuitable for women. In 1979, there were 625 women in the enterprise (13.7 percent of the workforce) and only 89 of them were engaged in direct production. Women on the shop floor were either young workers just entering the factory or older women tied to a specific work task due to health disabilities. The majority of women held a desk job, although there were also departments consisting almost exclusively of low-skilled female workers serving workers stationed behind the machines. The Social Standard BOAL, responsible for cleaning and cooking, was a good example of this.

The share of female workers in TAM was somewhat higher. In 1986, they made up around 25 percent of the total workforce. The image of a female standing behind the machine was present in the TAM factory press more often, but there are no data on how many women were actually working in direct production. A paper caricature depicting two lunch queues in the canteen, one consisting exclusively of men wearing work coats and the second of women in dresses and high heels (see the picture below), suggests the majority of female workers in Tezno were also office employees. The same caricature shows one of the male workers pointing fingers at the women and commenting that their queue is buying lunches for the ‘bosses’ (*šefe*).³³² This detail suggests that, in the situation where women were a tiny minority on the shop floor and were consistently transferred to desk jobs, gender could be connected to class privilege.

³³¹ Upon the author’s visit to the factory hall, some of these old posters were still hanging on the walls.

³³² This caricature is quite revealing on different levels. It implies that directors did not eat together with the ordinary workers in the canteen. In addition, the fact that the blue-collars in the caricature call the executives ‘bosses’ is also telling as the term evokes hierarchical relations supposed to be limited to a capitalist enterprise. In the formal speech the professional manager was usually referred to as ‘comrade director’ (*drug direktor*) or more technically as a ‘functionary’ (*rukovodilac*).



Picture 5: A male and female line in the in the factory canteen (TAM)

The women were presented as aligned with professional management, although not as the ‘bosses’ equals, but subordinates, sent to pick up lunch for directors. The gender-specific factory work positions therefore replicated the division of labor found inside the households and entrenched in the patriarchal clichés. The low-skilled female manual workers were among the worst paid members of the collectives responsible for catering and servicing the productive workforce. On the other hand, women with higher education, as well as those transferred from production halls to offices, were often viewed as little more than servants of the male directors or women of loose morals.

On every March 8, factory papers dedicated significant space to female manual workers. When introducing single exemplary male workers the articles usually focused on their vocation, work ethics and political activity. In the case of women these aspects were also mentioned; however, their role as mothers and responsibility for housework would usually receive equal if not more attention. The burden of performing house chores next to a full time factory job was well acknowledged. However, domestic work was usually presented as a kind of a conscious sacrifice that proletarian women undertake for the common good, rather than a structural inequality. Many women pointed out that they would take a more active part in the political life of the factory, but family obligations did not allow them.³³³ As a rule, institutionalized childcare remained in the jurisdiction of communal governments and there are no traces of demands for the factory to

³³³ See for instance the interviews with female workers in Danilo Vincetič, “Naši razgovori povodom dana žena”, *Skozi TAM* (Serbo-Croatian edition) March 6, 1981, 3-6.

organize such services on its grounds. Factory life was therefore attuned to needs of a politically active, skilled male worker acting as the sole breadwinner for his family.

In TAM, the same source, which offered an insight into the persistence of gender roles, also reveals that traditional patriarchal relations did not stay unchallenged under self-management. Caricatures in the TAM paper often had satirical depictions of real-life situations in working-class families where men had to perform childcare and housework amidst the political activity of their partners as well as women taking active part in military national defense training. The older generations of female workers often noted how the overall position of women was much more favorable than was the case in their youth. Women were underrepresented in the self-management organs and socio-political organizations of both factories. In Tezno, nonetheless, they often formed semiformal circles on the level of work groups, organizing after work activities and social events for women. IMR, on the other hand, maintained an active organization of female workers (*Aktiv*), holding yearly conferences and reporting on the position of women inside the factory, despite their overall low number.³³⁴

Apart from age and gender, place of origin was also an important distinguishing feature among manual workers. Earning a living through manual labor in an industrial enterprise was a perspective with little appeal for most urban youth. Maribor's factories were dependent on attracting a large number of such workers from the countryside.³³⁵ Apart from the daily work migrants the local industry employed a significant number of workers from other republics. TAM actively recruited apprentices from underdeveloped regions across the country, offering lodging and stipends for future factory workers. There are no exact figures on workers from other republics employed inside the factory or their structure according to nationality. In 1980, around 15 percent of the total working population of Maribor was non-Slovene.³³⁶ As the region

³³⁴ In the political system of socialist Yugoslavia, there were no independent women's organizations set up on the national level, as was the case with the youth or Partisan war veterans.

³³⁵ For instance, due to a lack of applicants, *Industrijska kovinarska šola - IKŠ*, the vocational school attached to the factory, was forced to extend educational grants to youth from the underdeveloped regions of the other republics. In the wider city, the school's initial letters were often transcribed into the ridiculing name of Indians and Cowboys School. The pejorative nickname was used to differentiate the school of future manual laborers from the more respectable high schools (gymnasiums) oriented to the universities.

³³⁶ Franjo Zorko, *Kronologija delavskega gibanja in družbenega razvoja Maribora in njegove okolice 1885-1983* (Maribor: Založba obzorja, 1989), 445.

of Lower Styria had no national minorities after World War Two, the great majority of these workers must have been migrants from the southern republics. It is safe to assume that in a plant with many low-skilled work positions, such as TAM, the share of migrant laborers was somewhat higher than the 15 percent average.

Work migrants from the southern republics started arriving in Slovenia in larger numbers only in the second half of the 1970s, once the recession-hit Western European countries had closed their borders. For many migrant workers the decision to move to Yugoslavia's most northwestern region brought challenges similar to the ones encountered when moving abroad. In Maribor, workers from other republics had to learn the Slovene language and find a way to cope with the settled customs of a self-reliant region bordering Austria.³³⁷ Slovenia was ethnically the most homogeneous Yugoslav republic and the local authorities and factory management customarily equated non-Slovenes with migrant workers. The chance to obtain a socially-owned apartment and reach a higher standard of living was certainly higher in Slovenia than the underdeveloped regions from which the migrants arrived. Nevertheless, the migrants usually occupied the most difficult positions on the shop floor and there are indications that some of them were prey to practices and levels of exploitation that the Yugoslav public usually associated with labor in capitalist economies. In February 1980, the Maribor LC City Committee warned that an intermediary company from the southern Serbian city of Vranje was contracting workers and leasing them out to various plants in Maribor. The report stated there were 400 such workers who had no self-management rights inside the host enterprises.³³⁸

³³⁷ Former TAM workers interviewed by the author recalled that relations between the Slovenes and workers from other republics were largely harmonious. Language was the single issue that the informants recognized as an obstacle to the integration of migrant workers in Tezno. In an interview that the Serbian-based weekly *Nin* conducted with a non-Slovene industrial worker from Maribor in 1988, language was also mentioned as a sensitive topic. This particular worker recalled how teachers in Tezno vocational school forbade the apprentices from speaking Serbo-Croatian with each other during breaks and complained that no matter how well integrated he was, for an average Slovene he remained "nothing more than a 'southerner'". This source must be taken with caution, since the interview was published in the midst of political clash between the Serbian and Slovene parties. See: Svetislav Spasojević. "Maribor, dani posle", *NIN*, July 3, 1988, 21-23. Still, the social alienation of southern migrants in Slovene industrial communities is well described in the anthropological research conducted in the early 1980s, which unfortunately does not cover Maribor. See: Silva Mežnarić, *Bosanci: A kuda idu Slovenci nedeljom?* (Beograd: Filip Višnjić, 1986).

³³⁸ Franjo Zorko, *Kronologija delavskega gibanja in družbenega razvoja Maribora in njegove okolice 1885-1983* (Maribor: Založba obzorja, 1989), 445.

IMR also had a pro-active employment policy in various underdeveloped regions of the country. Announcements for open work positions were regularly placed in the newspapers, as this was required by law. Nevertheless, the personnel unit usually found it much easier to locate the wanted profile of workers by relying on direct contact with employment agencies in rural areas and unofficial networks that IMR's migrant workers maintained with their home villages. As we will see, family and home village connections played a role in the formation of an allegiance between individual foremen or self-management functionaries and their groups of supporters on the shop floor. The interview with the former personnel unit staff revealed that IMR's recruitment network was especially well developed in Kosovo. By the early 1980s, Rakovica's factories employed around 1,000 migrant workers from Kosovo and the municipality was home to an additional 3,000 Kosovars who were family members of the locally-employed migrant workers or worked in other parts of Belgrade.

The share of migrant workers in Rakovica seems to have been greater than in Maribor.³³⁹ The majority of migrants were Serbs from Serbia or Serbian minorities from Kosovo and other republics, but other nationalities were also present. According to the 1981 census, the second largest national group in Rakovica were Yugoslavs (10 percent). This data suggests that a small, but significant, number of migrants of various ethnicities, as well as part of the local population, were well integrated into the community and chose to identify more readily with the federal state than the single republics or provinces from which they arrived and their ethnic background.³⁴⁰ In the federal capital, which underwent rapid economic and demographic expansion after the war, it seemed everyone was a newcomer, thus making it harder to contrast the migrant workers as 'others'. Nevertheless, as we will see, the ethnic strife in Kosovo, which spread during the 1980s, had a great impact on the revival of Serbian national identity inside Belgrade. Rakovica, as a

³³⁹ As already mentioned, the percentage of non-Slovene residents of Maribor in the early 1980s was around 15 percent. In Rakovica, this figure stood at 20 percent, although it is much harder to equate Rakovica's non-Serb population with migrant workers than in the more ethnically-homogeneous Slovenia. It is also important to keep in mind that the ethnic structures of the factory workforces did not necessarily mirror their surrounding communities. The factory management did not conduct nationality surveys among their workers. For the data on municipalities see: Dragana Grabeljšek, et al. *National Structure of Population in SFR Yugoslavia: Vol 1. Data on localities and communes* (Belgrade: Savezni zavod za statistiku, 1991).

³⁴⁰ According to the 1981 census, the percent of Yugoslavs in Belgrade as a whole was 14 percent. In Maribor, this number was much lower (2.76 percent). See: Dragana Grabeljšek, et al. *National Structure of Population in SFR Yugoslavia: Vol 1. Data on localities and communes* (Belgrade: Savezni zavod za statistiku, 1991).

municipality hosting many migrant workers from this troubled region, will stand at the forefront of this change.

3.4. Veterans and the Youth

The generation gap was perhaps the most important and obvious dividing line among manual workers. The youth occupied a sacred place inside Yugoslav socialism. The prewar communist party had its base in the universities and the Partisan battalions during World War Two were made up mostly of young peasants. Similar to the working class, the ruling ideology viewed the youth as an intrinsically progressive social force, with each generation carrying more advanced knowledge and ideas. Unlike women, for instance, the youth had their own socio-political organization at the national level. Inside the factories, all workers under 27 years of age were encouraged to become members of their local League of Socialist Youth (LSY) branch.

In TAM, by the mid-1980s the youth organization had 3,500 members located in 20 factory branches and connected by a permanent Co-ordination Committee.³⁴¹ The great majority of the membership was not actively engaged in youth work. However, TAM's LSY was one of the more active socio-political organizations in the factory, attracting some of the most charismatic and talented young workers and employees. In the early 1980s, the Slovene LSY became the epicenter of oppositional activism in the republic, adopting new political currents such as gay and lesbian rights, pacifism and ecology. As we will see, this broader development had an influence on TAM's local branches, but the factory newspaper shows that the youth activists had a voice of their own already in the late 1970s. TAM's youth organization initiated problem conferences about the living conditions inside the factory dorms and protected the interests of 600 young workers without a resolved housing status.³⁴²

In the early 1980s, the number of young workers in IMR climbed to 2,000. Yet, the factory LSY branches counted around 700 members and the leadership openly admitted that only 70 of them

³⁴¹ These figures indicate that TAM's LSY enrolled more or less all workers under the legal age limit in the organization, regardless of how active they were. In the words of Drago Gajzer, TAM's LSY activist, the youth leadership was very pragmatic and kept important cadres as members even when they exceeded the legal age limit.

³⁴² See: Danilo Vincetič, "Pred omladinom je značajno i sadržajno bogato razdoblje", *Skozi TAM* (Serbo-Croatian edition), January 1979, 1-2.

attended branch meetings.³⁴³ It seems the organization failed to attract young white-collar workers, who had many other outlets for social activism in the wider city. In the case of manual workers, some of them arrived at the factory with a certain experience in political work. As the case of Momčilo Plećaš shows, the politically active blue-collar IMR youth was more likely to go directly into the party and the trade union, instead of joining the LSY. Plećaš arrived in Rakovica in 1974, after completing a vocational education for metalworkers in the economically underdeveloped mountainous Croatian region of Lika. Plećaš had become active in the party already during his schooling. As the offspring of Lika highlanders, nurturing a folkish sense for social justice and not hesitating to express his opinions, Plećaš was asked to join the IMR factory party and advanced to the position of the BOAL secretary, without passing through the local LSY.³⁴⁴

Older workers did not always share the officially endorsed optimism for the virtues of the young generations. The youth had a hard time expressing their voices and felt restrained by the strict patriarchal moral norms of factory life. In 1977, the IMR factory paper published an article, which criticized the “uncultured conduct of many young workers”. The proscribed behavior included writing on the walls, playing football in the factory yard or lying bear-chested in the sun.³⁴⁵ Discussing disciplinary breaks, the IMR Trade Union Conference Executive Committee noted that many young workers arriving from the vocational school were not capable of adapting to work in an industrial enterprise. The apprentices allegedly came with “contra values” (*pogrešno usmereni*) and lacked proper manners.³⁴⁶ The young workers were expected to become accommodated to the already existing norms of behavior and prove themselves in the toughest work positions before advancing inside the informal shop-floor hierarchy.

During TAM’s Socialist Youth League conference, held in January 1984, there was talk about the lack of understanding shown by seniors toward their younger coworkers and the inadequate political influence of the youth organization. According to the speakers, the lack of a political

³⁴³ D. Kordulup, “Više poverenja omladini“, IMR, April 14, 1982, 2.

³⁴⁴ Interview with Momčilo Plećaš (IMR party activist), May 2010.

³⁴⁵ D.Ž., “Nekulturno ponašanje“, IMR, April 14, 1977, 4.

³⁴⁶ Lj. Vesković, “Rasprava o (ne)discilini: Autoritet rukovodilaca“, IMR, March 1984, 4.

voice resulted in the inadequate material rewarding of work positions usually occupied by youth.³⁴⁷ The coverage given in a youth magazine of the problems faced by young IMR workers gives more insight into the generational clash only hinted at in TAM's conference report. Among the main complaints mentioned by young workers in this article were unfair treatment in comparison to older colleagues, unrealistic production norms as well as "dirty and hard work" reserved for younger workers. The supervisors were usually veteran workers, fostering circles of favored peer workers and supporters. The younger workers were often more educated than their older colleagues, but their advance to better-paid positions was blocked by the fraternal networks of senior workers. As Radovan Jašić, one of the interviewed young IMR workers, stated:

I started working when I was eighteen years old. There is injustice. When the older colleagues see that you are a threat, that you can earn more than them, then there is conflict. In this situation, the younger workers always lose because the foreman takes the side of the worker with more seniority since they are usually of the same generation.

Even though the share of young workers rose significantly in the course of the 1970s and 1980s, the factory administrative and governing bodies were still under the control of the individuals who entered the industry in the early postwar years. The same could also be said about the cultural events and spare-time activities. As already noted, the main tasks of youth organizations in all Yugoslav factories was to engage young workers in a number of events, celebrating the legacy of the Partisan movement and connecting workers from different regions of Yugoslavia. In 1975, for instance, TAM's youth decided to mark the 30th anniversary of the victory over fascism and 25th anniversary of the introduction of self-management, by organizing a large festival with other youth from its partner factories in other republics.³⁴⁸ In October that year, the factory paper summarized the impressions of local youth participants in a voluntary work brigade in Croatia in the following words:

³⁴⁷ B Kanižar, "Najobširnejše razprave o osebnem dohotku", *Skozi TAM*, January 12, 1984, 8.

³⁴⁸ "Susret mladih u Titovom Užicu", *Skozi TAM* (Serbo-Croatian edition), June 1975, 5.

We met many friends...the blisters on our hands will disappear. Our arms, they grew stronger, just as the progressive socialist spirit inside of us did. We are proud that we were able to assist in the building of our country.³⁴⁹

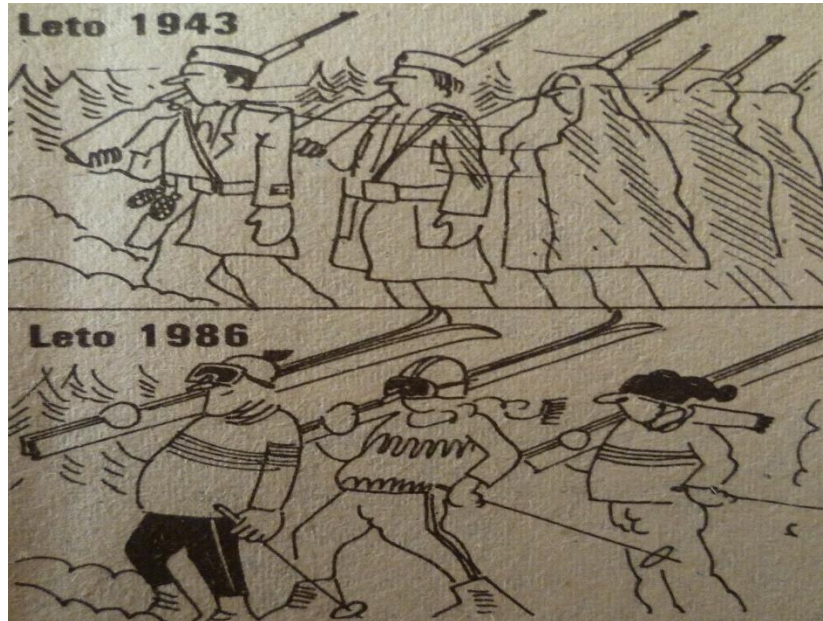
For the older generation of industrial workers, such celebrations of the Partisan war and the language of solidarity between Yugoslav nationalities were much more than state rituals and officially sponsored ideology. The Partisan-led liberation movement, fascism and the postwar reconstruction were events that marked their lives profoundly. The biographies of veteran workers in IMR show that majority of them arrived in Rakovica from different corners of the country as war orphans or uprooted peasant youth who joined the Partisan army to escape Nazi terror and ethnic cleansing campaigns conducted by different nationalist armies. For these men and women the factory was a new home, in which they received boarding and schooling, and developed a collective identity through joint efforts to overcome poverty.

The Slovene population of Lower Styria was exposed to a ruthless Nazi Germanization campaign during the war and many inhabitants were forced to find refuge in other parts of the country. Each year, many veteran TAM workers and their descendants would board the ‘Train of Brotherhood and Unity’ at the Maribor Central Station and travel to Serbia in order to visit the host families that offered them shelter. TAM kept special fraternal relations with a railway vehicle factory in Kraljevo, the Serbian city where the majority of refugees from the Maribor area were stationed during the war. Among the Partisan generation, the hard years of war and reconstruction remained the benchmark for measuring the success of socialist modernization.

On the other hand, the generation that entered the factories during the 1970s and 1980s came of age in the era of unprecedented prosperity. The Associated Labor did not put an end to domestic consumerism or the import of Western pop culture. The media projections of the ‘good life’ and direct contact with more upscale neighborhoods in the city center shaped the life expectations of young workers. Over the years, the older workers were able to accumulate certain possessions, such as a socially-owned apartment, a house or a car. They were settled inside the blue-collar communities and the factory remained the central focus of their life’s activities. The youth, on the other hand, had little consumer power. They rented rooms in different parts of the city and

³⁴⁹ M.P. “Opravdali smo poverenje”, *Skozi TAM* (Serbo-Croatian edition), October 1975, 7.

looked for fun in downtown Belgrade and Maribor. Life in the big cities brought them into regular contact with their peers from other social layers. These experiences made them question their position in society and the values propagated inside the factories.



Picture 6: TAM caricature comparing Partisan soldiers marching in the mountains with skiing tourists forty years later

In order to understand the breach between the official language, used to praise labor inside the factories, and the increasingly cynical views toward socialist symbols developing among the urban youth, one could contrast the above cited description of gratification through hard manual work in a youth volunteer brigade with ‘Maljčiki’ – a 1980 hit record by the Belgrade new wave band Idoli. The song was a parody of Stakhanovism, depicting a proletarian who wakes up to “fiery dawns and chimney smoke” and enthusiastically proceeds to work in a nearby factory. The lyrics contained nebulous Russian-sounding words, while the video showed stereotypical workers standing in monument-like heroic poses surrounded by lighthearted and cheeky band members dressed in fine suits.³⁵⁰ In the middle-class milieu, the Associated Labor’s revamped ideological insistence on the importance of manual work and celebration of the working class must have seen artificial and outdated in the years of a booming service economy and the dawn

³⁵⁰ VIS Idoli, “Maljčiki”, Single, (Zagreb: Jugoton, 1980).

of the computer era. To the chronically unemployed, well-educated, big city youth of the 1980s, the industrial neighborhoods were foreign places and their inhabitants appeared caricature-like.

In downtown cafes of Belgrade and Maribor, the protagonists of the highly ideological industrial culture of Rakovica and Maribor could be paternalistically regarded as naïve and underprivileged, but nevertheless hard-working members of society. However, the manual workers could also be regarded as pawns of the more conservative sections of the ruling party, blocking a more efficient catching-up with affluent Western societies. The younger blue-collar workers seem to have felt the scorn of wider society toward manual labor in a stronger way than their older colleagues did. TAM's youth activist Drago Gajzer remembered how the youngsters from the LSY branches located closer to the city center often looked down upon Tezno youth as 'country bumpkins'.³⁵¹ As one IMR worker stated in an interview for a youth magazine:

When you step out of the factory, when you enter a somewhat more educated group of peers and tell them you are a worker, that you attended vocational school, they look at you with pity, as if you are somehow less worthy.³⁵²

Keeping these everyday experiences in mind one can question the usefulness of the factory youth organizations' official statements revealing the attitudes of young workers toward the factory celebrations of communist heritage. The LSY sections in both factories routinely praised the youth work camps, yet, in 1986, one female IMR worker remarked bitterly how middle-class parents do not send their children to the volunteer work brigades.³⁵³ The difference in the expected life paths, material status and culture of working-class youth in factories and their middle-class peers attending gymnasiums and universities downtown was something that young workers had to deal with. Faced with obvious inequalities they could either identify in a more intense way with their immediate blue-collar surroundings or seek ways to come closer to the affluent and sophisticated inhabitants of more central neighborhoods. The hostile attitudes of the older workers made many opt for the latter strategy.

³⁵¹ Interview with Drago Gajzer (TAM youth organization activist), April 2013.

³⁵² D. Kordulup, "Omladinske novine o mladima u IMR: Metla umesto struga", IMR, February 28, 1983, 4.

³⁵³ VHS, Directed by Mića Milošević (Belgrade: Centar Film., 1987)

The celebration organized by COAL TAM and the local authorities in the Croatian community of Lika in 1980 show how the Yugoslav party-state was unable to relate the propagated values of ‘brotherhood and unity’ with an up-to-date content and kept clinging to the Partisan experience as its sole source of legitimacy. Marking the big investment in the modernization of the production hall in the Croatian BOAL Likaplast, the local functionary Jakov Blažević tried to emphasize working-class solidarity and elevate self-management beyond the mundane practice of chasing business results. “Throughout the war, the republican borders were alien... workers today should not only think about economic goods, but strive to become self-managers and socio-political workers”, Blažević stated. After the speech, the gathered workers and functionaries joined hands and initiated a collective folk dance (kolo) around the newly installed machines.³⁵⁴ This type of language and customs were tailored to the tastes of the war generation. They stood in stark contrast to the actual business culture and practices in the ‘socialist market’ or the life experiences and cultural preferences of the younger workers.

There is evidence that part of the youth in Rakovica and Tezno was not willing to participate in the celebrations, which had little to do with their own experiences and cultural tastes. They were trying to win space for more contemporary ways of socializing, free from overt ideological markers. The principle focus of IMR’s youth organization in the late 1970s and early 1980s was the building of a municipal youth center, where the young workers could organize their own social and cultural life. Rakovica’s already existing cultural center tried to answer their demands by purchasing records of “latest disco and rock hits”, as well as installing a “state-of-the-art light show”. In the 1980s, the TAM youth organization was also involved in the organization of rock concerts in the center of Maribor.³⁵⁵

Similar to the negative perceptions the management had toward the blue-collar workers, an open display of animosity toward the veteran workers was considered controversial. In 1983, the youth organization in Slovenia started a campaign to ease the problem of youth unemployment by forcing older workers who met the age criteria into retirement. The old notions of politically

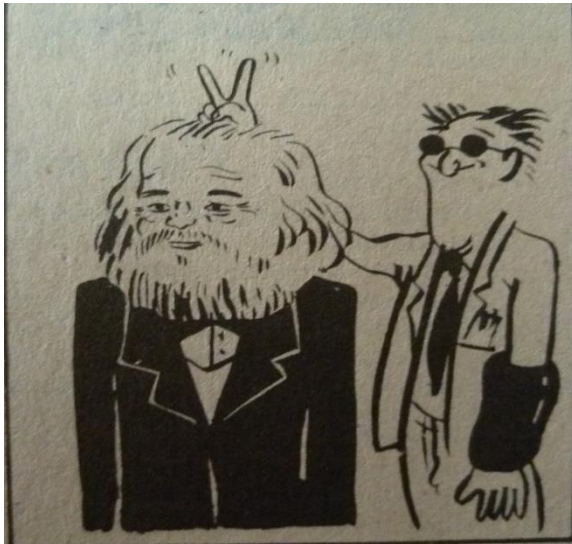
³⁵⁴ J. Rakita, “Nova tovarna u Lici”, *Skozi TAM*, November 1980, 17.

³⁵⁵ See: D. Kordulup, “Kutak za mlade”, *IMR*, April 12, 1983, 7, “Poročilo o delu konference osnovnih organizacij ZSMS DO TAM v letu 1989: Kaj smo naredili in česa nismo”, *Skozi TAM*, May 26, 1989, 6-7.

favored, unskilled Partisan cadres in the economy, who impedes the assimilation of new knowledge, heard during the liberal wave of the 1960s, were starting to emerge again. In TAM, the youth activists used this opening to strike a blow against the older workers and demand obligatory retirement at 60 years of age.³⁵⁶ The LSY campaign also took root in Belgrade, but one finds no traces of it in IMR. As we will see, in the late 1980s the youth of both factories would be the section of workers most eager to break with the ruling ideology of brotherhood and unity and embrace nationalist ideologies.

³⁵⁶ Tomislav Perlič, “Zašto da još rade ostareli radnici?”, *Skozi TAM* (Serbo-Croatian edition), March 1983, 7.

3.5. Appendix 1



A 1



A 2



A 1



A 2



A 3



A 4



A 5



A 8

Caricatures A1 to A8 present the way in which the blue-collar workers saw their white-collar colleagues, all of them taken from the TAM factory paper. In the caricature A1,³⁵⁷ an accountant ridicules Karl Marx. The office worker wears dark glasses. White-collar workers and managers are often drawn with dark glasses, indicating cluelessness but also shady intentions. The mocking accountant here symbolizes unjust income division, set to the advantage of non-

³⁵⁷ Skozi TAM, October 18, 1985.

productive work, despite the official primacy of manual labor and the communist norms of “fair” income distribution.

A2³⁵⁸ depicts a blue-collar worker and a group of employees holding a banner saying “Long live May Day”. The white-collar workers hold one side of the banner united in a group whereas the manual worker is forced to carry it alone. Over the decades, the language of Yugoslav socialism gradually tended to substitute the term ‘working class’ with ‘working people’ – a phrase which carried a broader encompassing potential for occupations outside of direct production. As a result, the workers felt that their weight inside the self-management was decreasing together with the disappearance of traditional class interpretation. The white-collar workers in this drawing are portrayed as stowaways, profiting from the status of the working class (the May Day banner) while not investing the same amount of work as direct producers.

Drawings A3³⁵⁹ and A4³⁶⁰ show the workerist interpretation of “productive work”, according to which manual labor was the sole source of social wealth while other professions live off the value created by the industry. In the latter picture, a worker is carrying a heavy rucksack labeled ‘administration’ and complains “Oh, how I make my life hard without a good reason”. The drawing indicates that overstated administration was not needed, yet the workers installed it voluntarily through numerous Associated Labor Act agreements. The previous caricature displays the same scene, only this time the worker is carrying a huge box entitled “Culture”. The box clearly symbolizes numerous cultural institutions supported by the factories. It is interesting that the letter ‘L’ on the “culture box” is drawn to resemble a symbol of learner drivers, indicating that much of the cultural production was substandard or not considered as worthy of funding by the workers.

Caricatures A5 to A8 present white-collar workers in their workplaces. Their main occupation seems to be drinking coffee, playing lottery and passing time in chitchat. A5³⁶¹ shows an anxious

³⁵⁸ Skozi TAM, April 30, 1982.

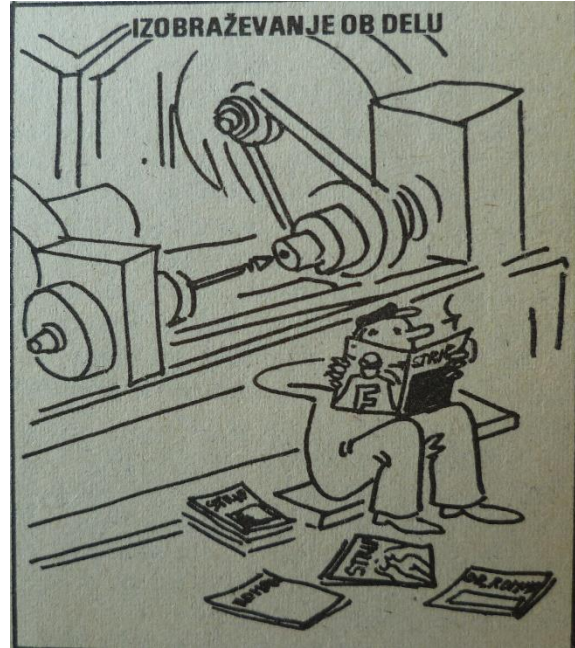
³⁵⁹ Skozi TAM, May 29, 1981.

³⁶⁰ Skozi TAM, May 27, 1983.

³⁶¹ Skozi TAM, October 1, 1976.



B 3



B 4



B 6



B 5

Comics B1 to B6 portray industrial workers in the eyes of the managers and white-collar employees. Picture B1³⁶⁵ shows a worker surrounded by different communication channels

³⁶⁵ Skozi TAM, November 20, 1976.

spread by the Associated Labor Act so that the shop floor could make informed decisions (factory press, bulletins, news board, public address system, etc.). In the face of all these efforts, the worker complains about not being well informed. “Comrades, I am not infooooooormed”, exclaims the worker through tears. The worker is drawn as a child-like creature, crying and refusing to take responsibility for his actions.

Caricature B2³⁶⁶ shows workers in a very different light. This time, a direct producer is presented as a stereotypical blue-collar worker – masculine and loud, pointing fingers and screaming ultimatums to the executive in front of him. He threatens with a work stoppage in case the management does not call for a meeting (presumably an assembly). However, the meeting has to be held during work hours and not in the afternoon. Either way, one thing is clear – the day will pass with little activity on the shop floor. This second caricature aimed to show two things. First, the blue-collar workers had too much power in their hands. Second, the self-management meetings took precious time away from manufacturing.

Answering the supervisor’s query as to why he is not working, a worker at picture B3³⁶⁷ states nonchalantly, “Sorry, according to the union, the minimum wage is guaranteed. Go bother someone else.” Similarly, the following three pictures portray the workers as overprotected, spoiled and indolent. B4³⁶⁸ makes fun of the concept of education at workplace, showing a worker reading comic books next to a machine. B5³⁶⁹ shows a group of workers passing time around the machine. The title states “Strict Work Discipline”, while the subtext reads, “Our organs passed so many disciplinary measures that the pressure is simply unbearable”. B6³⁷⁰ claims the workers were behaving as overpriced football stars. “Comrade Boss, in case you do not grant me 30 more points I am switching to another BOAL”, a worker threatens.

³⁶⁶ Skozi TAM, July 15, 1983.

³⁶⁷ Skozi TAM, January 25, 1975.

³⁶⁸ Skozi TAM, September 14, 1979.

³⁶⁹ Skozi TAM, June 17, 1976.

³⁷⁰ Skozi TAM, September 5, 1978.

Chapter Four

The Dragging Crisis, 1979-1986

4.1. The Sudden Breakdown

The death of Josip Broz Tito in May 1980 symbolically marked the end of prosperity based on hefty government investments and extensive economic growth. The rising price of oil on the world market during the 1970s and the resulting debt crisis confronted the self-managed industry with great challenges. After three decades of integration into the world trade system, the Yugoslav leadership had to face the fact that self-managed industry remained an exporter of technologically obsolete goods with relatively high manufacturing costs.³⁷¹ In addition, the interest on the loans contracted to maintain imports of necessary components and raw materials was rising steeply. In 1981, once the price of borrowing for a decade-long investment spree was finally calculated, the federal government realized that the country was standing on the edge of bankruptcy, with over \$20 billion in foreign debt.³⁷² Realizing the 1970s model of growth was no longer sustainable, the League of Communists rang the alarm already in 1979 under Tito. The party declared much stricter criteria for state investments and announced the period of 'economic stabilization'. The new economic policy demanded that industry increases its competitiveness by bringing the company performance more in line with market parameters and making the production process leaner. The stabilization also intended a stricter control over wage hikes and collective consumption.

This was certainly not the first time the Yugoslav industrial workers had heard such appeals from their political leaders. The self-management project was not immune to economic difficulties. The dependence of the local economy on imports and foreign credits made the authorities resort to periodical restrictions of consumption, cutting of production costs and conservative fiscal policies in order to reduce the trade deficit and return foreign debts. The working class therefore experienced periods of consumption booms followed by cutbacks in living standards, a dynamic

³⁷¹ Bruce McFarlane, *Yugoslavia: Politics, Economics and Society* (London: Printer Publishers, 1988), 92.

³⁷² Jens Stilhoff Sørensen, *State Collapse and Reconstruction in the Periphery: Political Economy, Ethnicity and Development in Yugoslavia, Serbia and Kosovo* (New York: Berghahn Books, 2009).

similar to that of business cycles in capitalist economies.³⁷³ Among the blue-collar workers, there was a culture of sacrifice for higher goals. As we have seen, the ruling ideology often constructed continuities between current pushes for more efficient production and the previous participation of the working class in the revolution or the postwar reconstruction period. As a rule, the party-state would reward workers for the restraint shown in periods of economic hardship with greater participation in the successive periods of prosperity.

If the occasional slowdowns during the three decades of relentless modernization could be compared to recessions in capitalist economies, the calamity of the 1980s could be deemed a full-scale depression. What proved to be the ultimate crisis of Yugoslav socialism differentiated itself from other strenuous periods through its longevity and the intensity of the economic contraction. The government introduced the stabilization policies hoping that, just as in the previous decades, the robust growth rates would return after a short setback. This never happened. Between 1971 and 1979, the economy recorded a yearly growth of 5.5 percent. This figure fell to 0.5 percent between 1981 and 1988.³⁷⁴ What made things even worse was the fact that inflationary pressures followed the standstill in GDP growth. The inflation rate rose to 85 percent in 1985 only to reach triple digits in 1987.³⁷⁵ The third distinguishing feature of the crisis decade was the party-state's steady loss of sovereignty over domestic economic policies. The Federal government was forced to enter into debt reprogramming agreements with Western governments as well as economic reform programs under the tutelage of the International Monetary Fund (IMF), making it much harder for the party to maintain its special relationship with industrial workers.

The sudden halt in economic growth wreaked havoc in the self-managed industry. The hope that radical decentralization of economic units would force the work collectives to integrate from below and use the self-management institutions to plan and coordinate their activities evaporated

³⁷³ For the analysis of Yugoslavia's specific economic cycles see: Branko Horvat, *Privredni ciklusi u Jugoslaviji* (Beograd:Institut ekonomskih nauka, 1969).

³⁷⁴ Slavo Radošević, "The Collapse of Yugoslavia: Between Chance and Necessity", in David A. Dyker, Ivan Vejvoda (eds.), *Yugoslavia and After: A Study in Fragmentation, Despair and Rebirth* (New York: Routledge, 1996), 65-80.

³⁷⁵ Jože Prinčič and Neven Borak, *Iz reforme v reformo: slovensko gospodarstvo 1970-1991*, (Ljubljana: Fakulteta za družbene vede, 2006) 530.

into thin air as soon as the enterprises were pushed to compete more openly in the market. Instead of becoming the building blocks of the new economy based on solidarity, the BOALs turned into miniature models of the self-centered enterprises of the 1960s, absorbed in the struggle against other work collectives. Heavy industry was encouraged to export its products to convertible currency markets at all costs in order to accumulate the hard currency needed for the servicing of foreign debts. At the same time, the government introduced limits on imports. The manufacturers were thus thrown into a race for scarce raw materials. The factories tried to catch up with inflation by raising prices and switching production costs over to their contractors. In an effort to go around the government's tight monetary policies the manufacturers of raw materials and intermediate goods turned toward the final producers. A new unofficial money market was created, where profitable companies extended credits with high interest rates to their business partners under the guise of contractual self-management agreements. The final producers were also placed under pressure. Many formerly successful companies became highly indebted and started transferring jurisdiction over business decisions from their workers' councils to the boards of local banks.

In Tezno, TAM tried hard to contribute its share to the collective stabilization efforts. In February 1984, the factory paper declared:

The objective of extreme saving has to enter our everyday thinking. We have to become aware that it is high time for this type of behavior. We will have to introduce limitations, above all in non-productive spending. It is true that these types of measures are not popular, but there is no other way out.³⁷⁶

The factory production plans had to be fulfilled by relying on the 'internal reserves', meaning intensification of work, elimination of wasteful practices and cuts in collective consumption, without attempts to bypass the stabilization through additional credit, raising of prices or greater imports. TAM was importing only 8 percent of its inputs, re-orienting towards domestic suppliers instead.³⁷⁷ However, the factory management soon realized that the Yugoslav industry

³⁷⁶ T. Perlič, "Isporuke ne smeju da stanu", *Skozi TAM* (Serbo-Croatian edition), February 1984, 2.

³⁷⁷ "Proizvodne mogućnosti ograničene skoro do kraja", *Skozi TAM* (Serbo-Croatian edition), November 1981, 4.

as a whole was not fit enough to withstand stabilization pressures. TAM's efforts were undermined through the lack of a unified approach. The producers of intermediary products and raw materials were constantly raising prices. Even when TAM agreed to the new pricing, the suppliers were rarely able to deliver the contracted quantities. The 'waiting periods', during which the workers stood idle next to the machines, were increasing. Sometimes the paralysis of production would extend for days and the workers became more and more restless, knowing that their paycheck would be significantly lower at the end of the month. The rise in the prices of inputs on the domestic market and unplanned imports due to domestic scarcity led the enterprise to become increasingly dependent on the banks that were willing to extend short-term credits. By 1984, the factory had to plea for new credit before each new production cycle just to acquire the needed inputs and pay the workforce.³⁷⁸

As the crisis dragged on, TAM's management protested ever more loudly against the 'double standards' of the federal authorities, meaning the tolerance of low stabilization discipline among its subcontractors from other republics. What the directors in Tezno failed to realize, or conveniently ignored, was the fact, that unlike TAM, which could still fall back on 'internal reserves', most low-income basic producers simply had no more "fat to burn". IMR was fulfilling its production plans with great stress and constant pleas for sacrifices from its workforce even in times of economic boom. As we will see later on in this chapter, the stabilization campaign was threatening to strain IMR's internal relations to the point where the enterprise was in danger of falling apart and triggering political protest. Rakovica's engine and tractor producer also found itself dealing with a chronic lack of intermediary products. IMR's Central Workers' Council complained in 1981 that one never knows when the whole shift of workers would have to be sent back home from the factory gate due to the irregular supply of work materials.³⁷⁹ If workers in Tezno were kept on the waiting regime for days, in Rakovica certain assembly lines would stand still for weeks. Even when the inputs were finally obtained, their quality was so low that entire series of engines had to be put aside.

³⁷⁸ T. Perlić, "Isporuke ne smeju da stanu", *Skozi TAM* (Serbo-Croatian edition), February 1984, 2.

³⁷⁹ "Sve teže nabaviti materijal", *IMR*, February 24, 1981, 1.

The foreign markets were the only source for reliable components and raw materials, but IMR had decreasing access to convertible markets. In those years, excessive foreign debt was not the structural problem of only the Yugoslav economy. In the face of rising trade deficits, other developing countries, such as Egypt and India, cut their demand for tractor imports, leaving IMR with only a fraction of its former hard currency earnings. In 1987, IMR's exports amounted to a mere 31 percent of those recorded in 1983.³⁸⁰ As if this were not enough, IMT, the rival Belgrade tractor producer, entered the Egyptian market, causing a price war. In order to acquire raw materials and realize its final products, IMR was becoming ever more reliant on the business networks of larger final producers, such as IMT and TAM. In the first half of the 1980s, IMR's management perceived its city rival as its main opponent and an unfair competitor. The company claimed that the share of Rakovica-produced engines in IMT's tractors was steadily undervalued and their rival relied on dumping prices to enter foreign markets.³⁸¹

Apart from the enhanced production efficiency, a crucial prerequisite for the success of the reform plan was the drastic lowering of individual and collective consumption. Workers' councils had to stop awarding wage increases above the general productivity trend. In 1983, despite being declared unconstitutional by the Constitutional Court, the government proceeded with the implementation of a decree that tied the growth of wages to the growth of net income in the enterprise. The new policy aimed to make the enterprises more disciplined in paying the suppliers and returning bank credits.³⁸² In 1986, the stabilization measures were tightened even further with laws explicitly forbidding the distribution of wages before the repaying of debts and bills owed to creditors. For the first time since World War Two, the federal government decided to start creating the legal preconditions for allowing firm bankruptcies.³⁸³ The austerity measures therefore placed the main burden of the reforms on the shoulders of the industrial working class.

³⁸⁰ D. Žujović, "Gubici su, ipak, pokriveni", IMR, March 1, 1988, 1.

³⁸¹ The more market-savvy IMT was in a position to transfer the rising costs of inputs into the price of their final goods. The company managed to go around government control of agricultural vehicle prices by including a package of separate equipment to its tractor shipments, the price of which was set freely. The additional income from this maneuver was never distributed to IMR according to its share in the final product, even though the tractors were unusable without the additional equipment.

³⁸² Branka Magaš, *The Destruction of Yugoslavia: Tracing the Break-up 1980–1989*, (London: Verso, 1993), 96

³⁸³ Bruce Mc Farlane, *Yugoslavia: Politics, Economics and Society*, 138-143.

Between 1979 and 1984 alone, living standards fell by 34 percent. By 1988, the standard of living for workers in the socialized sector was pushed back to the levels of the 1960s.³⁸⁴

In Belgrade, the drop in living standards in industrial neighborhoods closely followed the national trend. Between 1980 and 1985, the living standards of its manual workers fell 35 percent.³⁸⁵ The continuing interruptions of the production process and fall in industrial output meant that low-skilled workers paid by the norm were the ones mostly affected by the crisis. In IMR, the trade union recognized that the earnings of the entire section of the workforce were falling below the minimum wage. The union tried to prevent pauperization by introducing individual social cards, which enabled them to recognize the most vulnerable workers and grant them wage bonuses independent of work results. Agricultural work and moonlighting also served as an important cushion for many workers. The trade union was aware of this and denied social assistance to those who owned land or had a second job.

The factory was therefore forced to turn a blind eye to the disciplinary breaches and allow many low-skilled workers to dedicate more time to work on the fields and side jobs. At the same time, the limited funds were directed to uphold the wages of highly-skilled workers vital for the maintenance of the production process. The policy of selective income redistribution gave results despite the constant warnings about the dangers of *uravnilovka*. The absences of peasant workers and second-job holders could always be compensated by campaign work during crucial months. The overall average wage in IMR was falling, but, as we will see, the factory was able to reach record-breaking production results in the mid-1980s and its lowest wages were up to one third higher than the minimum wage in Belgrade's industry.³⁸⁶ The burden of austerity was additionally eased through internal provision of the basic foodstuffs. Distribution of subsidized foodstuffs was a traditional activity of the trade union, but it became much more important during the crisis years.

³⁸⁴ Carl-Ulrik Schierup, *Quasi-Proletarians and a Patriarchal Bureaucracy: Aspects of Yugoslavia's Re-peripheralization*, *Soviet Studies*, Vol. 44, No. 1 (1992), .86

³⁸⁵ Lj. Vesković, "Život u oči", IMR, March 19, 1985, 4.

³⁸⁶ Lj. Vesković, "Život u oči", IMR, March 19, 1985, 4.

The research was not able to find statistical data revealing the relative impact of the crisis in Maribor in comparison to other regions. Maribor counted among the more affluent regions in the country, but as already mentioned, by the early 1980s, TAM was among the lowest-paying large work organizations in the city. In 1980, 588, or close to 10 percent, of TAM's workers received a salary ranging below or barely above the minimum wage. In 1983, the individual factory trade union branches suggested an increase of the guaranteed wage inside the factory, but the trade union's standing Commission for Social Standards stood up against the proposal, arguing that each worker should be enabled to earn a wage surpassing the legal minimum through work with the help of a new evaluation of shop floor positions.³⁸⁷ TAM's internal management culture and hostility to *uravnilovka* made the trade union leadership avoid direct, linear redistribution.

Similar to IMR, the personal incomes of an entire layer of low-skilled workers were losing the race with inflation. Yet, the more stable business results and larger share of proper peasant workers in comparison to IMR enabled the management to allow further polarization of income and continue to insist on the criteria of 'distribution according to the results of work'. Until the mid-1980s, it seems that the better paid manual workers and professionals were still managing to preserve their standards of living without direct help from the trade union. Interviews on the eve of May Day holidays in 1983 show that workers were quite aware of the hardship around them, but the majority still managed to continue with the lifestyle of the previous years and firmly believed the crisis would soon give way to another period of prosperity. As a result, they were ready to support the stabilization measures and even accept certain sacrifices. The words of a desk worker Milica Gerič reveal the prevailing mood:

The free days are normally used for traveling. We decided to go to the seaside, despite the great fall in living standards. The economic situation is grave indeed and it limits our purchasing power. I admit we were a bit spoiled during previous years and this sudden crisis caught us unprepared. The scarcity of articles in the supermarket, higher prices and similar stabilization measures had an effect on all of us. However, I am convinced that also this time around we will come out of the crisis by relying on our own

³⁸⁷ Danilo Vinetič, "Osebni dohodek naj bo rezultat dela!", *Skozi ZIV TAM*, April 22, 1983, 5.

capacities... We should increase productivity and work discipline, shorten the time spent in meetings, cut back on personal and collective consumption.³⁸⁸

Even if they still had the means, workers were not always sure they could buy the articles they had become accustomed to in the previous two decades. The citizens of Belgrade and Maribor found themselves lining up in queues to buy scarce imported products such as tropical fruits, coffee and chocolate. Restrictions on car usage were introduced already during the first stabilization year, in 1979. In November 1982, the LC Slovenia Maribor City Committee discussed the lack of household goods, indicating that this could have “serious political consequences”.³⁸⁹ However, for a great number of low-paid blue-collar workers in Rakovica and Tezno the austerity did not apply only to imported goods. The fall in real wages made it hard to purchase even basic foodstuffs and household items, such as meat and coal.

The introduction of social cards and rationing helped the most vulnerable layer of workers, but these were highly controversial measures. The ordinary party members found it hard to orient themselves towards the new circumstances and explain the official policies to fellow workers. The rationing of consumer articles and restrictions of personal incomes by the state went against the main principles of consumer-oriented, self-management socialism. During the joint meeting of TAM’s communists with the municipal and city leadership in February 1983, the party secretary of BOAL Metalworking, Milan Hojnik, appeared perplexed. He pointed out that political forums at all levels are nominally against the distribution of consumption coupons, yet this had become a widespread practice. “How should an average member understand this? Which line should we present in public?” Hojnik asked the functionaries.³⁹⁰ In Rakovica, the party activists felt compelled to downplay the practice of drafting social cards. They upheld the popular conviction that socialism should enable a self-managing worker to earn enough money through his regular wage, claiming the social rationing was an exception and a short-term

³⁸⁸ “Naši prvomajski razgovori“, *Skozi ZIV TAM*, April 22, 1983, 8.

³⁸⁹ Franjo Zorko, *Kronologija delavskega gibanja in družbenega razvoja Maribora in njegove okolice 1885-1983* (Maribor: Založba obzorja, 1989), 471.

³⁹⁰ Tomislav Perlič, “Poziv na javnu raspravu: Vanredna sednica sekretara OO SK RO TAM”, *Skozi TAM* (Serbo-Croatian edition), February 1983, 6.

solution. “It is humiliating, isn’t it?” the IMR paper wrote in late 1984, “the working class is the carrier of our system and now this ruling class is in need of social handouts”.³⁹¹

Both factories attempted to weather the storm in their own specific ways. Nevertheless, by the second half of the decade, as the increased production was not bringing the expected financial return and the government seemed to be prolonging the austerity measures without an end in sight, the survival tactics were beginning to strangle the enterprises. Their workforce was exhausted and started to disperse. In IMR, the wage augmentations were not enough to maintain the standard of living in the midst of rampant inflation. The skilled workers started leaving the factory. The fear of the leading activists inside Associated Labor was that the industrial working class would dissolve under the burden of austerity. IMR worker and party activist Zdravko Petrović had the following to say during one of the sessions of the Serbian LC Central Committee in 1986:

A large percentage of the working class has been living on the edge of poverty for quite some time now. The wage they receive at work does not enable them a decent living. They are unable to maintain their personal belongings and service their household appliances, not to mention buy new ones. Many are considering additional or alternative jobs. Our best craft workers are forced to work additional jobs in order to keep their families fed. If this process continues, there is a danger that these supplementary jobs might become the main ones and the factory work be reduced to a side activity.³⁹²

In Tezno, the tactic of mobilizing the workforce through the expectation of higher incomes reached its limits. In 1984, TAM’s trade union concluded that the fall in the living standards had ushered in an atmosphere of weariness in which the workers were no longer motivated to increase their work efforts.³⁹³ In 1987, the factory trade union gave in and started proposing solidarity payouts to all the workers whose wages were not enough to cover the basic living

³⁹¹ M. Petrić, “Solidarni a kartu nemaju”, IMR, November 11, 1984, 6.

³⁹² D.Ž. “Sa sednice CK SK Srbije: Opređenja sprovoditi u praksi”, IMR, October 15, 1986, 6.

³⁹³ B. Kanižar, “Tehtna vprašanja terjajo zadovoljive odgovore“, Skozi ZIV TAM, January 13, 1984, 4.

expenses regardless of the work results.³⁹⁴ By 1988, the factory paper estimated that up to 20 percent of Maribor's workers were living on the edge of poverty. In September 1988, the TAM factory paper interviewed some of its younger, female, unqualified and peasant workers. Extracts from these interviews offer a closer look at the state of an entire section of industrial workers in the late 1980s:

The constant price hikes make it hard for us to make ends meet. There are six of us in the household. I work in the afternoon as well. Fortunately, we live in a village, which allows us to produce a lot of food on our own. We buy only the most basic foodstuffs, shoes and clothing. (Jože Belič)

I am not married. I live with my parents. During my free time, I work on the black market. At home, I have a little bit of land and some cattle. I manage to get by with the help of my father's wage and the sale of cattle. Under these circumstances, I do not dare start a family. (Martin Kvar)

My wage is not sufficient to cover the apartment rent and raise my child. We live modestly and buy cheap. Unfortunately, I cannot afford books or to go to the cinema. The food coupons help me to obtain the basic foodstuffs. (Marta Demšič)

Life is hard. In order to buy fruit for my child I had to give up drinking coffee, not to mention chocolate. A new pair of shoes will break our budget. (Andreja)

I live day-to-day. I was recently transferred from the machine to a desk job in a phone connection unit due to my work-related disability. If it were not for the factory canteen, I would not taste meat for months. (Miroslav Vajs).³⁹⁵

4.2. The Party at an Impasse

The difference in the regional outlooks made it tremendously difficult to reach a consensus over the exact reform strategy inside the party and within the lawmaking bodies at the federal level.

³⁹⁴ Danilo Vincetič, "Kako pomagati delavcem z najnižjimi osebnimi dohodki", *Skozi TAM*, October 16, 1987, 2.

³⁹⁵ "Kako živimo: Kriza je globoka zaskrbljujoča in že načenja živce", *Skozi TAM*, September 30, 1988, 6.

Six out of twelve meetings of the LCY Central Committee between 1982 and 1985 were devoted wholly to economic reforms and yet none of them managed to produce a workable unity.³⁹⁶ During 1983, the Federal Assembly passed only eight out of twenty-five major laws planned for that year while the vote on another seventeen was postponed indefinitely.³⁹⁷ The Post-Tito political bureaucracy came across as cut-off from society and resistant to new modernization impulses.³⁹⁸ The recognition that the people who were supposed to be at the vanguard of society had no clear ideas on how to exit the crisis amplified the general feeling of despair. However, this quiescence could not rule for long. The state was facing great pressures from beyond and within its borders to introduce more decisive reformist measures.

From the outside, the lender nations and the International Monetary Fund made the reprogramming of Yugoslavia's foreign debt conditional on the adherence to orthodox economic policies and greater exposure to the world market. The external stakeholders managed to find a reliable partner at the top of the party-state. As early as 1982, when Milka Planinc became the President of the Federal Executive Council (Prime Minister), the federal state and its teams of economic experts started collaborating closely with the IMF and became the main exponents of a liberal economic restructuring inside the country.³⁹⁹ Nevertheless, the decisive move in the direction of reform was dependent on the agreement of the state and party leaderships of the six republics and two autonomous provinces, not the federal government, whose prerogatives had been stripped down in the course of previous pushes for decentralization.⁴⁰⁰

³⁹⁶ Branka Magaš, *The Destruction of Yugoslavia*, 99.

³⁹⁷ Pedro Ramet, "Apocalypse Culture and Social Change in Yugoslavia", 9.

³⁹⁸ As Nick Miller notes, the party cadres that survived the purges of the early 1970s were usually a bland type of bureaucratic politician, "spending time legitimizing their rule by defending the dead leader's [Tito's] name and reputation". Dejan Jović describes the politicians ruling the country in the mid-1980s as individuals with little charisma, trapped inside the cautious political culture of the previous decade, which praised unity above everything else and kept talking about "unnamed obstacles to reforms", simultaneously addressing "everybody and nobody". See: Nick Miller, *The Nonconformists: Culture, Politics, and Nationalism in a Serbian Intellectual Circle, 1944–1991* (Budapest: Central European University Press, 2007), 241 and Dejan Jović, *Yugoslavia: A State that Withered Away*, 153.

³⁹⁹ Dejan Jović, *Yugoslavia: A State that Withered Away*, 100.

⁴⁰⁰ The position of Tito, as the lifelong President of the State, was inherited by the institution of Collective Presidency, involving representatives of the six republics and two autonomous provinces, reaching decisions on the principle of unanimity. Similarly, inside the Federal Assembly, the most important legislative acts were introduced by consensus vote in the Chamber of Republics and Provinces – a body with delegations of equal size selected by

Internally, the intellectuals engaged in cultural organizations and economic institutes spread awareness about the scope of the crisis and the urgent need for widespread reforms. The liberalized media radiated these critical discourses. The belief that Yugoslav system represents a vanguard socio-economic project in the world, superior to capitalism in the West, and state socialism in the East, had all but disappeared. As a keen follower of Yugoslav politics and society at the time, Pedro Ramet, observed:

A subtle change has taken place in Yugoslav society over the past few years. The buoyancy, confidence and self-congratulation of the 1970s are gone – casualties of the now general realization that ‘self-managing socialism’ has failed to live up to its promises. In their place, there are strains of pessimism, gloom, resignation, escapism of various kinds...⁴⁰¹

The dissenting voices started connecting the ongoing crisis to the systemic solutions the party had introduced during the previous decade. There was a growing awareness in society, and in industry in particular, that consistent, pro-market economic reforms could not be conducted without challenging the very concept of Associated Labor. However, the solutions of the 1970s did not introduce consensus seeking as the guiding principle only inside industry. This approach was also upheld in political bodies and reflected in the institutional set-up of the Federation. A decisive, open break with Associated Labor in the sphere of economics would inevitably open the question of reforming the Yugoslav political institutions and thus potentially jeopardize the delicate *status quo* established between the republican elites under Tito’s tutelage.

Throughout the first half of the 1980s, the Serbian and Slovene party leaderships therefore insisted that Associated Labor provided an adequate frame for the economic reforms. In order to be successful, the party claimed that the official stabilization policies should simply be applied

assemblies of the republics and the two autonomous provinces. This left the League of Communists of Yugoslavia as the institution best equipped to bring life to new, all-embracing initiatives going beyond the political gridlock created by the disputing republics. Yet, ever since the early 1960s, the party itself was highly decentralized along territorial principles, with delegates inside the central bodies normally acting as representatives of the interests of their republican organizations.

⁴⁰¹ Pedro Ramet, “Apocalypse Culture and Social Change in Yugoslavia”, in Pedro Ramet, ed., *Yugoslavia in the 1980s* (Boulder: Westview Press, 1985), 7.

more consistently and with greater engagement of communists inside the factories. Yet, it was one thing for the factory branches to mobilize industrial workers in campaigns for more social and national equality or against the perceived privileges of other occupational groups. In these situations, the party would usually be going along the dominant mood on the shop floors. Asking the blue-collar communists to inspire their co-workers into picking up the main brunt of the crisis was a completely different matter.

The manual workers believed that the white-collar staff were responsible for the disarray inside the industry and consequently they should be the ones paying the highest price for the stabilization drive. The party leadership of the 1980s was dependent on the specialists in order to implement market reforms and hesitated to lead another blatant political campaign against the technocracy. The blue-collar workers expected clear answers, namely identification of the functionaries responsible for the crisis and a radical program of economic and political reforms. The party on the other hand, continued to extend lukewarm appeals for unity and greater sacrifices under the existing organizational scheme. The inconclusiveness of the leadership made the factory party cadres stick to ambivalent formulation while waiting for clearer signals from above.

On the shop floor, this use of woolly formulations and a hesitation to place the blame squarely on certain individuals and sections of the party-state became a detested practice often referred to as hiding under “collective responsibility”. In September 1980, a group of IMR party members from direct production gave a controversial interview to one of the most popular Serbian daily papers, *Večernje Novosti*. One of the interviewees, Petar Šikanić, characterized the factory communist functionaries as “professional talkers”, or people whose main talent is expressing verbal twists and turns depending on the changes in the official political line. Šikanić’s fellow worker added, “The conclusions reaching us from above are full of empty phrases. To make matters worse, we often do not implement the decisions reached in the meetings”. The text concluded that the BOAL structure prevented all the factory branches from adopting the same

line on internal business problems, as single party secretaries would side with the particular views of their department and its executives.⁴⁰²

These loud voices in the press could have been a reflection of accumulating dissatisfaction in Serbia's party leadership. Serbia was the first republic to sound the alarm in the federacy and demand a revision of the solution reached during the 1970s. The steady loss of political control over its two autonomous provinces and the precarious state of its industry made the Serbian LC stand up and demand a more resolute collective reform push. The Serbian proposals for change remained firmly anchored in the overall economic and political frame of the 1970s. Nevertheless, the Serbian party did launch calls for greater discipline inside the federal bodies of the party-state, and reduced jurisdictions of the autonomous provinces of Vojvodina and Kosovo. Furthermore, the LC of Serbia, and the Belgrade City Committee in particular, argued for an increase in the powers of work organizations in relation to their BOALs. The Slovene party came out staunchly against the Serbian initiatives. It feared that a coordinated economic reform at the federal level and a more regulated relationship between Serbia and its autonomous regions would inevitably open up the question of political recentralization and reduce the sovereignty of the republics.⁴⁰³

In 1984, the federal party leadership was finally forced to act under the joint pressure of the foreign lenders, the Federal Government, the Serbian LC and the critical media. LCY made an attempt to revitalize the reform by exposing the inert midlevel echelons of the party to political pressure from below. During preparations for the 13th Session of the LCY Central Committee, to be held in the summer of that year, the party apex called for a countrywide campaign of extensive discussions within the party base. The LCY hoped that the campaign would awaken a new enthusiasm among its worn-out members and rally them behind the ongoing stabilization drive. A debate on the state of the party and society was initiated in roughly 70,000 branches.⁴⁰⁴ Not surprisingly, the draft document sent out to the party base was cryptic. It tried hard not to

⁴⁰² Due to the great interest, the factory paper reprinted this interview. See: Đuro Bilbija, "Sposobni da savladamo teškoće", IMR, September 30, 1980, 4.

⁴⁰³ Wolfgang Höpken, "Party Monopoly and Political Change: The League of Communists Since Tito's Death", in Pedro Ramet (ed.), *Yugoslavia in the 1980s*, (Boulder: Westview Press, 1985), 29-56.

⁴⁰⁴ Wolfgang Höpken, "Party Monopoly and Political Change", 37-38.

offend any republican leadership by extending an abstract call for unity and more resolute reforms. Commenting on the results of the campaign, one of the leading Yugoslav party historians of the time, Dušan Bilandžić, noticed “astonishing differences” in the level and sharpness of the debate between the critically-minded intellectuals and the regular party members. While the former engaged in debates “questioning the legitimacy of everything created and existing in the Yugoslav Revolution”, the latter allegedly repeated the lethargic, ready-made and outdated formulations.⁴⁰⁵

The investigation of events at the micro level in Rakovica and Tezno does not confirm Bilandžić’s overall characterization. Looking at the discussions taking place in IMR’s party branches, one notices that fresh ideas and challenging interventions were not the exclusive feature of the intellectual forums. Despite the dull character of the official document, the campaign managed to break the old routine and connect the local party organizations with the critical discourses circulating in the media and the party apex. Rakovica’s communists conducted the campaign as thoroughly as possible, aiming to mobilize all potential forces still oriented towards the traditional institutions of the party-state. Some 6,000 communists participated in discussions. Non-party members were also encouraged to attend and a guarantee was given that no sanctions would be applied to those who spoke out in a critical tone. After its first open meeting, IMR’s Motor BOAL party branch concluded that so many contributions and topics emerged that it was necessary to prolong the discussion over three weeks and divide it into three thematic parts. The first week was reserved for internal factory matters. The second week was dedicated to the state of IMR’s party structures and the third to reflections on the general situation in society.⁴⁰⁶ During those three weeks, the factory meeting rooms transformed into vibrant places where workers stood up and spoke passionately about all the problems they thought deserved to be tackled.

In regards to broader society and politics, the speakers focused mostly on the lack of respect for manual labor and social differentiations, which were unacceptable for their understanding of

⁴⁰⁵ Dušan Bilandžić, *Historija Socijalističke Federativne Republike Jugoslavije: glavni procesi* (Zagreb: Školska knjiga, 1985), 534.

⁴⁰⁶ D. Žujović, “Kritički i samokritički”, IMR, September 11, 1984, 1.

socialism. When it came to the situation inside the factory, workers spoke against *režija*, which allegedly stood closer to the financial flows and molded the basic income distribution agreements to their own advantage. There were critical references to the peasant workers as people occupying workplaces that should have been reserved for the unemployed and a continuing grumble about the unfair distribution of the factory apartments. These were all customary complaints. Many speakers however also openly criticized what they referred to as boalization (*ourizacija*),⁴⁰⁷ or the isolation of single departments and the difficulty this caused for maintaining production and reaching common decisions. The workers' political instinct was to strive toward the unity of the working class but, as one of the most distinguished blue-collar party activists, Momčilo Plećaš, noted: "the political solutions are splitting labor much more than they are bringing us together".⁴⁰⁸ Discussing the work of local communists, workers complained that the people in leading positions were constantly taking up discussion time during the meetings, whereas ordinary members did not feel free to speak about the management due to possible repercussions. One worker stated that the factory functionaries were threatening his co-workers with sanctions and even with the police if they publically complained about wages.

The threat of force was strongly condemned when directed against the workers. Yet, state repression in general was not necessarily perceived as a bad measure, especially if used against the privileged social layers. For many speakers it was time for the party to close ranks, denounce vague proclamations and introduce more discipline. The combination of calls for stricter control from above and more equality in society can be clearly detected in the speech a party member from Engineering, Petar Hinić, made in the course of the campaign:

There is a lot of crime, billions have been plundered, and yet the sanctions are mild. As far as I know, since the end of the war no one in this country has been placed in front of the firing squad for embezzlement...Is our society not ripe for another nationalization of surplus goods? We would gain from such measures, as our internal and external debt

⁴⁰⁷ The term BOAL obviously gained a negative connotation through the usage of the verb *ourizacija*. Previously seen as a way to introduce workers' democracy and enhance business performance, the process was now connected with particularistic interests and the blocking of decision-making.

⁴⁰⁸ D. Žujović, "Bez mudrovanja i uvijanja", IMR, October 16, 1984, 1-4.

would decrease. This act would also lower social differentiations and increase unity among the people.⁴⁰⁹

The desire for greater “unity among the people” exposed another burning issue. There was eagerness to lift the taboo from discussing the national question and political relations between the republics. As Života Životić, a Foundry worker, commented: “I cannot talk about production quotas and waste in my BOAL if I don’t know what the comrades are doing inside the Central Committee, if we do not discuss the issue of nationalism and problems in the delegation system”.⁴¹⁰ The workers regarded further federalization of the party-state and the closing-off tactics of single republics as harmful tendencies. Again, the Engineering communist Petar Hinić, whose speech was transcribed in full by the factory paper, was among the most direct speakers, openly calling for repression of the ‘nationalists’:

How many people were taken to court for the events in Croatia and Kosovo?⁴¹¹ We see that clericalism is raising its head again, many religious movements are blossoming and nationalism made its way back into many parts of the country. The party has to clear these things up. Otherwise, the political underground will start taking over, and this is certainly something we do not want to see.⁴¹²

The discussions did not stop at the factory level. In January 1985, the IMR delegate Veljko Vranješ spoke at the Central Committee of the Serbian LC, repeating some of the main motifs heard inside the factories during the autumn and winter:

⁴⁰⁹ D. Žujović, “Ugled na proveru”, IMR, October 30, 1984, 4

⁴¹⁰ D. Žujović, “Najpre disciplina i odgovornost”, IMR, October 16, 1981, 4.

⁴¹¹ The speaker referred to the aforementioned ‘Maspok’ movement in Croatia in the early 1970s. When it comes to Kosovo, the speaker was probably referring to the protests, which took place in 1981. In March 1981, the protest over living conditions held at the University of Priština evolved into street demonstrations by Kosovo’s Albanian population, the youth in particular. The protesters raised concerns about exploitation of the local economy by Serbia and demanded that the autonomous province be given the status of a republic. The intervention of federal police forces resulted in at least nine deaths and thousands of arrests, followed by the instatement of martial law inside the province. See: Faton Raci, *Demonstrations in Kosovo in 1981: The Short History that Preceded Demonstrations, The Reasons Behind, Media Coverage and Possible Organizers* (Pristina: Kosovo Institute of Journalism and Communication, 2009).

⁴¹² D. Žujović, “Ugled na proveru”, IMR, October 30, 1984, 4

Workers are occupied with bare survival while one layer of rich people lives comfortably. Under these conditions all other theoretical discussions, programs and consensus seeking are futile... certain comrades complained about the speakers who were harsher and more concrete in their presentations... this shows that the Central Committee forgot the meanings of criticism, while self-criticism has been erased from the party vocabulary altogether. In our factories, we address each other differently... It is high time that we start naming those individuals and forums, which are slowing down the stabilization programs. The workers expect this from you... anyone who followed the media in the last period knows we would have many things to tell each other in a direct communist way. Who will be the first one to start?⁴¹³

The more radical voices from the party industrial base were trying to find allies at the top.⁴¹⁴ Yet, for the time being, there was nobody in the Serbian leadership ready to respond to the expressed grievances. By the beginning of 1985, this type of discussion was no longer encouraged inside of the factory branches. After a short period of relative opening up at the bottom, the Serbian party continued to pursue careful elite politics behind closed doors, where each move against the status quo had to be agreed upon in the federal bodies. As a result, there was a great disappointment with the results of the campaign among Rakovica's workers. The spirited debates raised expectations, and yet, in the workers' eyes, the entire effort was once again devalued with 'empty talk' when it was handed over to the higher levels of the party-state. The themes of social and national inequality as well as hopes for a more combative attitude from the top leadership remained ignored.

The letdown was great. The official party paper, *Komunist*, could usually be seen lying unpacked in heaps, under the mailboxes in the workers' building halls.⁴¹⁵ When asked by the factory press

⁴¹³ "Ko će prvi da počne?", IMR, January 22, 1985, 2.

⁴¹⁴ In 1984, Ivan Stambolić and Slobodan Milošević, younger politicians and former managers in Rakovica, who were more in touch with the party base and its industrial branches, entered the top leadership positions in the Serbian LC Central Committee and the Belgrade LC City Committee. It seems plausible that the blue-collar activists registered the sharpened tones of the new reform-oriented faction inside the leadership and tried to reach out to them. The factory press recorded that Slobodan Milošević was present in at least one of the IMR branch discussions (BOAL Foundry) during the campaign.

⁴¹⁵ Interview with Momčilo Plećaš (IMR metal worker and party activist), in Belgrade, March 2011.

how the party could better involve new members in its work, a young female worker from IMR's Foundry complained that an explanation of current issues and events was missing from the party meetings. She found the materials sent to her branch meetings from the City Committee to be "outdated", since workers had already informed themselves on all the issues from the newspapers weeks beforehand.⁴¹⁶ The critical discourse present in the media, and increasingly inside the factories, continued to go well beyond the official political proclamations. The disappointment paved the way for another wave of apathy and cynicism among the Rakovica blue-collar workers in the second half of the decade. In the years to come, the workers would often return to those few months of open debates, referring to them as probably the last time they had hope things would get better.⁴¹⁷

During the months leading up to the 13th Session of the LCY Central Committee one can also notice increased restlessness inside Tezno. In January 1983, the President of the Central Workers' Council, Stane Letonja, identified three most pressing issues from the point of view of TAM's blue-collar workers. The first was the scarcity of production inputs and the waiting times this was causing. The second was the weakness of working-class voices in the municipality and the federation. Finally, Letonja complained about the ever-increasing business crime, or the theft of social property, calling for more resolute actions by the state to hinder such acts.⁴¹⁸ The latter two issues went beyond the factory circle, aiming to show that TAM's inner problems were connected to broader discussions in society; however, the floor comments at the meetings of socio-political bodies reveal that the production standstills were indeed the first and foremost concern on the shop floor. Once they had a chance to be recorded in the factory paper, almost all the workers from direct production complained about the waiting times.

The management routinely blamed the suppliers and their irregular shipment of satisfactory parts for the stoppages on the shop floor. The workers, however, tended to locate the responsible parties closer to home. Letonja called for a greater accountability of the individuals in the

⁴¹⁶ D. Dikić, "Izgubljeno poverenje i strpljenje", IMR, April 14, 1987.

⁴¹⁷ See for instance: D. Žujović, "Najpre menjati ponašanje", IMR, April 8, 1986, 2.

⁴¹⁸ Stane Letonja, "Ujedinimo snage za još bolje povezivanje", *Skozi TAM* (Serbo-Croatian edition), January 1983, 3.

professional commissions. In April that year, the open discussion at the end of the factory trade union conference was used by the workers to sharply criticize the experts, claiming that they spend time working on side jobs while neglecting their main professional duties.⁴¹⁹ A few days later, the trade union's Commission for Social Standards blamed the Research and Development BOAL for artificially enlarging its wage fund through overtime work.⁴²⁰ In January 1984, TAM's youth organization quarreled with their higher forums at the municipal and city level over wage disparities. The higher forums accused TAM's youth organization of supporting *uravnilovka*, while its delegates claimed they simply wished to reduce the widening gaps in personal incomes.⁴²¹ Interviews with workers from the assembly lines conducted in February 1986 present us with a good insight into workers' reasoning:

I am convinced that the directors who do not know how to organize work are the main guilty parties. Therefore, we must intensify personal responsibility.

The guilty ones for these deeds always escape responsibility. At the same time, if a worker makes the smallest mistake he is instantly put in the front of the disciplinary commission.⁴²²

The professionals were allegedly overpaid and often proved to be incompetent. But, who was in a position to hold them accountable for their errors, from the workers' perspective? Stane Letonja's latter two points of concern offer us a hint. First of all, the workers saw the expansion of workers' self-management and blue-collar political influence in society as the key step toward more efficient production. This reasoning followed the logic of ever-expanding workers' democracy underlined in the Associated Labor. However, the working-class rule was still not a reality. In April 1983, one of the first questions posed to TAM's newly elected factory trade union leadership at an inauguration meeting was why do blue-collar delegates have so little

⁴¹⁹ Danilo Vincetič, "Pažnja posvećena humanizaciji rada i nagrađivanju", *Skozi TAM* (Serbo-croatian edition), April 1, 1983, 5.

⁴²⁰ Danilo Vincetič, "Lični dohodak mora biti rezultat rada!", *Skozi TAM* (Serbo-croatian edition), April 22, 1983, 6

⁴²¹ B. Kanižar, "Najobširnejše razprave o osebнем dohodku", *Skozi TAM* March 1984, 9.

⁴²² Danilo Vincetič, "Do kada neujednačena proizvodnja?", *Skozi TAM* (Serbo-croatian edition), February 1986, 6.

influence over policymaking even in the city of Maribor.⁴²³ As workers were still not empowered enough to exercise the desired political influence, the party-state was expected to act on their behalf. Letonja's call for stricter measures against economic crime displays this logic, which closely resembled the calls for greater involvement of the repressive state apparatus heard in Rakovica.

The 13th Session of the LC Central Committee was a chance for TAM's blue-collars to look for support among the higher echelons of the party, the same way the IMR workers had done. However, the campaign in Tezno failed to replicate the grassroots participation documented in Rakovica. In February 1984, the party functionaries from Maribor's City Committee held a meeting with TAM's branch secretaries, in an attempt to lay the groundwork for the coming discussions. The city leadership urged the factory secretaries to fight against the "petty bourgeois attitudes" inhibiting open debate. They insisted communists should not allow themselves to be easily offended and the branches should provide space for critical voices. The secretaries were advised to change the old habits in conducting political work. Instead of simple transmission of policies from above, the party line should be popularized through broad discussions from below.

The city officials assured TAM's secretaries that this new method of work would unite the rank and file behind the reforms and spread the appeal of the party. Yet, their suggestions were greeted with resistance and skepticism. The secretary of Research and Development, the branch that successfully united the factory party behind the management's leadership in the previous years, claimed that they did start discussing political themes tackled by the Slovene LC Central Committee, but there was little interest among the membership. "The comrades have still not understood that we have a new way of doing things", the secretary concluded. Other secretaries did not show more enthusiasm. They allegedly had no base to animate. The factory management insisted the political meetings had to take place after work hours and many workers were not ready to attend them at this time. The younger workers had little interest in the party and the

⁴²³ Tomislav Perlič, "Sindikalisti o pitanjima o kojima se (ne)rado razgovara", *Skozi TAM* (Serbo-croatian edition), April 1983, 2.

older members who lived through the purges of the 1970s hesitated to speak up, fearing the potential consequences.⁴²⁴

In August that year, the factory received yet another visit from the higher-party echelons. This time, TAM's guest was a member of the Slovene Central Committee, Štefan Korošec, who presented the conclusions of the LCY Central Committee's 13th session. The high-ranking functionary invited the party base to "lay their cards on the table", probably expecting to connect the latest conclusions of the party apex with the grassroots industrial grievances. However, the well-organized factory officials seem to have prevented any meaningful contact with the regular blue-collar members by presenting the guest with a list of grievances from the management's point of view and a unified company strategy for enhanced business performance. The factory management felt it had no need for government advices. On the contrary, it was about to offer a concrete example of reform solutions and expected the Slovene party to follow its model. As the article in the factory paper stated, after the interventions of the leading factory communists the party secretaries had no more questions for Korošec.⁴²⁵

This is not to suggest that the campaign raised no controversial issues, or that TAM workers stood unified behind their general management. Looking at the discussions on the level of the BOAL branches, for instance, it becomes clear that the communists from the white-collar departments and the shop floor did not have the same outlook on the crisis and business priorities. The white-collar BOALs, such as Research and Development or Engineering, insisted on the necessity of supporting 'creative work', the introduction of a computerized database and a closer relationship with the German business partner KHD. On the other hand, TAM's blue-collar workers were suspicious of their management and detested efforts to increase the wage differentiation. Workers in Motor mentioned "unjustified investments" and the losses made by trying to export at all costs.⁴²⁶

⁴²⁴ Tomislav Perlič, "Poziv na javnu raspravu: Vanredna sednica sekretara OO SK RO TAM", *Skozi TAM* (Serbo-Croatian edition), February 1983, 6.

⁴²⁵ Tomislav Perlič, "Široka razprava in konkretna akcija", *Skozi TAM*, August 24, 1984, 1-3.

⁴²⁶ D. Vincetič, "Komunisti ocenili stanje", *Skozi TAM* (Serbo-Croatian edition), October, 1984 3.

Unlike the white-collar workers, who kept their discussions firmly related to business matters, the voices from direct production were more prone to talking about wider social issues. The Motor workers complained about the rising prices in stores and overcrowded hospitals. Still, workers in Maribor were not prone to backing up their grievances with overtly political tones. There was no explicit criticism of Associated Labor, even though the local workers were highly skeptical toward the atomization it had introduced already in the late 1970s.⁴²⁷ In contrast to Rakovica, the workers did not tackle the national issue or relations inside the federation. In Serbia, the ethnically-charged social clashes in one of its autonomous regions brought the national question into the media limelight. Many of Rakovica's migrant workers also had personal connections to the events in Kosovo. The everyday problems in Tezno seemed far detached from the type of tensions present in the south of the country.

TAM's shop floors were burdened by the same occupational cleavages and popular perceptions of inequality present in IMR. Nonetheless, during the campaign these divisions did not show up in front of the party officials or the work collective as a whole. In the summing-up of the discussions conducted inside the branches, the first thing TAM's party Action Conference mentioned was that personal income policy should not be based on the guaranteed wage or allow *post-festum* raising of the lowest incomes, as this allegedly leads to *uravnilovka* and discourages technical innovations. None of the complaints raised by the BOAL Motor entered this last round of discussions. When it came to common federal political issues, the factory party leadership largely ignored them. They characterized the conclusions reached at the 13th Session of the LCY Central Committee as too general and abstract to be commented upon. TAM's communists cynically stated that they were wary of attempting to tackle the latest political conclusions, since numerous previous "historical sessions" were not followed up with any concrete measures. "The same people who pushed the country into economic crisis are still occupying the top positions inside the federal bodies without even having the decency to apologize for their faults", declared the Action Committee.⁴²⁸ The existence of a strong and unified enterprise management made

⁴²⁷ This can be explained by the fact that TAM's management had already picked up this issue and put pressure on the political authorities to allow for the reform of Associated Labor. As we will see in the following section of this chapter, by the time the federal party launched its campaign, TAM's top management was already well ahead in altering its organizational structure.

⁴²⁸ D. Vincetič, "Nekateri so le člani ZK, ne pa tudi komunisti" *Skozi TAM*, October 19, 1984, 7.

sure that the factory party could not act as an intermediary between the communist elite and its local blue-collar constituency.

TAM's party entered the second half of the decade utterly incapable of animating the workforce. The branch meetings suffered from low attendance. The BOAL branches had little internal impulse and usually lagged behind the discussions taking place in self-management bodies and the professional management boards. In May 1986, TAM party member Anton Harb complained that workers were "leaving the party" and added that, among those who stayed, most were active only on paper. The party members were "feeling powerless" and becoming "disinterested in political work", Harb concluded.⁴²⁹ The factory branches received political materials from their city committees and tried to explain them to the membership. Nevertheless, these documents did not communicate with the factory reality and failed to address the burning issues.

4.3. TAM's Pushback of Associated Labor

The campaign conducted around the 13th Session of the LCY Central Committee failed to establish a stable link between blue-collar grievances and the ongoing efforts to introduce top-down, politically-controlled economic reforms. In Serbia and Slovenia, the party leaderships were losing their positions as independent arbiters in society. If the top party cadres appeared to the public as clueless about the ways to handle the economic stalemate, a group of intellectuals and politicians shared the popular sense of urgency and claimed to have the answers. The economic liberals, pushed to the margins of political life after the abandonment of market socialism in the early 1970s, returned invigorated in mid-1980s. The liberal economic experts weathered the years of purges inside the economic chambers, universities and economic journals.⁴³⁰ They maintained good relations with the enterprise elites and, as the decade advanced, regained lost positions in the party and especially the state apparatus.

⁴²⁹ "Teško je dobiti ljudi ki bi delali z voljo", *Skozi TAM*, January 31, 1986, 5.

⁴³⁰ For an account of the Yugoslav business magazine *Ekonomska politika* and its influence on the liberal-oriented manager and the political elite see: Mijat Lakičević, ed., *Ispred vremena, 1963–1973, sudbonosna decenija, uspon i pad srpskih liberala, uzroci i posledice od tada do naših dana, kroz prizmu Ekonomske politike, novine kakvih više nema*, (Belgrade: Fond za otvoreno društvo, 2011).

Their ideas seemed to be in tune with the modern global trends in economic thought. According to liberal interpretations, the party allegedly capitulated in front of social demagogy and left posturing in the late 1960s. The chance for creating economies of scale, creating a competitive industry and catching-up with developed Western societies through market reforms was wasted and society was paying the price for it. The renewed faith in market economics rehabilitated the professional business management. Throughout the 1980s, the pejorative term ‘technocracy’ could hardly be heard inside the party forums and the media. The enterprise management emerged as the only force with enough presence and influence inside the factories to rally the workers behind the reforms and initiate changes from below. The proposals of enterprise directors were presented as in the interests of Associated Labor as a whole, directed against the incompetent state.

This trend is best observed in the case of TAM. In 1980, five years after Stojan Perharc’s retirement, TAM gained yet another authoritative personality at its head.⁴³¹ Vitja Rode accelerated the drive to reduce political controls over the enterprise. The KPO board was rejuvenated with young engineers and experts from the white-collar BOALs. Being a senior politician and experienced manager, it seems that Rode had little faith in the capability of the party-state to navigate the reforms. Under his leadership, instead of waiting further for the decisive government measures, TAM’s management intended to launch its own initiatives for restructuring the enterprise, but it also tried to alter broader relations in the automotive industry. Encouraged by the successful takeover of the factory party apparatus between 1979 and 1982, the management began to voice open dissatisfaction with the overall state of Associated Labor. In September 1982, a member of the KPO, Mihael Gole, addressed the factory Central Workers’ Council with the following words:

⁴³¹ Like most executives in TAM’s KPO at the time Vitja Rode entered the factory as a cadre stemming from LC Maribor. However, the new KPO President was not the average apparatchik, dependent solely on the local party apparatus. Born in Maribor in 1925, Rode took part in the Antifascist struggle in his youth. After the war, he finished university and went on to become the general director of Maribor’s hydroelectric company at the peak of the party liberal turn in 1968. During the 1970s, Rode occupied leading positions in the city of Maribor only to advance to the position of Vice-President of the Executive Council of Slovenia in 1978. As a former partisan and a high-ranking functionary with experience in the industry, Rode had enough standing and contacts to steer TAM independently of the local party prerogatives. See: Bela Sever, Rode Vitja, *Enciklopedija Slovenije*, 10 (Ljubljana: Mladinska knjiga, 1996), 250.

Associated Labor is badly organized. Individual producers have been broken up and remain disconnected in manufacturing and sales. For years, this type of fragmented organization of the industry was supported by the economic policy which adjusts itself to less productive and less successful producers...The policy of extensive growth must be substituted with a new orientation which would respect economic laws and reward the more productive and more successful enterprises.⁴³²

When it came to TAM's internal organization, the main grievance of the new management was the redistribution of the total income along non-market criteria. TAM's management complained that the existence of a multi-product COAL with vague common interests opened the door for payment extortions and manipulative internal pricing. With the help of politically steered self-management agreements, the common income, accumulated mainly through the sales of engines and trucks, was allegedly redistributed in favor of servicing departments and plants with low productivity, such as the railway coach producer TVT Boris Kidrič and parts of the plastic frames manufacturer Jože Kerenčič. This left the Work Organization TAM with insufficient funds to finance its own innovative projects in the auto industry. The practice was often pejoratively called the 'solidary cover of losses' and allegedly threatened to pull the entire COAL into insolvency.⁴³³

In the course of 1983, ideas about the reorganization of COAL gave way to abandonment of this form altogether. TAM's KPO openly declared that it intended to dissolve the COAL and continue to function as a 'Business Community'— a larger and looser association of enterprises, recognized by the Workers' Constitution, envisioned for technologically sophisticated producers that aimed to unite forces in the research and development of specific products and achieve their joint realization on domestic and foreign markets.⁴³⁴ The new structure did not mean an outright rejection of Associated Labor. TAM remained divided into BOALs and the Business Community was supposed to be governed by a common body based on the delegate principle. In reality

⁴³² Danilo Vincetič, Kraći rok za reorganizaciju SOUR ZIV TAM, Skozi TAM (Serbo-Croatian edition), October 1982, 1.

⁴³³ "Dvostepeno preobraženje u jednoprogramsko usmereni SOUR", Skozi TAM (Serbo-Croatian edition), November 6, 1981, 1.

⁴³⁴ See: Tiosav Velimirović, et. al., *Zakon o udruženom radu* (Privredna štampa: Beograd, 1976), 262.

however, the new organizational structure snubbed the spirit of workers' control over the management and politically supervised association of different plants. By elevating the decision-making so far above the BOAL level, the KPO gained greater freedom to pursue its own business visions. The Business Community was supposed to be coordinated by a white-collar BOAL (Work Community) dominated by TAM's executives and the conglomerate lacked the complex political structures found in a COAL. In case the reorganization was accomplished, TAM would have finally been free to connect more closely with its numerous suppliers based on market principles and close income-sharing schemes under its own terms.

The potential formation of a new business association based on vehicle production meant that non-compatible plants were about to be left to their own devices. At the beginning of 1983, TVT Boris Kidrič announced it was ready to leave the COAL, pointing out that TAM never fulfilled its investment plans inside this plant. In March that year, the management of COAL TAM reached a decision to release the Croatian-based Iikaplast BOAL from the Work Organization Jože Kerenčič. The high price of imported plastic materials pushed the disabled workers' eyewear manufacturer into bankruptcy. The broader Work Organization was instructed to focus on the production of intermediate parts for TAM's trucks, whereas the financial consolidation of Likaplast was left to the local Croatian municipality. Around this time, the media in other republics started reporting on the Slovene enterprises abandoning Associated Labor and enabling the return of the old monopolies. The news echoed in particular inside the Serbian media, which accused Slovenia of abandoning collective reform efforts.⁴³⁵ In January 1983, the Maribor-based daily *Delo* tried to answer the negative press by publishing interviews with Vitja Rode and Tezno municipal functionaries. The interviewed officials argued that TAM was not engaging in disintegrative process, but, quite the opposite, trying to establish closer cooperation with even more producers based on common economic interests.⁴³⁶

In October that year the Secretary of the municipal party organization, Alojz Vindiš-Dunda, used similar arguments to justify the new vision in front of TAM's communists. He presented TAM's

⁴³⁵ See: "OOUR ukidaju, zar ne", RAD, March 2, 1984, 10.

⁴³⁶ The interviews were reprinted in *Skozi TAM*: Miran Koren, Danilo Utenkar and Ivan Vidic, "Rad složene organizacije će biti bolji", *Skozi TAM*, January 1983, 2.

efforts to associate on the market bases as the very essence of the stabilization measures. A factory secretary asked Dunda to clarify why the COAL was suddenly being dismissed as a bad idea when the party had spent years convincing the workers of the economic validity of Associated Labor. Dunda's cynical answer was quite revealing of the ideological weariness and defeatism inside the Slovene party:

Time goes on and with it our general development. Nothing is static and nothing is regulated so well that it cannot be further improved. The Business Community opens up space for better connections with different partners from the automotive branch. After all comrades, let us not rehash [*podgrejavati*] the past.⁴³⁷

With the green light from the local party-state, the COAL TAM went on to organize a referendum in January 1984, asking its constituent BOALs to decide on the transformation into a Business Community. The referendum was successful. As the factory press reported, a "considerable majority" inside the Work Organization TAM voted in favor of the suggestion. With the sway the management enjoyed inside the factory self-management bodies, such a result was hardly surprising. However, the same article also noted that a "significant minority" declared itself against the reorganization. The share of negative votes stood at 22.3% in the enterprise as a whole. Inside the blue-collar BOALs, such as Foundry, Metalworking, Engine Production and Machine Maintenance, the negative vote climbed to around 30%, indicating that a passive opposition to the management was mounting. The factory paper, by then under considerable control of the top management, recognized this opposition, but insisted the workers who did not vote in favor were "in agreement with the proclaimed goals, just unconvinced about the road chosen to reach them".⁴³⁸

In May 1984, the Business Community TAM was officially established. It numbered 32 work organizations, mostly TAM's traditional component suppliers, but also other producers seeking stable sales of their products. The Business Community was employing close to 25,000 workers with members nationwide. TAM immediately used its newly-gained market weight to avoid

⁴³⁷ Tomislav Perlič, "Sekretari SK podprli predlog obrazovanja Poslovne zajednice TAM", *Skozi TAM*, October 7, 1984, 1.

⁴³⁸ "O uspelom referendumu za Poslovnu Zajednicu TAM", *Skozi TAM* (Serbo-Croatian edition), January, 1984, 1.

procuring components through long-term self-management agreements and to try to influence government stabilization measures. It singled out the partner factories whose sales on the foreign market were realized primarily via TAM, extended them credit and made the distribution of common income dependent on steady pricing and regular shipment of intermediary products.⁴³⁹ At the same time, the factory launched a lobbying campaign through its representatives inside the Slovene and Federal political institutions. In February that year, TAM's KPO instructed its delegates inside the Slovene Chamber of Associated Labor to pose the question of why the Serbian truck producers were allowed to raise their prices whereas Slovene manufacturers were allegedly still kept under tight administrative control.⁴⁴⁰

The reorganization also left its mark on internal factory life. KPO introduced a new informal management body, which transgressed the strict separation between the governing and administrative functions. The so-called 'extended KPO meeting' would regularly summon the BOAL executives, functionaries of the self-management bodies and leadership of socio-political organizations into one room under the guidance of the top management.⁴⁴¹ In February 1984, the TAM paper noted that "drawn out self-management meetings are a thing of the past". The article reminded readers that marathon sessions had been a standard procedure for years, but it turned out that people were becoming tired in such meetings and consequently there was little possibility of conclusions being reached at them. "Today we all start looking at the clock as soon as the meeting lasts over one hour", the article concluded.⁴⁴² The days when the management was ready to extend symbolic concessions to the blue-collar workers were gone. In September 1985, the Workers' Control raised the issue of numerous trips abroad that the enterprise experts were making. The Control Commission concluded that every single business trip was justified;

⁴³⁹ B. Gerlič, "Zajednički rad mora da je usmeren na tržište!", *Skozi TAM* (Serbo-Croatian edition), November 1984, 3.

⁴⁴⁰ Tomislav Perlič, "Iz rada KPO RO TAM (ovog puta proširenog), Razmatranje sadašnjih pitanja privređivanja, *Skozi TAM* (Serbo-Croatian edition), February 1984, 4.

⁴⁴¹ Tomislav Perlič, "Iz rada KPO RO TAM (ovog puta proširenog), Razmatranje sadašnjih pitanja privređivanja, *Skozi TAM* (Serbo-Croatian edition), February 1984, 4.

⁴⁴² "Razmatranja sadašnjih pitanja privređivanja", *Skozi TAM* (Serbo-Croatian edition), February 1984, 1.

adding that the collective must understand there is no such thing as an unfounded trip abroad if the enterprise really wants to reach its export targets.⁴⁴³

When it came to exports, TAM was trying to reorient from Third World markets and position itself as the link between the Western multinationals and part of the domestic automotive industry orienting to its Business Community. In September 1985, after the KPO delegation returned from the International Motor Show in Frankfurt, the factory paper conveyed that in many segments TAM was equal to the world's big manufacturers. Indeed, in certain aspects TAM still lagged behind, the article admitted. However, the gap was allegedly not that big and the enterprise was determined to catch up. KPO President Vitja Rode that stated the main way to achieve this goal was specialization within TAM's production chain and orientation to international cooperation. "Yugoslavia is not capable of producing everything on its own, therefore we have to import more and try to cover these imports by increasing exports to foreign markets", Rode concluded.⁴⁴⁴

It is hard to conclude if these ambitious projections were mainly propaganda, aimed to boost the morale of the workforce, or if the general management was indeed flying high on the basis of its successful pro-market transformation. In November 1985, the IMR press jubilantly announced the factory had exported six buses to Denmark.⁴⁴⁵ According to the former factory journalist Branko Gerlič, the management concealed the fact that a few months later all the buses were returned, as they did not meet the quality standards.⁴⁴⁶ Nevertheless, TAM managed to establish business relations with the multinational company IVECO. IVECO was supposed to outsource part of its engine production to Maribor while, in return, the multinational would supply TAM with intermediary parts for high-end, specialized trucks. At the end of 1986, in his New Year message to the work collective, the President of KPO, Vitja Rode, stated:

⁴⁴³ M.P., "Neopravdanih putovanja u inostranstvo nema", *Skozi TAM* (Serbo-Croatian edition), October, 1985, 3.

⁴⁴⁴ Branko Gerlič, "Sve bliži smo svetskom nivou", *Skozi TAM* (Serbo-Croatian edition), October 4, 1985

⁴⁴⁵ "Dalji uspesi u Danskoj", *Skozi TAM* (Serbo-Croatian edition), November 1985, 2.

⁴⁴⁶ Author's interview with Branko Gerlič (Skozi TAM journalist), in Maribor, June, 2013.

In the coming years, we will have to respect the economic laws much more than was the case previously...simply put, let those who work better also live better, let them receive a bigger proportion of what they created. In our society, these norms are still not accepted, in the way that they should be.⁴⁴⁷

The battle to increase income differentiation was not fought only at the macro level. During 1985, the main topic of all the business meetings inside the factory was the introduction of a new wage accounting method, entitled Analytical Evaluation of Work (AVN).⁴⁴⁸ The main idea behind the introduction of AVN was to introduce clear limits to wage augmentation practices on the shop floor. The new rules provided meticulous award indexing for each worker in tune with official qualifications and allocated blue-collars to fixed work positions. The measure was promoted as the solution for “true reward according to work”, but the workers were unconvinced. The storage worker Oskar Šturm and the metal worker Franc Leskovic commented:

If everything was as they claim we would be more than happy with the suggestion. Still, after twenty-two years of experience with different organizations and reorganizations, I can tell you that the promises are always huge, but never fulfilled. I doubt it will be any different this time around.

Personally, I am satisfied with the new reward system. However, I noticed that the atmosphere around me is not the best. The majority opinion, and I agree with it, is that certain work places are not adequately rewarded. This leads to polarization on the shop floor. My comrades and me, we do not want *uravnilovka*, we simply judge based on our experience and knowledge of concrete situations. The divergence will be greater and the wage gap is not always justified.⁴⁴⁹

⁴⁴⁷ Vitja Rode, “Veliki korak napred”, Skozi TAM (Serbo-Croatian edition), January 1986, 2.

⁴⁴⁸ The full name of the method was *Analitičko vrednovanje zadataka za bolje poslovanje, bolju podelu rada i prikladnije nagrađivanje rada (AVN)*

⁴⁴⁹ Branko Gerlič, “Več ko je informacij, bolj so zadeve jasne”, Skozi TAM, January 1, 1986, 2.

In contrast to IMR, TAM workers were choosing their words carefully and constructing justifications. As the second statement shows the workers did not want to be identified and singled out as the rebel rousers (“personally, I am satisfied”) or accused for supporting the proscribed income levelling (“we do not want *uravnilovka*”). Yet, there were clear signs that the manual workers were unsatisfied and that the management had taken the reform one step too far. The AVN referendum, organized in early 1986, had failed. Five productive BOALs, and even two white-collar departments, came out against the new rewarding method. The management tried to minimize the significance of this oppositional stand, claiming that the workers used the referendum to express their overall dissatisfaction with the situation in the country and with inflation. A few months later, the referendum was successfully repeated. In 1987, the general manager, Vitja Rode, received an award from the Slovene Economic Chamber for his entrepreneurial achievements as Manager of the Year.

The workers were increasingly critical of the top management, but there were no signs of them standing up in defense of Associated Labor structures. The failed referendum over the new remuneration system showed how a decentralization of the decision-making process enabled the workers to score occasional jobs against the management. Yet, it seems that the perception of the self-management institutions as a stable instrument in the fight for better living conditions was not present on TAM’s shop floor. The most the referendum block in 1986 had achieved was to postpone the unpopular measure. The workers had no power to put it *ad acta*. After a few more weeks of stronger pressure inside the self-management bodies, the management was able to push through the new wage accounting scheme. To the workers, the self-management bodies appeared as fundamentally alienated bodies whose sole function was to spread and underscore the management’s decisions. If there was one measure on which the workers from direct production seemed to agree with the top management it was that the party-state should invest more effort to dismantle the Associated Labor.

Furthermore, the management’s pro-active stance and critical language in relation to the state positioned it as the locus, which can best represent all voices inside the factory. This deep-rooted alliance between the shop floor and the top management potentially explains how the enterprise was able to advance its list of pro-market reforms between 1980 and 1986. However, in a top-down managed factory like TAM, the significance of the unsuccessful referendum could not be

overstated. The management's rhetoric of blaming the state and other enterprises for production difficulties was wearing thin. The dissatisfaction with managements' neglect of workers' grievances and the growing income polarization was brewing and the manual workers were searching for novel ways to express their anger. The failed referendum set the precedent and the work collective, which appeared calm on the outside throughout the crisis, was about to enter a turbulent period in the second half of the decade.

4.4. IMR Lags Behind

IMR's management and white-collar employees had great difficulty in implementing their own initiatives for the reform of Associated Labor in the first half of the decade. The reform-oriented professionals had had their fingers burned in 1979, when their attempts to influence the factory party and initiate reforms resulted in the removal of the leading white-collar communist functionaries and the disbanding of the united IMR party secretariat. However, the economic conditions were deteriorating fast and the general management felt it had to take risks and act further in order to salvage the enterprise. What was left of the common party structure on the factory level, namely the ad-hoc Action Conference, was used to re-launch attacks on the IMR's overall development strategy.

In February 1981, Engineering claimed that in the previous year the collective pressure of other BOALs forced it to go along with and vote for the new five-year plan. The Engineering staff now demanded a revision of this strategic document. Interestingly, they claimed that the goal of returning to vehicle production, lost some three decades ago to Maribor, became an "obsession" of the blue-collar departments, stemming from the "sentimental orientation of the older colleagues".⁴⁵⁰ Even the most distinguished truck manufacturers in Western Europe were in crisis, the department noted, and, consequently, the IMR should find a more realistic goal of specializing in component parts and entering the larger cooperation schemes that were about to take place in the Yugoslav industry. According to Engineering, instead of a "subjective estimation" of the product development, practiced up to that point, what the factory needed were

⁴⁵⁰ Lj. Vesković, "Kako do istine", IMR, February 24, 1981, 5.

investments in new professional cadres, able to systematically research and follow the real demands of the market.

By springtime, the debate had spilled over into the pages of the factory paper. The director of Vehicle, Strahinja Kostić, answered a series of critical articles and letters, written by the Engineering employees. In his reply, Kostić firmly defended the general orientation of productive BOALs towards the production of motor vehicles. Whipping up the enterprise pride, he declared IMR was determined to grow further independently. The crisis might bring about a change in tactics, but the strategy had to remain the same.⁴⁵¹ According to Kostić, IMR was not going to enter any new cooperation agreements on detrimental terms. Instead, the enterprise was set on reconquering the production of more sophisticated products on its own. This episode brought the clash between the productive and non-productive BOALs into the center of IMR's internal life and established Engineering and Vehicle as the main representatives of the two opposing sides, with other departments rallying behind them. The discussion on the pages of the factory press heated up, to the point where the general management had to intervene with a statement, accusing the paper of stirring up controversy and becoming the voice of individuals, instead of affirming common policies and work results.⁴⁵²

The white-collar BOALs did not give in. Following Engineering's line of reasoning, the Central Workers' Council proposed the introduction of a new professional BOAL, which would centralize the planning, finance and accounting functions, which were duplicated in each department. In a similar vein, in the early 1980s, an attempt was made to make the factory more sensitive to market signals by strengthening its marketing function and setting up an internal bank. The blue-collar BOALs successfully blocked all of these initiatives. For them, such suggestions were unacceptable, as the factory was already burdened by *režija* beyond all tolerance levels. Between late 1983 and 1986, the factory organs were involved in a debate on the organizational alternatives possible under the existing Associated Labor legislation. Two new factory schemes crystalized over time, both of which aimed at more effective decision-making.

⁴⁵¹ Strahinja Kostić, "Naše zlate jabuke", IMR, March 31, 1981, 6.

⁴⁵² Lj. V., "Oštro kritikovan list", IMR, April 14, 1981, 6.

The first option was favored by the productive BOALs. It envisioned an enterprise consisting of four core BOALs, engaged in direct production, and an additional Work Community, which would gather all administrative functions in one place. The second solution, supported by the white-collar BOALs, suggested getting rid of BOALs altogether. The factory staff argued for a coherent Work Organization with a single workers' council, a unified management and eight well-defined sectors. Predictably, the BOALs were stuck in a prolonged debate over which reorganizational scheme would best serve the interests of the factory.⁴⁵³

The attempts to restructure the Work Organization were central to any internal reform attempt since the existing BOAL structure prevented a clear turn in any direction. As already noted, the Associated Labor Act demanded that all major decisions, affecting the enterprise as a whole, had to pass through a complex voting procedure inside the self-management organs. A draft document would first be discussed inside the top organs of the administrative and the governing structures, the Board of Directors and the Central Workers' Council, before being distributed to the Workers' Councils of each BOAL. Once the assemblies of workers in each BOAL had discussed the proposals and added their remarks, the draft document would be returned to the Central Workers' Council, which then issued the final version to be voted on in the assembly referendums. Any strategic document thus had to be passed by a consensus decision of all BOAL assemblies. IMR's almost symmetrical divide between the BOALs composed of confronted occupational groups contributed to the practice of this process rarely functioning smoothly. It often took months to persuade the BOAL delegations in the Central Workers' Council to adopt a business decision and, even then, the assemblies, as the primary legislative bodies, could still overturn the measure initially supported by their BOAL organs.⁴⁵⁴ A single persistent BOAL could block the entire process.

For the blue-collar BOALs, the initial way to cope with the crisis was to raise demands for a stricter control of the administration. Already in 1979, the IMR Trade Union Conference discussed the legal possibilities for tying the income of non-productive BOALs to the final

⁴⁵³ D.J. "Na redu je elaborat". IMR, February 18, 1986, 5.

⁴⁵⁴ D.J., "Svi ili većina", IMR, December 25, 1984, 6.

product.⁴⁵⁵ The Director of Motor stated that his department was not ready to tolerate the situation in which large parts of IMR employees received their wages regardless of the trends in engine sales. That same year, the BOAL Motor Workers' Council demanded insight into the contracts signed by BOAL Komerc with IMR's main business partners in the light of suspected irregularities. The Vehicle BOAL Assembly meeting, held in December 1981, reveals the level of agitation among the blue-collar workers at the time. The production bottlenecks were causing waiting times on the shop floor. The workers reacted to wage reductions by demanding the waiting regime wage indexing for the group foremen and the section chiefs, both of which were paid based on effective time spent in the production hall, regardless of the production rate. The proceedings from Vehicle Workers' Assembly meetings show that some workers went as far as demanding the abolition of the mid-level executive positions within the department and a fifty percent cut of IMR's total employees in *režija*.⁴⁵⁶ This was a clear sign for the productive BOAL directors that they had to take a firmer stand within IMR's central administrative and self-management bodies. It also partly explains the strong posturing shown by Vehicle director, Strahinja Kostić in the factory press.

The wage increases of blue-collar workers were related to regular work campaigns with a great intensification of production efforts. Despite all the limitations imposed by the irregular functioning of the markets and the lack of investment in new machines, the first half of 1984 was record-breaking period, with the best production results in the history of the factory. Nevertheless, such tactics produced little outcome in the crisis environment. The rising costs of inputs and the interest rates, coupled with increasing government taxation, caused the net enterprise income to shrink despite the increase in gross revenues. At the end of the day there was barely any money left on the factory accounts for wages, not to mention investments into equipment modernization or the new factory apartments. The money left over for the investment fund decreased each year, giving way to the wage fund, until, finally, in 1986, all the enterprise net income was spent on wages. Indeed, IMR workers managed to avoid a severe drop in income during the first half of the decade. In 1985, IMR's lowest wage bracket stood almost 30 percent above the average minimal wages for industrial enterprises in the city. Nonetheless, wages were

⁴⁵⁵ "Ozbiljan prilaz rešavanu slabosti", IMR, March 27, 1979, 3.

⁴⁵⁶ Zapisnik sa Zbora radnika OOUR Vozilo, IX Zbor, 14. januar 1982, tačka 2.

still losing the race with inflation. In 1984, for instance, the inflation rate stood at 66 percent while IMR's wage increases amounted to 44 percent, resulting in a 22 percent drop in workers' real wage.⁴⁵⁷

By the mid-1980s, it became clear that the turn toward the greater rewarding of productive work had brought disappointing results. The year 1984 marked a historical record in the number of engines produced and a relative appeasement of the blue-collar workers, but thanks to rising prices of intermediate goods and the closing of the Egyptian market, the financial results were still poor. Moreover, as a result of the renewed focus on the shop floor, the specialists and highly qualified personnel started leaving the enterprise. For the management these were clear signs to start reconsidering the business strategy and switch attention to the new orientation proposed by the Engineering specialists. The emphasis in income distribution was supposed to switch from manual to innovative work once again. However, due to the lack of finances, the space for management maneuvers was very limited. The reward of special projects to one department meant an immediate loss of income in the others.

In late 1984, the Executive Board of the Central Workers' Council issued a recommendation to Motor and Vehicle to accept an increase in income stimulation in the Engineering department. The engineers engaged in special development projects were supposed to be granted wage increases beyond the general income distribution agreement. The directors of productive BOALs initially accepted the decision in the central management bodies, but then changed their mind once they faced reactions in their own BOALs. Looking at the commotion this initiative provoked among the workers in the Vehicle Assembly it is not hard to conclude why the directors acted in such a way:

If it turns out that Engineering receives three wages and we and *our engineers* [emphasis added] only one, I do not accept this. I understand that somebody works more and receives one-and-a-half wages, but three wages more! This I cannot understand...this cannot be earned by work

⁴⁵⁷ "Život u očí", IMR, March 19, 1985, 4.

If we continue down this road, I am not sure where it will take us. The only thing I know is that this type of suggestion creates great dissatisfaction among the workers. It is unacceptable that someone can earn 12 to 15 million dinars and the others cannot. We don't need these types of projects.⁴⁵⁸

The blue-collar BOALs were therefore successfully vetoing initiatives for the income stimulation of professionals engaged in urgent development projects. If the pressure from their own blue-collar executives became too strong, the workers would simply boycott the referendum or leave their BOAL Assembly without a quorum. Yet, this exercise of power inside the enterprise did not amount to much. After years of internal conflict, all occupational groups were exhausted and nobody came out as a winner. The only general conclusion was that the organizational structure, set up in the 1970s, had to be changed as the clashes, facilitated by it, threatened to tear the factory apart. The question was who was about to take the lead and present the most consistent critique of Associated Labor?

Once news about the restructuring of Associated Labor in Slovenia reached Belgrade in 1984, the management of the local factories decided to put their differences aside and try to lobby the Serbian LC, which seemed to be increasingly responsive to outside influence at the time. In April, a joint statement by the general directors of key metal factories in the city, including IMR and IMT, called for special legislation, which would make sure that the government taxation burden and bank credit interest did not endanger the reproductive capability of the industrial sector. The directors complained that even though their factories fulfilled the planned output targets, they still did not make profits as the industry was overburdened with different financial obligations to the state and various self-management bodies. Out of the total income, the industrial enterprises had to return credit with interest to the banks, make the necessary transfers to the fund for common social needs and the running of self-management structures, separate obligatory funds for the less developed regions and pay the government taxes. The total incomes were increasing, but these gains were annulled by heavy state interference and high interest rates.⁴⁵⁹

⁴⁵⁸ Zapisnik sa Zbora radnika OOUR Vozilo, V Zbor, 12. april 1985, tačka 4.

⁴⁵⁹ D. Žujović, "Šta traže metalci", IMR, April 24, 1984, 3.

The joint statement made no concrete proposals on how to return Belgrade's factories to profitability. However, the fact that the Fund for Common Social Needs, the source of financing for the structures of Associated Labor, had been singled out as the main problem hinted at the direction of the reforms desired by the management. At the presentation of the document, IMR executives openly complained about the rising costs for the maintenance of socio-political and self-management institutions. According to IMR, in the first six months of 1984, the total sum set aside for the obligatory social fund, came close to the net gain of the enterprise. The Self-Management Communities of Interest (SIZ), introduced to coordinate and organize social care and local infrastructure apart from the state, were of particular concern. The IMR factory paper estimated that, countrywide, these bodies employed up to 45,000 people, whose income was constantly rising with the help of self-serving administrative acts. According to the factory managers, the solution was to put breaks on the wage hikes of lower-level political bureaucracy or, better yet, dismantle many of these organs altogether. The report claimed that the Slovene party was already considering freezing wages in the non-productive sectors. IMR's top executives were presenting the Slovene party and its measures as a good role model for the Serbian politicians.⁴⁶⁰

The managers were presenting the situation in a selective way. Targeting the self-management bureaucracy as the prime burden, the criticism avoided tackling the banks and final producers. In the first nine months of 1985, the sum put aside by Yugoslav industry for repaying bank debts became equal to its total accumulation. Just three years before, credit costs amounted to 20 percent of total accumulation.⁴⁶¹ The freedom of the financial market to set 'realistic' interest rates was the cornerstone of Yugoslavia's monetary reform efforts. The money given out in the form of credit interest was suffocating the factory just as much as, if not more than, the government taxation. However, IMR's dependence on Belgrade-based banks was so great that confrontation with the financial sector was the last thing the management could imagine.⁴⁶² With

⁴⁶⁰ R.G., "Putevi rasterećenja privrede", IMR, June 12, 1984, 7.

⁴⁶¹ See: Sl. A., "Visok rast kamata", IMR, March 19, 1986, 2.

⁴⁶² In 1986, IMR recorded a net loss for the first time in its postwar history. At the end of the business year, the banks showed understanding for the factory's net loss and reprogrammed a part of the debts into the following year so that IMR's balance sheet would show no loss. The company thus managed to escape falling under the laws of wage restriction the federal government prescribed for the loss making companies.

the help of political influence over the banking system, the management counted on similar favors in the future and avoided putting banks under the spotlight.

Encouraged by the lack of hostile political reaction from the city and the republican political apparatus, IMR's management continued to polish its reform ideas and present them in a bolder way. In 1986, the key positions in the Serbian party were conquered by a new generation of politicians more closely attuned to the problems of the industry, such as Ivan Stambolić and his protégé Slobodan Milošević. IMR factory delegates in higher forums of the party and Associated Labor launched another campaign for retaining a larger part of income within the factories. Speaking in the session of the Belgrade LC City Committee, the Vehicle BOAL executive, Siniša Anđelić suggested concrete measures this time. He called for a reform of the labor legislation, which would allow greater jurisdictions to professional management and make the work discipline tighter under the threat of material sanctions and loss of workplace. Playing on the existing divisions inside the factories, Anđelić mentioned these measures would "free the space for young and unemployed workers eager to prove themselves".⁴⁶³ Cuts in taxation, lowering of institutional prerogatives for the blue-collar workers, freedom to introduce more discipline on the shop floor, as well as a reduction in labor costs, were some of the main proposed lines of action. The reform of Associated Labor Act was a necessary step down this road. Furthermore, Anđelić suggested that companies should take control over their funds for underdeveloped regions and invest these resources on the profit bases in the targeted areas.

Unlike 1984, when the Serbian party greeted the management's grievances with approval, but backed off from initiating concrete reforms, in 1986 the Serbian parliament initiated a procedure to implement a series of changes in the self-management legislature. The initiative launched by the parliamentarians called for increasing the rights of the central workers' councils and a decrease in the powers of workers' assemblies, which were supposed to vote only on a limited number of issues considered crucial for the enterprise. Clearly, the political tide inside Serbia was turning. After unsuccessful attempts to conduct a common, all-Yugoslav and politically controlled reform, the Serbian party was about to retreat to its own republic and emulate the

⁴⁶³ D.Ž., "Nije vreme za kitnjaste reči", IMR, June 3, 1986, 4.

Slovene line of handing more initiatives to the management. The Serbian leadership's focus on the reform within its own borders implied it had to become even more attentive to the specific needs of the local industries. IMR's powerful blue-collar BOALs executives, such as Vehicle's Siniša Andelić or Strahinja Kostić, used the opportunity to put forward their ideas. With the political backing of the new republican leadership, IMR could maybe avoid the pressure to enter one of the emerging monopolies as a mere contractor and fulfill the business objectives set in the late 1970s.

In 1986, Strahinja Kostić was coopted into the enterprise general management. He was placed at the head of the working group in charge of evaluating the alternative suggestions for the reconstruction of the enterprise. After a seven year-long tug of war, IMR's central governing and administrative bodies agreed to adopt the white-collar reorganizational plan of a unified enterprise without BOALS, as the single proposal in a new factory referendum. The assembly protocols show that BOAL Vehicle, the spearhead of former resistance to white-collar reorganizational plans, spent surprisingly little time discussing the approaching referendum. The Vehicle workers noticed that the option supported by their BOAL had suddenly been left out. They reminded the functionaries that the alternative scheme, which envisioned keeping four productive BOALs and one Work Community, was their preferable choice, but did not insist on the issue.

Strahinja Kostić presided over the last Vehicle Assembly meeting prior to the reorganizational referendum vote. He strongly advocated the offered solution. Kostić claimed it would enhance the functionality of the enterprise and organize internal responsibilities in a much clearer way. The rebel-rouser Đorđe Golubović was a lone voice arguing against the proposed solution until the very end. Four months earlier, he had been removed from the factory trade union officialdom amidst persisting accusations, but there are no signs that this purge was in any way connected to the pending change in course. The assembly transcript unfortunately gives only a brief mention of Golubović's speech, but he was clearly arguing that the new enterprise structure was going to be detrimental to workers' self-managing rights.⁴⁶⁴ Surprisingly, the blue-collar workers backed the management initiative. Out of 5,330 workers on the voting register, some 4,284 participated

⁴⁶⁴ Zbor radnika OOUR Vozilo, XII Zbor, 22. maj, 1986, tačka 2.

in the referendum. The suggestion was accepted in all BOALs, with the vast majority of workers voting in favor of the reorganization.⁴⁶⁵ The referendum was an unprecedented success and a convincing display of enterprise unity.

Why did IMR's rebellious workers, who only two years before had furiously rejected all white-collar suggestions as a matter of principle, suddenly decide to back down? On the one hand, they were brought to a desperate situation with no alternative. As we have seen, the peak of political activity in the winter of 1984 did not create steady links with the party leadership. The communists offered no persuasive program of their own for overcoming the economic crisis. The years of resistance inside the self-management bodies did not protect against the steady fall in the living standards. The factory was facing bankruptcy, in which case the inner debates over the income distribution agreements would prove futile as the company would automatically come under the government restrictions for wage increases. Threatened by the government's strict anti-inflationary policies, closing ranks within the factory was emerging as a priority. The professionals and executives were the key figures, with contacts in politics and the banks, capable of salvaging the factory from the restraining government measures. Yet, the professionals were leaving the factory en masse. In the first months of 1987, some 366 employees had left IMR, most of them specialists.⁴⁶⁶ The acceptance of restructuring and a new income-sharing agreement favorable to the white-collar workers could perhaps keep the last nucleus of specialists loyal to the factory.

The approval of the white-collar reorganization scheme was thus in many ways a capitulation, after years of stubborn opposition had led the workers up a blind alley. Yet, this insight fails to explain the massive turnout at the referendum. The manual workers did not give the proposal a mere free pass. They made sure it went through the legislative process with a convincing poll exit and an overwhelming number of yes votes in all BOALs. The feeling of helplessness was obviously being offset with traces of new hope. The management's increasingly combative stance in relation to the government and its more confident criticism of Associated Labor certainly contributed to the forging of this new enterprise-based unity and a vision of a better

⁴⁶⁵ D.J., "Dokazati opredeljenja", IMR, November 25, 1986, 1.

⁴⁶⁶ "Kriza i dalje traje", IMR, November 3, 1987, 1.

tomorrow. In the early 1980s, the changes proposed by the white-collar BOALs were all projected inside the factory. They were presented as the genuine application of the market reform under the existing macro structures. Their outlook was defeatist. The work collective was supposed to make peace with the role of a minor player on the Yugoslav market and dissolve itself into larger conglomerates.

The newfound language did criticize the internal affairs, but connected the enterprise problems to wider obstacles in the industry and politics. The rhetoric picked up by the section of IMR's management between 1984 and 1986 targeted the lower level bureaucracy and political solutions reached under the Associated Labor. This new discourse managed to reawaken the anti-statist instincts of the blue-collar workers and make them put the interests of their work collective first. It also tapped into the widespread feeling of dissatisfaction with the ruling politics. As Siniša Anđelić's plea for the interests of the youth and the unemployed, during the 1986 Belgrade City Committee meeting, reveals, the management aimed to mobilize those layers of workers who felt marginalized by the self-managing elites. Furthermore, the messages directed toward the work collective became much more optimistic and motivational. In January 1987, the former Vehicle executive Strahinja Kostić became the general director. During his inaugural speech, Kostić talked of an ambition to transform TAM into a "factory of a European caliber" (*fabrika evroskog ranga*).⁴⁶⁷

The blue-collar executives, such as Anđelić and Kostić, played a decisive role in the forging of a new alliance between the workers and the enterprise administration. The workers were suspicious of employees overall. Yet, as the trade unionist Milan Kljajić explained in an interview, those white-collar workers positioned closer to the shop floor and seen as being in a direct relation to production were looked at more favorably. As already noted, one of the main talents of Strahinja Kostić was the ability to attract young engineers to his BOAL and make them gain workers' trust through concrete improvements in the production process. The Vehicle workers' reference to "our engineers" during the intervention against the wage stimulation of Engineering in 1984 (see the emphasis in the last two indented citations above) exposes this sentiment. The Engineering employees were in charge of development projects, too abstract and

⁴⁶⁷ Sl. Avramović, "Možemo postati evropska fabrika", IMR, March 17, 1987, 1.

detached from everyday problematic on the shop floor. The engineers stationed inside the blue-collar BOALs, on the other hand, were perceived as loyal professionals. Their standing assured the workers that reforms would be implemented in the common interest. Moreover, Kostić spurred the incipient national identity by presenting Serbian industry as lagging behind Slovenia in reforms and bringing into question the political allocation of solidarity funds for the underdeveloped regions. As we will see in the next chapter, upon coming to the head of the enterprise, Strahinja Kostić introduced a new official discourse, which placed the factory in the position of a continuous dupe of high politics, a victim that was nevertheless determined to break with this unequal treatment and finally seek justice.

Chapter Five

Breaking the Pact: Workers, Liberals and Nationalists Against Political Privileges

5.1. Cutting out the Middlemen

The 1970s broke the power of technocracy in industry by inserting a wedge between the lower-paid workers and the management. Under the new institutional constellation, the shop floors could break free from their dependence on the top management and press for higher wages and better work conditions by relying on the new layer of bureaucracy, made up of self-management and the socio-political cadres inside the factory. As we have seen in the previous section, faced with harsh austerity measures and the refusal of the LCY to articulate popular grievances, many workers tended to abandon the alliance established by Associated Labor, close ranks with the management, and recognize the state and political bureaucracy as the main obstacle to improved business results and higher wages.

In a factory with the tradition of strong central management, such as TAM, the process can be traced very early on, even before the completion of Associated Labor. In the case of IMR, the push toward more enterprise unity in contrast to the state was made possible by the mid-1980s, with the rise of influential lower-level executives from blue-collar BOALs. The new animosity toward the heritage of the 1970s was in tune with the dominant oppositional discourses spread by the critical intelligentsia and the media. Before the chapter proceeds to explicate the new radical anti-statist and nationalist understandings of the crisis circulating in broader society and their echoes inside the factories, the present section will dwell on some of the main grievances against Associated Labor from the workers' perspective, which grew spontaneously out of everyday experiences.

The following two statements made by workers from direct production, recorded in IMR's factory paper and in front of the camera, reveal the feelings of disillusionment with Associated Labor in the mid-1980s:

In the early 1970s, I was a young worker and I remember we welcomed the Associated Labor Act as a door to the Promised Land. We thought the new laws were the solution for all the problems we had experienced until then. The working class is a defeated winner...we won the revolution, but in the meantime, we went through a defeat.⁴⁶⁸

I am reflecting deeply upon why I did not leave Yugoslavia in the 1970s so I could then have come back, fifteen years later, as a gentleman, with a nice car and a house. Instead, I decided to stay here and build a socialist society based on self-managed, democratic foundations. I protest loudly in factory meetings, but that is as far as my voice reaches.⁴⁶⁹

We call ourselves a socialist country, but if we look at the social relations inside of it, there is no socialism here, just a pure bureaucratic system...the Yugoslav workers are the most exploited workers in Europe.⁴⁷⁰

On the most basic, instinctive level, workers found the splitting up of the production process into separate units an irrational and costly solution. They often made the point that the politicians and state bureaucrats who made up Associated Labor Act must have never set foot in a factory. Otherwise, they would not have implemented solutions that run against the common wisdom of production workers:

We greeted the Associated Labor Act with open arms, however it soon transpired that it creates a *mini federation* [emphasis added], separate bank accounts, autonomy of basic organizations. The BOALs became an excuse for all kind of isolationism and misbehavior...it turned out that boalization meant higher taxation...nine BOALs meant nine taxes. The workers have no benefit from this...by splintering the technological process we are not able to offer a good-quality product.⁴⁷¹

⁴⁶⁸ Mića Milošević, "Radnici neće žedni preko vode", IMR, July 29, 1986, 6.

⁴⁶⁹ *Žulj*, VHS, Directed by Mića Milošević (Belgrade: Centar Film, 1987).

⁴⁷⁰ "Da se čuje radnička reč", *IMR- List radne organizacije Industrije motora Rakovica*, December 6, 1988, 2.

⁴⁷¹ "Bez uvijanja", IMR, January 21, 1986, 1.

Associated Labor's concept of workers' democracy demanded self-management activity from a great number of people within a factory. The central, truck-producing plant of COAL TAM, the Tezno-based Work Organization TAM, for instance, had twenty-two workers' councils with 338 members. Each of these councils had numerous operating commissions attached to them (disciplinary, housing, etc.). Moreover, the factory contributed delegations to self-management institutions outside of the factory, such as the municipal and republican legislative bodies (Chamber of Associated Labor) and various other inter-enterprise organs responsible for drafting and implementing common infrastructural projects, social policies, etc. (Self-Managed Communities of Interest- SIZ). In the late 1970s, COAL TAM supported 264 delegations numbering 1,781 workers in two chambers of associated labor and numerous SIZ.⁴⁷²

In total, 2,200 workers from the Work Organization TAM, or more than one-quarter of the enterprise, participated in self-management organs. The plebiscite-type activities, such as voting in the Workers' Assembly, required the presence of a minimum of one-half of the people employed in a BOAL, whereas a Referendum envisioned the participation of the entire Work Organization. Most meetings of smaller bodies, such as workers' councils, various commissions as well as the socio-political organizations, were usually held outside of the regular eight-hour work day. The larger meetings, however, had to take place during the main work shifts in order to reach the quorum. As mentioned, the protocols of these meetings could stretch out for hours. Members of self-management bodies were not only supposed to participate regularly in the meetings, but also prepare beforehand by reading thick documents written in the dry language of self-management agreements, loaded with legal, economic and political terms.

There were individuals who did their best to read the documents and actively participate in the self-management procedures next to their daily chores. The majority of enthusiastic participants without a standing self-management function were well-positioned professionals. IMR engineer Nikola Uzelac, for instance, regarded socio-political activism as an "honorable deed" and despised careerism. Uzelac portrayed himself as "a bit of an idealist". He identified strongly with self-management as an ideology and spent years in Third World countries with different

⁴⁷² Liberat Buždon, "Delegatski sistem u ZIV TAM", *Skozi ZIV TAM* (Serbo-Croatian edition), September 5, 1978, 4.

Yugoslav enterprises working on local infrastructural projects as a part of Non-Alignment cooperation agreements.⁴⁷³ In TAM, people such as the already-mentioned Liberat Buždon, a member of the white-collar staff, invested great energy in writing open letters to the factory press, in which he appealed for the respect of social property and stressed the perspective of new social relations enabled by socialism.

For the manual workers, especially the lower paid ones, who had to work long overtime hours in order to surpass the norms and lived far away from the factory, active participation in self-management bodies proved to be a difficult task. Most of them observed the factory primarily as an employer to whom they sacrificed time and energy in order to earn a wage, not an institution of socio-political emancipation. By the mid-1980s, the shop floor workers felt the Associated Labor apparatus had become a self-serving leviathan, which stole time, cadres and energy from the main task of the work collective, namely production. Their ‘no-nonsense’ attitude and belief in hard work as the central component of life made the workers exceptionally distrustful of people who earned money by debating in meetings. For the most part, the workers viewed the proceedings inside the self-management organs and socio-political organizations as “empty talk”, or yet another irrational bureaucratic obstacle they were forced to live with.

A manual worker wishing to engage more closely with political work would have a hard time juggling between his work obligations and activity in Associated Labor. In February 1984, communists from a blue-collar BOAL inside Tezno’s TVT Boris Kidrič concluded that self-managing bodies demanded too many cadres from them and wondered who would stay behind to work in production. As an example of the absurdity of the system, the workers mentioned that their BOAL was forced to send a crane operator to the commission for market research as all other educated staff already had delegate responsibilities.⁴⁷⁴ In October that same year, the conference of TAM’s communists complained that political functionaries were not returning to their workplaces after the end of mandates, thus weakening the enterprise.⁴⁷⁵ In April 1983, IMR

⁴⁷³ Lj. Vesković, “Inželjer Nikola Uzelac: ‘Ne volim improvizacije’”, IMR, June 12, 1984, 4.

⁴⁷⁴ Zmago Gomzi, “Sindikat mora obvladati politične razmere”, Skozi TAM, February 1984, 11.

⁴⁷⁵ M.Č., “Zveza komunistov usmerja vse oblike SLO in DS”, October 1984, 7.

Central Workers' Control received a letter from an angry worker who demanded to know how much time the workers with self-management functions spent on the factory floor and how they managed to earn the wages of highly-qualified workers, since nominally they were paid by the norm.⁴⁷⁶

The latter complaint struck at the chief contradiction of Associated Labor. The reforms of the 1970s tried to battle the influence of 'techno-bureaucracy' inside the enterprises, with the introduction of delegate workers who performed the work in elected self-management organs for a limited period without a functionary wage. Nevertheless, the idea of worker-delegates, who participated in the governing structures parallel to their daily jobs, was never accomplished in practice. The increasingly complicated and demanding self-management factory structures required that delegates spend most of their workday dealing with decision making, with little opportunity to perform their basic work duty. In most of the firms, the white-collar employees, whose desk-job workload was less demanding, filled the time-consuming delegate duties. However, in the representative metalworking plants such as IMR and TAM, the political imperative was for the production workers to engage in socio-political activities.

In 1980, the conference of TAM's trade unionists concluded that an ever-increasing number of workers were refusing to participate in governing bodies and socio-political organizations. The instruction given to them by the trade union functionaries from Tezno municipality was clear: those individuals willing to sacrifice and perform different functions should be financially stimulated.⁴⁷⁷ This usually meant that politically-active workers were promoted to better paying positions on the shop floor. They continued to receive the full wage of a highly-skilled worker, despite their frequent absence from work. The ordinary workers who received their wage based on strict norm measurement tended to be distrustful of their politically active colleagues, viewing them as careerists, people who betrayed the craft and sided with the white collars:

⁴⁷⁶ D. Žujović, "U suženom krugu", IMR, April 26, 1983, 2.

⁴⁷⁷ "Prva sednica konferencije OO SS", Skozi TAM (Serbo-Croatian edition), November 1980, 18.

Many lazy workers enter the party just to have a shield behind which they can hide... the only working-class thing about them is their blue work suit...these are not real workers...they should be kicked out of the party.⁴⁷⁸

Comrades with self-management functions in Motor BOAL forgot about their working-class background...they no longer think as workers.⁴⁷⁹

Indeed, the delegate function came to be one of the main channels for social mobility and a transfer from direct production into administration. Apart from receiving the wage of a norm-breaking manual worker for an office job, the self-management and political functionaries enjoyed numerous other advantages. Functionaries who entered different Associated Labor bodies beyond the factory, financed from the state budget, could bring their wages in line with inflation much easier than the manual workers pressed by income sharing self-management agreements and stabilization measures. As we have seen in the case of communist cadres, many workers with a function never returned to production. Others would be promoted to the positions of supervisors and other leading places in the professional management chain after the end of their delegate function. Of course, delegates could count on these privileges only if, during the time spent in socio-political organizations and self-management bodies, they showed an understanding for the demands of the party and the management. As one of the rare IMR workers who returned to the shop floor after his delegate mandate said:

For a functionary career you have to be a hypocrite, obedient and willing to openly defend things you normally would not...here in the production hall, the atmosphere among the people is somehow different...some kind of camaraderie, honesty not found on the other side.⁴⁸⁰

It would be wrong to think the self-management apparatus had no base on the shop floor. However, the nature of this support was far from the one between the democratically elected

⁴⁷⁸ "Opori optimizam", IMR, February 5, 1985, 6.

⁴⁷⁹ "Bez uvijanja", IMR, January 21, 1986, 6.

⁴⁸⁰ Mića Milošević, "Radnici neće žedni preko vode", IMR, July 29, 1986, 6.

delegates and their base. The reports of IMR's Central Disciplinary Commission show that elected self-management organs, which were supposed to nurture workers' democracy, evolved into a network of cronyism. In 1985, the commission warned once again of growing disciplinary breaches and the illegal appropriation of social property, disclosing that the main reason for the low number of sanctioned workers was that the lower-level workers' councils often revoked the decisions of the Central Disciplinary Commission, thus abolishing members of their own work collective.⁴⁸¹ The report hinted that this was the result of a patron-client system, which extended between the executives, supervisors and self-management functionaries on the one hand, and groups of favored workers, on the other.

In 1988, IMR's white-collar worker Vasilj Cvijanović wrote a letter to the factory press complaining about the unhealthy atmosphere of suspicion caused by "cliquish behavior" (*grupaško ponašanje*). The letter claimed that most workers were spending time bad-mouthing other workers, speculating, "Who was employed with the help of connections, who has an uncle in a leading position, and who extracted individual profit from metal disposal", instead of thinking strategically about the future of the company.⁴⁸² Two years earlier, IMR manual worker Mihalj Đurčik noted that self-managing and socio-political functionaries were trading work positions behind the machines for desk positions and used their powers to employ "wives, children, all their cousins".⁴⁸³ Manual worker Berzat Krasnić accused the supervisors of assisting peasant workers to leave work during work hours and rewarding them with wage stimulations during their absence.⁴⁸⁴ The latter practice could have been part of the official management policy toward the peasant workers, but it is conceivable that paid leave was also dependent on bribes or familiar ties.

Many productive workers started relying on the support of blue-collar functionaries to obtain small perks, such as transfer to a new machine, employment of a family member or periodical

⁴⁸¹ Sl. Avramović, "Radnički saveti – za nered", IMR, December 24, 1985, 2.

⁴⁸² Vasil Cvijanović, "Sami sebi cilj", IMR, January 26, 1988, 7.

⁴⁸³ D. Ž., "Dosta je bilo price", IMR, March 19, 1986, 4.

⁴⁸⁴ D.Ž., "Zna se ko radi", IMR, October 30, 1984, 4.

absence used for fieldwork or parallel jobs. These client networks often overlapped with traditional kinship ties or closed circles connected by the place of origin. As already described, the recruitment of new workers depended on the established migrant worker who attracted other workers from his home village and family members.⁴⁸⁵ The apartment commissions were the epicenters of shady practices. The IMR paper reported “ugly and illegal behavior” on behalf of individuals trying to move into the company apartments. The candidates were providing the apartment commission with faked medical reports, entered arranged marriages and registered extended family as members of the household solely in order to advance on the waiting lists.⁴⁸⁶ In return for these favors, the informal networks extended political support to leading cadres from their BOAL governing and administrative structures whenever their functionaries were confronted with the higher socio-political forums or the central management.

The closed circles of manual workers connected by the production process developed a group loyalty. Single BOALs and work groups tended to see the prosecution of their members as an attack on the entire immediate collective. The blue-collar BOALs in particular seem to have been of the opinion that the disciplinary measures of the top management were directed disproportionately against the manual laborers, whereas the wrongdoings of the white-collar workers and the top management passed undetected. For these reasons, they tended to turn a blind eye to the wrongdoing in their surroundings and developed an allegiance to their department and mid-layer functionaries, who could offer them protection. In IMR, the defensive stance of the manual workers and an alertness to what they perceived as double standards were expressed very openly:

⁴⁸⁵ The IMR paper carried a story about the Malinović brothers. The oldest brother belonged to the first postwar generation of workers and, over time, he helped employ two of his younger brothers in the factory. All the brothers were active socio-political workers and equated the factory with their home. The article mentioned that the Malinović family is by no means an isolated case, stressing that many families have a couple of members in the same factory. See: Sl. Avramović, “Fabrika nas odgajila”, IMR, April 12, 1978, 8.

⁴⁸⁶ D. Žujović, “Na ispitu savesti”, IMR, October 14, 1980, 3.

The one who stole should be named appropriately – a thief. A worker gets punished if he steals a few screws; a director brings the company to the edge of bankruptcy and nobody is held responsible.⁴⁸⁷

A workers' wage is lowered as soon as he breaks a screwdriver or he is fired if he steals a component. On the other hand, we have machines which were imported and then lay unused for years...responsibility is lowered already for a foreman, not to mention the directors.⁴⁸⁸

By the mid-1980s however, the patron-client relationship was proving to be of declining worth for the manual workers. The political climate was changing in both republics, and the managements were given the green light to introduce stricter discipline inside the enterprises. The cuts in non-productive spending severely limited the power of the mid-level bureaucracy to offer favors. Most importantly, the prolonged economic crises contributed to the increasing polarization of blue-collar workers. The cleavage between the minority of workers who could reap small benefits from the patron-client networks and the majority of low-paid workers, who were exempt from these schemes, became more visible. The former were typically senior workers, socio-political cadres or individuals who enjoyed additional sources of income in the form of land or a side job. The latter group included younger workers, women and low-qualified individuals dependent solely on the factory wage. Workers' criticism was slowly switching from top executives toward the better-standing layer of manual workers present on the shop floor. Franci Pivec, a former Slovene functionary and leader of the Maribor party in the late 1980s, revealed in an interview that if there was one section of the industrial elite the workers despised more than the top executives it had to be the blue-collars who used Associated Labor channels to advance to different functions and gain material benefits.⁴⁸⁹

⁴⁸⁷ Milica Lučić – Čavić, "Paraliza a ne kriza", IMR, July 28, 1987, 6.

⁴⁸⁸ Žulj, VHS, Directed by Mića Milošević (Centar Film: Belgrade, 1987)

⁴⁸⁹ Interview with Franci Pivec (President of LC Maribor City Committee), April 2013.

Workers with high incomes who used their seniority or political position to acquire spacious company apartment and then used their improved purchasing power to build weekend retreats and summerhouses became symbols of inequality. As already noted, rent in the private market could add up to one-half of the blue-collar income and those workers whose housing situation had been resolved automatically had a greater part of their wage at their disposal. This made them rich in the eyes of their less fortunate colleagues. The antagonism grew even stronger when the well-paid and established workers appeared in the role of rent-seekers to their less fortunate workers. The activist of the IMR youth organization Radoš Karaklajić expressed the anger against the privileged blue-collar quite well in front of the camera in 1986:

Let us be fair and admit there are rich workers among us. The systemic solutions allowed them to become rich. We are not all in the same economic predicament in this factory. There are very rich workers, who are not more hardworking than my colleague here or than me, but during the 1960s, they were able to access credits, apartments and houses and now they are exploiting the person next to them.⁴⁹⁰

In order to understand the indolent attitude of workers toward the managements' offensive against Associated Labor, or even their outright support, it is also important to realize that the workers' councils were never envisioned as organs of representation for the interests of various personnel categories, but as a managerial body where people contribute individually to achieving the best possible business strategy.⁴⁹¹ During the stabilization period, technological innovations and marketing strategies once again took precedence over production, and the blue-collar workers felt they had little to contribute to the meetings. The office employees, better educated and more skilled with words, could argue their positions much better than the blue-collar delegates did. As blue collars active in these structures remember, the lack of arguments in meetings to confront the well-informed professionals was their main frustration, often leading to feeling of inferiority.⁴⁹² Workers lacked a well thought-out and organized representation in

⁴⁹⁰ *Žulj*, VHS, Directed by Mića Milošević (Belgrade: Centar Film, 1987).

⁴⁹¹ Ellen Turkish Comisso, *Workers' Control under Plan and Market*, 60.

⁴⁹² Interview with Momčilo Plećaš (IMR LC activist), March 2011.

workers' council meetings. The only guidance was the party, but once the communists chose to orient their politics toward the professionals, there was no preparation beforehand or a common blue-collar platform.

An interview with worker-delegates in TAM's press revealed how far detached the self-management practice was from the projected ideals. The delegates complained that they had received the preparation materials only shortly before the sessions, thus they had no time to prepare. The documents were long and written in a complicated language so many workers did not bother to read them. The socio-political organizations offered little political support and orientation to the delegates. In the legislative bodies, the workers were unacquainted with the procedures and "posed questions incorrectly [sic]". The delegates were allegedly not capable of reporting to the factory councils on the decisions made inside the municipal bodies, as they did not understand the discussions in the proceedings.⁴⁹³ The inspection of minutes from the IMR Vehicle BOAL Assembly, where blue-collar workers were present in large numbers, shows that criticism was launched spontaneously with one dissenting voice built upon by the next one, until a critical mass would be reached. The oppositional sentiment could rise in one meeting and die out by the next, with few continuities or traces left of alternative suggestions. For many workers there was no point in raising issues, since all battles were seen as lost even before they began. In the end, the organized and articulate administration always came out a winner. As one IMR worker complained in 1986:

I look at the comrades coming out of these meetings, their heads bowed down, in a bad mood, full of shame...you have the feeling that somebody is constantly deciding in your name and they need a cover...the feeling of manipulation, powerlessness and shame has accumulated. The workers do not want to participate in these meetings, and then they say we are not interested. When you decide to show up and say something, it's as if there is nobody on the other side, as if you are talking to a wall. People don't even bother to go to assemblies any longer...they are tired of playing the role of extras in this film, while on the other side they keep telling us we are the main protagonists of society and history.⁴⁹⁴

⁴⁹³ B.M. "Da li zaista odlučujemo?", *Skozi TAM* (Serbo-Croatian edition), January 1979, 9.

⁴⁹⁴ Mića Milošević, "Radnici neće žedni preko vode", *IMR*, July 29, 1986, 6.

In October 1986, an IMR delegate reported about the state of self-management in his factory to the Serbian LC Central Committee:

Under the present circumstances, the motivation for work on the job and in the self-management organs is fading. This is reflected in the fact that we have not been able to organize a union conference in years. Out of 1,500 members in one BOAL, some 40 people show up for the trade union meeting. In the assemblies, it is not much better. If we did not pull people in by their sleeves and escort them into the meeting hall, only 10 to 20 percent of workers would appear.⁴⁹⁵

Finally, the main concern that brought the manual workers and the top management closer together was the frustration with unaccountability. The shop-floor workers were used to the strict daily following of their performance behind the machines. In order to leave their workplace they had to receive permission from the foreman or escape from work with the risk of sanctions. On the other hand, the politically-active workers had the freedom to walk from one part of the factory to the other and attend meetings in the municipality and city center. In IMR, the activists, but also the technicians and maintenance specialists, were pejoratively called ‘wanderers’ on the shop floor. The ordinary workers were envious of their liberty. As one TAM worker describes:

It is great to walk in the park with friends during work hours...some do it every day. It is different on the shop floor. The production norm haunts a worker and he must achieve it otherwise his wage will suffer. Behind him, there is the man in the coat [foreman] who grades him, moves him to different machines, punishes and holds responsible...⁴⁹⁶

The workers were angered by the fact that the contribution of the political workers and white-collars could not be measured and quantified in a precise way. As we have seen, the shop floor workers wildly overestimated the number of desk workers in their factories. They were of the opinion that socially active workers were inflating this figure even further by employing new people through connections. There was a widespread conviction that the self-management apparatus was ever growing, costly, self-serving and out of control. Nobody was holding the bureaucracy to account. The higher self-management and political forums did not bother to step

⁴⁹⁵ D.Ž., “Opređenje sprovoditi u praksi”, IMR, October 15, 1986, 6.

⁴⁹⁶ Franc Pajtler, “Sem storil prav? ”, Skozi TAM, July 1988, 3.

inside the factories, whereas the mechanisms for the base control of the delegates were never properly implemented. The workers that felt the numerous executives and apparatchiks introduced by the Associated Labor were hiding their incompetence behind the collective decision-making, while the enterprise was sinking into anarchy. The lack of responsibility shown by the governing functionaries and the administration were then allegedly reflected inside the production halls, through the reckless use of the tools, waste and misappropriation of social property.

The top professional management seemed best-positioned to discipline the mid-level executives and the growing bureaucracy. Despite the underlying tension with the management, the blue-collar workers seemed to be ready to identify with the enterprise as a whole and stand behind the directors and specialists in their calls for more enterprise autonomy, greater accountability and the setting of clear business perspectives. In March 1983, IMR's Vehicle BOAL Assembly demanded that the General Director took full responsibility for the chronic failure of the enterprise to reach agreements on business plans. According to the Vehicle workers, if one department, or a group of people within it, were blocking the decision-making process, than the entire factory should apply pressure and determine concrete responsibility: "Each year the financial plan is late. As a BOAL we raise our objection. Who is deceiving the working people? Somebody has to be held responsible for this delay".⁴⁹⁷



Picture 7: TAM BOAL executives pointing their fingers at each other

⁴⁹⁷ Zapisnik sa Zbora radnika OOUR Vozilo, XX Zbor, 18. mart 1983, tačka 2.

The TAM cartoon above reveals the same sentiment.⁴⁹⁸ The General Director asks the lower-level executives to identify the source of delays in production. The objective assessment is lacking, however, as each BOAL director points the finger at the person standing next to him. The bureaucracy was seen as a pricey superstructure, hampering decisive managerial decisions, which could increase the factory income. IMR's young party activist Momčilo Plećaš put it bluntly in 1987 when he addressed the higher party forums with the words, "Give us back our income and we will hand you back self-management".

In 1986, the TAM professional Jože Čuješ wrote a series of articles in the factory paper arguing that the industry had to free itself from "tutorship and intermediaries". According to him, workers needed "true democracy" instead of "small circles, which base their authority on positions of power".⁴⁹⁹ This call for an industry free of middlemen and the supervision allegedly exercised by tiny groups without democratic legitimacy, was a clear blow against the self-management and socio-political apparatus of the factory, as well as a recollection of a time when the workers and the general management had a communication that was more direct. That same year, in an interview for the IMR paper, a skilled worker from Maintenance summed up the workers' hostile attitude against self-management and their readiness to extend support to their professional management:

It is about time that we make a distinction between self-management and proper management. When I say this, I refer to people who act as if they possess unlimited authority once elected to governing or socio-political positions. Apart from this, I am tired of the constant bickering between the self-management structures and various socio-political organizations. They act as if we are not all in the same boat. I support granting greater powers to professional management, but this should be followed by greater accountability.⁵⁰⁰

⁴⁹⁸ Additional cartoons depicting the absurdities of Associated Labor are presented in the Appendix 2, at the end of the chapter.

⁴⁹⁹ Jože Čuješ, "Ni mogoče taktizirati s samoupravljanjem in hkrati ohraniti oblast", *Skozi TAM*, March 1986, 12.

⁵⁰⁰ D. Žujović, "Najpre menjati ponašanje", *IMR*, April 8, 1986, 2.

5.2. The Stolen Golden Apples

The economic liberals were not the sole challengers to the mainstream political understandings inherited from the 1970s. The inability of the communists to step forward with an unambiguous message and set the trend within society provoked the intelligentsia of all shades to start searching for answers, independently of the indecisive and weakened party-state. Inside Serbia, the formation of what was to become known as the ‘nationalist intelligentsia’⁵⁰¹ started in the early 1980s, with a wave of cultural production, which questioned the official narrative of historical events. In 1984, the Croatian LC Central Committee published a lengthy document listing and describing various theatrical plays, novels, films and aphorisms, containing “politically unacceptable messages”. The vast majority of this production, which aimed to find answers to existing social tensions by reviving the collective past, took place in Serbia and Slovenia.⁵⁰²

According to Nick Miller, these artists were “engaged in the project of engineering a collection of new truths in a failed era”.⁵⁰³ The idea of the nation as the prime subject of history was slowly replacing the notion of class in the public consciousness. One of the most widely read writers in Serbia, Dobrica Ćosić, perfected the imagery of Serbs as the victimized nation. In his novels, the Serbs were the ones bearing the main brunt of the socialist project and receiving the least in return. The Serbian nation entered the revolution and adopted the communist ideology in massive numbers, naively believing that the Yugoslav identity would spread beyond the old Balkan ethnicities. At the same time, other nations were allegedly using socialist Yugoslavia as a cover for their selfish aims of nation building. The condition of the decentralized and dysfunctional Yugoslav state, where each republic protected its particular set of interests, could be relied on to support this thesis. Consistent with Ćosić’s understanding, the Serbian people had

⁵⁰¹ See: Jasna Dragović- Soso, *Saviors of the Nation: Serbia's Intellectual Opposition and the Revival of Nationalism* (London, McGill-Queen's University Press, 2002).

⁵⁰² See: Kosta Nikolić, Srđan Cvetković and Đoko Tripković, *Bela knjiga — 1984: Obračun sa „kulturnom kontrarevolucijom“ u SFRJ* (Belgrade: Službeni glasnik, 2010).

⁵⁰³ Nick Miller, *The Nonconformists: Culture, Politics, and Nationalism in a Serbian Intellectual Circle, 1944–1991*, 348.

to free themselves from Titoist dogmas, rediscover their cultural essence and create a new modernizing program in touch with the times. This task was picked up by numerous artists who sparked the collective imagination by taking fresh approaches to old historical topics and discovering ‘hidden truths’, now finally available for discussion outside of the privileged party circles.

In 1985, for instance, a well-known painter, Mića Popović, dedicated a gigantic canvas to the ‘Martinović affair’ – a bizarre incident, which sheds light on the levels of hysteria present in the Serbian media at the time. The incident took place in Kosovo in May 1985, where a Serbian farmer, Đorđe Martinović, was found in a field with a broken bottle in his anus. The exact circumstances surrounding this case were never discovered, as it became an inflammatory political issue exploited by the yellow press. The initial medical analysis in Kosovo concluded the injury was the result of an accident during masturbation, but the Belgrade-based nationalist intelligentsia denied this, claiming that Martinović was in fact attacked and tortured by his Albanian neighbors. Mića Popović gave the incident religious dimensions by portraying Martinović as a Christ-like figure nailed to a cross, surrounded by Albanians.⁵⁰⁴ The autonomous region had been under the spotlight of the Serbian media ever since the 1981 street protests of local Albanians and the following state of emergency. The discussions were taking place in an atmosphere of heightened ethnic tensions in Kosovo and claims that the Serbian population was being forced to move out of the province under pressure from Albanian separatists.

The political articulation of the massive amount of oppositional themes produced by the dissidence of early to mid-1980s was made possible by a document drafted by the Serbian Academy of Arts and Sciences, popularly known as the Memorandum. The document was leaked to the press before it was finished, in September 1986, and instantly gained notoriety as the political platform of Serbian nationalism. The Serbian party banned its further publication and started a campaign in the local branches for condemnation of its content. The historiography usually focuses on the second part of this lengthy document, entitled ‘The Status of Serbia and the Serbian Nation’. This section dealt with the Serbian national question under the 1974

⁵⁰⁴ Nicholas J. Miller, “Reconstituting Serbia, 1945–1991”, in Melissa K. Bokovoy, Jill A. Irvine and Carol S. Lilly, eds., *State-Society Relations in Yugoslavia 1945-1992* (New York: St. Martin’s Press, 1997), 305.

Constitution, bringing together some of the main pillars of the nationalist mythology created in the cultural circles during previous years, and arranged them into a coherent narrative. However, it was the economic and social analysis found in the first part of the document, entitled ‘The Crisis in the Yugoslav Economy and Society’, which managed to connect these transcendental themes of historical victimization to concrete grievances of people in their homes and work places.

The Memorandum insisted that the 1974 Constitution betrayed the original concepts of the united Yugoslavia set up during the Partisan-led struggle against fascism. The splitting of the federation into six republics and two autonomous provinces created eight separate markets at odds with the demands of rational economic behavior. This tendency towards decentralization was matched inside the enterprise with the implementation of the Associated Labor Act. The economic efficiency and workers’ democracy were allegedly subordinated to the interests of political bureaucracies, holding a monopoly on power in the republics, provinces, municipalities and single enterprises. This overstaffed apparatus suffocated economic incentives and made Yugoslavia lose step in the technological advance with the economically highly-developed nations. The country’s twisted institutional set-up and illusions about a contractual economy left no room for the market or the planning function of the central state. The answer was a modern, unified state, where the rules of the game are simple and constant: a new, centralized Yugoslavia, where, instead of the selfish elites masked behind ethnic interests, the state officials would be elected based on competence and decisions made in accordance with calculated costs and gains.⁵⁰⁵

The Memorandum was a mixture of different ideological strains that had been circulating among the Serbian intelligentsia in the previous decades. The document reflected the clear influence of liberal economic experts in its demands for the greater role of the market and an efficient state apparatus based on meritocratic principles. On the other hand, it also carried smaller vestiges of the left-wing opposition from the 1960s, proposing, for example, the extension of the power of workers’ councils through the introduction of the Chamber of Associated Labor in the Federal Assembly. The third and most dominant ideological streak was that of Serbian nationalism.

⁵⁰⁵ The full text of the Serbian Academy of Science and Art’s *Memorandum* can be found in: Slaviša Lekić, Zoran Pavić, *VIII Sednica CK SK Srbije: nulta tačka „narodnog pokreta“*, (Belgrade: Službeni glasnik, 2007).

Unlike the economic liberals, for the nationalists, the question of the choice of development strategy, between the market or the planned economy, was secondary to constitutional reforms and the centralization of the state. Serbia was allegedly suffering the most under the existing federal set-up, since it was the only republic inside of which two additional autonomous regions had been created. It was now incumbent upon the Serbian people, as the most numerous and allegedly the most humiliated nation in Yugoslavia, to regain the sense of political direction and lead the country towards the necessary reforms. In contrast to the main oppositional direction of the 1960s and 1970s, when reforms were connected with the greater role of the working class, the democratization of the country and economic progress were now put into the context of national homogenization.

In March 1987, the President of Rakovica's Municipal League of Communists boasted in front of the City Central Committee that, "unlike downtown", in his municipality, "there are no influences of bourgeois right, religion or nationalism".⁵⁰⁶ Yet, there is plenty of evidence showing that the blue-collar neighborhoods did not lag behind the city center when it came to the spread of oppositional themes. Already in the mid-1970s, the IMR paper warned its readers about the spread of religious influence in the municipality. The articles stressed the increased activity of the Serbian Orthodox Church as well as smaller religious groupings, such as the Adventists and Scientology.⁵⁰⁷ Interestingly, religion did not have a prominent place in the Serbian oppositional discourse of the 1980s and Rakovica's workers showed no public signs of a greater connection to the church. On the other hand, as shown by the discussions around the 13th Session of the LCY Central Committee, the controversial political and economic questions, such as the position of Serbian minority in Kosovo, the national divisions inside the party-state, social inequalities, illegal appropriations of social property and the atomizing nature of Associated Labor, were stirring much emotion inside the factories.

The Memorandum polemic did not bypass Rakovica. An interview in the Serbian trade union paper *Rad* with a group of Belgrade shipbuilding workers recorded the following when

⁵⁰⁶ Slobodan Avramović, "Šta traže radnici", IMR, March 31, 1987, 4.

⁵⁰⁷ Ž. Adamović, "Dušebrižnici", IMR, October 1, 1975, 5.

discussing the Memorandum: “The banned or condemned books are the ones read the most. In our factory, this is also the case. Everybody knows who has the book, how much time one can keep it and to whom it goes next”.⁵⁰⁸ It is hard to imagine that the same practice was not taking place in Rakovica. The City Central Committee had sent out cadres to explain the nationalist essence of the document in the local party branches, but IMR party members found it hard to make out exactly which part of the document they should condemn. The ideas put forward in the Memorandum were the same ones that had been circulating for years in the press, through official and oppositional discourses. Throughout the decade, parts of the Serbian party integrated bits and pieces of the nationalist and liberal opposition agendas into their own body of ideas. By this time, for many, this was simply common knowledge put on paper. The fact that the document was banned only increased workers’ curiosity to read it. The IMR party Action Conference asked the city party to distribute the document, so that they could see for themselves what they were voting against.⁵⁰⁹ The IMR LC Action Conference finally passed the resolution condemning the Serbian Academy of Arts and Sciences, but instead of creating a consensus against the nationalist ideology inside the factory, the whole initiative ended as another hollow resolution passed against the will of the workers.

With the Memorandum, for the first time various strains of public criticism and firsthand experiences with the system were summarized in a common explanatory narrative. The conviction spread across the social layers inside Serbia that disintegrative processes had gone too far and were threatening to obliterate Yugoslavia. All particular grievances could now be integrated into this general frame. The impasse created by BOAL structures inside the factories was paralleled with the decentralized nature of the state as a whole. Numerous workers started describing their enterprises as a ‘mini federation’.⁵¹⁰ As the former Rakovica youth activist, Radoš Karaklajić, remembers: “either secretly or openly, upon reading the fragments of the

⁵⁰⁸ See: “Izdeli pa vladaj”, Rad, October 31, 1986.

⁵⁰⁹ D.Ž., “Brže rešavati probleme na Kosovu”, IMR, November 25, 1986, 2.

⁵¹⁰ See, for instance, excerpts from the speech presented at the Yugoslav Trade Union Federation Congress by the IMR delegate, published in: S. A., “Konzensus kao smetnja”, IMR, April 28, 1986, 2, as well as the previously used citation in this chapter on page 2, where an IMR worker also uses the term ‘mini federation’ when describing the factory.

Memorandum, workers immediately recognized ‘this is it!’.⁵¹¹ The broader sectors of Serbian society could finally break the cryptic code of party proclamations, put their finger on something concrete and locate the guilty parties.

The breakthrough of dissident themes into the media and the party certainly made it easier for workers to openly raise sensitive issues and form a more coherent political line, but it would be wrong to think the oppositional language was entering the factory primarily from the outside. The metaphor of a work organization made up of BOALs as a ‘mini federation’ or the idea of the introduction of the Chamber of Associated Labor into the Federal Parliament had been in circulation in Rakovica for months, if not years, before the publication of the Memorandum. The presence of migrant workers from Kosovo in Rakovica’s factories ensured that local forums were engaged specifically in debates around Kosovo well before the province and its Serbian population became an obsession for the Serbian press and nationalist-minded intellectuals.

In the summer of 1982, a joint team of Albanian and Serbian communist functionaries, led by Kosovo’s LC President, Sinan Hasani, and the President of Belgrade City Committee, Ivan Stambolić, visited IMR to discuss the economic ties between Rakovica and Kosovo enterprises as well as the recent street clashes in the southern Autonomous Province. The meeting was organized primarily for the local party officials and the factory management. However, the workers showed a great interest in the event and joined the discussions. For them, it was an opportunity to push for popular demands, summed up by the factory press as “the protection of the Serbian minority in the province and a full disclosure of the protest instigators”. The Kosovo migrant workers of Serb origin contributed to the disquieting tone of the proceeding with first-hand accounts of the difficulties their families were facing back home. One worker demanded that the authorities prevent further immigration of Serbs from the region and warned “patience has limits”. The trade union representative said that the workers were “revolted with both

⁵¹¹ Interview with Radoš Karaklajić (President of the IMR Socialist Youth/President of the IMR Central Workers' Council), March 2011.

Albanian and Serbian chauvinism and especially with instances of people becoming rich overnight”.⁵¹²

The rejection of nationalism on both sides and the switching of the focus to the class divide, as the primary cleavage inside Kosovo, was more than a forced attempt by the trade union officials to channel the discussion toward officially-accepted tropes. As the discussion in the meeting evolved, contributions from the floor also seem to have moved from ethnic relations toward the issue of “easy enrichment”. According to these views, the Albanian and Serbian working classes had the same interests and understood each other very well in everyday concerns, but were temporarily cut off from each other by the national-coloured and corrupt techno-bureaucracy. The two interviews conducted with IMR workers by the Serbian weekly NIN and the factory paper in 1985 and 1986 respectively show a similar reasoning:

I am afraid that much of the funding that went for the faster development of Kosovo ended up being used for some other purposes. Many of my colleagues are of the same opinion. I am also convinced that many federal functionaries, as well as those in the province, knew what was coming and yet they kept quiet. We placed misled kids into the courts...The counterrevolution is gaining ground thanks to Yugoslav disunity. I mean the disunity of the leadership, not the people...I met some Albanians during the time I served in the army and I remember them as honest, very dear people. In my building hallway, over there in Rakovica where I live, there is a person named Nebih [presumably an Albanian] and his family. A great man, a father, a husband, a neighbour...I do not see so many nationalists and so much nationalism as it is portrayed. Sometimes I end up thinking that the source of the matter is exactly those people who push these stories – they are the ones trying to be camouflaged behind them.⁵¹³

People talk a lot about Kosovo and you see that they are hurt inside and revolted by the fact that it came to this...especially by the fact that those most responsible for the

⁵¹² “Neophodna je pomoć svih”, IMR, June 22, 1982, 2.

⁵¹³ The interview was reprinted in full on the pages of the factory paper, see: Svetislav Spasojević, “Opori optimizam”, IMR, February 5, 1985, 6.

situation are escaping without punishment. Nationalism is the result of the fact that we have a bunch of demigods who play the role of protectors of their people from the neighbors. They make their population content by initiating conflicts with other nations.⁵¹⁴

The quotations above show how the workers still stuck to traditional concepts of national equality and class solidarity. The weakening of ‘brotherhood and unity’ and the waning influence of the working class and the party-state were seen as the chief factors contributing to national divisions. For most workers, the main problem was not the dwindling of Serbian national rights, which presumably came together with the 1974 Constitution and political decentralization, but the conditions this new institutional set up had created for the build-up of bureaucracy and the looser control that the authorities had over illegal, private appropriations of social property. There was thus a clear tendency inside the factory to view nationalism as a secondary product of a political alliance between local managerial elites and lower-level party bureaucracies, both trying to protect their self-serving interests.

The political imaginary inside the factories therefore differentiated itself in many ways from the oppositional discourse of the nationalist intelligentsia. The workers shared the general concern about the Serbian minority in Kosovo and appeared appalled by what was officially considered a ‘counterrevolution’ carried out by Albanian irredentists. However, unlike the intelligentsia, they saw the strengthening of the party and a return to the ideology of brotherhood and unity as the solution. The antidote to Albanian nationalism was not seen in the greater unity of the Serbian nation, but in the insistence on the classic Titoist formula of more integral Yugoslavism and the strengthening of class-consciousness. In the sphere of economics, instead of more market and meritocratic principles, the workers focused on the fight against the misappropriation of social property and a reduction of social inequalities. The key to resolving the crisis was the unity of the people (*narod*) beyond national borders, achieved through the unanimity of the federal communist leadership. Finally, the grand political themes were seen as important, but they were rather abstractly connected to the everyday factory problems.

⁵¹⁴ Mića Milošević, “Radnici neće žedni preko vode”, IMR, July 29, 1986, 6.

A decisive shift in the way political problems were discussed inside the factory came in the course of 1986 and 1987, when the management started more confidently connecting the enterprise's business problems with broader political issues and the nationalist discourse penetrated the factory's socio-political organizations. The upcoming managers of the blue-collar BOALs and the younger party activists were the main transmitters of this new language. The first public sign of an attempt to connect IMR's business problems to the allegedly subordinated position of Serbia inside Yugoslavia can be traced back to the already described exchange of opinion letters in the factory press between the white-collar departments and Vehicle executive Strahinja Kostić in 1981. The dilemma faced by the factory at that time was choosing between an orientation toward larger market conglomerates, initiated by final producers such as TAM, or continuing with the development of its own final products. In order to back up the latter choice, Kostić described a long list of favors that IMR had allegedly given over the years to the state and other factories, sacrificing its own interests in the process. His open letter referred to them as "our golden apples", namely technological transfers and economically unsound agreements that the IMR made, led by higher political decisions.⁵¹⁵

With Kostić's ascendancy to IMR's general management in 1986 and his inauguration as the General Director in 1987, this type of self-victimizing language became pervasive. In March 1987, the distinguished daily paper *Politika* ran an interview with Kostić in which he summarized IMR's historical path from a factory with airplane manufacturing technology, to a truck and tractor producer, to an underfunded intermediate manufacturer of engines for other final producers. He gave a long list of unfavorable deals that the factory had concluded with other enterprises, but the original sin, the first and the most important of the alleged harmful political decisions against IMR, was clearly the transfer of truck technology to Slovenia in 1950. "We are not burdened by borders, but people, knowledge and money exited our factory too easily", Kostić concluded.⁵¹⁶ The local executives therefore started projecting their own micro

⁵¹⁵ Strahinja Kostić, "Naše zlate jabuke", *IMR*, March 31, 1981, 6.

⁵¹⁶ "Drugi o nama: Kako do evropske akumulacije", *IMR*, March 31, 1987, 6.

historical account of the factory and its alleged ill-treatment, by the centers of political power, into the broader narrative of Serbia's neglect inside of Yugoslavia.

The discourse on Kosovo and the federal leadership was also changing. In the winter of 1986, the IMR LC Action Conference expressed the bold opinion that the top party-state leadership was incapable of resolving the problem of Kosovo. However, the meeting conclusions pointed out that this criticism did not apply to the Serbian LC. According to IMR communists, what Serbia needed above all was internal unity. The Conference also mentioned the reform of the Yugoslav Constitution as the chief condition for the further development of self-management and provocatively invited the City Committee to inform the communists about the content of the Memorandum.⁵¹⁷ IMR communists were obviously exerting pressure on their own republican leadership, trying to see how far it was willing to go in appropriating the oppositional discourse. The insistence on the common Yugoslav transformation platform and working-class solidarity had been traded for the support of one's own republic inside the federal arena and the unity of all the pro-reform forces inside of Serbia. The further evolution of self-management would not come from the strengthening of blue-collar interests inside the industry, but the constitutional changes reshaping the balance of forces between different republics.

As we have seen, IMR's management connected the issue of Kosovo more closely to the debates about factory profitability and orientation to the market by demanding autonomous control over the enterprise fund for the underdeveloped regions. In March 1987, IMR's delegate in the Serbian Chamber of Associated Labor, Milorad Despotović, showcased how the factory elite combined the nationalist agenda and demands for market reform. He claimed the Serbian proposal for more control over the funds it dedicated to Kosovo via the federation was rejected by the Yugoslav Parliament because, in contrast to the Kosovar delegation, its representatives were not speaking with a united voice. Despotović claimed that the Kosovo aid funds were not used for productive investments but ended up in villas, and he raised the issue of high birth rates of the Albanian population. "Why don't we separate the funds for those regions and parts of the

⁵¹⁷ D.Ž., "Brže rešavati probleme na Kosovu", IMR, November 25, 1986, 2.

industry that are prosperous, from those that can push us upwards, instead of constantly tying weights around our legs and sinking deeper”, he concluded in his address.⁵¹⁸

The women’s organization also took part in promoting the new nationalist consciousness. The paintings of Mića Popović were exhibited inside the factory in 1987, as a part of a larger exhibition of popular Serbian painters organized by the women’s Aktiv.⁵¹⁹ That same year, the women’s organization issued an emotionally charged proclamation after an amok incident took place in the Yugoslav Peoples’ Army barracks in Southern Serbia, where one Albanian recruit killed five of his fellow soldiers.⁵²⁰ The protest letter was not written from the position of the female workers, but that of mothers standing up for their sons. It stated, “Today, just as during World War Two, we will not allow the enemy to kill our youth”.⁵²¹

The examples above show that the language of the factory elites was changing. However, what about the understandings of the ordinary workers? Did they follow the trend at the same pace and with the same intensity as their representatives? As we will see in the next chapter, many workers, especially the older ones had a hard time adjusting to these new lines of reasoning and continued raising their voices along the old themes of class unity. Yet, for a great number of others the shift in emphasis from class to nation opened up new possibilities to frame dissatisfaction from the perspective of kinship, motherhood or the generation gap. Popular historical memory was also expanded backwards beyond the Partisan war, and with it the possibilities for claiming different lineages, discovering new sources of legitimacy and drawing fresh parallels. Workers who stemmed from the families or areas not aligned with the communist movement during World War Two or younger workers, who simply could not identify with the ruling ideology, certainly found this discontinuity inspiring and liberating.

⁵¹⁸ D.J., “Kako se koristi pomoć”, IMR, March 3, 1987, 2.

⁵¹⁹ In 1989, the factory paper recommended to its readers that they visit the new retrospective exhibition of Popović’s latest phase, praising it as the “socially engaged painting of a new type”. See: M. Nikolić, “Izložba Miće Popovića”, IMR, February 7, 1989, 7.

⁵²⁰ It was never concluded if the amok was in any way motivated by ethnic hatred. The murdered recruits came from different parts of Yugoslavia, yet many papers inside Serbia presented this incident as a terrorist attack by Albanian separatists directed against the Serbs.

⁵²¹ “Oštar protest radnica IMR-a”, IMR, September 15, 1987, 7.

Strahinja Kostić resigned from the position of General Director in the summer of 1988 at a time of increasing pressure from the factory party.⁵²² A couple of months later, 500 workers organized a visit by the former director to the factory on their own initiative. On this occasion, they presented him with a gift – a large portrait of the leader of the First Serbian Uprising against the Ottoman Empire.⁵²³ The choice of the painting went against the tradition of identifying the cause of blue-collar workers as an extension of the Partisan struggle. Instead, it chose to connect the shop floor combativeness with the fight for the national liberation of the Serbian people in the 19th century.

5.3. The Diligent Ones

Being ethnically the most homogeneous republic, in the first three decades after World War Two Slovenia showed few signs of political mobilizations based on national identity. If the government in Ljubljana had launched campaigns with demands for national rights, it was mostly in relation to Slavic minorities in Austria and Italy, not the position of Slovenes in the Yugoslav federation. However, a Radio Free Europe research piece, based on a six-month survey of the Yugoslav press during 1983, reported on a growing trend of national homogenization inside the most prosperous republic:

...this small nationality's cultural and economic achievements shaped by sober and rational attitudes toward life and work, that are typically Central Europe and not Balkan, have spawned a sense of common purpose coupled with a *covert* [emphasis added], but strong feeling of nationalism.⁵²⁴

The fact that Slovene nationalism came across as “covert” was probably due to its entanglement with criticism of political centralization and state interference in the economy – ideas that had been the mainstay of Yugoslav socialist ideology since at least the early 1960s, and therefore a

⁵²² The exact reasons for his resignation remain unclear. The party meetings show the communists were unsatisfied with his pace of enterprise restructuring, but there could also be other factors in play, such as Kostić's tone in the media.

⁵²³ “Strahinja među svojima”, IMR, November 11, 1988, 6.

⁵²⁴ Steve Reiguam, *Is Slovenian Nationalism on the Rise?*, Radio Free Europe Research, RAD Background Report, number 190 (Yugoslavia), August 9, 1983.

legitimate public grievance. Unlike the Serbian wave of national revival, Slovenian nationalism did not draw inspiration from the alleged harm done against its people in the past, but from the higher productivity of its economy and calls for democratization along the lines of liberal democracy. Unofficially however, economic success and democratic potential were also increasingly being related to culture, mentality and national heritage.

As the editor of *Mladina* magazine, Miha Kovač, noticed – the Yugoslav political edifice encouraged particularistic and ‘nationalized’ interpretations of universal demands for democratization. The nationally defined republics were the main political subjects licensed to introduce changes into the system. The idea of progress and democracy was increasingly related to Western European cultural traditions, to which Slovenes had allegedly been most thoroughly exposed to through history, in comparison to the other Yugoslav nations, which were geographically located more to the East. According to such views, the Serbs belonged to the traditions of Byzantium and ‘Oriental despotism’, the influence of which was slowing down Slovenia’s further modernization.⁵²⁵ The inability to influence the federal legislature directly, the threat of Serbian centralizing nationalism, and a relatively privileged economic position – all of these factors created a fertile ground among the local population for the spread of conservative, isolationist sentiments and orientalist prejudices against the inhabitants of the less developed republics.

Since ethnic nationalism was disqualified as a valid political language, defenders of regional interests were forced to connect their national grievances to officially recognized themes in the ruling ideology. In Belgrade, nationalists were referring to the protection of the minority rights of Kosovo Serbs in the face of the allegedly-estranged local bureaucracy. In Maribor, the economic and political elites were drawing attention to the disregard for the principle of ‘distribution according to the results of work’ by the central state. The operating law of value was an accepted mechanism of allocation in the socialist market, supposed to reward those who work better and incite economic growth. By projecting national interests through issues such as the defense of the decentralized state architecture, more political freedoms and the market, Slovene functionaries

⁵²⁵ “The Slovene Spring: Interview with Miha Kovač”, *New Left Review*, 1/171, September-October 1988, 119.

and intellectuals could place themselves in the roles of modernizers, in touch with the most industrious traditions of Yugoslav socialism, without the risk of easily being dismissed as nationalists.

The main target of public criticism inside Slovenia was the long-standing and most visible institutionalized mechanism for wealth redistribution in the country – the Federal Fund for Accelerated Development of Underdeveloped Republics and Kosovo. In the aftermath of the 1981 street protests by Kosovo’s Albanians, Slovenia’s high-ranking functionary Matija Ribičič condemned the usage of force by the federal state, but he was also quick to connect the “excess” of Albanian national aspirations with economic development based on budget funding and the mechanism of aid for less developed republics. He used the crisis in Kosovo as a starting point for general criticism of the economic system, stating that: “there are many people who work poorly and earn a great deal and others who work well and earn little.” Ribičič concluded that Slovene workers were unsatisfied with seeing the results of their work used to cover the poor work of other people.⁵²⁶

Six years later, the idea of productive, and therefore self-sustaining, nations, on the one hand, and indolent, supported nations, on the other, was used by the philosopher Ivan Urbančič to draw more far-reaching conclusions on the pages of the 57th issue of the journal *Nova Revija*. For Urbančič, the Yugoslav socialist state was kept alive by a harmful symbiotic relationship between the LCY and the “new nations” – ethnic groups whose national identity flourished after World War Two, but which were allegedly still not confident enough to live on their own, without the system of wealth redistributions.⁵²⁷ The communist authorities sustained permanent underdevelopment since this created the need for their patronage. The only exit from the impasse, therefore, was the advancement of “positive nationalism”, which would free different Yugoslav ethnicities from the tutelage of the trans-national communist elite and enable them to

⁵²⁶ Slobodan Stanković, *Slovenian leaders against draconian prison sentences in Kosovo*, Radio Free Europe Research, RAD Background Report, 278 (Yugoslavia), September 28, 1981.

⁵²⁷ The term ‘new nations’ here refers to those ethnic groups whose process of national identity formation lagged behind the three “old” nationalities in the region (Serbian, Croatian and Slovene) and whose national rights were not fully recognized in the first Yugoslavia; for instance: Albanians in Kosovo, Macedonians in Macedonia or Muslims in Bosnia and Herzegovina.

transform into full-fledged nations, with independent nation-states and full democratic rights of their citizens.⁵²⁸

Nova Revija was established by a group of dissident intellectuals in 1982 with the aim of providing Slovenia's critical-minded writers with a new platform after the relative passivity and intellectual conformism of the 1970s. The first issues focused on literary themes and the defense of artistic freedoms, but by 1985, the authors associated with the journal began to perceive themselves as champions of Slovenia's national interests and cultural heritage. The 57th issue, suggestively entitled 'Contributions to the Slovene National Program', was published in 1987 as a direct answer to the Serbian Memorandum. Allegedly, the Serbian cultural elites had already defined their national goals and it was only right that the Slovene nation does the same. According to the nationalist intelligentsia, Slovenia had to resolve its identity dilemmas at the crossroads of a new cybernetic and information era. There were apparently three ways ahead. Slovenes could either become a minority inside a unitary Yugoslavia or they could keep their status as sovereign state inside of a modernized federation. However, the third option, previously a taboo, was now also placed on the table. The republic could declare independence and separate from Yugoslavia. The first scenario was unacceptable. The middle solution seemed the least realistic one. Most authors openly leaned toward the third option.⁵²⁹

It would be wrong to assume that the ideas put forward on the pages of *Nova Revija* were able to animate the public beyond a relatively small circle of people who followed the debates inside the cultural institutions and critical intellectual journals. In its 1987 report, the Council for the Protection of Constitutional Order, a security organ of the Presidency of the Socialist Republic of Slovenia, confidently concluded that the group gathered around the journal was not spreading. On the contrary, the document argued that it was going through a process of "internal differentiation".⁵³⁰ In other words, the nationalist intelligentsia was still isolated from the broader layers of society and lacked internal coherence and political clarity. Thus, when it comes to

⁵²⁸ Quoted from: Dejan Jovič, *Yugoslavia: A State that Withered Away*, 318-322.

⁵²⁹ Dejan Jovič, *Yugoslavia: A State that Withered Away*, 315-317.

⁵³⁰ Božo Repe, *Slovenci v osemdesetih letih*, 36.

workers in Tezno, the main transmission belt of the nationalist ideas should be looked for inside the factories.

Unlike a layer of Kosovar workers in Rakovica, the blue-collar citizens of Tezno, born after World War Two, had no firsthand experience of open nationalist contentions and ethnically-motivated social unrest. In their immediate surroundings, the issues of inter-ethnic relations was related to the non-Slovene speaking, migrant workforce inside of Maribor's factories. In 1983, Sliva Mežnarić, a researcher within the Slovenian Confederation of Trade Unions, noticed how "uncontrolled migration" in Slovenia caused many "personal and social conflicts", adding that: "the share of those who say that there is a threat to the Slovene language and way of life has been rising drastically in the last few years".⁵³¹ Any public expression of ideas, which collided with the official motto of the 'brotherhood and unity' of Yugoslav nations, was bound to be met with strong moral condemnation at any rate, if not legal consequences. It is thus hard to track sentiments on the ground, directed against 'southerners', as the immigrant workers were colloquially called inside Slovenia. This is even harder to do inside the factories, where revolutionary values of working class solidarity were propagated with special fervor. Yet, the research came across a few instances of more open nationalist attitudes in the factory milieus, which could be indicative of the multiple ways in which the general nationalist themes could have been integrated into workers' everyday complaints.

As already shown, climbing up the enterprise job hierarchy with the help of political positions was one of the most despised practices on the shop floor. In his autobiography, France Tomšič, a trade-union leader at Ljubljana-based Litostroj heavy machinery manufacturer, recalls that one of his main complaints in the mid-1980s was that the top positions in the enterprise party branch as well as the self-management organs were disproportionately occupied by the 'southerners'. There is no data indicating if migrant workers were more active inside TAM's socio-political organizations than their Slovene colleagues were. Keeping in mind that party membership quotas were higher in the southern republics, it is possible that migrant workers brought this political

⁵³¹ Quoted in: Steve Reiguam, *Is Slovenian Nationalism on the Rise?*, p.2.

culture along with them. Furthermore, it is possible that migrant workers saw political engagement as a way to establish themselves in the new surroundings.

The issue of language could also be used to emphasize the difference between “them” and “us”. As we have seen, the party educational material in Borba’s federal campaign to include blue-collar workers in political work was not available in the Slovene language, thus limiting its spread among TAM’s workers. Ever since 1975, TAM’s factory paper was published in a Serbo-Croatian edition in order to reach workers in BOALs outside of Slovenia. The trade unionist and youth activist Drago Gajzer remembered an instance of a worker complaining in the self-management meeting about the decision to dedicate extra resources for the paper translation. The worker argued that Slovenes learn Serbo-Croatian in schools and asked why workers in other republics do not bother to learn some Slovene.⁵³²

These were all, however, minor, everyday frictions between workers of different backgrounds, which lacked the potential to open the doors to a widespread embrace of nationalism. If one seeks to find more nationalist-colored sentiments with the potential to mobilize the enterprise as a whole, the public statements of the factory higher forums would be a more suitable place to look. TAM’s executives, and even its socio-political functionaries, were reluctant to discuss controversial political issues. In Tezno, nationalism was invoked to rally the local workforce behind the management and the interests of their own republic when it came to very concrete issues, but rarely high politics. As we have seen in the previous chapter, two of the most pressing issues for TAM’s blue-collar workers were production disruptions due to the insufficient supply of work materials, and increasing wage differentiation. In order to put themselves beyond criticism and invoke enterprise unity, the factory officials often connected these grievances to the dysfunctional nature of the Yugoslav economy, redistributive macroeconomic policies, and the allegedly discriminated position of TAM in relation to other companies.

The management did not hesitate to criticize TAM’s suppliers from other republics on the pages of the factory press whenever the shipments were late or of unsatisfactory quality. The business

⁵³² Paraphrased by Drago Gajzer (TAM’s League of Socialist Youth activist) in an interview with the author, in Maribor, April 2013. Gajzer also claimed that the police questioned the worker after he raised this issue inside the factory. No written sources were found to confirm this incident.

partners were, therefore, receiving the brunt of blame for the waiting times on the production lines. As one of the largest partners and a supplier of engines, IMR was a particular target of criticism.⁵³³ In February 1983, KPO member Maksimilijan Senica depicted the factory subcontractors as “extortionists” due to constant price hikes and demands to raise their share in the hard currency earned through export.

How long will we live under political solutions where some continuously extort, while others only give? In this mess, nobody respects self-management agreements and similar documents any longer. For how long will we continue to look for loopholes in the law and abuse it, meaning to ignore it and compete over who lives better without work, while others pick up the bill? Due to its size, status as well as well-defined goals, TAM is one of the work organizations exploited by many who live well on its account.⁵³⁴

The cartoon taken from TAM’s paper below shows a tug-of-war between the TAM workers and their suppliers. The providers are presented as more numerous and more corpulent, in other words stronger than TAM. The management spread this type of imagery in order to focus the frustration of ordinary workers outwards. In reality, as a large final producer TAM was in a position to dictate its own conditions on the market.



Picture 8: Tug-of-war between TAM and its suppliers

⁵³³ See for instance: B.M. “Je li kraj neizvesnosti?”, *Skozi TAM* (Serbo-Croatian edition), October 1979, 1. or M.P. “IMR Rakovica nas koči”, *Skozi TAM* (Serbo-Croatian edition), October, 1984, 7.

⁵³⁴ Danilo Vincetič, “Iz rada KPO”, *Skozi TAM* (Serbo-Croatian edition), February 1983, 4.

The factory trade union was in particular very active in propagating local interests and calling for protectionist policies. As early as April 1983, the annual conference of TAM's unionists asked their delegate in the Slovene Trade Union Confederation Council to issue louder criticism of the Federal Government and its taxation of Associated Labor, or of Slovene industry to be exact. The contributions from the floor carried a clear theme of the defense of national interests. Slovenia was presented as too small and politically weak to resist the harmful policies of the federal administration. The union officials fought energetically against all administrative reductions in wage ranges, arguing this would reward workers in less-developed regions and punish the more productive Slovene enterprises. The other republics were allegedly raising wages regardless of the failure to reach the planned business results. The loss-making factories were seen as the main wrongdoers. Wage raises in other republics were directly connected with growing poverty and hardship inside Slovenia. The Conference delegates agreed that Slovenia was lagging behind other republics and concluded that, if this dynamic continued, the republic might find itself among the underdeveloped regions of Yugoslavia.⁵³⁵

The strategy of TAM's management and the trade union were thus very similar to the ones previously described in Rakovica. However, there are important differences. First, IMR's forums started with public self-victimization and accusations against the business partners from other republics in the second half of the decade, once the first ideological cracks started to appear in the Serbian LC. In Tezno, the strong language directed against the suppliers was in use already in the late 1970s. Open complaints about the federal policies date back to the Perhvac era and they came into play again in the early 1980s, once the Slovene communist leadership lost the power to censor the industry professionals. In IMR, the factory party dared to question the federal party-state over its ability to resolve the Kosovo tensions in late 1986. In the case of TAM, the local communists openly expressed cynicism toward the federal party leadership and refused to participate in common campaigns already during the 13th Session campaign in 1984.

The early voicing of oppositional tones and the pro-active stance of TAM's factory elites enabled the enterprise to rally the workforce behind the common cause and make important reformist

⁵³⁵ Tomislav Perlič, "Obezbediti socijalni položaj radnika", *Skozi TAM* (Serbo-Croatian edition), April 1983, 4.

strides during the first half of the 1980s. Nevertheless, by the second half of the decade this mechanism started to wear thin. Despite the management's efforts to portray the component manufacturers as the main cause of the production slowdown, the majority of the workers seemed to blame their own management and the specialists for this problem:

Sometimes the lines stand still for days. When we ask why the motor parts are missing, they answer that the machines, which are making them, are out of order. Personally, I do not believe this. A few days ago, we were put on the waiting regime for hours because the screws were missing. The screws were in the warehouse, but the administration was not aware of it. Someone must be held accountable for this type of work, namely the wrong orders and bad record keeping.

In contrast to Rakovica, where this type of language in official forums was fresh, provocative and therefore had the power to attract, in Tezno, faced with persistent income polarization, the workers had started becoming increasingly skeptical and unresponsive to such messages. It is telling that the 1986 breakthrough restructuring referendum in IMR took place at almost the same time as TAM's first failed plebiscite over the new performance tracking system.

5.4. Appendix 2



C1



C2



C3



C4

The cartoons above paint the desperate feeling of lacking responsibility in the factories. C1⁵³⁶ shows the factory as a baby orphan left in front of the stranger's door. C2⁵³⁷ paints the factory as a vehicle crashed into a tree. The workers/passengers look confused as the police officer asks who was sitting behind the wheel. The obvious answer is everybody and nobody. C3⁵³⁸ depicts the white-collar workers on a sinking ship. The situation requires urgent measures, yet the employee with dark glasses proposes that one of them drafts a paper about the new circumstances instead. C4⁵³⁹ shows two executives confronting at each other at a self-management meeting. "Comrade, I claim that your department is responsible for the piling inventories and the unfulfilled plan!" the first one screams. "Comrade, exactly the opposite is true", the second one responds. The cartoon title is "Even Score".



D 1



D 2

⁵³⁶ Skozi TAM March 30, 1984.

⁵³⁷ IMR, July 26, 1988.

⁵³⁸ Skozi TAM, September 8, 1983.

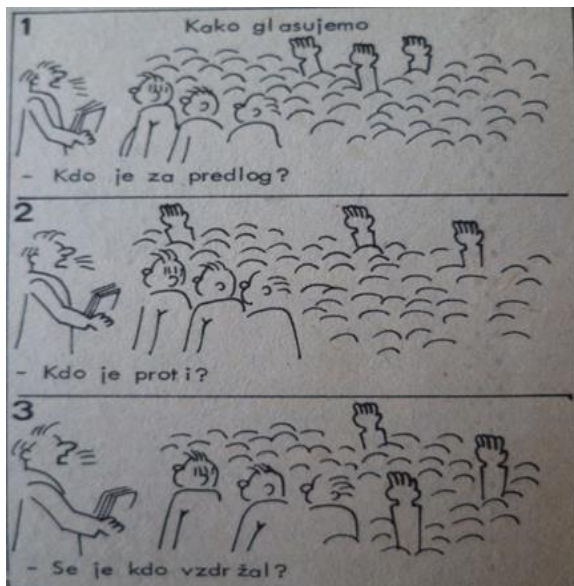
⁵³⁹ Skozi TAM, September 18, 1976.



D 3



D 4



E 1



E 2

Cartoons D1 to D4 depict how the enterprises viewed Associated Labor as a bureaucratic quagmire and a burden. D1⁵⁴⁰ shows a delegate drowning in a sea full of documents while the workforce

⁵⁴⁰ Skozi TAM, July 30, 1977.

(the base) stands at the dock minding their own business. D2⁵⁴¹ depicts two cart drivers bypassing each other while carrying paperwork for the BOAL Assemblies. One cart is full of materials waiting to be voted upon, while the other carries objections to the already discussed set of documents. The message is clear. The factory has been transformed into a political body occupied with constant discussions and paperwork instead of productive activity. D3⁵⁴² shows a worker appearing in the middle of the night at the window of his female colleague. “Hey, Mico, open up! I am bringing you a voting list for the referendum,” reads the text. The situation describes how the worker found an original excuse to visit the female comrade, but also shows the constant burden of attending meetings and ballots on the psyche of the workforce. A similar message is conveyed through cartoon D4⁵⁴³. It depicts an employee during his visit to a therapist. “Comrade, I asked you to tell me about your problems. However, until now you have described me over twenty self-management agreements,” the doctor says.

Cartoons E1⁵⁴⁴ and E2⁵⁴⁵ reveal the absurd nature of self-management meetings and workers’ lack of interest in the proceedings. The first one shows a few hands raised for each of the three voting options (for, against, abstained), whereas the majority of the workers remains indifferent. The latter shows the assembly disbanding after passing eight self-management agreements. However, an activist is depicted rushing toward the crowd screaming: “Comrades do not disperse; the management has just informed me that they are sending us thirteen more”.

⁵⁴¹ Skozi TAM, October 20, 1976.

⁵⁴² Skozi TAM, March 5, 1978.

⁵⁴³ Skozi TAM, October 14, 1986.

⁵⁴⁴ Skozi TAM, April 10, 1976.

⁵⁴⁵ Skozi TAM, June 16, 1982.

Chapter Six

Mobilizations at the Bottom – Realignments at the Top, 1986-1988

6.1. Reaching Beyond the Factory Gates

In late 1986, amidst persistent sluggish economic growth and high inflation, the federal government decided to apply the reform measures more vigorously. In December that year, the Federal Assembly passed a number of legislative acts enforcing greater fiscal discipline onto enterprises.⁵⁴⁶ Additionally, between summer of 1986 and spring of 1988, the Federal Executive Council made two attempts at implementing a general wage freeze and establishing a closer connection between the rise in personal incomes and the movements in productivity.⁵⁴⁷ These measures triggered a surge of industrial action, but also broader social mobilizations across the country. The question of workers' right to organize a 'work stoppage' became one of the main media topics in the course of 1986.⁵⁴⁸ By 1987, the word 'strike' ceased to be taboo and many workers started talking about it as a justified method for achieving their interests. A sociological survey conducted by the Belgrade Trade Union Confederation Chamber in the summer of 1987 revealed that only 17.1 percent of workers in the city were of the opinion that strikes have no

⁵⁴⁶ The Law on the Social Accounting Service forced companies to repay their debts to creditors first, before being able to make decisions over the internal distribution of the net income. Additional limitations on the autonomy of the work organizations came with the altering of the prescribed accounting methods. The Law on Depreciation stated that management must use 'real rates' for writing down the value of social capital stock. This meant that the workers' councils of troubled companies were prevented from 'eating up the substance of self-management'. In other words, they could not transfer money from the depreciation fund to the wage fund, see: Bruce McFarlane, *Yugoslavia: Politics, Economics and Society* (London: Printer Publishers, 1988), 143-144.

⁵⁴⁷ Jože Prinčič and Neven Borak, *Iz reforme v reformo: slovensko gospodarstvo 1970–1991*, (Ljubljana: Fakulteta za družbene vede, 2006), 544.

⁵⁴⁸ 'Work stoppage' was a euphemism used by the LCY for labor strikes. Strikes were not officially recognized by the self-management legislature. However, ever since the outbreak of the first strike in a Slovene mine in 1958, industrial actions were tolerated. Moreover, most work stoppages were short and successful in their aims, as the factory management and the state organs tried hard to cover the existence of antagonisms inside the self-management system. The single strike protagonists were often put under pressure by the factory socio-political institutions and individual workers were sometimes prosecuted in court by the management for the damage or economic loss caused by the strike, but, before the late 1980s, there is no record of violent suppression of labor strikes by the government. See: Neca Jovanov, *Radnički štrajkovi u Socijalističkoj Federativnoj Republici Jugoslaviji od 1958. Do 1969. godine* (Beograd: Zapis, 1979)

place inside self-management.⁵⁴⁹ In late 1987, the Slovene trade union leadership took concrete steps and launched the initiative for the legal regulation of strikes in their republic.⁵⁵⁰

These changes in the attitudes toward industrial action were prompted by increased labor activity on the ground. There are no signs of larger strikes in Tezno until 1988. Yet, in Slovenia as a whole, the number of strikes climbed from 163, recorded at the end of 1986, to 227 instances one year later.⁵⁵¹ In Belgrade, the absolute numbers were lower due to a lower number of industrial facilities, but the proportional increase in strikes during the crucial year is almost identical (see table below). Faced with such fierce resistance from below, the new head of the Federal Executive Council, Branko Mikulić, was forced to capitulate and give up both attempts at wage freezes, the first time in March 1987 and the second in May 1988.

Labor Strikes in Belgrade⁵⁵²

Year	Number of strikes	Number of participants
1983	10	1,300
1984	18	1,300
1985	45	7,000
1986	71	7,000
1987	105	19,219

⁵⁴⁹ Vukašin Pavlović, Ivan Radosavljević, Zoran Stojiljković, *Obustave rada (štrajkovi) u Beogradu*, 70.

⁵⁵⁰ S. Lalović, “Korak dalje od ZUR-a: tragom slovenačkog predloga o regulisanju štrajkova”, *Rad*, January 29, 1988.

⁵⁵¹ Miroslav Stanojević, “Workers’ Power in Transition Economies: The Cases of Serbia and Slovenia”, *European Journal of Industrial Relations*, 9, 3, 2003, 283-301.

⁵⁵² Vukašin Pavlović, et.al., *Obustave rada (štrajkovi) u Beogradu*, 70.

While Tezno remained calm, the strike wave did not bypass Rakovica. Between the winter of 1986 and the autumn of 1987, IMR was the site of two strikes. The changing discourse and organizational form of these two strikes reveal the closing gap between the workers and the management. On March 11 1986, the second shift of IMR's engine assembly line workers in Motor downed their tools and declared a strike. This was not the first 'work stoppage' inside IMR. During the crisis years, every so often, a group of workers, dissatisfied with the internal income distribution agreement or the conditions of work, would go on strike. However, this time around, the work stoppage rapidly spread across the shop floor and work shifts, involving some 500 workers from BOAL Motor and an additional 50 workers from BOAL Vehicle. That same afternoon, the assembly line was stopped across town in Belgrade's second tractor producer IMT, but the two strikes were in no way a consciously coordinated action.⁵⁵³

The immediate causes for the strike in IMR were the unexpectedly low sums on the paychecks for the previous month.⁵⁵⁴ After the initial commotion on the shop floor, the striking workers moved into the canteen where they engaged in discussions with various delegates of the socio-political organizations, self-management organs, and the administration. The strike came out with a single demand for higher wages.⁵⁵⁵ The targets of the criticism were vague, and ranged from rising prices in the stores to the problem of high taxation and the interest rates imposed upon the industry. Still, the enterprise management was clearly the main object of dissatisfaction. Workers demanded to know why they had more than doubled the output of engines while the salary remained the same. The management's argument that one cannot distribute the income not earned in the market was incomprehensible on the shop floor. As IMR's communist Dušan

⁵⁵³ The overlap was a coincidence. Workers in both factories were unaware of the action of their colleagues. In the years covered by this research, both IMR and IMT were sites of several strikes and street protests. Nevertheless, there are no records of direct communication between the workers of the two rival tractor factories during the course of these events, apart from the regular business contact between the managements. This fact reveals the persistent rivalry between the two factories, but also the inability of the self-management to establish meaningful communication channels for workers beyond single factories.

⁵⁵⁴ As already explained, a large percentage of the blue-collars' wage was variable. In self-management, the blue-collars were not considered 'wage workers', but managers of social property. The exact wage thus depended greatly on the business results of the previous period. The strikes usually erupted on the days the 'personal income' (wage) was announced and the value of the paychecks failed to match workers' subjective feeling of invested work effort.

⁵⁵⁵ D.J., "Zahtev za veće zarade", IMR, March 19, 1986, 3.

Ćatović, stated four months earlier at one of the meetings of the Serbian LC Central Committee dedicated to the question of income distribution:

We always believed in the just nature of distribution according to work and the results of work...we were looking for practical solutions for the application of this type of distribution and could not always participate in highly theoretical discussions on this topic on an equal footing...to put it in simple words, we feel that our work effort on the machines...is not giving the expected results, it is as though it depends less and less on us and our work.⁵⁵⁶

Increased reliance on the market, as the main evaluator of factory output in the second half of the 1980s obviously frustrated the workers once the achieved results clashed with their subjective feelings of the work effort invested in the increase of production. It was as if somebody was stealing the value created by them once it left the production hall. The manual workers found it incomprehensible and absurd that someone was denying them the income they had already ‘earned’ on the shop floor. Yet, the main causes or persons responsible for this ‘theft’ remained unclear. Judging from the general grievances leading up to the strike, the workers still located the main culprits inside the factory. In other words, their criticism broadly followed the intellectual frame set in the 1970s and focused on the issue of local techno-bureaucracy.⁵⁵⁷

The two sides remained entrenched in their positions. After 58 hours on strike, the workers went back to the production lines with no clear gain. The administration and the socio-political organizations stuck behind their political obligation to discourage strikes as a legitimate form of protest. The strike was condemned as an inappropriate method for achieving working-class

⁵⁵⁶ “Konkretno bez uopštavanja”, *IMR- List radne organizacije Industrije motora Rakovica*, December 9, 1985, 4.

⁵⁵⁷ The discussion of the document entitled ‘The Critical Analysis of the Functioning of the Political System of Socialist Self-Management’ (*Kritička analiza funkcionisanja političkog sistema socijalističkog samoupravljanja*) in factory socio-political organizations in early 1986 reveals that the lower-level party cadres had become more articulate in their criticism of boalization, but, among the ordinary workers, the old themes were still dominant. Workers envisioned the amalgam of state and political bureaucracy standing opposed to the Yugoslav working class as the main opponent. IMR’s amended version of the document, sent out by the federal party leadership in order to initiate changes in the political system, reflected this by stating: “A critical analysis must offer guidelines for fighting against the established rich men-capitalist layer in our society, which represents a danger for the development of self-management and social property”. See: “Kako izaći iz krize”, *IMR*, March 19, 1986, 4.

interests inside the self-management system. Instead of industrial action, the governing and administrative functionaries argued that the workers should direct their grievances through the official delegations in Associated Labor. The factory elites therefore took a firm federal reformist stand during the debates. In line with the pro-market slogan of ‘distribution according to the results of work’, the executives insisted the factory cannot distribute what it hasn’t earned and pointed out that, despite all the difficulties, IMR’s average salary was still above the republic and city averages of the metalworking branch.

The administration agreed to outline a new system for the remuneration of productive work and waiting times on the assembly lines, which would be more favorable to manual labor; but, at the same time, it instructed the factory organs to introduce more discipline on the shop floor and make sure the factory property was well protected in the future. In addition, the fact that the journalists appeared at the factory gates shortly after the strike outbreak, as well as the timing of work stoppage, which took place in the middle of elections for self-management delegate posts, were all taken as indicators that there were hidden interests involved.⁵⁵⁸ What might these shadow forces exactly be was never disclosed. The whole insinuation was probably just a tactical move on the part of the factory management, constructing potential excuses for more severe repression in case the strikes persisted.

The strike did not, therefore, achieve much for the blue-collar workers. If anything, the strike revealed just how unfit for collective action Rakovica’s shop floor workers had become during decades of self-management and labor’s political reliance on strong protectors inside the party. Of the myriad of organizations the workers nominally had at their disposal, none could be used to further the strike. Moreover, the existence of two parallel strikes in the same industrial branch that were completely oblivious to each other, even though the factories were separated by only a few tram stops, showed the level of atomization of the workers in Associated Labor. As one disappointed worker noted in a documentary filmed that year:

⁵⁵⁸ “Zadaci i obaveze”, IMR, April 8, 1986, 3.

The strikes are badly organized...nobody knows who leads, what the demands are, other groups of workers are not informed...it is easy for the bureaucracy to break us, we end up being laughed at.⁵⁵⁹

On September 8 1987, a bigger strike ensued inside IMR, mobilizing some 750 workers of all the productive BOALs from the two main shifts. This second strike marked a clear shift in the behavior of both striking workers and the management. Unlike the previous strike, which took place mostly inside the factory canteen, the workers now marched to the municipal assembly building. Allegedly, the walkout was inspired by a rumor that the President of the LC Municipal Committee had forbidden the factories to pay out wage bonuses. The striking workers now directed their anger to the Associated Labor bureaucracy in the municipality, asking for individuals who had transferred into the administration to return to the shop floor and stop their “free ride on the dinars that the blue collars make”.⁵⁶⁰

According to the reports from the assemblies held during the strike, workers were now “extending full support to the new General Director and other leading comrades” and showed an understanding that the results were not dependent on the enterprise, but broader self-management compacts and government agencies.⁵⁶¹ Milan Adžović, a senior worker active in the events of the late 1960s, took part in the strike and tried to connect to the prevalent mood of blaming the institutions outside of the factory. He joined the condemnation of the municipal bureaucracy, but remained skeptical toward calls to change the Associated Labor Act, as he claimed that in reality it had never been implemented properly. The majority of the workers however seemed less ready to construct excuses and defend the existing organizational scheme of self-management.

For their part, the management and the factory socio-political organizations backed the strike this time around. The IMR’s party conference said it was not surprised by the strike action, as workers could not make a living from their wages. The management not only agreed to raise wages, but also approved additional short-term bonus payments to protect living standards amidst the stomping inflation. Of course, the management assistance did not come without any

⁵⁵⁹ Žulj, VHS, Directed by Mića Milošević (Centar Film: Belgrade, 1987)

⁵⁶⁰ D.J., “Od obećanja se ne živi”, IMR, September 15, 1987, 1

⁵⁶¹ D.J., “Zahtevi opravdani”, IMR, September 15, 1987, 1

strings attached. The administration made an effort to connect the mobilization firmly with the lifting of the taxation burden and changes in the political system as the central demand. In its first issue after the strike, the factory paper published a reader's letter offering an indicative analysis of the strike action. The author was an employee of the Maintenance BOAL. Generally supportive of the strike, the letter complained that those workers who tried to impose themselves as leaders were usually individuals with little work result and whose contribution to the factory is minimal.

The author attempted to unite the work collective and lower-level administration at the municipal level by presenting a common adversary in the higher instances. He blamed unnamed striking workers for trying to present the strike as a clash between the production and *režija*. According to the author, this interpretation was false and blurred the main dividing line between hard-working people and slackers, both of which existed in all departments among the white and blue-collar workers. Furthermore, the author was of the opinion that the workers were barking up the wrong tree. The local government, he noted, was filled with "our people" – the former factory workers whose powers were anyway limited. The letter went on to explain that, apart from inner enterprise issues, the strike debates neglected problems that are more fundamental. The main causes for the insolvency of industrial enterprises, as well as the poverty of the working class, were allegedly the overblown state and the expensive self-management mechanism. The commune was not in this instance capable of offering solutions to this problem. Things should be changed at the top, the letter concluded.⁵⁶²

As noted at the beginning, labor strikes were not the only social struggles at the time. In Kosovo, the mobilizations based on ethnic identity had already surpassed local politics. The peak of austerity measures there was followed by new popular mobilizations. This time around, it was Kosovo's Serbian population, which was expressing anger over the conditions inside the autonomous province. In the course of 1986 and early 1987, various initiatives by Serb activists, fed up with the treatment they received from the local authorities and the purported daily harassment by the Albanian majority, evolved into a unified, persistent and relatively well-

⁵⁶² Šćepan Krsmanović, Šta se htelo, a šta može?, IMR, September 29, 1987, 6.

organized social movement, with contacts with the Belgrade-based dissident intelligentsia and parts of the Serbian party apparatus. Using the Citizens' Assembly (*zbor građana*), an institution introduced as an application of the self-management organizing principle in the local communities, the Serbian activists started launching a series of protests in Belgrade, with the aim of attracting attention to the stated plight of national minority rights in their municipalities.

In February 1986, 95 people in peasant garments appeared in front of the Federal Assembly building in downtown Belgrade. They claimed to be informally selected representatives of forty-two towns and villages in Kosovo and demanded that they address the federal leadership. In April that year, some 550 Kosovo Serbs arrived at Belgrade train station and marched through the city streets, joined by Kosovo migrants from the city itself and other parts of Serbia. The protest caused traffic jams in the capital and the newspapers reported that the column left a powerful impression on the bystanders.⁵⁶³ The presence of the masses in the streets caused feelings of fear and paranoia inside the ruling circles of the LCY. Reflecting on the politically turbulent months of the summer and fall of 1987, Ivan Stambolić, at that time the President of Serbia, remembered the heated atmosphere surrounding the parallel meetings of the Collective Presidency of Yugoslavia and the LCY Central Committee in June 1987. On that occasion, the Kosovo Serb activists had gathered outside the Federal Parliament once again, in order to make sure their grievances would get a hearing. In his memoirs, Stambolić writes:

The Presidency of Yugoslavia reaches no decisions, it just warns me of the gravity of the situation, of the real danger of escalation of mass and broader movements in Belgrade and Serbia, and correspondingly of my responsibility. They are in possession of information that new trains are arriving from Kosovo, that Rakovica is rising up, that Smederevo [a steel plant city close to Belgrade] is on its way, that citizens are joining the protesters in the streets, that 'leaders from Francuska 7' [the address of the Serbian Writers' Association] are inserting themselves at the helm of the protests...the local police confute the alarming

⁵⁶³ Nebojša Vladislavljević, *Serbia's Antibureaucratic Revolution: Milošević, the Fall of Communism and Nationalist Mobilization* (New York: Palgrave Macmillan, 2008), 91-92.

information about Rakovica, the students, Smederevo, the arriving trains. Belgrade remains calm and worried. The confusion is widespread, dramatizations ever greater.⁵⁶⁴

Stambolić later realized that parts of the federal leadership were intentionally exaggerating the threat of protests in order to apply pressure on the Serbian leadership. It seems that the leaders of the other republics were convinced that the mobilizations of Kosovars inside Serbia were an orchestrated affair used by Stambolić to blackmail the federacy into granting more influence to his republic.⁵⁶⁵ By spreading panic, they wanted to teach the Serbian president a lesson on how such moves might easily backfire. However, the mere fact that a scare tactic almost succeeded reveals the restlessness and insecurities building up inside the leadership. For the ruling bureaucracy of all the republics, the worst-case scenario was the unification of different streams of movements from below and the articulation of an alternative political program, with the nationalist and liberal intelligentsia potentially playing a leadership role.

A few months later, the exaggerated scenario the federal politicians were projecting onto Serbia turned into a self-fulfilling prophecy inside Slovenia. In late 1987, the leadership of a workers' strike in Ljubljana attempted to establish contact with the Slovene dissident intelligentsia. On December 9, after receiving news that wages had not been raised in accordance with inflation, the blue-collar workers of Ljubljana's heavy machinery manufacturer *Litostroj* abandoned their workplaces and marched to Slovenia's parliament building in the city center. France Tomšič, the union representative of the engineering department, led the strike. Tomšič had worked as an engineer in West Germany in the 1970s and became politicized upon his return to Yugoslavia, through a local initiative against land nationalization in his hometown in northern Slovenia. The fight against the municipal party structures in his hometown gave him much-needed experience in organizational matters and the articulation of demands. Tomšič was also inspired by the

⁵⁶⁴ Stambolić's memoirs on the key events that year can be found in: Slaviša Lekić, Zoran Pavić, *VIII Sednica CK SK Srbije: nulta tačka „narodnog pokreta“*, 269.

⁵⁶⁵ Stambolić's right-hand man Slobodan Milošević did in fact establish contact with the leaders of the Kosovo Serbs, but he was still by no means in control. The recent historiography shows that, in this particular case, the Serbian party tried to stick to the rules and prevent the Kosovo Serbs from rallying outside the Federal Parliament. The leading activists inside Kosovo, who tried to abort the mobilization in agreement with Belgrade, were temporarily sidelined amid strong pressure from below and the protest went on as planned, see Nebojša Vladisavljević, *Serbia's Antibureaucratic Revolution: Milošević, the Fall of Communism and Nationalist Mobilization*, 103.

writings of the Slovene nationalist opposition and had become convinced that socialist self-management was a mere disguise for single-party rule and an inherently inefficient system, which was unable to compete with Western market economies. Under his leadership, Litostroj workers formed an independent strike committee, which entered into a prolonged confrontation with the management and the factory party branch, as well as with the local trade union.

At one of the strike's general assemblies, Tomšič proposed the founding of an independent political party headed by a *Nova Revija* contributor, France Bučar. The idea of a political party was never publically discussed among the striking Litostroj workers, not even inside the strike committee. From the very beginning, the founding of a political party was Tomšič's very own idea. He envisioned a social-democratic party with national Slovene program, headed by the intelligentsia and grounded in the industrial proletariat, which could offer an alternative to the LC. According to his memoirs, he played with this thought inside his head for weeks and finally decided to launch the proposal in front of all the workers, at the pinnacle of a strike assembly focused on economic demands limited to internal factory issues.

To the astonishment of the enterprise management and the factory party leadership, the proposal was accepted by a majority vote. In the heat of the moment, the Litostroj workforce voted in favor of this motion, but the initiative never materialized in this framework. The management and the local party apparatus managed to isolate Tomšič, accusing him of using workers' justified grievances for selfish political aims. The initiative thus failed, but the apparent ease with which the strike assembly picked up a political demand was a clear warning for the authorities. Just one year before, a proposal of that sort would have probably been met with jeers – now the workers were ready to vote on it and consider it as a viable option.⁵⁶⁶

6.2. A 'Firm Hand' Inside Serbia

By 1987, when the social mobilizations had gained steam, the Serbian party found itself stuck between the increasingly radical demands from the bottom and the federal responsibilities at the

⁵⁶⁶ For two opposing accounts of the Litostroj strike see the autobiography of its leader: France Tomšič, *Od stavke do stranke*, (Ljubljana: Nova obzorja, 2010) and the management controlled factory press: "Ko postane nevzdržno", *Litostroj: glasilo delavcev Titovih zavodov Litostroj*, December 1987, 2-5.

top. The leader of the Serbian LC, Ivan Stambolić, would either address the burning issues of national and class inequalities and position himself at the head of the mounting popular discontent, or remain loyal to official party discourse and its internal procedures. For years, it seemed that Serbian leadership managed to do both. In 1984, the party opened up to industrial grievances in order to gain momentum in negotiations over the exact course of reforms inside the federacy, but decided to end grassroots discussions soon after. Under Stambolić, the Serbian LC also flirted with the nationalist opposition by including bits and pieces of its ideology in the official discourse, in order to back up the Serbian agenda.⁵⁶⁷ However, once the political platform of the Serbian Academy of Sciences and Arts (the Memorandum) was disclosed in 1986, the party launched a fierce campaign against its authors. In the late summer of 1987, Stambolić was about to pay the price for his politics of vacillation. His close collaborator, Slobodan Milošević, used the 8th Session of the Serbian LC Central Committee to launch a coup inside the Serbian party. In his campaign to defeat Stambolić's wing, Milošević leaned on the rising influence of the nationalist intelligentsia, the social movement of the Kosovo Serbs as well as the grievances of the party cadres stemming from Associated Labor.

The new leadership presented itself as standing up against the system and being in touch with popular discontent. It immediately put an end to the inherited political culture of drawn-out meetings and informal consultations of the different unofficial factions within the Serbian party. It was time for a closing of the ranks and a more antagonistic stance in the federal bodies. The abstract notion of unity, whether of different ethnic groups or the working class, was a constant theme among the Yugoslav communists. The Serbian party under Milošević, however, inserted fresh meanings into the slogan by contrasting it with what it saw as a growing anarchy and the evolution of separate regional interests over the previous two decades. The main line of reasoning was borrowed from the pages of the Memorandum. Allegedly, Yugoslavia could only gain from a stronger Serbia, as this would accelerate economic reforms, democratize the political system and put a break on centrifugal tendencies.

⁵⁶⁷ For an insight into Stambolić's efforts to stand up, more resolutely, for Serbia's economic interests inside the federal party forums see: Jože Prinčič and Neven Borak, *Iz reforme v reformo: slovensko gospodarstvo 1970–1991*, 530, and Neven Borak, *Ekonomski vidiki delovanja in razpada Jugoslavije*, (Ljubljana, Znanstveno in publicistično središče, 2002), 130-131. For an overview of accusations of Stambolić's soft stand on nationalism in his own words, see: Slaviša Lekić, Zoran Pavić, *VIII Sednica CK SK Srbije: nulta tačka „narodnog pokreta“*, 274.

Unlike the nationalist intellectuals, Milošević presented this program not only as Serbia's narrow cry for equality, but also as an integral part of the Yugoslav revolutionary heritage. The political slogan launched was that of a 'United Yugoslavia' – interpreted as the overcoming of borders everywhere, whether inside the factories, or on a regional, republican or federal level. The Constitution of 1974 was allegedly a betrayal of the original revolutionary aspirations. Serbia was now reviving the discourse of integral Yugoslavism – a theme very much present in the early postwar years, which subsequently lost appeal when faced with the growing recognition of decentralization as an essential element of democratization and self-management. The Yugoslav identity was, however, fused with desire for a more determined Serbia as Serbs were allegedly the nation most interested in keeping the country together.

Slobodan Milošević associated the removal of the previous Serbian leadership with liberation from the deeply-entrenched complexes of Serbian society. The first and the most burdensome, according to him, was certainly the national complex, the widespread belief that any struggle for the interests of the Serbian people equates with nationalism. The second complex was ideological. It referred to the view that every form of order and organization in state and society necessarily implied Stalinism. This notion referred to the self-management structures at the municipal and republican level standing parallel to the state. It served to free the leadership from the stigma of centralizers and statisticians when confronting Associated Labor. Finally, there were also economic complexes. Above all, the idea that socialism does not go together with the market. That market inevitably implies a return to capitalism.⁵⁶⁸

In November 1988, Milošević dedicated much of his address to the Conference of the Serbian LC to explain the exact meaning of the ongoing economic reforms. The chance for personal and collective prosperity through differentiation was counterpoised to the alleged equality in poverty. The speech noted how workers in Rakovica were forced to steal bread from the factory canteens. Milošević used the humiliating character of this assumed practice⁵⁶⁹ to promote the vision of a

⁵⁶⁸ Slobodan Milošević, *Godine raspleta* (Belgrade: BIGZ, 1989), 218.

⁵⁶⁹ In those months Rakovica's union leaders were projecting the image of workers being forced to steal bread from the factory canteens to feed their families at home, in order to draw attention to social plight in the municipality. Many workers certainly depended greatly on the factory canteen and its subsidized prices in their daily nutrition. Some might have indeed brought food back home. However, the image of "bread stealing" was an exaggerated depiction that aimed to steer emotions and arouse pity.

new system in which each member of the working class would be able to capitalize on hard work:

There is no more space for an increase in poverty...The reform therefore means a break with the illusion that political actors in society can successfully guide economic processes ...Economic decision-making should be placed in the hands of the direct producers and their enterprises, their motives and interests, their initiative, their capacity to grapple with risk, with competition, with all foreseeable and unforeseeable challenges carried by the market organization of the world economy of which we are part...This is the first and foremost task of economic and social reform...to remove the blockades, ideological and others, for an individual and society to be able to *enrich themselves through their labor* [emphasis added].⁵⁷⁰

As one can see, the dismantling of the self-management structures was presented as the fight for the rights of direct producers. Unlike the more aggressive liberal economic experts, Milošević embedded his program in the familiar themes of 1960s market socialism. The socially-owned companies were to remain the foundation of the system. The internal strife between the manual workers and professionals was to be overcome with the help of new growth opportunities. Increasing market influence was related to the wage increases of ordinary workers. The quotation above ends with the notion of getting rich through one's own labor. Economic liberalization was supposed to punish those who earn their money through monopolies and bureaucratic maneuvers, not the ordinary, hard-working people. For the plan to work, Serbian workers had to stand behind the new leadership together with the other social layers, as their unity would increase the chances of Serbia pushing through the reforms at the federal level.

Despite the sharpened symbolism and rhetoric, the actual content of Serbia's reform program remained unchanged from the times of Stambolić. The proposals worked on two levels – the micro reforms inside the enterprise and the macro changes in the constitutional architecture of the federal state. The first set of measures aimed at strengthening the managerial structures inside the factories in order to break the deadlock of the self-management bodies and reinstitute the profitability criteria at the center of enterprise business decisions. The latter group of proposals

⁵⁷⁰ Slobodan Milošević, *Godine raspleta*, 278-280.

consequently followed the same logic within the federal political frame. The implementation of liberal economic reforms demanded a partial recentralization of the state, with corresponding internal laws and functioning institutions, which could implement this ambitious program. In order to create a functioning unified internal market, the Serbian leadership argued, the Yugoslav state would have to strengthen the executive branch and ease up on the decision-making at the federal level. Once these institutional prerequisites were achieved, the economic liberalization and steady democratization of political life would help Yugoslavia turn into a coherent and functional state.

For many workers, the existence of an authoritative figure at the top, who could unite the party behind a common program of action, protect workers from the alienated bureaucracies, regulate the market and make the system in tune with the changing times, was a preferred way to resolve the crisis. Since the death of Tito, the party-state had no powerful and charismatic individuals capable of elevating popular demands into high politics. A female IMR worker stated in an interview in 1986:

Nobody is in control here. Not only inside the factory, but also in the state as a whole...nobody has the power to stand up in front of the masses and convince them. The masses do not listen to anyone any longer and they do not trust anyone...who could show us the real way...if someone could tell us 'do it like this' we would do it, but we can't trust anyone.⁵⁷¹

After years of melancholy inside the party ranks, the appearance of Slobodan Milošević raised hopes that mounting social conflicts could be resolved one more time with traditional Titoist methods. The lack of a clear authority and dissatisfaction with loose discipline inside the factory turned into open support for a 'firm hand' approach. Inside Rakovica, the factional purge of the local socio-economic bodies was carried out under the banner of 'internal differentiation'. It was advertised as a turn towards the greater political and managerial responsibility that the productive base had always demanded. The struggle against bureaucracy would supposedly

⁵⁷¹ *Žulj*, VHS, Directed by Mića Milošević, (Centar Film: Belgrade, 1987).

allow the best communist cadres with vision to step to the fore. The local party officials argued that the times of “endless discussions” were over.

The political shift also had clear generational undertones. The managers and party officials, installed at the peak of Associated Labor, had to step down and make way for younger, better-educated and unwavering cadres. The deep-rooted faith in the historical mission of the new generation came to the fore. As one worker claimed, “we need a refreshment, new trends, some new kids around, new scientific disciplines such as the organization of information systems”.⁵⁷² In IMR, the younger activists saw the political change as an opportunity to strike a blow against the old functionaries. As already explained, the Yugoslav factories contained two different sets of socially-active workers, the self-managing and the socio-political activists. The shop floor perceived both groups as privileged workers, yet, at different periods, one of these structures could be seen as standing closer to direct production or a particular section of the workforce. In IMR, the older workers were more inclined to enter the self-managing structures. They criticized the socio-political organizations, the party in particular, as the springboard for young ambitious workers. Speaking about privileges, IMR’s Motor worker who spent 15 years in the factory stated:

With little work experience and little invested sweat the young workers switch to *režija*. The work there is easier; there is no accountability, no norm. As soon as they receive some socio-political function, young workers migrate into office work or they get a leading position. Why, when we have so many older, more exhausted and more deserving older workers who could take these places? It turns out that socio-political work is a privilege.⁵⁷³

The fact that the older worker placed emphasis on the socio-political functionaries as the main beneficiaries of political favors reveals that the generation gap found expression in the two parallel factory structures. For many young workers, the entry into socio-political work was the

⁵⁷² Vasilj Cvijanović, “Sami sebi cilj”, IMR, January 26, 1988, 7.

⁵⁷³ D. Žujović, “Za bolje sutra”, IMR, April 28, 1986, 6.

only way to advance in the factory, as all the key positions in the governing and administrative organs were held by the older workers.⁵⁷⁴ As already noted, the most active young IMR workers joined the party and, in the course of the 1980s, the factory LC branches crossed the path from being the main supporters of Associated Labor to its fiercest critics. This meant that the IMR party was refreshed with oppositional language in the late 1980s, despite the overall discrediting of communists.

The breakthrough of oppositional themes into the mainstream did not arouse open debates similar to the ones organized by the party in earlier years. In a way, the victory of Milošević's faction depoliticized the factories. The answers finally seemed clear. The leadership came with a rounded program of reforms and the sole question now was how to implement it in the fastest way. The two quotations chosen from the factory press reflect this urge to leave quarrels behind and move ahead:

I would not go into the left and right factions. That is a battle of ideas. What is important is that the party offers the people something concrete.⁵⁷⁵

I stand for more work and less talk...so when it comes to reforms, let us not philosophize, but roll up our sleeves.⁵⁷⁶

Over the years of constant obstructions in self-management bodies, the shop floor developed an animosity toward collective decision-making and the merging of political discussions with professional business conclusions. The new party line encouraged this sentiment. The vision of a worker with a socialist consciousness, who controls not only his enterprise, but also society as a whole, was brushed aside. Self-management was deemed as utopia, a system not fit for the local conditions or mentality:

⁵⁷⁴ A 1986 interview with a worker Zdravko Petrović mentions this tendency. See: Mića Milošević, "Radnici neće žedni preko vode", IMR, July 29, 1986, 6.

⁵⁷⁵ Milica Lučić – Čavić, "Paraliza a ne kriza", IMR, July 28, 1987, 6.

⁵⁷⁶ "Vreme za promene", IMR, June 6, 1989, 2.

I do not think that the social property is not efficient, but the problem is the way we approach it with our Balkan consciousness. We do not see it as ours. As soon as we hear social property, we see it as someone else's property.⁵⁷⁷

What ensued by the end of the 1980s was a conservative shift toward more traditional authorities, such as the professional management, calls for a direct chain of responsibility and an insistence that each member of the collective should focus on a single task. In order to be successful, the factory allegedly had to stay clear of radical experiments and adopt a conventional division of work and management responsibilities, showcased by single households and private entrepreneurs:

In each household it is clear who the boss is, who is responsible and who determines how much should be spent and where...but, in our social sector, everybody is responsible for everything and nobody for nothing...that is why the private entrepreneur performs better...everything belongs to him and he keeps it and manages it the best way he knows how. We waste so much material and accumulate stock. The private owner would never allow this. That is why I support the extension of the powers of the executives, but they should also suffer sanctions if they fail.⁵⁷⁸

I am convinced that without the *firm hand* [emphasis added] there is no recovery. Without discipline, there is no progress in society. Take a private businessperson for example...how is it possible that he organizes his work in an exemplary fashion? It all depends on the organizer of work...if the director is good, the workers are also good...in our factory one can stay in a responsible post for thirty years with no results...it is because we think that everybody can manage that we have such a situation in the country and in the factory.⁵⁷⁹

References to private business also reveal a growing distrust toward non-market criteria for the allocation of goods and wages. The contractual economy was now openly associated with the

⁵⁷⁷ D. Dikić, "Prošlost zapouku", IMR, December 6, 1988, 5.

⁵⁷⁸ "Vreme za promene", IMR, June 6, 1989, 5.

⁵⁷⁹ "Birokratija je uzela maha", IMR, May 23, 1989, 2.

privileged position of the political elite, clientelism, and misuses. The market, on the other hand, with efficiency, reward of hard work and clear principles, equal for all:

Market relations will gain ground only once work is valued and rewarded, instead of wages given out according to monopolies, party cards and familiarities.⁵⁸⁰

I support the housing reform. Let everyone buy his or her own house or apartment. Where in the world have you seen the practice of handing out apartments as gifts? Nowhere! One sees this only here and we are poor [the interviewed person was a migrant worker, living in a precarious, self-built house on the outskirts of Belgrade]. Socially-owned housing should be abolished! For the price of a single apartment, the enterprise could make a credit down payment for ten workers to build their own houses.⁵⁸¹

Thanks to the new spirit of expedience, by January 1988, the amendments to the old Constitution and the Associated Labor Act, which aimed to empower the directors and increase work discipline on the shop floor, were already in the Federal Parliament procedure. The planned reform of the Associated Labor Act, and the subsequent changes in the Enterprise Law, gave general directors a free hand to hire and fire lower-level executives. Among other things, the new law proposals ended the right of the factory socio-political bodies to have a say in the appointment of directors, introduced a simple majority vote inside the workers' councils, and limited the number of issues that had to be decided by factory referendums. The new legislature also stipulated the criteria for layoffs, making a measure that had been extremely hard to execute under the old Associated Labor Act much looser. A worker could now be fired for a number of disciplinary offenses, including: unannounced absence from work for more than three days; unjustified sick leaves; failure to abide to fire safety and national defense procedures; or for any other "irresponsible behavior, which contributes to the economic troubles of a company".⁵⁸²

Belgrade's industrial enterprises seized the favorable political moment to present the new leadership with further demands. In February 1988, IMR, IMT and their main component

⁵⁸⁰ D. Žujović, "Samostalnost samo na papiru", IMR, October 17, 1989, 5.

⁵⁸¹ "Ruke za dva takta", IMR, June 6, 1989, 6.

⁵⁸² D.J., "Strogo radno zakonodavstvo", IMR, March 15, 1988, 2.

manufacturers, adjourned a ‘protest meeting’ attended by self-management delegates from the respective factories and an array of municipal and city-level functionaries. The speakers focused on the claim of an unequal market position between manufacturers from different republics, especially Serbia and Slovenia. Whereas Slovene companies were allegedly able to raise the prices of their final products, Belgrade factories were acting as the “sole break on inflation”.⁵⁸³ The freely-operating market and the widest possible autonomy of firms in relation to the state remained the ideal. However, since the new Serbian leadership displayed a greater concern for the interests of its own republic in the federal bodies, the producers were tempted to push for protectionism as an intermediary measure. IMR’s General Director Strahinja Kostić hinted at this during the ‘protest meeting’:

We are ready to come to grips with the free market, but let’s not put limits on the pricing of some producers and enable the others to form their prices freely...how come certain companies in Slovenia do not respect the anti-inflation program at all?⁵⁸⁴

The calls for protectionism did not contradict the general orientation toward *laissez-faire* socialism. Following the logic of IMR’s reform-oriented professionals, the strengthening of the central state was just a short-term measure needed in order to create the equal conditions for a functioning market, not a return to the redistribution policies of the past. As one IMR foundry worker explained:

For the market economy in Yugoslavia to function, we must have the same starting positions. At one point, IMR handed over its complete production line to Maribor’s TAM. After this, it had to go into debt in order to acquire new product licenses from abroad and had no money to set aside for further development. Hence, the economic crisis caught us at point zero. Nobody can convince me that you can make a market economy from zero, without investments. For this, we need the capacities of at least a

⁵⁸³ D. Žujović, “Tako se više ne može”, IMR, March 1, 1988, 3.

⁵⁸⁴ “Isti Aršini za sve”, IMR March 1, 1988, 1.

mid-European level of competitiveness. We already have cadres and we have the yearning.⁵⁸⁵

During the previous years, Slovenia's reforms were cited as a positive example by the IMR management to spur the Serbian LC to allow similar policies. However, the feeling of lagging behind and a growing market rivalry also produced negative depictions of Yugoslavia's most northern republic and its enterprises. Allegedly, by pursuing asymmetrical reforms, Slovenia was causing an unequal distribution of the burden of the federal anti-crisis measures. IMR was now sending a clear request to the Serbian political leadership to take a more pro-active stand in defense of the interests of Serbian manufacturers, the same policy that Slovenia had allegedly been pursuing all along behind the backs of the federal leadership. By the late 1980s, in the eyes of IMR workers and executives, TAM had taken the place of the city rival IMT as the embodiment of the 'unfair competitor'. Transferred to the field of federal politics, the image of Slovenia inside Rakovica was starting to be similar to that of Kosovo – the northern republic became the symbol of selfish, local interests. This sentiment was in tune with the general trend in the Serbian party. With Slovenia acting as the most persistent opponent of Serbia's reform pushes, the republic was singled out as the main saboteur of a united Yugoslav reform effort.

6.3. Bypassing the Working Class in Slovenia

In 1986, the Slovene party elected a new leader at its 10th Congress. As Slovene historian Božo Repe noticed, Milan Kučan triumphed with the support of the “self-confident managers and technocrats of a younger generation, who looked at the world through the prism of information technology and computers”.⁵⁸⁶ Faith in the power of technological innovation and the knowledge economy was widespread among young professionals in Slovenia at the time and strongly associated with market liberalization. The 10th Congress opened the floor to critical voices stemming from Associated Labor, not surprisingly mostly those of managerial staff and worker-functionaries from higher self-managing bodies. Delegates from TAM insisted on the revision of the decision-making system inside the enterprises. They were of the opinion that the excesses of

⁵⁸⁵ D. Dikić, “Prošlost za pouku”, IMR, December 6, 1988, 5.

⁵⁸⁶ Božo Repe, *Slovenci v osemdesetih letih*, 25

the shop floor self-management institutions, such as workers' assemblies and referendums, reduced the role of central self-management organs and professional management to "collecting and putting a stamp of approval on decisions already made". The second main concern was the organizational division into BOALS, which, according to TAM's communists, blocked the functioning of the enterprise as a cohesive business entity and limited the role of professional managers. Furthermore, TAM delegates asked for the factory delegations in municipal self-management bodies to open up to managers and technical experts, since the present teams, made up of ordinary workers, were not competent to reach decisions over complex technical matters.⁵⁸⁷

In April 1987, the Belgrade based liberal economic journal *Ekonomska Politika* praised Milan Kučan for his determination. The article stated that, after the initial statements made during the 10th Congress, many observers, accustomed to the traditional zigzags of party functionaries, expected Kučan to even out the forces inside the apparatus by clamping down on the market advocates. Not only did this not happen, in the months to come the new leadership extended the ideological support for the liberal reforms even further. Similar to Milošević, Kučan relied heavily on the traditional pro-market interpretations of workers' self-management to justify further movement down the reform path. In a speech delivered to the Slovene LC session that year, he stated:

It is impossible to consider reorganization of Associated Labor outside of the market logic... without opening up our economy to the world, and without overcoming conflicts with statist economics, which still has a dominant influence on our consciousness. The maintenance of the statist economy reduces a worker to a pure owner of his labor power and a manager to a state bureaucrat... in these roles, the director is in need of hierarchical, linear methods of managing, which treat workers solely as holders of labor power and not as managers, carriers of the function of the ownership of social capital. The struggle for the reinstatement of the professional managerial function inside the factories is the

⁵⁸⁷ "Kongres velikih nalog in pričakovanj", *Skozi TAM*, April 11, 1986, 2.

struggle against *etatism* [statism], voluntarism and for the position of worker as the carrier of management functions....”⁵⁸⁸

Once again, similar to Milošević’s efforts inside Serbia, the greater influence of the market was officially conducted in the interest of the self-managing workers and the fight against wage labor. Still, upon closer examination it was clear that professionals and not the blue-collar workers were seen as the privileged managers of social property. Among TAM’s professionals, the increasing technological gap between Slovenia and Western Europe became one of the prime matters of concern. The party activist from Research and Development, Jože Kadivnik, stressed this issue in Maribor’s daily, *Večer*:

The experts should be the first and the foremost source of decision-making instead of politicians. Otherwise, if we continue down this road we will end up as a lonely and undeveloped island in the middle of Europe.⁵⁸⁹

The spread of computers in the production process had a big impact on popular understandings of management inside the factory and gave the white-collar workers an advantage in internal relations of power with the shop floor. In 1986, TAM’s youth activist Igor Gračner boasted in the republican congress of the League of Socialist Youth of Slovenia (LSYS) that the factory planned to install eight fully computerized workstations by 1990 and called for the liberalization of procedures for technological imports.⁵⁹⁰ The above quoted article from *Večer* also recorded the party cadre Ciril Navinec, from Financial Accounting. Navinec observed how communists have no more influence over the preparation of final accounts and business reports presented to the self-management meetings, since the computer does all the work beforehand. Instead of pictures showing workers in meeting halls, the factory paper articles announcing new income distribution schemes started exhibiting spreadsheets with data and images of trained personnel sitting behind computers. The distribution criteria were formerly shaped through negotiation and presented in densely written self-management agreements. The language of these documents was

⁵⁸⁸ “Organizovanje privrede: fleksibilno a ne uniformisano”, *Ekonomska Politika*, 1827, April 6, 1987.

⁵⁸⁹ “Težko je dobiti ljudi, ko bi delalo z voljo”, *Skozi TAM*, January 1986, 5.

⁵⁹⁰ “Naša vizija rešavanja perečih vprašanj družbe”, *Skozi TAM*, April, 1986, 3.

indeed opaque, but they were open to dispute by all sides able to express their interests in the accepted political jargon. The idea of new objectivity and expertise brought by the market and modern technologies made it hard for the activists of governing and socio-political bodies to question management's decisions.

With the arrival of the new leadership, Slovenia's rhetoric in political debates on the federal level also gained in intensity. Frustrated with the slow but steady advance of Serbia's version of reform plans on the macro plane, Slovenia was gradually pulling back from collective anti-crisis efforts and started "shooting at Belgrade from the cannons of the Slovene fortress".⁵⁹¹ The heating up of debates at the federal level encouraged Tezno's functionaries to engage more openly with political topics. The immediate reason was the bankruptcy of the food processing giant *Agrokomerc*, located in Bosnia and Herzegovina. The enterprise tried to go around the federal government's restrictive monetary policy by issuing a large amount of money certificates with no backup, and eventually proclaimed insolvency once the scheme was exposed. The media claimed the company management enjoyed political protection inside the federal organs of the party-state.

In December 1987, Tezno's delegates launched an initiative inside the Chamber of Associated Labor of Slovenia's Parliament for public prosecution of all the federal functionaries who knew about *Agrokomerc*'s misdeeds yet remained silent. The fact that top politicians were able to emerge from the affair without serious consequences was rendered "insulting" for the workers, since "inside the factories people are punished severely for much smaller offenses", the statement concluded.⁵⁹² In the times of a strong federal center and the prominence of the Associated Labor Act, the scandal would most likely have been interpreted as another case of technical experts and local politicians misusing the workers' self-management system against the interests of its all-Yugoslav blue-collar base. However, by late 1987 the blue-collar delegates from Tezno chose to join their republican party in criticism of the federal organs, accusing them of corruption and standing above the law.

⁵⁹¹ According to Božo Repe, this was Kučan's own definition of Slovenia's tactic inside the federacy, see: Božo Repe, *Slovenci v osemdesetih letih*, 26.

⁵⁹² Danilo Vincetič, Je to samoupravljanje, če mora delegat umaknuti kočljivo vprašanje?, *Skozi TAM*, December 1987, 8-9.

Political liberalization was also pursued. After two years of Slovenia's accelerated economic reforms, Milan Kučan concluded that the Yugoslav socialist political heritage did not offer sufficient room for further systematic changes. The Slovene reforms were advanced as far as possible within the frame of workers' self-management, combined with single-party rule. In April 1988, during the Slovene LC conference keynote speech, Milan Kučan proclaimed that socialism could not stagnate without a perspective any longer and present itself as the mere negation of capitalism. Instead, Kučan called for a "developed socialism fit to human needs", a new type of socialist system, which was not an isolated ideology, but "an integral part of those processes in the world that contribute to a more humane existence".⁵⁹³ Apart from a stronger orientation to personal incentives and a condemnation of egalitarian principles in the economy, this new type of socialism also abandoned claims to the vanguard role of the working class, the revolutionary party, or uniqueness of socialism as the only genuine emancipatory project in the world. As the quote above shows, socialism was now seen as just one part of a many-faceted process leading to a better future for humanity.

It remained unclear what developments Kučan was referring to on the global scale. Inside Slovenia however, the concept implied opening the party to new social movements and a greater freedom of public speech. The local party-state now directly encouraged the political organizing of different roots initiatives inside its mass organizations. LSYS had already become an umbrella organization for various new social movements dealing with gay and lesbian rights, ecology and pacifism. In May 1988, the independent Union of Slovene Peasants and Farmers was founded under the auspices of the Socialist Alliance of Working People. This organization called for an increase in the permitted size of land ownership and the return of nationalized land to private farmers. By the end of the year, it had gathered 30,000 members. Around the same time, a presidential election was held with an open media campaign and the choice of seven candidates. The winner was unexpectedly an economics professor, Janez Stanovnik, a contender who ran

⁵⁹³ Dragiša Drašković, "Istina nije u jednini: Konferencija SK Slovenije", *Rad*, April 26, 1988.

against the party-endorsed candidate, the President of the Economic Chamber Mark Bulc, and who endorsed more decisive market reforms and a liberal democratic political system.⁵⁹⁴ In practice therefore, the political opening inside Slovenia during the first half of 1988 went much further than the 1970's concept of a self-management pluralism of interests, still officially endorsed inside of Serbia. Kučan's new type of socialism seemed to be taking its cue from the ongoing reforms in the Western European communist parties, summed up under the key term *Eurocommunism*,⁵⁹⁵ rather than the domestic political legacy of a workers' based democracy under one party rule. This development was certainly the result of the political pressures from other republics as much as the mimicry of processes in Western European communist parties. The Slovene LC held a minority position inside the LCY, and it was therefore forced to defend the principles of free speech and oppositional organizing. As Dejan Jović points out, the more Belgrade pressed for democratic centralism and unity inside the federal party, the more Slovene communists advocated minority rights, which they then also had to follow-through on the home terrain. The bulk of criticisms inside the local media and the new social movements were anyway directed against the Yugoslav People's Army and central government and thus came in handy to back up the Slovene stand inside the federal bodies.⁵⁹⁶

In Tezno, the youth organization was the first to reflect the broader trends of political liberalization and adopt a more independent line in relation to the local party. In November 1987, the Coordinating Committee of TAM's LSYS announced that it no longer intended to direct its activists toward the League of Communists.⁵⁹⁷ Speaking at the Youth Festival in Celje, the President of Tezno's municipal LSYS, Tone Andrelič, stated: "We refuse paternal care, let us choose the path which recognizes new knowledge, let us prove that 'internal truths' are a thing of

⁵⁹⁴ Jan Lundin, *Slovenia in 1988: Pluralism and Reaction*, Working Paper, (Uppsala: Uppsala University, Department of Soviet and East European Studies, 1989), 21- 22.

⁵⁹⁵ In an interview, France Pivec, the head of Maribor party at the time and a close collaborator of Kučan, told me that the Slovene party leadership was increasingly orienting itself toward the reformist course of the Italian Communist Party (PCI). The key text of Eurocommunism, Santiago Carillo's *Eurocommunism and the State*, was translated into Serbo-Croatian in 1980 and circulated widely ever since. The scope of the present research does not allow exploring this connection more thoroughly, as this would require a closer inspection of political and theoretical debates inside the Slovene LC.

⁵⁹⁶ Dejan Jović, *Yugoslavia: A State that Withered Away*, 322-325.

⁵⁹⁷ "Kritično o prenovi Zveze komunistov", *Skozi TAM*, November 13, 1987, 6.

the past”.⁵⁹⁸ Remarkably, LSYS’s TAM chapter – on paper, one of the more blue-collar in Slovenia – endorsed the removal of institutional solutions, which establish the working class as the pillar of political decision-making. In accordance with the idea of a pluralistic civil society standing opposed to the state, TAM’s youth activists were now suggesting opening the chambers of associated labor in law-making bodies to the entire constituency and the stripping of socio-political chambers.⁵⁹⁹

The local LSYS branches largely abandoned socialist ideology and started circulating translations from Western human rights and ecological groups, such as Amnesty International and Greenpeace. Pacifism and ecology became their main topics of concern. The latter was advanced with relative success among the workforce. By 1987, Maribor became the most ecologically endangered city in Slovenia, with air pollution rising above critical limits.⁶⁰⁰ TAM’s youth activists started spreading the cause of protecting green spaces inside the factory complex. Its 1987 annual report mentioned that the youth had managed to collect 2,400 signatures of TAM workers for the closing of Slovenia’s nuclear plant.⁶⁰¹ However, the issue of pacifism was not received with the same enthusiasm. In TAM, where a good part of the production was oriented toward the Yugoslav People’s Army, this kind of message was not desired. In an interview, the former factory youth activist Drago Gajzer testified that TAM’s youth organization “did not want to press the workers with this issue”.⁶⁰²

Slovene civil society was increasingly connecting its criticism of the central state with the theme of demilitarization and the reorientation of the Slovene defense industry toward civilian production. In May 1988, the Slovene youth press published a leaked army plan for state-of-emergency measures inside Slovenia. The document revealed that the army had a list of journalists and dissidents targeted for arrest and planned to exchange the local leadership in

⁵⁹⁸ Drago Gajzer, “Spremembe so nujne”, October 1987, 4.

⁵⁹⁹ Drago Gajzer, “Spremembe so nujne”, October 1987, 4.

⁶⁰⁰ M.S., “Zrak naš vsakdnji ni več, kar je bil”, *Skozi TAM*, March 1987, 5.

⁶⁰¹ “Poročilo o delu conference osnovnih organizacij ZSMS DO TAM in njihovih organov v letu 1987”, *Skozi TAM*, March 1988, 6.

⁶⁰² Interview with Drago Gajzer (TAM youth organization activist), April 2013.

Ljubljana with a more conservative one. The army reacted by arresting an LSYS activist, a Slovene army lieutenant and two journalists. Since the affair involved the leaking of a military secret, the whole trial fell under the jurisdiction of a military court, beyond the influence of the Slovene government. The trial triggered anti-federal feelings among the local population.

The new Slovene leadership benefited from the spread of anti-federal and nationalist messages at home, as it was the sole actor representing the republic in the central party-state. To the Slovene public, Kučan could position himself as the government and opposition at the same time. Inside Slovenia, his role was allegedly to maintain stability by curbing radical oppositional voices, which might provoke political or military intervention from Belgrade. When it came to Kučan's political work inside the central bodies of the Yugoslav party-state, however, the media portrayed him as a principled fighter for Slovene national interests. This double play brought him great popularity in the course of 1988, similar to that enjoyed by Slobodan Milošević inside Serbia. The public support for Kučan jumped from 26.9 percent in April to 65 percent in October.⁶⁰³

These figures can lead one to conclude that Slovenes were becoming increasingly homogenized politically. Nevertheless, one should be careful when delivering sweeping judgments of this type. Without a doubt, the citizens were overlooking internal differences and coming closer together when placed under external pressure. Still, there were contradictory tendencies present. A public opinion poll mentioned by Dejan Jović showed that Slovenia was the Yugoslav republic most prone to accepting political pluralism, but, parallel to this, also home to the largest percentage of people ready to support the policies of a "firm hand".⁶⁰⁴ Despite efforts to promote workers self-management as the ideology of maximizing individual incomes many Slovenes were connecting socialism primarily with the concept of "equality" and a "classless society".⁶⁰⁵

⁶⁰³ Dejan Jović, *Yugoslavia: A State that Withered Away*, 328-329.

⁶⁰⁴ In Slovenia 61.1% of surveyed citizens were in support of a "firm hand which knows what it wants", instead of "empty talk about self-management". In Serbia 53.4% of correspondents agreed with this statement. See: Dejan Jović, *Yugoslavia: A State that Withered Away*, 322.

⁶⁰⁵ In the 1984 survey, 31% of the Slovene population continued to identify socialism with "unequivocal social equality", even though this was not an official interpretation. See: Sharon Zukin, "Self-Management and Socialization", in Pedro Ramet, ed., *Yugoslavia in the 1980s*, (Boulder: Westview Press, 1985), 93. One year later, a survey of the values of the LCY rank and file noted that the number of Slovene communists who valued "equality" more than "freedom and democracy" rose from 24 % in 1978 to 39.1% in 1985 (almost identical to the results

The new party leader might have been gaining recognition; nevertheless, the Slovene League of Communists was in a state of disarray. In 1988, it was recorded that the total membership decreased from 126,000, which it enjoyed immediately after Tito's death, to a little under 110,000.⁶⁰⁶ In TAM, the 1987 Action Conference of the local party chapters revealed that the communists felt "powerless, wavering and without perspective".⁶⁰⁷ The following year, TAM's communists concluded that 137 people, or 18 percent of the membership, had left the organization in the previous period. Out of the remaining communists inside the factory only one-third was active.⁶⁰⁸ The 1988 Maribor city conference showed that regular members were not sure how to position themselves in the growing gap between the local social movements and the federal party. It described the Slovene youth press as brave for exploring controversial issues and criticizing the Yugoslav People's Army, but added that one should not focus only on the negative aspects of life in a common state.⁶⁰⁹

The leadership's abandonment of Yugoslavism, working class and egalitarian visions as the main themes attracted the interest of voters outside of the traditional party milieus. On the other hand, it left the regular members in a state of confusion. The party officials were well aware that detachment from the federacy and the egalitarian values of workers self-management also carried the potential for alienation of a significant section of Slovenia's society. In the 1988 Slovene LC conference, functionary Jože Župančič noted regrettably that, "fifty percent of Slovenes have a low-skilled worker's mentality". These were allegedly individuals "who would like things to remain in place as they are...who wish to wait for retirement in their workplaces without stress and requalification".⁶¹⁰ Župančič's use of statistical data was sloppy, probably not based on any concrete study, but used symbolically to prove the point about the alleged resistance to reforms.

inside the Serbian party – 41.6%). On the other hand, the number of Slovene communists who opted for "freedom and democracy" rose more rapidly than the Yugoslav average in this period (it climbed from 16% to 28%), indicating increasing polarization inside the party and the republic in general. See: Vladimir Goati, *Politička anatomija jugoslovenskog društva*, (Zagreb: Naprijed, 1989), 69-70.

⁶⁰⁶ Božo Repe, *Slovinci v osemdesetih letih*, 5

⁶⁰⁷ "Ta časko težko biti komunist", *Skozi TAM*, June 1987, 6.

⁶⁰⁸ Danilo Vincetič, "Začnimo pometati pred svojim pragom", *Skozi TAM*, March 1988, 12

⁶⁰⁹ Danilo Vincetič, "V gospodarstvu so potrebni novi prijemi", *Skozi TAM*, March 1988, 8

⁶¹⁰ Dragiša Drašković, "Istina nije u jednini: Konferencija SK Slovenije", *Rad*, April 26, 1988.

The notion of fifty percent of Slovenes opposing changes was an exaggeration stated to invite sympathy for the predicaments confronted by the reform-oriented leadership. Nevertheless, the approaching explosion of discontent in Maribor would prove that the potential for resistance to the new course was indeed present, in particular in industrial communities such as Tezno.

In contrast to Serbia, by the late 1980s, there was no political force ready to take on those sections of the Slovene population still clinging to the interpretations and ideals of the Yugoslav socialist revolution. As described above, unlike Milošević, whose language still paid tribute to the heritage of market socialism in economics and the idea of a ‘plurality of interests inside self-managing’ in politics, Kučan’s reforms suggested a more radical break with the past. The nationalist intelligentsia, for its part, was customarily skeptical when it came to class as a category dividing the Slovene nation. On the other hand, in line with the growing influence of the ideas of civil society, the new social movements were not willing to recognize the potential for independent organizing inside state socialism. Under communism, there was allegedly no society and as a result, all forms of already existing and institutionalized forms of social organization were ignored. Labor and workers’ self-management were identified strongly with the ruling party and this was not the heritage the activists wanted to rely upon when advocating further democratization.⁶¹¹ The Slovene blue-collar workers were left to their own devices, bypassed by all major actors of Slovene politics.

6.4. Beggar Thy Neighbor

Industrial workers in self-managing socialism frequently related the expansion of their political rights and improvement in their standard of living with demands to curb the real or assumed privileges of other occupational groups. Whether white-collar employees, who allegedly did not produce surplus value, or peasant workers, ranked below ‘pure proletarians’ by official ideology, divisions inside the factory were encouraged by the party, with the intention of imposing itself as the outside arbiter between confronted interests. The divisions were also stressed upon by the manual workers in order to demand particular treatment as the sole producers of value. In times

⁶¹¹ Tonči Kuzmanič, “Strikes, Trade Unions and Slovene Independence”, in Jill Benderly and Evan Kraft, eds., *Independent Slovenia: Origins, Movements, Prospects*, (New York: St. Martin’s Press, 1994), 161.

of crisis, the total income was seen as a fixed pie and the increase of wages for one occupational group automatically meant the loss of income for others.

The Marxist postulate of the exploitation of labor was easily evoked in the years of rising social polarization. Since the inception of self-management, the party insisted the project was potentially threatened by bureaucratic centralism and economic particularism. The chief carriers of these twin harmful tendencies were the market-favored managers and the alienated state bureaucracy. The victory of market-oriented politicians in Serbia and Slovenia meant that the state bureaucracy was placed under the spotlight. The reform of the Associated Labor Act was portrayed as the fight against the privileged statist forces, which stifle the flourishing of self-management and modern forms of production. But, who was the main representative of the state bureaucracy in the late 1980s?

Ever since the early 1960s, when markets and political decentralization became the backbone of Yugoslav socialist ideology, the accent was placed on the apparatus of the central state as the embodiment of bureaucracy. The 1970s brought political condemnation of the uncontrolled market and technocracy, but the decision was not to confront the managerial layer with a return to political centralism, but to conduct an even more radical decentralization under the new Constitution and Associated Labor Act. In smaller republics, especially in the relatively well-off Slovenia, the public still perceived the statist forces in traditional terms. The federal bodies were seen as falling under the increasing influence of Serbia and the less developed republics, which supported their empowerment. Inside Serbia, however, new interpretations were rapidly gaining ground, which equated social forces hostile to self-management with complacent regional party apparatuses, whose influence rested on the atomization of state functions and blocking of reforms. In both cases, the lines of confrontation were displaced from the factories and projected along the national lines of single republics.

By placing Serbia in the role of the exploited victim of ever-increasing pushes for decentralization, the new dominant discourse in Belgrade assigned the Serbian nation as a whole with attributes once reserved for the proletariat. Slobodan Milošević started to use the term

‘working class’ interchangeably with the term ‘Serbian people’ (*srpski narod*).⁶¹² Workers in other republics were also increasingly being perceived as members of nationally-defined groups with opposite interests. In the eyes of workers in Rakovica, the line of distinction between Slovene workers and their elites was fading, as they allegedly all benefited from the unequal constitutional set-up. The difference in economic development between the regions seemed to support such interpretations. As already noted, in the second half of the 1980s, the average wage of a production worker in Tezno was almost two times higher than in Rakovica. The following statement of IMR worker shows how discrepancies in wages created the impression of separate interests, especially at the height of the crisis, when each negotiation of income redistribution between the republics was seen as a zero-sum game:

I was never able to understand why as we were building Drmno [a power plant in Serbia] the Slovene workers were paid 40, Serbs 20 and Macedonians 12 million old dinars. Opposing interests among workers can only appear due to different material conditions. No one is crazy to give up what he already has. That is why equal conditions for work and pay should be created for all of us. The Yugoslav working class can have only one interest.⁶¹³

A united labor movement with a common platform was therefore hard to envision, as the only conceivable way for workers in Serbia or Macedonia to receive higher incomes would involve the lowering of wages in Slovenia. However, as the worker quoted above noticed, nobody was ready to renounce parts of their earnings. The logical conclusion stemming from such understanding was that the new ‘people’s leadership’ of Serbia should press the federal government to interfere more decisively and redistribute wealth from northwestern regions in favor of lower-paid workers in the southeast of the country. Unified Yugoslavia was seen as a place where all self-managed enterprises enter into exchange via the market from the same starting position. Under those circumstances, the income would allegedly be distributed

⁶¹² Olivera Milosavljević, “Antibirokratska revolucija, 1987.-1989.”, in H.G. Fleck and I. Graovac (eds.) *Dijalog povjesničara-istoričara 8* (Zagreb: Zaklada Friedrich Naumann, 2005), 319-336.

⁶¹³ D.Ž., “Naši radnici govore: Da vidimo šta će biti”, IMR, November 1, 1988, 6.

according to 'work', instead of the better 'work results', made possible by inherited advantages and political protection.

In Slovenia, the problem was seen from the opposite end. For workers in Tezno, the existing wealth redistribution mechanism, the Federal Fund for Accelerated Development of Underdeveloped Republics and Kosovo, embodied the unjust political obstruction of the free market and self-management. Alluding to the loss-making factories outside of Slovenia, TAM's party activist Jože Čuješ complained about the presence of "petty-bourgeois attitudes, a lumpen way of thinking and consumer habits, creating a false idea that one can live well without work and without respect for the basic value of our society".⁶¹⁴ By attributing non-proletarian traits to the workers in the southeast, Čuješ was portraying them as unworthy of solidarity. In April 1988, TAM's factory paper reprinted an article from the Slovene daily press on the solidarity funding of underdeveloped regions in Yugoslavia. The article started with the usual grievances over technological stagnation and centrally-imposed wage limits, only to end with the topic of negative birth rates inside Slovenia. Linking, the issue of birth rates to economic relations inside the federation, the text was clearly reflecting the growing influence of nationalist ideology and the fear that the crisis of Yugoslav socialism was putting the very existence of the Slovene nation at stake.⁶¹⁵

The examples above show that the usage of nationalist narratives for self-victimization and denial of rights to workers in other parts of the country was indeed present in Tezno. Still, one can find this type of language only occasionally. The superior production performance and more favorable market position allowed the Slovene manufacturer to relate its grievances to business freedoms and the urge to continue with modernization, instead of past injustices and ethnic oppression. In Serbia, on the other hand, the media and the party imposed the national question as the prime concern to which all other issues had to be subordinated. The presence of ethnic strife in Kosovo introduced a sense of urgency and anxiety in Serbian society. Few workers in

⁶¹⁴ Jože Čuješ, "Brez ustrezne spodbude ni rezultatov", *Skozi TAM*, April 1986, 9.

⁶¹⁵ "Kam vse to pelje?" (Povzeto iz več člankov *Dela*), *Skozi TAM*, April 8, 1988, 12.

Rakovica could remain indifferent to the images of fellow nationals in plight. As Milošević pointed out to the members of LCY Central Committee in October 1988:

Kosovo is not the cause, but the consequence of the crisis of Yugoslav society. However, the fact that it is a consequence does not mean that it should be resolved last. Harassment, rape and humiliation of the people cannot wait until we get inflation under control, reduce unemployment, increase exports, raise living standards, implement democratic centralism and discuss the relationship between class and the nation.⁶¹⁶

In the initial years of the crisis, the discussions about Kosovo in Rakovica's factories were heated, but the language stayed within the perimeters set by the politics of 'brotherhood and unity', and insisted on the Marxist concept of class divisions within each nation. As a rule, criticism launched in the direction of Kosovo focused on the local power holders, individuals presented as standing counterpoised to the ethnically-mixed population. The large numbers of Albanian protesters in the streets, backing greater autonomy for Kosovo, were portrayed as wrongly informed or manipulated youth, whose interests were different from those of nationalist ideologues. These careful distinctions had largely disappeared with the political rise of Slobodan Milošević and the influx of ethnic grievances into the official discourse. Chauvinist themes, formerly limited to the pages of yellow press, now started appearing in IMR's self-management meetings and the factory press.

IMR's delegate in the Serbian Parliament, Milorad Despotović, was particularly engaged in the efforts to push formerly censored political topics into the official discussion. In March 1987, he accused the party leadership of avoiding connecting the issue of high birth rates in Kosovo with unemployment. Despotović advised the authorities in the autonomous province to "rethink if each family should have ten children".⁶¹⁷ The growth of Kosovo's Albanian population in relation to the Serbian was one of the main nationalist concerns in Serbia. Apart from high birth rates, the ethnic structure of the province had also allegedly changed due to illegal migration from Albania. In December that year, IMR's highest delegate raised this question as well. Despotović insisted on knowing the exact number of refugees from the neighboring countries

⁶¹⁶ Slobodan Milošević, *Godine raspleta*, 270.

⁶¹⁷ "O izbeglicama", IMR, December 25, 1987, 9

inside of Yugoslavia and how many of them were deported. Despotović also demanded to know how these individuals earned their living, since, as he stated, “we all know the situation concerning the living standards and unemployment of our workers”.⁶¹⁸

Kosovo was being connected ever more directly with IMR’s business difficulties. The yellow press reports about the vacation houses built by Kosovo functionaries were picked up quickly inside Rakovica. The factory press recorded Despotović conveying the message from his base to the delegates in the Serbian Parliament:

The workers presented me with the task of sending out a warning through the legal institutions for the last time. The situation in Kosovo is causing unease and insecurity among our workers. We are frustrated in particular with the fact that the funds for underdeveloped regions are used for separatist causes. Rakovica workers give out twice as much for this fund as for our own accumulation. We are especially angry about the fact that land is taken away from the Serbian residents in order to build the vacation houses for the functionaries...in Kosovo the taxes, rents and bills are not paid to the state...where does the province get its money from then?

The fall in the standard of living in Rakovica was directly associated with the alleged ethnic backwardness, unlawfulness and political privileges of Albanians in Kosovo. In September 1988, the IMR youth organization members made the following comments in the context of the proposed constitutional amendments and Kosovo:

It is shameful that at the end of 20th century we have *genocide* [emphasis added] in Serbia.⁶¹⁹ The Serbian people lost their statehood in peacetime⁶²⁰ and the amendments are a chance to regain it...Are we living in an occupied land? We have seminars in Albanian if there are five Albanian students present... so many Albanians have crossed the border since World War Two and we are doing nothing about that...We naively believed in some

⁶¹⁸ “O izbeglicama”, IMR, December 25, 1987, 9

⁶¹⁹ The speaker is referring to the situation in Kosovo, often described in terms of genocide by the media.

⁶²⁰ Again, a popular phrase often repeated in the media, originating from the novelist Dobrica Ćosić, who claimed that Serbs are “always winners in war and losers in peacetime”.

theoretical constructions that Marxism had on the national question and now we are paying the price for it.⁶²¹

The usage of notions such as ‘genocide’ and ‘occupied land’ reveal the level of anxiety and fear present in Rakovica. The stories of refuge, terror, rape, infiltration of immigrants from Albania and the unaccountability of the provincial authorities created an atmosphere of hysteria and inspired workers to start viewing the inherited ideology of ‘brotherhood and unity’ as a ‘theoretical construct’ while adopting chauvinist ideas which seemed to correspond to reality. The new concepts were especially well received among the younger workers, who had no personal experience of cross-national solidarity, and young activists, who viewed the political turn as an opportunity to advance in the socio-political bodies. For most citizens of Rakovica, the question of how the proposed program of reaching Yugoslav unity through a stronger Serbia would resonate with workers in other parts of the country was never an issue. Any hint at nationalism was perceived as rubbing salt in the wound and furiously rejected. Referring to accusations of rising nationalism in Belgrade by the local communist leadership in the northern Autonomous Province of Vojvodina, a speaker at an open meeting called by Rakovica’s party to debate the coming political reforms stated:

Nobody can tell us here in workers’ Rakovica, the place where the workers’ bread is shared in brotherly fashion between people of all Yugoslav nationalities, that we support ‘Greater Serbia’... We are convinced that the working class and all the nationalities living in Vojvodina also want unity of Serbia and Yugoslavia, the strengthening of brotherhood and unity, further advancement of self-management, equality between the republics, a faster solution to the accumulated problems, and a peaceful life for everyone in Kosovo.⁶²²

In Tezno, the younger factory activists also seemed to be the ones most eager to break with cross-national solidarity. The youth organization perceived the calls for more unity in Yugoslavia as a cheap trick, a mere smokescreen for the bloated administration of the central state, technological backwardness, solidary cover of losses, favoring based on political

⁶²¹ D. Dikić, “Jednoglasno za amandmane”, IMR, October 4, 1988, 4.

⁶²² “Ustavne promene – jedini put”, IMR, July 26, 1988, 4.

privileges, and the rule of mediocrity.⁶²³ The nationalist grievances under communism were recognized as legitimate, but there was a conscious effort not to bring them to the fore. On the 1988 Day of the Republic, the central state celebration of socialist Yugoslavia, TAM hosted the Slovene youth organization delegated President of the League of Socialist Youth of Yugoslavia, Branko Greganovič. Dressed in a preppy sweater and with the fringe of his hair covering his eyes, the federal youth functionary stood out in a room full of work overalls, business suits and the traditional costumes worn by the performing folk orchestra.⁶²⁴ Greganovič's speech was just as offbeat as his appearance. He avoided giving praise to the communist heritage and defiantly focused on the issue of the allegedly distorted presentations of the past:

Too long have we feared every song, every national symbol and respect of traditional customs. It is no wonder that we live in an atmosphere characterized by distrust and national intolerance, fear of our own past, which we sadly got to know only by means of Potemkin tales of good and evil characters. Historical facts remain unknown, the archives still remain closed. That is why at this very moment an orientation toward the future is most necessary in Yugoslavia, not oratory engagements about good and evil characters and searching for the culprits of the past.⁶²⁵

Greganovič therefore showed an understanding, if not outright sympathy, for reawakened nationalism and historical revisionism, but appealed for restraint in a heated moment and for a focus on the more tangible future. The future according to him entailed business freedoms, separation between the economy and politics, and the autonomy of labor from the party tutelage.⁶²⁶ The policy of TAM's youth organization toward its comrades from other republics could be best described as politely reserved and increasingly isolationist. In the course of 1987, TAM's LSYS started to boycott youth events on the federal level.⁶²⁷ In the summer of that year,

⁶²³ "Poročilo o delu konferenceosnovnih organizacij ZSMS DO TAM in njihovih organov v letu 1987", *Skozi TAM*, March 1988, 6.

⁶²⁴ See the cover page of *Skozi TAM*, December 9, 1988.

⁶²⁵ Danilo Vincetič, "Jugoslaviji je ta čas najpotrebnejša zavestna usmerjenost v prihodnost", *Skozi TAM*, December 9, 1988, 3.

⁶²⁶ Danilo Vincetič, "Za ekonomsko varnost ljudi mora skrbeti država", *Skozi TAM*, December 9, 1988, 3.

⁶²⁷ The boycott decision was related to a controversy surrounding the preparations for Youth Day celebrations that year. LSYS decided to introduce an element of subversion into the event by contracting a local post-punk artist

TAM's paper published an interview with Tone Andrelič, the President of the municipal LSYS. Andrelič praised the youth as harbingers of new technologies and progressive ideas, but made a conscious effort to differentiate between the younger generations in Slovenia and the economically less prosperous regions:

The surveys say that young people comprehend the crisis differently in the less developed parts of Yugoslavia. For them, the solutions seem to be a strong state and centralization of all functions. They think that the state has to take care of all their problems. We strongly disagree on these issues.⁶²⁸

This was an effort to justify the cessation of communications between the Slovene LSY and youth organizations in other republics. The smearing of the youth outside Slovenia was similar to the actions of the TAM factory elites to discourage solidarity with workers in the southern republics, by attributing to the latter a lumpen and petty bourgeois consciousness. The image of youth in less developed republics was deliberately oversimplified. As we have seen in the case of IMR, the new political trends in Serbia also carried strong anti-statist messages. The reliance on the local party-state and strengthening of the federal bodies were seen as temporary measures that were needed to level the playing field. Otherwise, the newly found economic wisdom inside Rakovica favored the market and praised private initiatives. Similarities between the anti-statist attitudes spread by the reformists in Tezno and Rakovica can be best observed in relation to the economic policies in Kosovo. The younger activists and professionals in Rakovica were hostile to the solidarity fund, aiming to take control of the local transfers to Kosovo and to use them as profit-seeking investments. This was exactly the rationale the Slovene pro-market reformers were applying to all underdeveloped regions.

In April 1987, TAM's youth organization declined an invitation to the Yugoslav young metalworkers competition. The factory paper claimed that there were no political reasons involved, arguing instead that the technical content of the event was not satisfactory enough.⁶²⁹

collective to design a Slovene proposal for the event poster. After the poster had won the competition, it was revealed that the image appearing on it was an appropriation of a painting made by Nazi-allied artist Richard Klein in 1936. The scandal sparked furious reactions in the Yugoslav public and political condemnation of LSYS.

⁶²⁸ Simona Trčko, "Večina slovenske mladine ve, kaj hoče!", *Skozi TAM*, June 19, 1987, 8-9.

⁶²⁹ Danilo Vincetič, "Dokončen NE za Srečanje mladih kovinarjev Jugoslavije", *Skozi TAM*, April 1987, 8.

The tradition of youth work brigades was also partly abandoned, with Slovene youth activists choosing to travel to neighboring western countries to take part in smaller events with pacifist and ecological themes, organized by the International Voluntary Service. The 1987 Youth Day celebration in Belgrade caused much criticism among Tezno's youth activists. One of the main songs performed at the event played with negative stereotypes. It portrayed the Yugoslavs as bad tempered Balkan people quick to jump into trouble. The tongue-in-cheek performance was supposed to trigger feelings of a common predicament and unity. The President of the municipal LSYS in Tezno, Tone Andrelič had a different view of the event. He insisted that Slovene people did not fit into the displayed stereotypes. The song was denounced as fatalistic. It was allegedly an acceptance of the current situation – a “laugh at our own incompetence”, as Andrelič noted.⁶³⁰ The message Andrelič was trying to send was that, unlike the other republics, Slovenia had a clear idea on how to overcome the crisis and it would not allow itself to waste time by participating in the collective celebration of hopelessness.

The more assertive the working-class milieus in Serbia were in trying to spread their leadership's call for a united Yugoslavia and to present it as the extension of the traditional slogan of working-class unity, the more compelled the Slovene workers were to rally behind their leadership and withdraw from discussions over common concerns. The discussions over the proposed constitutional reforms inside TAM's socio-political organizations in the course of 1987 and 1988 show this. Those amendments dealing with the reorganization of Associated Labor along clearer market lines were not met with total rejection. Still, the commentators warned that Serbia's strong focus on legal acts could easily prove to be an empty frame with no real content. Instead of a reliance on the state to introduce market economics, TAM expected a pro-business orientation, adding that exaggerated normativism reveals suspicion toward the autonomy of self-management.⁶³¹

When it came to the proposals in the sphere of socio-political system and relations inside the federation, the speakers adopted much tougher positions. For instance, the creation of a more uniform taxation system, re-introduction of central economic planning mechanisms or a common

⁶³⁰ “Kaj se pleče v mladih glavah južno od Slovenije”, *Skozi TAM*, April 17, 1987, 8.

⁶³¹ Jože Čuješ, “Razpravo usmeriti v žarišče”, *Skozi TAM*, June 1987, 8.

educational curriculum were all discarded as overly centralist and insensitive to differences in regional development and local needs. The reduction of quotas and abandonment of consensus seeking were not seen as a path toward the democratization of the political system. On the contrary, in the midst of the rise of politics based on national identity, there was a fear that the ‘one man, one vote’ principle would lead to Slovenia being outvoted by the more populous and less developed republics. The idea of introducing the Chamber of Associated Labor into the Federal Parliament was one of the most prominent demands inside Rakovica.⁶³² TAM’s political activists condemned it as an integral part of the efforts to outvote Slovenia. On their part, the Slovene communists placed emphasis on individual civil liberties and abolition of the death penalty and called for the legalization of strikes.⁶³³

Unlike IMR, where one can spot the workers becoming increasingly responsive to the new political and economic initiatives of their factory elites, it is much harder to detect the reactions of ordinary workers in TAM to the Slovene debates. TAM’s discussions of the proposed constitutional amendments were routine events, attracting a closed circle of factory functionaries echoing the official reasoning of the higher party organs. The grievances remained connected to internal factory issues and workers still saw the factory primarily as the place where they were earning an income, without depicting the enterprise or themselves in overt political tones. The factory party branches and the union lacked the internal vigor needed to inspire the workers. The socio-political activists had no interest in steering discussions inside the industrial base as the managers had already established internal, pro-reformist hegemony earlier in the decade. The new messages launched by the Slovene party and the trade union were already a mainstay inside the factory.

If there was one organization potentially interested in rallying the workers behind its program it had to be the factory youth organization. The local LSYS identified itself with the emerging Slovene civil society much more than with the official reformist policies. Nevertheless, the reach of the youth organization was limited. Despite its growing activism, it remains an open question

⁶³² For a detailed account of this demand see the following section.

⁶³³ Albert Veler, “Stališča in predlogi k osnutku amandmajev k ustavi SFRJ”, *Skozi TAM*, Maj 13, 1988, 3.

how much influence TAM's youth organization truly had among the workers in direct production. The 1987 organizational annual report mentions poor dissemination of information among the members and a low participation of BOAL chapters in the work of the standing factory leadership. It seems that TAM's LSY did not base itself that much upon mobilizations inside the factory. Instead, its activism was most likely initiated and carried out by the full-time staff and reflected broader impulses coming from the university and the more middle-class chapters in the city center. Inside the factory, it is conceivable that youth activists oriented their activities toward the more educated enterprise staff. As Gajzer remembered: "We managed to satisfy only one part of the youth. We were not true proletarians, and attracted individuals from urban Maribor".⁶³⁴

The arrest of Slovene civil society activists in May 1988 triggered public protests in Ljubljana that summer, joined by numerous single-issue groups, cultural institutions, single LC Slovenia party branches and enterprises. On June 21, the protest in downtown Ljubljana attracted over 20,000 people under the slogan 'Freedom, Democracy, Legal Protection'. As we have seen, a few months earlier a trade unionist from the local factory sought contacts with the oppositional figures. It is conceivable that the atmosphere in some plants inside the Slovene capital was more akin to the one described in Rakovica. In Tezno, however, one sees no traces of solidarity meetings or mobilizations along these lines. The workers from Tezno and its broader countryside did not share the feeling of urgency and national revival present in Rakovica. They were also relatively isolated from the burgeoning political activism and fear of potential repression by the central state, spread by activists in downtown Ljubljana. Their dissatisfaction with internal factory affairs was reaching a boiling point. Still, they saw few current overarching themes to which they could connect.

6.5. The Party and Trade Union Competing in Rakovica

In the summer of 1988, the Serbian party under Milošević opened up to the grassroots movement of Kosovo Serbs and started not only tolerating, but also actively endorsing street rallies across the republic, especially inside the two autonomous provinces. As a result, these particular

⁶³⁴ Interview with Drago Gajzer (TAM youth organization activist), April 2013.

mobilizations from below now blended with the communists' official political campaign to reconstruct the constitutional architecture of the country and turn Serbia into a coherent political entity. Kosovo activists moved from city to city, organizing public gatherings with the help of initial groups of local supporters. During the month of July, it is estimated that tens of thousands of citizens participated in seven such rallies. In the media, the movement was increasingly becoming known under the name 'Anti-bureaucratic Revolution'. In August, the rallies were organized in ten cities with some 80,000 participants. By the end of September, the movement expanded significantly, involving over 400,000 people in 39 cities across Serbia, the two autonomous provinces, and Montenegro.⁶³⁵

In Rakovica, the discussions were also starting to move out of the meeting halls into the streets. Rakovica's municipal party organized the first public gathering that summer independent of the ongoing Anti-bureaucratic rallies. In July 1988, a Citizens' Assembly, at the plateau in front of the 21. Maj factory, crowned the campaign for reform of the Yugoslav Constitution inside Rakovica. Some 5,000 residents attended the rally. In the build up to the gathering, the party activists insisted that Yugoslavia's constitutional model, and Serbia's allegedly weakened position in relation to the other republics, was the main obstacle to economic recovery and political democratization. The idea of decreasing the autonomy of Kosovo and Vojvodina was strongly supported by the gathered workers. They agreed with the proclaimed need for recentralization on all levels. The ways in which they envisioned that the centralization of political and economic life in the country would be achieved, as well as the end goals toward which this new unity would be utilized, was another matter altogether.

In their comments, the workers usually dismissed the official proposals for constitutional amendments as too soft and insufficient. Calls were extended for the dismantling of the Collective Presidency and its substitution with a single-person mandate. Just as in the case of the factory management structure, where a resolute general director in constant communication with the shop floor was the preferred state of affairs, IMR workers envisioned a strong figure, directly responsible to the working class, standing at the top of the party-state as the best solution for the

⁶³⁵ Olivera Milosavljević, "Antibirokratska revolucija 1987-1989. godine", 324-325.

Yugoslav political system. Furthermore, the workers demanded direct elections for representatives in all federal legislative bodies, as well as the introduction of legal prerequisites for the organization of national referendums.

Rakovica therefore put forward a much more radical approach to the restructuring of the state than their party leadership. Calls for a clear personal authority at the top were coupled with far-reaching democratizing impulses, such as direct elections and the institution of referendums. Among all the ideas the workers had, the one heard most often was the demand for the introduction of the Chamber of Associated Labor into the Federal Parliament.⁶³⁶ Remarkably, while supporting the push for the eradication of Associated Labor bodies inside the factories, the workers simultaneously adopted the idea of a federal institution of blue-collar representation as one of their highest priorities.

Rakovica's communists saw the campaign of solidarity with the new Serbian leadership, conducted in the spring and summer of that year, as only a partial success. The closing rally did manage to gather 5,000 citizens and win over many new workers for the new leadership. Nevertheless, skepticism was still widespread. As the President of IMR's LC Conference, explained at a roundtable that spring, the workers were still reserved after the negative experience they had with the campaign in preparation for the LCY 13th Central Committee in 1984.⁶³⁷ Next to the customary lethargy, the workers found the content of Milošević's constitutional amendment proposals too mild. If it were up to them, the federal restructuring would have been conducted in a more radical way.

The conviction that the new positions were not forceful enough was also related to the lack of calls for a more just distribution of income and traditional appeals for the struggle against social privileges. The nationalist narrative successfully connected workers' concrete dissatisfaction with the quarrels in the highest federal bodies. However, the fact that many workers accepted the nationalist vision of ethnic relations and the federal state architecture as the most pressing topic does not mean that class tensions inside the factories and wider communities ceased to be

⁶³⁶ D.J., "Neophodne promene", IMR, March 29, 1988, 1-4.

⁶³⁷ "Zašto se ne sprovodi ono što je zaključeno", IMR, May 24, 1988, 6.

important. As we have seen, the accelerated legal reforms under Milošević paved the way for the management to apply stronger pressure on the shop floors. Workers' everyday life and experiences inside the factory kept bringing the issue back to work conditions, occupational differentiations and homegrown inequalities.

The workers of the Zmaj combine factory in Zemun municipality came very close to the heritage of the 1968 student left opposition movement when they poured into the Belgrade streets in June 1988, under the slogans 'Long Live the Working Class, Down with the Bourgeoisie' and 'You Betrayed Tito'. By deciding to march onto the Federal Assembly building, these workers followed the example of Bosnian miners earlier that year,⁶³⁸ as well as the tactic of the Kosovo Serb movement. In front of the Parliament, the city and commune officials mixed with the factory trade unionists and ordinary workers to address the crowd. The workers failed to present the authorities with a common list of demands, but the Zmaj factory paper recorded the speech of an anonymous worker, which captured the general mood of the protest quite well:

Everyone receives their wages because of the fact that workers toil. How big has the administration become, how many secretaries and automobiles are there...*where do we see this in the proposed constitutional changes* [emphasis added]? We want responsibility in front of the workers; we want to be able to remove those who perform badly. We have the right to demand the lowering of wages for those who do not produce. We have the right to demand expropriations of summer houses!"⁶³⁹

The most indicative part of the cited speech was the clear indignation over the fact that the constitutional changes pursued by the Serbian party leadership did not contain traditional egalitarian messages of Yugoslav socialism. All through the months of the intense campaign for constitutional changes, in the spring and summer of 1988, Milošević's references to the working class as the cornerstone of socialism were largely a routine inherited from the party language, with no direct connection to concrete movements on the ground. As already mentioned, between May and October, several work organizations from all parts of the country rallied in front of the

⁶³⁸ In May, some 400 miners from a mine in northeast Bosnia decided to organize a march to Belgrade. After reaching the Serbian border after a 70-kilometer long walk, the authorities organized buses and transported them to the Capital where they rallied in front of the Parliament.

⁶³⁹ "Protestni marš hiljade Zmajevaca", Zmaj, June 30, 1988, 8-9.

Federal Assembly building in downtown Belgrade. Workers from the Croatian rubber factory Borovo even stormed the parliament in July, but the former factory director and not the political leadership played the role of the negotiator.⁶⁴⁰ Milošević principally ignored these events. One could say that he stuck to the rules of federalism and refused to intervene in non-Serbian strikes. Even if that was the case, Zmaj, as a Belgrade-based factory, certainly fell under Milošević's jurisdiction.

The fact is that Milošević already had a political battering ram at his disposal in the form of the movement of Kosovo Serbs. Under the increasing guidance from the new leadership, the Anti-bureaucratic rallies were spreading across Serbia, with experienced activists from Kosovo acting as the organizers. As shown by recent historiography, the Serbian party did not have total control over this movement and there was a fear that political opponents from other republics might use any incident to compromise the Serbian party.⁶⁴¹ The rise of another social movement, based on class identity, with great potential to spread on its own through industrial cities, was the last thing the Serbian leadership wished at that moment. The testimonies of Kosovo Serb leaders reveal how Milošević did not greet the news of workers' mobilizations with sympathy and avoided connecting them with the Anti-bureaucratic movement. Recalling one of their meetings with the Serbian leader in Belgrade, Milić Maslovarić and Milorad, Migo, Samardžić, members of the protest organizing committee from Kosovo stated:

When we were at Milošević's office, you remember when that woman [the secretary] brought him that telex and said 'comrade President, they are on their way', and then Milošević started screaming 'get out, get out!' That is how mad she made him! Migo winked at me, but I was puzzled, not realizing what was happening. Later I found out how that same day, when we had our meeting with Milošević, the workers from Zemun's Zmaj factory walked out into the streets and gathered in front of the Federal Parliament.⁶⁴²

⁶⁴⁰ Miro Crnjaković, "Stari Kalup Žulja", *Danas*, September 13, 1988, 24-25.

⁶⁴¹ Nebojša Vladislavljević, *Serbia's Antibureaucratic Revolution: Milošević, the Fall of Communism and Nationalist Mobilization* (New York: Palgrave Macmillan, 2008).

⁶⁴² Sava Kerćov, Jovo Radoš, Aleksandar Raiš, *Mitinzi u Vojvodini 1988. godine*, 235.

The strike in Zmaj showed that egalitarian values connected to self-management did not disappear from the popular consciousness of Belgrade blue-collar residents in the decade of market reforms. They continued to circulate away from the public eye and found their clearest expression inside the trade unions. The wider public associated labor unions solely with social welfare functions, but workers seem to have nurtured the idea of ‘real trade unions’ as something the system should have strived toward.⁶⁴³ The growing disillusionment with the party over the course of the 1980s seems to have resulted in workers turning to trade unions, as one of the few organizations still capable of providing some room for expression of their grievances. In March 1986, the IMR press caught a glimpse of this mood. An assembly line worker was quoted as saying:

Since we have come to the situation where the party had weakened so much, why doesn't the union do something? Under these circumstances, it should engage for the interests of the workers, instead of distributing foodstuffs and organizing excursions.⁶⁴⁴

The behavior of individual union activists gave workers a reason to project their desires in this direction. During the political opening taking place around the 13th LCY Central Committee Session, the trade union activists often attracted attention in discussions. At a November 1984 meeting, organized by Rakovica's municipal party, where social scientists and politicians put forward their thoughts on the topic of growing social inequalities, the 21. Maj factory trade unionists, Milan Nikolić and Slobodanka Branković, stood out from the rest of the socio-political activists. They led vocal attacks against the perceived privileges of the communist elite. Pointing to the unequal distribution of apartments in the city, Nikolić questioned the legitimacy of “people who resolved all their problems” in top party positions. In his words, “in order to understand the problems of the proletariat, the leaders have to be proletarians themselves”. The debate continued heating up, to the point where an unnamed worker called for the confiscation of all wealth gained through the “exploitation or appropriation of social property”.⁶⁴⁵

⁶⁴³ Ellen Turkish Comisso, *Workers' Control under Plan and Market*, 175.

⁶⁴⁴ D. Žujović, “Dosta je bilo priče”, IMR, March 19, 1986, 4.

⁶⁴⁵ Sl. Avramović, “Hitni potezi umesto teoretisanja”, IMR, November 13, 1984, 4.

In 1986, Milan Nikolić, was elected as one of Rakovica's two delegates for the 10th Congress of the Yugoslav Trade Union Confederation. He also became a municipal delegate in the Belgrade Trade Union Council. At the new City Council inauguration meeting, the rank and file expressed the desire for a more combative organization. The delegates criticized the "strengthening of techno-bureaucratic management" as well as the "growing influence of structures standing outside of associated labor".⁶⁴⁶ The latter was the customary punch against the state bureaucracy, but mentioning technocracy among the main problems facing self-management was a rare feature among socio-political activists at the time. It was the language of the previous decade, which obviously survived inside the lower-level trade union forums and was now looking for renewed recognition. On the federal level, at the 10th Yugoslav trade union congress, Milan Nikolić took the floor, endorsing the idea of the Chamber of Associated Labor in the Federal Parliament. Similar to 1968, Rakovica's delegates tried to launch a semi-independent, all Yugoslav, blue-collar initiative inside the federal trade union. However, the union leadership refused to include Nikolić's proposal in the official protocol of the congress and put it to a vote.⁶⁴⁷

In January 1988, the IMR trade union held its first regular election since the removal of Đorđe Golibović in 1986. Surprisingly, the presidency did not turn to the veteran union cadres who had controlled the union in the previous two years. Instead, the post was occupied by thirty-year-old Milan Kljajić, a foreman known for unorthodox management methods and a rebellious attitude toward his executives.⁶⁴⁸ At the inauguration ceremony of the new union delegates, Milan Adžović, another critically-minded IMR unionist from the old guard, made it very clear that this election marked a radical break with the old understanding of trade unionism:

Changing times demand that the trade union reconsiders its work as a socio-political organization... what is it that made the trade union become alienated from the social and political events and hence from class itself... 'we sent two members to a seminar, we held

⁶⁴⁶ "Predložen Miodrag Lazarević", IMR, February 4, 1986, 2.

⁶⁴⁷ Nebojša Popov, *Radno mesto pod suncem: Radničke borbe u Srbiji* (Beograd: Službeni glasnik, 2011), 24.

⁶⁴⁸ In his own words, Kljajić tried to increase productivity in his unit by building up team spirit. He would organize football matches during work breaks and various social events, activities, which often put him at odds with the older BOAL directors.

eighty meetings’, these phrases tell us about the poverty of action... I suggest that those who intend to work in the old ways do not accept the function at all.⁶⁴⁹

The trade union was using the limits of the party reformist program to spread its influence. In March that year, disgruntled by rigidity inside the higher trade union forums, Milan Nikolić decided to focus his activity on the municipal level and became the president of Rakovica’s municipal trade union organization. His inaugural speech was also telling of the changing mood inside Rakovica’s factories:

It is a sad truth that we ourselves denounced self-management too easily. Incapable of mobilization, we failed to keep and develop it. In addition, lately there are calls for some kind of *strong hand* [emphasis added], which will resolve the problems. To a great extent, it is our own fault. If we had resisted, they would not have been able to take it away. If we had fought, we would have won! Therefore, we must start a new struggle for self- management, that inalienable right of the workers.⁶⁵⁰

With Milan Nikolić at the helm of the municipal union, joined by Slobodanka Branković, the outspoken female president of 21. Maj’s union, and Milan Kljajić, as the serving president of IMR’s union organization, Rakovica’s blue-collar workers now gained a commune-level organization responsive to shop-floor grievances that was fairly independent of the party-state. Nikolić was the undisputed leader of the group, a figure with authority. A few years older than the others, he had already built up a reputation among the workers as a strong critic of social polarization in the debates around the 13th Session of the LCY Central Committee. Like most other workers with functions, Nikolić was a member of the Serbian LC, but never paid much attention to the party line. Despite this, or maybe precisely due to this fact, he cherished the traditional egalitarian values of Yugoslav socialism associated with Josip Broz Tito.

Like many older or non-Serb workers, Milan Nikolić was reserved toward the rise of Milošević and the rhetoric based on ethnicity.⁶⁵¹ The passing reference to the ‘strong hand’, which would

⁶⁴⁹ D. Dikić, “Novi zadaci i obaveze”, January 26, 1988, 4.

⁶⁵⁰ “Milan Nikolić predsednik”, IMR, March 15, 1988, 4.

⁶⁵¹ Nikolić’s staunch anti-nationalism was mentioned to me in an interview by his associate Milan Kljajić.

allegedly solve all of the problems from above, in his inaugural speech shows that Nikolić was aware that the local union was about to enter a competition with the new Serbian leadership for the support of Rakovica's workers. The way he talked about workers' self-management also reveals a certain attachment to the ideal of blue-collar democracy, far removed from the everyday political handling of the term, in which self-management rhetoric was used as a cover for each twist and turn in the party policy. Nikolić thus held the steady dismantling of self-management structures to be a mistake – a rare opinion among functionaries of the socio-political organizations, most of whom believed that some kind of downgrade of Associated Labor system was necessary and inevitable. Nevertheless, the above-quoted depiction of self-management as something “taken away” indicates that, even for Nikolić, the battle was largely already lost. The struggle ahead was not for the defense of self-management as it once stood, but for it as a universal right, which should be respected in the new solutions.

It did not take long for the municipal trade union activists to put their words into practice. Furious over the latest affair over the misuse of social apartments involving top Serbian trade union functionaries, Rakovica stopped paying some 20,000 subscriptions to the Serbian Trade Union Confederation. When the president of the Yugoslav Trade Union Confederation visited Rakovica to mediate between the municipal and republican unions, he was greeted with a barrage of provocative questions. The trade union activists asked him if he would be willing to lead a strike of starving workers, in what ways he had contributed to the introduction of the Chamber of Associated Labor in the Federal Assembly, and if he thought that the revolution lost steam in the 1960s.

In mid-September 1988, Rakovica's unionists took advantage of the increasingly permissive government stance toward street mobilizations to organize their own protest gathering. The event was largely ignored by the media. However, this protest, held at the same place as the July party-sponsored rally, was a unique event in many ways. As explained, the institution of Citizens' Assembly (*zbor građana*) was initially relied upon by the movement of Kosovo Serbs to organize street protests. The municipal authorities also utilized this instrument of citizens' self-management to rally Rakovica's workers behind the government reform campaign. The

September gathering, in contrast, was organized as a municipal Workers' Assembly, the most basic legislative institution inside each work organization. In other words, it was not the application of the already existing form, but the creation of a new one through the extension of a factory based, broad self-management institution to a territorial unit. The rally did not aim to attract all of Rakovica's residents regardless of occupation, but was aimed explicitly at the working class.

The local union managed to break the isolation of the factory-centered system of workers' self-management. This was the first time that workers from different factories had established mutual contacts outside of the official channels of the party-state and one could detect the buildup of self-confidence and blue-collar pride in the public addresses delivered at this occasion. The empowering language heard at the event stood in opposition to the self-victimizing tone often used by the workers' delegates in official institutions. The speakers presented workers as the ruling class in socialism. Consequently, they did not need to ask for a helping hand from above, but simply reinstate their given rights. In the keynote speech, Milan Nikolić stated:

We will not stand on the sidelines accusing each other any longer. We will no longer be ashamed for waiting in line for cheap bread, no longer ashamed for sleeping in narrow basements forty years after the introduction of self-management, which allegedly placed us as the ruling class of this country.⁶⁵²

Encouraged by the newfound solidarity, the main theme of the gathering was working-class unity beyond national and territorial borders. Whereas most of the anti-bureaucratic protests during the summer focused on Serbia and its two autonomous provinces, this gathering tried to tackle Yugoslavia as a whole and find universal solutions. The rally asked for the removal of all "imposed barriers and artificial borders" that allegedly clogged the "true, united interest – the interest of the working class". There was no clear statement on what this presupposed common interest of all workers in Yugoslavia was. Nevertheless, the protest did put forward the path for realizing it. The official demand launched at the gathering was that the constitutional changes on the federal level must introduce the Chamber of Associated Labor into the Federal Parliament. Instead, or parallel to, an empowered Serbia, the protest promoted a new federal body, which

⁶⁵² D.J., "Ko nas deli?", IMR, October 4, 1988, 4.

could potentially provide a counter balance to the disintegrative trends and release direct producers from the political tutelage of politicians in the republics and provinces. In this scheme, the shortest and simplest way to achieve a common market and federal cohesion was the political emancipation of the working class. Petar Savić, a skilled worker from IMR, described Rakovica's blue-collar platform in the following words:

The constitutional changes dragged workers' and citizens' attention away from other problems that are of vital importance for society. Today it is hard to distinguish what is more important than the other, but the mass media are so obsessed with constitutional changes inside Serbia that people also started to think only about this. That is why we organized this rally...less than one quarter of what we suggested found its way into negotiations over the new Constitution. The basic problem is that we still do not feel that things are developing toward the true integration of workers into the running of society. This idea is now formulated in the proposal for the introduction of the Chamber of Associated Labor.⁶⁵³

The leaderships of the federal socio-political organizations rejected the idea of a new federal chamber with majority vote rule, arguing that this would break the balance of influence between the different nationalities and open the door for centralization and consequently the domination of Serbia as the largest republic. The Serbian party played with the idea in the campaign period but could never include it in its official demands, since it went against efforts to obliterate the Associated Labor Act – in its view, the main obstacle in the way of a functioning, integrated market. Instead, it offered to open the doors for more Associated Labor delegates in the existing chambers of the Federal Parliament.

By autumn of 1988, Rakovica's workers had thus gained two channels through which they could express their frustration with the conditions inside their factories and the general state of malaise in society. The first one was the party campaign for the withdrawal of state-like rights that had been given to Serbia's two autonomous provinces by the 1974 Constitution. The second one, standing closer to the workers' everyday routine, was the rejuvenated municipal trade union and its struggle against the lowering of workers' standard of living. Both initiatives managed to

⁶⁵³ "Doba budenja", IMR, October 18, 1988, 6.

attract the attention of Rakovica's citizens primarily by adopting oppositional political undertones, as well as repertoires of action, which stepped outside of the conventional institutional procedures.

Milan Nikollić and his colleagues distinguished their cause from the ongoing party campaign by focusing on the factory issues and claiming to reflect the ambitions of the Yugoslav workers across ethnic lines. They also came up with a couple of unique proposals, from the vantage point of the Serbian industrial proletariat, for tackling the broader problems inside the country, such as an insistence on the introduction of the Chamber of Associated Labor into the Federal Parliament. However, the question remains how many of Rakovica's blue-collar workers were able to detect differentiations between the discourse of the local union leadership and the republican political line at such an early stage. It is plausible to assume that for a large part of the 5,000 workers gathered at the Municipal Workers' Assembly, the messages coming from trade union speakers sounded complementary with the slogans launched at the party-organized rally earlier that summer or at the rallies of solidarity with Kosovo Serbs. The often-abstract themes of working-class unity and the overcoming of dividing lines blended easily with the official discourse of the ongoing Anti-bureaucratic Revolution. The unwillingness of the trade union leadership to differentiate itself more clearly from the official politics paved the way for a direct intervention from the very top of the party, which brought Rakovica one more time into the national headlines and played an important role in consolidation of Serbia's new leadership.

Chapter Seven

Workers in the Streets

7.1. Deus Ex Machina

During the summer of 1988, the anti-bureaucratic rallies took place mostly in mid-sized provincial cities and bypassed Belgrade.⁶⁵⁴ The party-organized rally in Rakovica was an attempt to step outside of the factory meeting halls and conduct a more broad-based politics. Still, the municipal party, not the grassroots activists, organized the event. The speakers were cautious not to slip into more radical, oppositional, nationalist rhetoric and their demands were directed toward the official institutional procedures. It is possible that part of the migrant workers from Rakovica had a chance to participate in anti-bureaucratic rallies in smaller towns close to their home villages during the summer holidays. A larger part had probably heard first-hand impressions about the gatherings from their family and colleagues back home, or, at least, informed themselves about these happenings through the media. Fed up with the drawn-out practices of workers' self-management and the short reach of the factory organs, the blue-collar workers' imagination must have been sparked by visions of mass rallies in which it seemed the protesters were in a position to communicate their grievances in a popular language directly to the party apex and the Yugoslav public.

Even though it increasingly used the logistical support of the League of Communists of Serbia, the anti-bureaucratic movement was a grassroots affair. The activists were determined to draw attention to the plight of the Serbian minority in Kosovo and the allegedly inferior status of Serbia in comparison to other republics, due to the existence of autonomous provinces. The protesters increasingly connected the national oppression of Serbs with complacent local political bureaucracies in Kosovo and Vojvodina, allegedly growing thanks to the legal prerogatives granted to the autonomous provinces by the 1974 Constitution, but also to their political allies in the party-state of other regions. The movement therefore started as a plea for respect for national minority rights, but grew into a broader indignation against the privileged

⁶⁵⁴ Sava Kerčov, Jovo Radoš, Aleksandar Raiš, *Mitinzi u Vojvodini 1988. godine: rađanje političkog pluralizma* (Novi Sad: Dnevnik, 1990),

layers of society – the ‘bureaucracy’ or, as it was termed in more popular language, “those sitting in armchairs” (*foteljaši*).

The rallies directed their demands not so much to the LCY, but to the person standing at the helm of its Serbian branch. Slobodan Milošević’s ability to communicate with popular mobilizations in a spontaneous fashion and to integrate their grievances into the official party politics gave him the aura of an anti-systemic figure – a champion of the people in war with the self-serving apparatuses of the party and the state. Class identity and factory allegiance were not featured prominently at these rallies. The issue of social inequalities was an underlying theme of the movement, but explicit social demands were subordinated to the allegedly more urgent topic of national oppression and crooked legislative acts. Even if they came to the protest from the local factories, the participants presented themselves as citizens of Yugoslavia, Serbia, and local communes, demanding the radical curtailing of the autonomous provinces’ constitutional prerogatives or their outright abolishment, as the political solution to the ongoing ethnic strife in Kosovo.⁶⁵⁵

By late August, faced with the increasing efforts of Vojvodina’s regional authorities to prevent the further spread of anti-bureaucratic protests, the movement started relying on rebellious party branches inside the factories in the province, as well as the sympathizing managers of local enterprises, to provide infrastructure for the rallies. These were early signs of the organized entry of labor into the anti-bureaucratic movement. Although such tendencies can be spotted in Vojvodina in late summer, the main precedent for the broader overlap of workers’ actions and nationalist mobilizations was set in downtown Belgrade, on October 4, by the factories of Rakovica. Two important things happened on that day. First, Rakovica’s workers decided to follow the example of other work collectives on strike and display their dissatisfaction in front of the Federal Parliament. Second, Slobodan Milošević broke the reserved stance that Serbian party leaderships had previously kept toward industrial mobilizations, and decided to address the crowd.

⁶⁵⁵ Sava Kerčov, Jovo Radoš, Aleksandar Raiš, *Mitinzi u Vojvodini 1988. godine: rađanje političkog pluralizma* (Novi Sad: Dnevnik, 1990),

The October 4 march to the Federal Parliament was a spontaneous event by all accounts. Unsatisfied with the delay in their monthly paycheck, the 21. Maj workers walked out of their factory in the early morning, calling on their fellow workers from the neighboring enterprises to join them in front of the Municipal Assembly. Guards and factory officials could be seen on IMR's front plateau, scuffling with individual workers trying to climb over the factory gates and join the protest. The management resistance was broken and the gates were wide open. IMR poured out into the street as well. Only in Rekord did the factory officials succeed in blocking all the exits, thus preventing its workforce from participating. Nevertheless, even without the workers from one of the crucial factories, in a matter of minutes the protest crowd rose to over seven thousand people.

The municipal party was caught unprepared. From the windows of the municipal administration building that morning the officials could see the river of people approaching them. Struck by this scene, the Municipal Party Secretary, Dušan Đaković, fell to the floor with a burst stomach ulcer. The municipal party apparatus had been becoming more involved in the previous months, but it was clueless on how to handle a protest of this magnitude. Milan Nikolić and the local trade union officials were thus left to face the crowd on their own. The union representatives did not greet this development with open arms either. They were close enough to the shop floor to know that workers' dissatisfaction could explode at any moment. This is the reason why they started the local trade union initiative in the first place. Still, according to Nikolić, they had hoped that an all-out strike would come at a later date, once the union structures were better organized and the workforce more familiar with the union platform. Upon seeing the crowd, Nikolić concluded there was no use in trying to disband the protest. All that union representatives could do was try to catch-up with the marching column or end up left behind.⁶⁵⁶

The Yugoslav flag and Tito's portrait were positioned in the first row of the protest. In his hands, Nikolić held a paper with the demands drafted for the Municipal Workers' Assembly held a few weeks earlier. Once the crowd had arrived at Rakovica's central square, the workers realized that there was nobody in the local party-state left that they could negotiate with. A voice from the

⁶⁵⁶ Interview with Milan Nikolić (Rakovica Trade Union activist), March 2011.

crowd suggested they march to the Federal Parliament, located some ten kilometers away. The idea was accepted enthusiastically and over seven thousand workers from different companies started to chant “To Belgrade!” (*Za Beograd!*). The column was on the move again with a new target in sight. The marching tempo was so ferocious that anyone who stopped would be trampled on. Shoes could be seen lying behind on the street as the column advanced. The march soon gained a police escort while the citizens on the sidewalks and windows greeted the marchers. The slogans chanted by the marching workers included: “We want wages”, “We want bread”, and “Down with bureaucracy”. An hour and a half later, the angry crowd was in the city center.⁶⁵⁷

In front of Parliament, the workers made an attempt to storm the building, but were pushed back by police reinforcements and promised that representatives of the federal government and the Yugoslav Trade Union Confederation would address their demands. In the meantime, Milan Nikolić seized the opportunity to speak from the Parliament stairs. He started his speech by presenting the protest as an answer to the lack of response from the state officials to the demands presented in mid-September at the Municipal Workers’ Assembly. By drawing this line of continuity, Nikolić was trying to obtain some kind of legitimacy for the spontaneous walkout. Moreover, he was trying to use the conclusions of the municipal assembly as a frame in which to fit the various grievances, heard from the gathered mass.

The spontaneous slogans heard from the crowd reveal a variety of complaints. On the one hand, there were the classic slogans used to protest the falling standard of living, such as the aforementioned cries for bread and higher wages. However, slogans such as “We want Sloba” or “Let’s go to Novi Sad” could also be heard coming from parts of the crowd.⁶⁵⁸ As the police pushed the column away from the Parliament entrance, many workers confronted the uniformed men with cries “Go to Kosovo”. This second group of chants reveals that workers were indeed eager to use the opportunity to raise some of the popular, by then semi-oppositional, political

⁶⁵⁷ D.J., “Poslednje upozorenje”, IMR, October 18, 1988, 4.

⁶⁵⁸ “Sloba” is short for Slobodan. The second slogan referred to a rally scheduled by Vojvodina’s Anti-bureaucratic movement activists for October 5, in the provincial capital Novi Sad, where they intended to bring down the local government.

demands. The link between the workers' economic grievances and the broader political demands was certainly the increasingly anti-elitist tone of the nationalist rallies, embodied in the idea of the struggle against 'bureaucracy'.

As explained, the Kosovo Serb activists and their allies used the notion of 'armchair bureaucrats' to blacken all political opponents of the Serbian initiative for constitutional reforms. In the blue-collar milieu the same image could be associated with the factory elites – desk workers, professional, managers, self-managing and socio-political functionaries. Many workers were certainly eager to embed their local grievances into a broader popular platform. The constitutional reform inevitably raised the issue of Associated Labor and vice versa. The struggle against bureaucracy nestling in the cracks of the atomized party-state of Serbia and Yugoslavia was simultaneously a fight against the factory elites supported by boalization. As already noted, Nikolić strived for an independent blue-collar platform, but faced with the popular desire for national unity, he was careful to fine-tune the protest language so that it did not contradict the official interpretation of the crisis offered by the Serbian LC and the anti-bureaucratic activists.

Five demands were formulated on the spot. The first one was an immediate 60 percent increase in wages, so that the standard of living could be preserved under the rampant inflation. Second, Rakovica asked for a 20 percent easing of the tax burdens on the industry. Third, the protest demanded the resignation of the federal government as well as the Presidium of the Council of the Yugoslav Trade Union Confederation. The fourth demand called for a firmer stand against the "counterrevolution in Kosovo and further disintegration of the country". Finally, the introduction of the Chamber of Associated Labor into the Federal Parliament was presented as an underlying demand, which would make all other demands possible by giving the Yugoslav working class a direct voice in the running of the country.⁶⁵⁹

The demands reflected the two main broader strands of inspiration for mobilizations. First, Rakovica's audacity was based on the growing wave of strikes all over the country and the heritage of workers' rights under socialism. There was a feeling that workers were on the move

⁶⁵⁹ D.J., "Poslednje upozorenje", IMR, October 18, 1988, 4., Zoran Rakić, "Nećemo da čekamo", Nin, October 9, 1988, 11-13.

everywhere and that their common interest would inevitably come to the fore. Similar to the tone of the speeches in the Municipal Workers' Assembly, the notion of blue-collar pride and entitlement was strongly evoked. Nikolić addressed the crowd from the steps of the Federal Parliament with the following words:

We believed that blue-collar demands would be incorporated into the constitutional amendment proposals. We believed that the time was ripe for reason to rule over the Yugoslav lands and our mutual relations. We based our optimism on the fact that the entire Yugoslav working class shares our views. Now we see that bureaucratic and separatist forces are evading our demands. We will not tolerate this type of disrespect. We will no longer allow various commissions and presidencies to do as they please. It has become clear to us that the bureaucracy is scared of working-class unity.⁶⁶⁰

The main theme running throughout the speech was a firm conviction that the entire Yugoslav working class reasoned in the same way that Rakovica did. The faith in the unity of workers' struggles in different parts of the country was so strong that, Nikolić referred to it as a "fact". Calls for a rise in wages, less taxation and the resignation of the federal government, held responsible for the austerity, were all seen as intermediary measures that could protect the workers' living standards. The more strategic demand, which would assure workers' influence in politics, was the introduction of the Yugoslav Chamber of Associated Labor. This demand was not included in the official proposals for constitutional changes and it is indicative to see whom did Nikolić blame for this. His speech identified "bureaucratic and separatist forces" as the main reason why the assumed all-embracing working class interests were not included on the reform agenda. This was a clear allusion to the leaderships in Kosovo, Vojvodina, Slovenia and all the politicians in the federal structures perceived as adversaries of Serbia's new platform. The question of whether the Serbian leadership should also be held responsible for failing to push through the demands of its proletarian base in the constitutional reform proposals and insist on them in negotiations with other republics was conveniently avoided.

⁶⁶⁰ D.J., "Poslednje upozorenje", IMR, October 18, 1988, 4.

Despite their bold appearance and readiness to initiate independent mobilizations, the municipal trade union leadership was uncertain about their exact goals and the way to reach them. As Milan Nikolić explained to me in an interview, many felt they were caught in a situation that demanded skills, ambition and knowledge beyond their personal potentials. Nikolić appeared as the most capable and outspoken among them, but even he saw himself as an “illiterate” when it came to politics.⁶⁶¹ By daring to undertake autonomous initiatives, the union activists were suddenly standing directly in front of the highest levels of power, and this made them insecure. Yet, the restlessness of blue-collars in their factories forced them to put on a militant posture and advance forward. In reality, the local union leaders improvised, trying to stay one step ahead of the workers and, at the same time, not to clash with the new party leadership.

Taking a stand in the political field, where the communist party held a monopoly on debate formation, carried substantial risks. Fear of how the party would label grassroots movements was always present. After each strike, Rakovica’s union leadership waited for the media reports with great anxiety. They were relieved whenever workers’ grievances were vaguely interpreted as a popular push in the direction of the ongoing reforms, as this was a clear sign that no repression was about to ensue. More importantly, Rakovica’s unionists were divided when it came to the question of tactics. Nikolić was strongly in favor of independent organizing. He broke with the old political mechanisms and higher trade union structures, but stayed skeptical toward the intentions of the new Serbian leadership. On the other hand, many lower and mid-level trade unionists in Rakovica were more dependent on the old organizing patterns and party structures, or identified strongly with the stated aims of the anti-bureaucratic movement.

In front of Parliament, the time the protestors had to wait for someone from the institutions under fire to come out and address the crowd dragged on for two hours. Once it became clear that the protest would not disband on its own, an improvised podium was set up on the staircase in front of the parliament building. Not accustomed to mass politics the speakers appeared very uneasy. They were not in the position to give in to the demands, but were also reluctant to go against the workers. The President of the Federal Parliament, Dušan Popovski, excused himself for not

⁶⁶¹ Interview with Milan Nikolić (Rakovica Trade Union activist), March 2011.

having anything concrete to say. “I did not expect your arrival today, I do not have a prepared speech”, he exclaimed. The idea of introducing the Chamber of Associated Labor into the Federal Assembly never entered the officially proposed constitutional amendments. Instead of a separate chamber for blue-collar delegates in the Yugoslav highest legislative body, Popovski tried to give assurances that a fixed number of the future delegates in the existing chambers would come from the enterprise self-management structures and offered his resignation. “Not enough!” and “How big is your wage?!” the crowd shouted back. The speaker stepped down followed by loud jeering.⁶⁶²

The Presidium Secretary of the Council of Yugoslav Trade Union Confederation received the identical treatment. He tried to explain that the federal trade union Council was not able to reach a consensus for the introduction of an additional chamber to the Federal Parliament and, therefore, this body could not stand behind Rakovica’s proposal. The speaker was dismissed with cries of, “You betrayed the workers!” and “Enough of the lies!” The crowd refused to disperse until their demands were accepted. By this time, a few dozen functionaries had gathered in front of the parliament, but none dared to come to the central staircase. The central street in front of the Parliament was blocked by traffic. The everyday routine in the Yugoslav Capital was disrupted and media reporters swarmed in to follow the protest.

A rumor started to circulate among the crowd that Slobodan Milošević was about to appear in front of the workers. The chant, “We want Sloba!” (*hoćemo Slobu!*) became louder and more frequent. Even so, the standstill and uncertainty went on for another hour, with no assurance that anyone else would appear on the main staircase. Once the tension had reached its peak, Milošević arrived in front of the Parliament. He chose to approach the main staircase through the crowd. As he was approaching the improvised stage, applauding workers were opening up their rows to make way for the long-awaited speaker. Milan Nikolić rushed to greet the party leader and regain momentum by handing him a list of demands. It was in vain. Unlike the previous speakers, Milošević avoided operating inside the thematic framework already set by the trade union. Instead, the narrative of his speech was carefully built up to bring the crowd into his own

⁶⁶² Zoran Rakić, “Nećemo da čekamo”, *Nin*, October 9, 1988, 11-13.

realm. He started the address by flattery, repeating the much-cherished leitmotif of the protest. The working class was the key to the unity of the country and Rakovica was not fighting for its selfish interests.

According to Milošević, workers and socialist citizens in every corner of Yugoslavia shared the protest demands. The common cause between the workers' strikes, the movement of the Kosovo Serbs and the populist Serbian leadership was the struggle against the disunity and self-serving bureaucracies. The bureaucrats were the ones blunting the Yugoslav urge for national and class unity. Milošević described them as the forces separating the people [*narod*] between the republics and provinces for the sake of "status and positions". The reforms were important as they would "integrate the country and create a situation where nobody can exploit one another", where "everybody lives from their own work". The notion of exploitation was thus detached from relations between different occupational groups inside the factories, or between the supposedly productive and unproductive layers inside Serbia, and connected firmly with Yugoslav decentralization and national inequalities.

Rakovica's economic demands were lumped together with Serbia's political struggle for the centralization of Yugoslavia's economic and political system, as well as the fight against the 'counterrevolution' in Kosovo. Milošević was careful not to name the protest demands one by one. The concrete calls for wage increases, tax burden deduction, resignation of high functionaries and the introduction of Associated Labor into the Parliament were all buried under the broader theme of economic and political reform. The closing sentences of the speech implied the closing of an unwritten contract between Milošević and the workers:

In these hard times, the hardest since the war, rest assured that we all have our tasks, our workplaces and our responsibilities. Therefore, I suggest that you go back to your work duties and give maximum effort for the stabilization of our economy and the general conditions inside our country.⁶⁶³

The contract was two-sided. The new leadership had acknowledged the workers' demands and guarantees were extended that the working class would remain the cornerstone of a reformed

⁶⁶³ "Govor Slobodana Miloševića radnicima Rakovice: nećemo izneveriti zahteve", IMR, October 18, 1988, 4.

Yugoslavia. In return, the workers were expected to cease strike activities, tighten their belts and increase their work efforts. For most workers, these assurances from the top must have provided much needed relief. As we have seen, there was a strong sentiment present inside the factories that each group in society should focus on its own work, that this work should be enumerated and that the working class should remain the final judge of these collective efforts. Milošević's speech targeted this thirst for stability and accountability. The crowd greeted his address with loud applause and the chant: "Workers are with you!" Even so, one part of the protesters did not give in yet. The speaker avoided mentioning the specific demands and this did not pass unnoticed. After the speech was finished, the chant "We want wages!" started building up again. Milošević was forced to repeat his assurances, stating:

You can trust that we will immediately discuss all the questions you have raised here today. Therefore, nobody should wait any longer to fulfill his or her part of the job. Now everyone back to their own work tasks!⁶⁶⁴

After hearing this second proclamation of readiness to "discuss all the questions raised", the workers started to disperse. The closing sentence of the speech would become iconic in the years to come. The fact that the strike ended after the sentence "Everyone back to their own work tasks" would often be used in academic and popular discourses to depict workers' will to submit to a strong authority. Four years later, the journalist Slavoljub Đukić, who was present in front of Parliament that day, described Milošević's impact in the following words:

When Milošević appeared the mass became calm as if hypnotized. They soaked up every word and greeted them all with approval. He said nothing that they had not previously heard from other speakers, but they trusted only him. Each politician who attempted to gain political advantage with a program of economic reforms failed utterly. Milošević did not fall into the same trap. He found an easier way to reach the workers' souls. He promised them a strong, united Serbia and the return of national dignity to the 'humiliated Serbian people'. The workers forgot about all their troubles. They gained a

⁶⁶⁴ "Govor Slobodana Miloševića radnicima Rakovice: nećemo izneveriti zahteve", IMR, October 18, 1988, 4.

higher goal: powerful Serbia and national pride. ‘They came in front of the Parliament as workers and left as Serbs’...⁶⁶⁵

Đukić’s account is paradigmatic of the dominant understanding of Rakovica’s walkout and often cited to this very day.⁶⁶⁶ However, his interpretation carried clear hindsight bias. First, the role of Serbian nationalism was overstated. The themes of national pride, as well as direct references to Serbia as the end horizon of workers’ political imaginary, were still not there at the time. Certainly, the initial traits of a ‘national awakening’ were present. Workers felt strongly about the assumed unequal position of Serbia in respect to the other republics and the Serbs to other Yugoslav nations, but the frame for the solution of the problems remained Yugoslavia and the united working-class movement beyond national borders. Serbia’s campaign against ‘bureaucracy’ was supposed to encourage the workers in other republics to rise up and join the struggle for an “integrated Yugoslavia”.

Second, Đukić presents nationalism as a bait, a sweet pill that made the workers swallow the tough economic reforms. As explained throughout the text, the incipient nationalism present during the strike was not a sudden lure offered by Milošević. Workers had no inherent urge to pursue ethnic unity. They were not acting as moths attracted to a lamp light. The national question was discussed extensively inside the factories throughout the decade and the platform of a ‘strong Serbia’ was the end conclusion of debates taking place between the workers and the factory elites, outside media influence, as well as workers’ first-hand experiences and tales brought by Kosovo migrant workers. Furthermore, nationalist rhetoric did not make the workers “forget” about their economic grievances and social inequalities. The political strengthening of Serbia as a republic was seen as a key precondition for more effective economic and social reforms.

Third, as pointed out before, workers had their own ideas about the content of the reforms, which were not coming to the fore in official discussions. The direct contact with Milošević, and his

⁶⁶⁵ Slavoljub Đukić, *Kako se dogodilo vođa* (Belgrade: Filip Višnjić, 1992), 265-266.

⁶⁶⁶ Đukić’s account has most recently been quoted in the monograph on the history of the Serbian trade union movement co-published by the largest Serbian trade union association and the Institute for Contemporary History. See: Momčilo Pavlović and Predrag J. Marković, *Od radničkog saveza do Saveza samostalnih sindikata Srbije* (Belgrade: Institut za savremenu istoriju, 2013), 313.

assurances that the Serbian communist leadership would consider Rakovica's grievances, helped appease the workers, who thought that they finally managed to find a new backer at the top of the party-state. According to Đukić, what separated Milošević from the other party bureaucrats was his willingness to embrace nationalism. In many ways, this is a false lead. Milošević's readiness to stand up for the interests of his respective republic triggered an enthusiastic response among many workers, but his appeal was broader than nationalism. As we have seen, many lower-level functionaries were openly using chauvinistic language in public addresses. Nevertheless, Milošević was the single party leader whom the workers felt had the power and willingness to pick up their demands. His famous intervention in front of the protesting Serbs facing the local police, in Kosovo Polje in April 1987, separated him from the sea of apparatchiks without a public face in the Serbian party.⁶⁶⁷

At a moment of open social conflict, Milošević proved capable of lifting himself above both the party and the masses, as an arbitrator – an authoritative figure capable of judging the legitimacy of popular discontent on the spot. The young rising star was the only high-caliber politician able to give political weight to the grievances from the bottom by filtering them through the officially sanctioned language and giving them a place in the ongoing reform program. His appeal therefore rested on the apparent power to mediate over social conflicts, but also the talent to insert popular demands of all kinds into debates taking place at the top of the party-state. It just happened that the first social movement that established communication with him was that of the Kosovo Serbs. The methods used by the activists from Kosovo seemed to be producing results and workers were tempted to follow their example. There was hope that Milošević would be ready to take the cause of the industrial proletariat under his wing and start endorsing it in public, just as he did with the national grievances of the Serbian minority in Kosovo.

⁶⁶⁷ The video footage from Kosovo Polje, where Milošević arrived as a mediator to help ease ethnic tensions, had a profound effect on the Serbian public. The delegation from Belgrade suddenly found itself stuck in an emergency. Crowds of protesting Serbs surrounded the town hall, where the meeting with the local party leadership was taking place. The police started clubbing the crowd and there was a danger of escalation of the conflict between the protesters and the predominantly Albanian police force. Milošević managed to calm the situation by exiting the meeting and engaging in a spontaneous conversation with the crowd in the street. The camera happened to catch the dramatic moment in which Milošević made way for an elderly person to enter the town hall, as one of the delegates of the protesting Serbian community, through a crowd of reporters and security men. Behind the Serbian delegates entering the building under Milošević's escort, a voice from the crowd asked: "Why are they beating us?". Milošević turned and answered in a firm tone: "No one should dare to beat you!". This snippet became mythical in the following years.

7.2. Maribor's Blue-Collar Wrath

As the strike wave began to spread in Slovenia during 1987 and the first half of 1988, very few eyes were focused on TAM as the potential site of industrial action. The company managed to finish the 1987 business year without losses, thanks to the support of the local banks. TAM's advance in internal restructuring, clever marketing, the good public standing of its general manager, Vitja Rode, and the effective prevention of in-house dissent, made the Slovene functionaries and the media look positively upon the plant. Yet, as we have seen, the dissatisfaction with the detachment of decision-making from the shop floor and growing disparities in incomes made the internal atmosphere very tense. In January 1988, after his visit to TAM, the President of the Slovene trade unions, Miha Ravnik, stated that he was surprised by the stories he heard in the factory. TAM's trade unionists complained that, after numerous instances of concessions given by the authorities to loss-making factories in Slovenia and other republics, the workers were no longer prepared to accept their argument about the impossibility of distributing income before market validation. Ravnik advised the local unionists to keep struggling against the calls for *uravnilovka* and insisted that wages could be raised exclusively through further improvements in productivity.⁶⁶⁸

In April that year, the President of TAM's unions, Albert Veler, mentioned the clear restructuring plans and a friendly relationship between the union functionaries and the management as the key reasons why, unlike many other factories, TAM was able to avoid strikes.⁶⁶⁹ Indeed, for years, these features of TAM's internal management culture had contributed to the diffusion of shop-floor dissatisfaction. However, in summer 1988, the subdued blue-collar anger suddenly burst out into the open. Maribor became the first large city in Yugoslavia to experience a four-day long, citywide industrial action. Between June 21 and 24 all the major plants in the city joined in a united protest and occupied Maribor's central square. The workers from TAM stood at the epicenter of this unprecedented movement.

⁶⁶⁸ Danilo Vincetič, "Naloga sindikata je ustavljanje padanja življenjskega standarda", *Skozi TAM*, January 1988, 3.

⁶⁶⁹ Danilo Vincetič, "Še vedno velja: Nič mimo sindikata!", *Skozi TAM*, April 1988, 4.

On June 20, news about difficulties in wage payouts spread through the TAM plant. Many workers could not cash their paychecks at the bank and those who did found the amount was much lower than expected. The following morning, workers started to form into groups on the shop floors in all blue-collar BOALs, exchanging information on the missing wages. A larger group of workers from Motor decided to march through all the factory workshops and call upon the co-workers to join them in a protest action. The action had no structured leadership. The unionists, communists and self-management functionaries stood aside. As female worker Slavica Strnad later described in her account of the event, “some invisible force led us to the factory gate”.⁶⁷⁰ Around 2,500 workers exited the factory and headed toward the municipal assembly. In front of the local government, a group of the most militant workers started shouting insults at the municipal functionaries and called the crowd to continue the protest in the city center. The gathering supported this spontaneous suggestion. Participant Franc Pajzer explained what made him follow the radical calls:

What attracted me into this crowd of people? The moment I joined the striking column I recalled how many times I wanted to warn the functionaries about the irregularities around us. We presented the problems at the trade union meetings. Nobody listened to us.⁶⁷¹

After the professional management managed to detach the self-management bodies and the trade unions from the shop-floor influence, many blue-collar workers felt they had no other way to make their voices heard apart from pouring into the street. Unlike Rakovica, where the local trade union and the party managed to impose themselves as points of reference in the workers’ struggle, *tamovci* had no institution or authority they could rely on. Franc Rajtler recalled this feeling of seclusion:

I want to see someone from my union at the podium, someone from my BOAL party organization, but there is no one! I learned from history that in the past the working class

⁶⁷⁰ Slavica Strnad, “Hočemo konkretne odgovore na konkretna vprašanja”, *Skozi TAM*, June 1988, 3-4.

⁶⁷¹ Franc Pajtler, “Sem storil prav? ”, *Skozi TAM*, July 1988, 3.

fought for its aims and rights under the leadership of the trade union and the communist party. Neither of them was present at this strike.⁶⁷²

The crowd explicitly refused to form a strike committee or outline a list of demands. The white-collar workers' domination over the factory self-management structures made the manual workers very suspicious toward any kind of representation. Instead of discussing their grievances through the elected strike leaderships, workers insisted that the management, city and republican authorities must appear on the spot and give an answer in front of the entire gathering. Only one concrete demand was adopted by the gathering as a whole – an immediate fifty percent raise to all wages. Once the procession had stopped at Maribor's central square, an improvised speaking platform was set up and individual workers took to the stage to let out their accumulated frustrations and share the feeling of powerlessness. Experiences of humiliation under the tight shop-floor discipline were recounted. The speakers and the crowd entered into verbal exchanges, feeding off from each other, while publically shaming the factory managers and political functionaries. The LSYS-related magazine *Mladina* managed to document parts of the speeches from the podium. The two examples below offer a glimpse of the tones prevalent in the gathering at this point:

Speaker: How Many times have we gathered and then easily given up. When one of us would raise a criticism, who supported us, I ask you? I also criticized, but then I was forced to apologize. To whom?

Crowd: The Director!

Speaker: To whom was I forced to apologize, I ask you again?

Crowd: Thieves, Thieves, Thieves!

Another speaker was recorded stating:

Comrades, we all saw how they promised us everything and yet they broke all of their promises. They degraded our symbol, our TAM logo. Twenty, thirty years ago, we

⁶⁷² Franc Pajtler, "Sem storil prav? ", *Skozi TAM*, July 1988, 3.

received nothing but praise. Since we lost Perhac [the celebrated general director], everything started going downhill. A vehicle cannot move without gas, you cannot make a worker move without food and drink.⁶⁷³

The internal coalition between the workers and the factory elites was abandoned. The workers turned against their management and demanded outside mediation from the state. The insufficient wages and threat of poverty were the most prominent themes. Workers portrayed themselves as breadwinners unable to provide for their families. The inability to earn the money expected of them caused feelings of shame and insecurity. One worker openly admitted that he was afraid of ending up as a “social case”.⁶⁷⁴ Despite the break-up of the internal corporatist agreement, workers maintained a strong enterprise identity. They saw themselves as fathers and mothers, but also as *tamovci* – people who manufacture high-quality vehicles. As the mention of degradation of TAM symbol in the quote above shows, the crisis was seen as damaging one of the central aspects of workers’ identity, namely pride in their product. As the metalworker Franc Pajtler wrote after the strike:

Did we go out into the streets only because of the wages or for something more than that? For me it was something else... Pressed with deadlines, we often work during the weekends. After a few months, the buyers are returning these vehicles as defective. The vehicles are constantly sent for additional repairs. Who is responsible for this? It is those who accept unsatisfactory parts from our contractors.⁶⁷⁵

For years, TAM’s management tried to place the blame for bad work results on the financially troubled business partners from other republics. However, the protest clearly revealed that workers were more inclined to hold their own *režija* (those who accept unsatisfactory parts) as the party most responsible for production difficulties. The majority of the demands voiced by individual workers went in the direction of greater shop-floor control over the professionals and

⁶⁷³ Igor Mekina, “Tito in lopovi”, *Mladina*, July 1, 1988, 36-39.

⁶⁷⁴ Slavica Strnad, “Hočemo konkretne odgovore na konkretna vprašanja”, *Skozi TAM*, June 1988, 3-4.

⁶⁷⁵ Franc Pajtler, “Sem storil prav? ”, *Skozi TAM*, July 1988, 3.

a lowering of the income gap. Speakers proposed increased control of early exits from the factory circle, stricter criteria for business trips, closer measurement of work performance in desk jobs, and a new income-distribution agreement drafted with the better participation of the shop floor. Workers were of the opinion that no significant decisions should be made without blue-collar input and contrary to their will. They also required that the factory press report openly about the strike. “All these things are understood, or should be common sense”, they concluded.⁶⁷⁶

The factory elites were thus the main targets of the criticism. However, the power-holders in the broader community, the republic and federation were not exempt from the blue-collar wrath. An unnamed young worker received a big round of applause when he asked why the government was buying new cars and planes, while workers barely made ends meet.⁶⁷⁷ The feeling of entitlement as producers of social wealth was featured prominently. In the words of the metalworker Franc Drešek: “We are not asking for their money, but ours...they act as if they earned it and then hand us crumbs from the table”.⁶⁷⁸ Individuals insisted that local authorities disclose the sums on their wage checks. For the protesters, it was unacceptable that the administration received five times higher wages than industry. According to them, the highest wages in the administration should not be more than three times higher than the average workers’ wage.⁶⁷⁹

In line with the crude division between productive and unproductive work, the speakers did not target solely politicians or professionals in administrative bodies, but also lower-paid staff and service personnel. Workers outside of TAM were often identified not according to their occupation, but their enterprise allegiance. The main dividing line remained the one between the industry, on the one hand, and administration or services on the other. As a worker from BOAL Tools noted: “My wage is enough for bare survival, the cleaning woman in administration often

⁶⁷⁶ Slavica Strnad, “Hočemo konkretne odgovore na konkretna vprašanja”, *Skozi TAM*, June 1988, 3.

⁶⁷⁷ Slavica Strnad, “Hočemo konkretne odgovore na konkretna vprašanja”, *Skozi TAM*, June 1988, 3.

⁶⁷⁸ Svetislav Spasojević, “Maribor dani posle”, *Nin*, July 3, 1988, 21-23.

⁶⁷⁹ Svetislav Spasojević, “Maribor dani posle”, *Nin*, July 3, 1988, 21-23.

has a higher personal income than me”.⁶⁸⁰ The fact that the unskilled female labor employed in a ‘non-productive’ job receives a higher wage than the skilled metalworker was seen as emblematic of how twisted the reward system had become. Workers employed in loss-making companies from basic industries did not receive much solidarity either. Unprofitable companies continuing to produce and distribute wages were seen as allies of the political bureaucracy. Speakers complained that Impol, a Slovene aluminum producer under bankruptcy management, allegedly had higher wages than they did. Additional objections were raised at the fact that the Serbian truck producer FAP was allegedly receiving export grants, while TAM could not pay out wages.⁶⁸¹

The fact that the Slovene loss-making company was placed next to the Serbian truck-producing rival as the benefiter of state subsidies indicates that the idea of differentiation between administrations and workers along national lines did not take such deep root in Tezno, as was the case with Rakovica. No political leadership was seen standing closer to the average workingmen from Tezno, not least that in Ljubljana. As one worker stated from the stage: “In Slovenia we have political cowardice. Our politicians cannot do anything and are incompetent”.⁶⁸² It seems that, despite the activity of the LSYS and the nationalist-colored statements made by factory functionaries, the national question debates had not yet reached the shop floors of Maribor by the summer of 1988. As the reporters from the Belgrade-based weekly *Nin* noted, the popular movement against the trial of four Slovene citizens, accused of revealing a military secret, was in full swing during the summer of 1988. Maribor was covered with posters of Janez Janša (a LSYS activist and one of the four defendants), but no protest speaker was recorded mentioning this case. Eager to hear more about the divisions between the Slovene workers and the ‘southerners’ in Maribor, a few days after the strike a *Nin* journalist posed the question of national inequalities to one of the migrant workers. The interview insisted this was not a topic within the protest: “I

⁶⁸⁰ Slavica Strnad, “Hočemo konkretne odgovore na konkretna vprašanja”, *Skozi TAM*, June 1988, 3.

⁶⁸¹ Slavica Strnad, “Hočemo konkretne odgovore na konkretna vprašanja”, *Skozi TAM*, June 1988, 3. and “Glas delavcev“, *Skozi TAM*, June 1988, 3.

⁶⁸² Igor Mekina, Tito in lopovi, *Mladina*, July 1, 1988, 36-39.

am not a Slovene, but I am a worker. This was not a Slovene but a workers' strike. It was the action of my colleagues and me. I am glad I participated".⁶⁸³

The fact that discussions about the national question did not take root among the workers does not mean that they were not informed about the political processes taking place. Still, the themes and figures that featured within the Slovene political liberalization wave were not seen as having great significance for the blue-collar cause. There are, however, traces of consciousness about the need to build independent workers' organizations. In contrast to Rakovica, where the local union was standing in opposition to the higher trade union structures, but never went as far as suggesting the possibility of organizing apart from the party-state, the workers in Maribor openly connected their fortunes with independent trade unions. The flourishing of grassroots organizations probably inspired them to think in this direction. As Tone Osojnik, a foundry worker, noted:

There are associations of intellectuals and students. Recently an independent peasant alliance was formed. Why shouldn't we have an association of workers? Why is there so much fear from us workers, even though we are supposedly the ruling class in this country? We do not want a multiparty system, but we do want an independent trade union that can protect my colleagues and me inside of TAM, but also in other factories, cities and republics. I do not want a trade union whose main task is to hand out food stamps.⁶⁸⁴

Were the reform-oriented Slovene authorities afraid of workers' mobilizations in particular, as the worker seems to be suggesting in the statement above? Following the recollection of Franci Pivec, who had just come to the head of Maribor's party that summer, one can conclude there was some truth in his reasoning. The Slovene LC was faced with a burgeoning civil society at the time, standing in opposition to the communist rule. However, it managed to maintain some kind of contact with most of these initiatives through its front organizations, such as the LSYS. Moreover, the civil society and the reformist communist leadership tended to close ranks when

⁶⁸³ Svetislav Spasojević, "Maribor dani posle", *Nin*, July 3, 1988, 21-23.

⁶⁸⁴ Svetislav Spasojević, "Maribor dani posle", *Nin*, July 3, 1988, 21-23.

faced with attacks from Belgrade. On the other hand, as we have seen, the new Slovene leadership had little influence among the blue-collar workers, as it opted for consistent support of the market reforms led by the factory elites. According to Pivec, there was a fear that the layer of anti-market managers in uncompetitive factories might support the workers' unrest and block further liberalization. Furthermore, the prospect of a new populist political figure emerging at the federal level, raised concern that strikes in uncompetitive industries oriented toward the Yugoslav market might provide the centralizing, conservative forces with a foothold inside Slovenia.⁶⁸⁵

In the case of TAM, the fear that the factory management might support the strike was ungrounded. Even with financial difficulties, TAM's KPO seems to have been convinced that the enterprise had a good chance of becoming a highly productive, export oriented factory. For years, the management was trying hard to get rid of the image of a 'political factory', dependent on the federal defense budget and the low competitive markets of the southern republics. Vitja Rode, the man who started the pro-market restructuring process, retired in 1987. Maksimilijan Senica, a reform-oriented executive from BOAL Engineering, replaced Rode in the position of general manager. During the outbreak of the strike Senica was absent on a business trip to the Soviet Union and therefore unable to address the crowd in the central square. Instead of him, a KPO member, Mihael Gole, spoke in front of the management, followed by, Gorazd Kapun, a functionary from Tezno municipality. Both speakers tried to explain that the financial troubles of the company were conditioned by the broader crisis, but were jeered off the stage by the workers.

The third speaker that day was Ivan Čuk, the President of Maribor's Executive Council (the city mayor). Unlike the previous two speakers, Čuk seemed ready to confront the workers head on and take the crowd's anger upon himself. He explicitly stated that a fifty percent wage rise was unrealistic and, therefore, any kind of negotiation of this demand was not possible. Disregarding the workers' loud protests, he remained on the stage and called the gathering to elect a strike committee and outline their demands. In his own words:

⁶⁸⁵ Interview with Franci Pivec, (President of the LC Maribor City Committee) April 2013

If you want to be your own masters and decide about your personal income, if you want to stand up to further government interference into your business, then draft your demands accordingly and pass them on to the higher authorities... We need a system in which everyone can control their own work and income.⁶⁸⁶

This was an obvious hint that the workers should embed their demands in the dominant liberal discourse and orient the strike to the official channels of the party-state. The workers refused this offer. They stood firm that all matters should be discussed publically in front of the entire gathering, regardless of how long this process might take. In the afternoon, *tamovci* dispersed with an agreement to continue with the protest in the city center the next day. The factory management and socio-political organizations used this short lull to organize and try to regain the initiative. Emergency meetings at the factory and city level were called for that afternoon. The activity went on throughout the night. The factory trade union leadership formed a strike committee consisting of three striking workers, selected members of the Central Workers' Council and a couple of union activists. Albert Veler, the President of TAM's trade union, was placed at the head of the committee.

As noted, the unions played no role in the street protests. The factory union leadership was careful not to extend any legitimacy to a non-institutional mobilization of this sort. During the protest, the unionists stayed inside the factory and organized assemblies, trying to position themselves as an orientation point for those workers who did not join the march. Even though it drew no legitimacy from the gathering downtown, the union took advantage of workers' refusal to draw up a clear list of demands and put forward their own version of demands. The trade union platform was a mixture of factory-centered demands, heard most often in the city center, and a broader agenda for further dismantlement of the surrounding Associated Labor structures. It called for a fifty percent wage rise, a revision of the AVN income distribution system and a general reduction in wage disparities. On the other hand, the trade union demands insisted that the administration take a share in the wage cuts equal to that of industry. This included a ten

⁶⁸⁶ "Tamovci stavkali na Trgu svobode", *Skozi TAM*, June 24, 1988, 4.

percent cut in industry taxation, a twenty percent cut in the budgets of the republic and the federacy, as well as the streamlining of Maribor's city government.⁶⁸⁷

In the evening, the strike committee met with the Central Workers' Council, factory socio-political organization, management as well as the municipal and city functionaries. The meeting encouraged the latter set of demands, noting how the more decisive political reforms were long overdue and that the state budgets were anyway bound to shrink due to the overall economic crisis. The factory-related demands were strongly condemned, especially the linear rise of wages. The city mayor stood out in the attacks. He started his intervention by saying this was not the first time he addressed such crisis meetings. Workers in Maribor's other industrial plants were receiving even lower wages and, in comparison to them, Čuk found the workers in the city center to be relatively carefree. He maintained that TAM would receive no solidarity from other factories in Maribor, the republic, or Yugoslavia. Allegedly, the rival factories had vehicles in storage ready for sale and, in case TAM prolonged the strike, they would immediately fill the market in the gap. The mayor insisted that production must continue. In return, he offered to take a couple of factory representatives with him to Ljubljana so they could explain the crisis to the authorities and appeal for more favorable treatment by the government.⁶⁸⁸

TAM Workers' Council met separately and issued a list of decisions, which answered the demands made by the strike committee and followed the guidelines set up by the enterprise management and city functionaries during the common meeting. The council focused on reversing the direction of the factory-centered demands. Instead of an antagonistic stance toward the white-collar workers, the self-management delegates tried to channel popular dissatisfaction and use the strike as a push for a more thorough enterprise reform. The first decision was to end the strike and return to work. Second, the council granted additional payouts to workers with the lowest earnings, thus raising the factory minimum wage. Third, the KPO was asked to accelerate TAM's restructuring program. Fourth, the delegates outside of the factory were instructed to press for a twenty percent cut in the budgets of the socio-political organizations on all levels.

⁶⁸⁷ "Tamovci ostanite trezni", *Skozi TAM*, June 24, 1988, 2.

⁶⁸⁸ Danilo Vincetič, "Vse hujša kriza pripravila tamovce do stavke", *Skozi TAM*, July 1, 1988, 9.

Fifth, the delegates in city bodies were asked to demand a rationalization of SIZ structures and the abolition of six separate municipalities. Sixth, an appeal was sent to the banks to assist in the development of new projects and the factory restructuring.⁶⁸⁹

The morning after the walkout, the strike committee and the management handed out the printed decisions of the Workers' Council to the first shift of workers arriving at the factory gate. The resolutions did not impress the arriving workers, but the initiative brought results as it managed to divide the strike into three groups. One part of the workers decided to return to work. The second group refused to work and remained engaged in discussions with the factory officials in front of the factory. Around 1,000 workers decided to repeat the protest in the city center. The trade union had minimal authority amidst the workforce, yet the habit of resolving grievances inside the factory and not with the help of outside brokers probably kept many workers from undertaking another march downtown.

The number of protesters from TAM arriving at Maribor central square had dwindled in comparison to the day before. However, workers from other plants in the city now joined the protest as well. Inspired by TAM's walkout, new strikes took place in almost all the major industrial enterprises (Metalna, TVT Boris Kidrič, Zlatororg, MTT, etc.) It is estimated that some 6,000 workers took part in marches that day. The rare camera footage of the event shows groups of people in blue work coats descending into Maribor from its industrial suburbs, thus creating the impression of workers encircling the city center. Franci Pivec remembers the buildings were vibrating from the street marches as if an earthquake had hit them.

The main protagonists of these events remain nameless. Weeks later, in an attempt to discredit the strike action, TAM's paper described one of the main leaders of the march as an "under-aged worker who had not finished primary education".⁶⁹⁰ Indeed, there are many indications that the bulk of the protesters were young and unskilled workers from Maribor's hinterland. Franci Pivec described the event as an "uprising of the hungry". Apart from TAM, the largest single enterprise

⁶⁸⁹ "Tamovci ostanite trezni", *Skozi TAM*, June 24, 1988, 2.

⁶⁹⁰ Tomislav Perlič, "Vprašanja, mnenja in predlogi z zborov delavcev", *Skozi TAM*, August 1988, 7.

on strike was the textile factory MTT. This means that a large number of protesters on this second day were women. One TAM worker saw them in the following way:

Next to me, there are women who cry because deep inside they feel bitter. Their only thought is how to continue with life. How to survive with their family, how to raise the kids. It is clear to them that there is no future, that our beautiful green Slovenia is becoming darker and gloomier, that the bureaucracy is cutting off our bread.⁶⁹¹

Each of the workers' columns arriving in the city center usually had the party flags and pictures of Tito displayed at the front. The main chants were the classic communist slogans: "Tito-Party" (*Tito-partija*), "We are Tito's and Tito is ours" (*Mi smo Titovi-Tito je naš*). These affirmative slogans were then coupled with derogatory cries, such as "Thieves" (*lopovi*). A clear line was being drawn between the idealized past, Tito, Perharc, and the extension of self-management rights, on the one end, and their successors, on the other. In comparison to the chants heard in downtown Belgrade, many of which referred to the ongoing political debates and Milošević, or the strike of Ljubljana's Litostroj workers, who discussed independent unionism and an opposition political party, the language in Maribor seemed frozen in time.

Rakovica's walkouts were spontaneous and chaotic, but the workers did accept the nominal leadership of Milan Nikolić and the municipal union, and merged into one column. In Maribor, the second day of protest attracted workers from numerous enterprises, yet there are no signs of attempts to draft common demands or coordinate their actions. The central square was used as a shared public space, where grievances were launched from the podium and the political authorities were called to address the crowd and extend their support without any mediators. But, apart from the demand for higher wages, the workers had no common organization or shared understanding of their predicament. Separate groups of workers from different factories spread out over the city center, undertaking different actions. One section of the protesters blocked traffic on the main traffic intersections. A large group occupied the central train station, with the aim of expanding the protest to Ljubljana. The majority demanded that representatives of the republic come to address them at the central square. Maribor's industry was in an undeclared

⁶⁹¹ Franc Pajtler, "Sem storil prav?", *Skozi TAM*, July 1988, 3.

general strike and the city center was under a spontaneous blockade, but without a clear agenda or leadership this show of power was largely futile.

In the case of TAM, the weight of its top management prevented any individual ‘rabble rouser’ from making a greater impact inside the self-management or socio-political structures and thus gain factory-wide recognition. The grassroots leaders that appeared during the strike remained faceless and their influence was probably limited to a particular BOAL or group of workers. The forging of a cross-factory identity was also highly unlikely. As already explained, the system of self-management discouraged the forming of broader class alliances or a class consciousness, apart from the increasingly sterile official projections of Yugoslav unity based on working-class solidarity. IMR workers developed two tangible identities above the economic factory allegiance and below the abstract ideology of Yugoslav unity. The first one was the municipal identity encouraged by the local trade union. The second was the feeling of belonging to a broader movement for national equality oriented to the party leadership. In Maribor, groups of workers were carrying Yugoslav flags and pictures of Tito, yet there was no coherent, up to date, overarching explanatory pattern to connect these timeless symbols to concrete grievances.

After a long delay, a delegation from Ljubljana arrived in Maribor. It consisted of the Vice President of Slovenia’s Executive Council, Janez Bohorič, and the President of the Slovene trade unions, Miha Ravnik. A rumor started to circulate among the workers gathered on the main square that the delegates had arrived, but had decided to go to the hotel first to rest before addressing the gathering. Once the two functionaries finally climbed the stage, they were greeted with loud verbal abuse. Their speeches did not contribute to calming the situation down. There was no sweet talk. Bohorič and Ravnik stated that wage hikes were unrealistic and suggested that higher wages would have to be won through restructuring and faster market modernization, not the alleged political privileges. The press recorded that the speakers repeated phrases such as “nobody else but yourselves can secure a higher income”, “if you are not satisfied with your factory leadership, change it”, “you create your own income, you elected the people with functions”, and “we did not arrive here with a suitcase full of money”.⁶⁹² The liberal interpretation of self-management, once used to rally the blue-collar workers behind the idea of

⁶⁹² Dejan Kovač, “Mine na reformo”, *Dnevnik*, June 24, 3.

collective entrepreneurialism and market reforms, was now turned into a cynical tool of dismissal.

Mladina reported how Bohorič, a former general director of the Sava Kranj tire factory, stood on the stage in sharp contrast to the mass of blue overalls, wearing an expensive three-piece suit. Ljubljana functionaries were joined on stage by Ivan Čuk, Maribor's mayor, who had taken a tough stand against the TAM workers the day before. Clearly, the three men did not come to negotiate. Their aim was to reject the blue-collar demands at any price and terminate any hope that the government would communicate with the workers outside of the official channels. After delivering their speeches, the officials declined to answer any further questions or engage in discussions with the protesters. Instead, they tried to leave the gathering with a truck parked backstage. The first rows of the protest gathering raised the alarm. It appeared that the functionaries were trying to escape. The crowd ran in front of the vehicle. Protesters climbed on top of the truck and opened the back doors. What ensued was a scuffle between the workers and the police, with Maribor's mayor almost attacked by the angry crowd.

This incident symbolized the beginning of the phase of decline of the strike movement. If there had ever been optimism that the authorities might acknowledge the working class as the carrier of social progress in reformed Slovenia, the same way the previous communist leaderships did, it was now lost. On the third and fourth days, the protest became increasingly splintered, anarchic and violent. Seeing that protests downtown brought no results, many workers decided to continue with gatherings inside their factories. The most persistent groups of workers, which continued to gather in the city center, found themselves isolated with no negotiation partner. The Slovene Assembly issued a report, stating that labor conflicts cannot be resolved overnight and in the streets. Instead, the industry should seek new solutions in the official bodies of the party state through market-oriented policies.⁶⁹³ A group of workers tried to break into the local parliament and discuss with Ivan Čuk, but could not find a single functionary to confront.⁶⁹⁴ The atmosphere in the city remained tense, with groups of blue-collar workers from various plants

⁶⁹³ "Na ulici ni rešitev", *Dnevnik*, June 24, 1.

⁶⁹⁴ "Anarhija ne dopušča dogovarjanja", *Dnevnik*, June 24, 7.

roaming the streets looking for targets to vent their anger at. The managers, political functionaries and even ordinary employees felt threatened and reported occasional attacks by the dispersed crowds. Božidar Ipavic remembered feeling unsafe when passing by groups of striking workers on the way to work as they could recognize him as an economist from the trade department.⁶⁹⁵ Drago Gajzer recalled that the company car containing LSYS activists was caught in a blocked street. The protesters surrounded the vehicle and shook it, petrifying the travelers on their way to a meeting with the city authorities.⁶⁹⁶

On the fourth day of the TAM strike, the management officially recorded 190 unexcused absences from work, concluding that only the “staunchest nucleus” remained on strike.⁶⁹⁷ That same day, the general manager, Maksimilijan Senica, returned from the business trip. Upon his arrival, he tried to underscore the basic political conclusions reached by the city authorities and the KPO in his absence and strike another blow to the populist voices:

There were attempts lately to ascribe the current crisis to the introduction of the market, market laws and realistic pricing of the factors of production. We have to put an end to this type of speculation. We entered into a crisis precisely because we did not respect market laws and now we are introducing them late, in the deepest crisis...we have to be persistent in our policies because otherwise, the crisis will become even worse. On our own experience, we see the consequences of wage freezes, limits on imports and other restrictions, which make every reasonable man lose the will to pursue development policies.⁶⁹⁸

The Maribor workers’ revolt exploded without warning, shook the entire city for a few days and then disappeared again, seemingly leaving behind no tangible repercussions. After three weeks, TAM’s political functionaries felt confident enough to open a round of discussions about the

⁶⁹⁵ Interview with Božidar Ipavic, (TAM economist), April 2013.

⁶⁹⁶ Interview with Drago Gajzer (TAM’s League of Socialist Youth activist), April 2013.

⁶⁹⁷ “Pregled najpomembnejših dogodkov med stavko v TAM-u”, *Skozi TAM*, July 1, 1988, 10.

⁶⁹⁸ Maksimilijan Senica, “Delavsko potrpljenje ni brezmejno” July 1, 1988, 8.

strike inside the factory, at all levels. The socio-political organizations concluded that the strike was not an acceptable way to express dissatisfaction. Nevertheless, it proved to have positive consequences for the enterprise. Blue-collar dissatisfaction was used as proof that the ongoing economic and political reforms must not be abandoned, but accelerated. The authorities were allegedly forced to recognize the problems the management had been pointing to for years. The bank consortium decided to back up the proposed reorganization scheme and new product development. The city and municipal governments freed the enterprises from a significant part of their duties to finance common consumption and self-management bodies.⁶⁹⁹

6.4. Post festum

On October 5, workers from Rekord, the only Rakovica factory whose workforce remained locked behind the factory gates during the protest, staged their own march to the city center. They managed to break into the Federal Parliament, occupied the main meeting hall, and demanded that Milošević speak to them and make the same guarantees he gave to their peers the day before. Again, Milan Nikolić was among the first speakers to address them. However, this time he was booed off the stage. Rekord held him responsible for not helping to break the factory lockout during the main protest. The workers started launching threats against the functionaries present in the hall and Nikolić took the floor, trying to calm down their anger. The Zagreb-based weekly *Danas* recorded their exchange:

Nikolić: We did not come to Belgrade to jeer. We should resolve our problems inside Rakovica primarily.

The crowd (protesting loudly): No, we will not! We cannot do this on our own!

Nikolić: Please, I am responsible for maintaining order here as the union President, until you revoke me!

The crowd: Get off the stage! We want Sloba!

Nikolić: I was also a worker once. I schooled you...

⁶⁹⁹ “Stavka je dosegla svoj namen”, *Skozi TAM*, July 21, 1988, 4-5.

The crowd: Sit down! We want Sloba!

Nikolić: All right, here it is. Comrade Milošević, we address you through the present media, through radio. We are waiting for you.

Milošević appeared in front of the *Rekord* workers, repeating his performance from the previous day. The event marked a clear reorientation from the local union leadership toward the Serbian party apex. Nikolić was trying to steer the strike back toward the local trade union, but after the big breakthrough that took place the day before, the workers refused this thought, anxious to confirm that they had gained a much more powerful ally (“no, we cannot do this on our own”). The workers hoped that there was no further need to take risks and look for new organizational patterns and political platforms that could give expression to the working class. The vehicle for activism was already present in the form of the anti-bureaucratic movement and the leader of the Serbian party. The *Rekord* protest also exposed for one more time the generational clash between the younger striking workers and the older trade union leadership. Nikolić’s desperate attempt to regain respect in front of the dismissive workers (“I was also a worker once” and “I schooled you”) simply revealed how far he stood from the striking workers as a relatively privileged socio-political functionary and a member of the older generation bound by different values.

Once Rakovica stopped picketing the Federal Parliament, the media launched the story of Milošević as Serbia’s strong man. In the northern republics, Milošević was presented as a dangerous populist, persuasive enough to manipulate and send the striking workers back to their factories.⁷⁰⁰ Inside Serbia, the conclusions about Milošević’s power were not that much different, with the difference that he was portrayed as the people’s leader. He was now depicted not only as a reformist and the protector of the Serbs, but, more generally, as the defender of all the working people against the alienated bureaucracies. No matter how they approached it, both sides contributed to the cult of personality increasingly building up around the leader of the Serbian party.

After months of exposure to increasing pressures inside the federacy and accusations of tolerating nationalism, the Serbian leadership was reinvigorated by the increased attention given

⁷⁰⁰ Momčilo Đorgović, “Oktobar u Rakovici”, *Danas*, November 10, 1988, 22-23.

to class identity. Among the Serbian public, the accusations of growing Serbian nationalism were to a large degree dissipated by images of the alleged blue-collar support for the new Serbian leadership. Rakovica was hailed as the ultimate proof of the progressive character of the Serbian leadership, showcased against the criticisms coming from other republics. If Milošević was indeed a nationalist, how was one to explain the stated fact that the social class that was the main carrier of socialist values stood behind him? It suddenly became difficult to attack Milošević without simultaneously discrediting the idea of the working class as the vanguard of social development.

Inside Slovenia, as we have seen, the working class no longer enjoyed a privileged status as the yardstick for progressive politics. After the initial days of media coverage, the Maribor events were soon forgotten in public debates. The Ljubljana-based daily *Dnevnik* was of the opinion that the tough stance of the functionaries toward the workers was counterproductive, fearing that industrial actions might become even more ferocious in the future and give rise to a populist slowdown of reforms.⁷⁰¹ The magazine that stood close to the new social movements, *Mladina*, found it sad that workers went on strike under the communist symbols. “It is not funny that workers answer the authorities with symbols of the ideology which is responsible for their hopeless situation”, the magazine argued.⁷⁰² Neither the ruling party nor the opposition was willing to embrace the strike, and TAM workers were forced to reorient toward their factory management. In February 1989, the General Director Maksimilijan Senica, organized an enterprise-wide assembly in the factory yard, promoting the idea of a restructured TAM developing through closer collaboration with foreign companies.⁷⁰³

In Serbia, the dividing lines between the workers’ strikes and the protests of the Kosovo Serbs became thinner, as entire enterprises started joining the ‘anti-bureaucratic revolution’ in Central Serbia, Vojvodina, Kosovo and Montenegro. The movement evolved into a series of ambitious, government-organized, rallies focused on the constitutional issues, the national rights of Serbs, and the unity of Yugoslavia. The factory managements no longer tried to prevent such

⁷⁰¹ Dejan Kovač, “Mine na reformo”, *Dnevnik*, June 24, 3.

⁷⁰² Igor Mekina, “Tito in lopovi”, *Mladina*, July 1, 1988, 36-39.

⁷⁰³ Danilo Vincetič, “Maksimilijan Senica govoril na zborih delavcev”, *Skozi TAM*, February 23, 1989, 2.

mobilizations, since they were now part of the officially-endorsed political folklore. On October 5, one day after the collective walk in Rakovica, the Jugoalat tool factory played the main role in the organization of a rally of close to 80,000 people in Vojvodina's capital Novi Sad. This rally managed to unite Kosovo Serb activists, workers from different regional enterprises, and ordinary citizens, forcing the resignations of the regional party leadership, which resisted Belgrade. In Montenegro, workers at a machine construction factory on the edge of bankruptcy, Radoje Dakić, formed the backbone of a popular movement directed against the local party leadership. Montenegro's leadership resigned as well in early days of January 1989.

The 'anti-bureaucratic revolution' went through its pinnacle between late 1988 and the summer of 1989. This period was marked by three massive rallies: the November 1988 "Brotherhood and Unity" rally in Belgrade, the protests against Slovenia's solidarity meeting with Kosovo in late February 1989, and the celebration of 600th anniversary of the Battle of Kosovo, which took place on Kosovo Polje in June 1989. Backed by their newly acquired fame, the workers from Rakovica played a prominent symbolic role in each of these events.

In November of 1988, Rakovica participated in a 'Brotherhood and Unity' rally, organized by the Serbian party in defense of the unity of Yugoslavia and attended by close to one million people. Some four thousand Rakovica residents reached the rally in the early morning hours in an organized manner, waving their factory flags. The messages coming from the podium were a good example of a concoction of the older themes, based on class identity, and the new spirit of national awareness. Slobodan Milošević spoke of working-class solidarity as the "most beautiful and the strongest character of Yugoslavia", and posed the question of why there is lack of solidarity with the Serbian population in Kosovo today. Apart from the Serbian communist party officialdom, the speakers included symbolic representatives of the main layers of socialist society: a veteran partisan fighter, a student, an academic and a blue-collar worker. Not surprisingly, the worker honored with addressing the crowd came from Rakovica.⁷⁰⁴

The political advance of the 'anti-bureaucratic revolution' forced the working class communities across Yugoslavia to join the nationalist debates and choose sides, even if they had remained

⁷⁰⁴ D. Žujović, "Za jedinstvo radničke klase", IMR, December 6, 4.

reserved toward these issues in previous years. In November 1988, the Albanian population in Kosovo organized street demonstrations in an attempt to block the constitutional reforms in Serbia. On February 20 1989, around 1,000 Albanian miners closed themselves up in the pits of the Trepča mines in Stari Trg and began a hunger strike. As a response to the strike, the Federal Presidency declared a state of emergency in Kosovo. In Slovenia, civil society was starting to mention the unequal position of the Albanian minority within Yugoslavia as one of its main causes in the struggle for human rights. On February 27, the leadership of the Slovene party-state joined the civil society organizations in a publically-broadcast meeting of solidarity with miners in Stari Trg, during which an LSYS activist compared the position of Albanians in Yugoslavia to that of Jews during World War Two.⁷⁰⁵

The broadcast of this event on Serbian television provoked a public fury and demonstrations in Belgrade. On the morning of February 28, Rakovica factories mobilized for a protest against Slovenia's solidarity meeting. According to the IMR factory paper, a column of 15,000 Rakovica residents headed toward the city center to join hundreds of thousands of their fellow citizens. 21. Maj workers carried a ten-meter long banner stating "Workers of Yugoslavia, Topple Your Own Bureaucrats from the Factory to the Federation".⁷⁰⁶ The heading of the factory article describing the mobilization was "Not one inch back when facing the Enemy".⁷⁰⁷ The clashes of the Albanian population with the police forces, the occupations of mines in Kosovo, the political support extended to the Albanian demonstrators by the Slovenian leadership, and calls for the introduction of a multiparty system coming from this republic – all these things contributed to the feeling that the country was under attack. That same day, IMR issued an open address to the working people of Kosovo:

In these grave moments, we invite you...to stand up in defense of brotherhood and unity, the integrity of Yugoslavia, the policies of the League of Communists and self-management, all of which are endangered by the desperate attempts of Albanian

⁷⁰⁵ Dejan Jović, *Yugoslavia: A State that Withered Away*, 333-334.

⁷⁰⁶ Dragan Belić and Đuro Bilbija, "Srbija i Slovenija: Od Cankarjevog doma do "Jugoalata" i Gazimestana, Dokumenti", (Belgrade: Tera, 1989), 46.

⁷⁰⁷ "Ni pedalj pred neprijateljem", IMR, March 7, 1989, 4.

irredentists to block the implementation of the reforms and the settling of the situation in Kosovo. The victims who fell during the revolution as well as the last forty years of the construction of socialism behooved us to create a class-based front of the working class...we call upon the workers of Kosovo to reject all political and other plots aimed at the destabilization and wreckage of our community. Expel from your ranks all those who try to divide and confront us for their own interests....We call upon the working class of Yugoslavia to close ranks in order to save Tito's Yugoslavia of brotherly people and prevent further divisions.⁷⁰⁸

The address was sent to empty mines as the Albanian miners' strike was ended on its seventh day by a raid of the special police forces and a wave of arrests. During March, appeals were also forwarded to Slovene workers. The IMR Central Workers' Council sent an open letter to its Slovene business partners:

We appeal to you to join our struggle for a more favorable economic policy...your working class shared our grievances during many instances, however, not in an organized, united way, but each one of us in our own republics...let us break the bureaucratic barriers of regional monopolies and open up the perspectives for associated work in a healthy economy in the context of the coming reforms... in Serbia, apart from the economic we also have political problems, and we ask for your understanding and support for our efforts to put our republic on an equal footing with the others. For a long time we have been trying to explain that this is not only about the injustices against Serbia...equality of Serbia is the precondition for the unity of Yugoslavia...we appealed to the leadership of your republic.... instead of support, we were met with accusations of homogenization and unitarism...we are convinced that the Slovene people are aware that these are fraudulent allegations...dear fellow workers and business associates...join us to stop the attacks on Yugoslavia as a guarantee of our shared freedom.⁷⁰⁹

⁷⁰⁸ "Zbijmo redove", IMR, March 7, 1989, 4.

⁷⁰⁹ "Poziv na saradnju", IMR, March 21, 1989, 5.

Maribor's Jeklotehna factory responded in a polite and reserved manner:

It was with great satisfaction that we received your appeal...we are convinced that the Yugoslav working class is united in belief that only a healthy economy can put an end to our divisions and our separation from developed Europe...in order to solve the present problems we need the culture of dialogue and plurality of opinions...only such an approach brings rational judgment and a further development of our federation...Dear brothers! We do not want to waste our words on politics since we have focused all of our work efforts on the growth of our enterprise...we are convinced that this is the best way to contribute to the development of our country.⁷¹⁰

It is indicative that two central workers councils paid lip service to the notion of workers' unity, but at the same time viewed each other primarily as 'business associates'. The 'healthy economy', meaning the increased marketization, emerged as a shared goal for the management of both factories. However, as we have seen, the political conditions for the achievement of this goal were diametrically opposed. Despite the declarative refusal to deal with political matters, the Maribor factory clearly reflected the dominant interpretations inside its own republic at the time. Unlike Serbia, the discourse inside Slovenia already recognized 'Europe' as a concrete entity, which embodied the desired modernization efforts. The 'culture of dialogue' and 'plurality of opinions' are the stressed values, which stand in contrast to the calls for centralization and the rise of a strong leader. The 'rational' is counterpoised with 'emotional' calls for unity and an obsession with the past. TAM also reacted to the sea of protest letters that the enterprise was constantly receiving from Serbia after the Cankarjev dom solidarity meeting controversy. The matter was discussed in the factory paper under the headline 'For Heaven's Sake, Let us Work!'. The article claimed that business partners from other republics were trying to drag TAM into political quarrels, aiming to slow down its business recovery. "Brotherhood and unity – those are wonderful ideals, but is it fair to demand equality in poverty for all?", the article asked.⁷¹¹

⁷¹⁰ "Odgovor iz Maribora", IMR, March 21, 1989, 5.

⁷¹¹ Danilo Vincetič, "Zaboga, pustite nas delati!", March 31, 1989, 2.

The more indifference or rejection the Serbian workers encountered in their calls for solidarity, the more frustrated they became with fellow workers in other republics. The increasing frustration with the lack of solidarity for their cause was compensated by a reawakened unity based on ethnicity. The mass movement of ‘the people’, where individuals recognized each other as members of one oppressed nation, was making great gains. Moreover, this movement praised Rakovica as its symbol. For many workers, the pull of the newfound status was irresistible. It seemed that their sacrifices were finally recognized. In the summer of 1989, a group of IMR activists traveled to Kosovo to attend a rally celebrating the 600th anniversary of the Battle of Kosovo, the battle that marked the loss of the medieval Serbian state to the expanding Ottoman Empire. The uneasiness in the workers caused by the cold reception from the Albanian population along the way was soon to disappear as they reached the rally field. In an interview, Milan Kljajić described the overwhelming feeling of brotherhood that the workers experienced as they came out of their buses and faced the endless crowds:

As we started to march toward the gathering, a sea of people split into two, allowing us to go down all the way to the first rows. As we passed by them, the people applauded. It sent shivers down our spines.⁷¹²

By the summer of 1989, the letters sent to TAM from Serbian factories stopped asking for understanding and support. The Serbian leadership instituted an unofficial boycott of Slovene products. The pages of the Serbian newspapers were filled with stories of the entire industries allegedly transferred from Serbia to Slovenia in the early postwar years. The history of IMR and Maribor’s TAM factory ran as a prominent example in these accounts. In one such article, IMR’s former engineer, now on a pension, had the following to say:

I demand gratitude from the ungrateful ones in the name of the workers who lost their jobs once the entire factory was dismantled and relocated to Maribor shortly after the

⁷¹² Interview with Milan Kljajić (IMR trade union president), March 2011.

war. Serbia had to play the role of the 'blood donor' for those who insult it today! It gave its modest industry for the industrialization of purely agrarian Slovenia.⁷¹³

In the eyes of many workers inside Serbia, the image of Albanians changed during the 1980s from that of 'neighbors' to 'enemies'. The perception held of Slovenes now underwent the same transformation in a matter of months. This does not mean that the social struggles between labor and management ceased in both communities. The echoes of the 1988 strike at TAM reverberated for months. Workers were calling for the resignation of trade union leaders, open-ended lists in the elections for self-management bodies, and regular assemblies.⁷¹⁴ In Rakovica, one year after the Municipal Workers' Assembly, the trade union organized another independent rally attended by 5,000 people, where the Serbian leadership was openly accused of not endorsing workers' interests.⁷¹⁵ However, in TAM the grievances did not reach beyond the assemblies of single BOALs, without a broader-based organization willing to publicize them. In Rakovica, the trade union was steadily losing significance as the interest of the workers switched from local issues to the dramatic events at the federal level. The siege mentality had become widespread in both communities, making it extremely hard to raise issues of internal class divisions without raising suspicion.

⁷¹³ "Fabrike kao šahovske figure", IMR, June 6, 1989, 6.

⁷¹⁴ B.G. "Delavci hoćejo odgovore takoj", Skozi TAM, July 1988, 3.

⁷¹⁵ "Zahtevi za dostojanstven život", IMR, September 19, 1989, 4.

Conclusion

The idea of a politically united working class with common material interests stood at the very foundation of the Yugoslav socialist state. The factories were places where socialist patriotism, the cult of Tito, and the idea of working-class bonds across national borders were promoted with great vigor. The mechanism that was supposed to enable workers to position themselves as the ruling class in society was workers' self-management. Nevertheless, the party federal apex remained the absolute political authority, which approached the slogan of workers' power in a pragmatic manner. Self-management ideology never consisted of a fixed set of compatible values. Its ambiguous character was intentional and used by the party to achieve a *modus vivendi* between the interests of different occupational groups inside the enterprises. As we have seen, the communist leadership did not have complete control over the popular interpretation of its main ideological tenet. The shifting understandings of workers' self-management were the outcome of interaction between different layers of workers, professional managers, and various self-managing and socio-political institutions inside the industry, as well as the broader social forums, such as the media and the cultural sphere.

A clear-cut cleavage, often encountered in other socialist political systems, between the factory management and local party elites, as unified representatives of the centralized party-state, on the one side, and the labor mobilizations, on the other, was not likely in the Yugoslav case. The chain of authority in the industry, which extended from the top planning bodies of the federal government to the factory shop floors in the early postwar years, was broken at the level of the company with the introduction of an elected management and autonomous business decisions in the market. The professional management and the workers councils were in a position to build a base of support among their workers' constituencies and frame popular grievances as a struggle for more business freedoms against the bureaucratic centralism of the party-state.

The tendency of the Yugoslav party-state toward ever-increasing decentralization and political rights for the republics, autonomous regions and communes (municipalities) created yet another potential cleavage. The factory elites could use the gaps in the political authority of the central state to enter into alliances with the regional party leaderships, demanding the protection of

particularistic economic interests. Demands for the recognition of local economic needs were usually combined with the liberal interpretation of self-management rights in the market, but they could also pick up on nationalist rhetoric. What kept these pleas for narrow interests under control was the presence of a strong leadership at the very top of the party-state. The old guard of former Partisan revolutionaries, personified in Josip Broz Tito, kept direct contact with the industrial base and presented the unified federal party as the sole guarantor of working-class political rights and a fair distribution of income. The party apex was apparently the only force powerful and virtuous enough to mediate between the conflicting interests of different occupational groups inside the factories as well as the national grievances inside the federation, thus guaranteeing social stability and progress.

The Yugoslav working class could therefore pursue its interests by shifting allegiances between the above-mentioned institutional actors. IMR and TAM embodied the two prime strategies within the Yugoslav labor movement. IMR tended to project its future through a grand coalition with the top federal leadership of the party-state. Numerous factors conditioned this orientation. Based in the Yugoslav capital, the enterprise benefited from its proximity to the highest institutional powers. Rakovica's industrial facilities were lined up directly beneath Tito's residential palace, and the local managers used this advantage to make direct pleas for political arbitration in business affairs from the very beginning. Moreover, IMR's market position made it dependent on government support. Over the years, IMR evolved from a pioneer developer of truck and tractor technology into a supplier of heavy-duty parts for diesel engines as well as producer of a smaller series of tractors exported to Third-World markets with the help of the state.

IMR took pride in serving as a backbone of development for Yugoslav industry. Many politically active, skilled metalworkers were attracted to this factory, which stood as a connector between a network of smaller suppliers and larger final producers. The enterprise had a history of communist activity among its workforce going back to prewar times. The local communists could rely on the support of the Belgrade party apparatus, the largest and among the best-organized LCY chapters in the country. Rakovica's blue-collar communists and trade unionists were considered the avant-garde of the Yugoslav working class. Reliance on political mediation and the existence of two parallel manufacturing programs (engines and tractors) turned IMR into

a highly decentralized enterprise with weak management. Its lower level self-management bodies were pro-active and gave expression to shop floor grievances. The decision-making model tended toward consensus agreements.

TAM was located in Maribor, the center of an economically-sound region, positioned along Yugoslavia's border with Austria. The factory was a final producer that kept in touch with the latest technologies and marketing techniques from the most developed market economies. It produced mostly for the domestic market, yet its contact with Western partners kept the management hoping for more intensive cooperation agreements and a reorientation to exports. Founded by the occupying German army during the war, TAM was cut off from the Partisan movement. Maribor's party also never established solid roots among the industrial workers in the socialist period. The factory employed a great number of low-skilled and peasant workers who faced a strong engineering department and authoritative management. TAM's micro corporatist agreement between the workers and the management relied on the latter's ability to achieve business results by lobbying the political authorities for the recognition of local specificities and business autonomy. Accordingly, the liberal interpretation of self-management was the dominant one, with the enterprise introducing and extending support to political initiatives for further decentralization and market freedoms. The orientation of TAM's workforce toward an internal alliance with the management created a centralized and highhanded managerial culture in which particular grievances were strongly condemned and buried beneath appeals for enterprise unity.

The two factories were therefore based on opposing philosophies of development, yet this does not mean they pursued the two strategies consistently. As we have seen, in periods of political and economic crisis, when the institutionalized allies failed to meet workers' expectations, the shop floors could reach out and try to build alternative coalitions. The late 1960s and early 1970s were years of crisis, during which the habitual mechanisms for the mediation of industrial conflicts showed their limits. Inside the self-managed enterprises, inequalities between different occupational groups threatened to block further continuation of the production process. On the macro plane, market competition polarized socialist society between those enterprises, regions and republics that were highly successful, and the others that were trying to catch up.

IMR's blue-collar workers reacted to the government's attempts to create economies of scale and to fuse different manufacturers in Belgrade by rallying behind their management in protection of the enterprise autonomy. As the crisis became prolonged, IMR's workers reacted with a largely autonomous political offensive in the bodies of the party-state, demanding a reduction of social inequalities, the end of privileges for the state bureaucracy and enterprise elites, as well as a stronger political voice for the working class. In TAM, internal conflicts were followed by growing regional grievances and demands for more organizational autonomy from the state. Nevertheless, as the local management proved unable to protect the shop floor from the falling standard of living, workers were increasingly becoming open to egalitarian messages promoted by the more conservative layers of the party.

The crisis was resolved by intervention from above. The federal party apex relied on the lower-paid sections of the working class across Yugoslavia to regulate the market, curb the power of the middle levels of the decentralized state, redistribute the wealth and deal a blow to the managerial layer in the factories. The unity of the country and the collective socialist identity was revitalized by increased insistence on the revolutionary legacy and egalitarian values. The concept of Associated Labor was an attempt to institutionalize this new relation of forces in the industry and the political system. It broadened and empowered self-management structures in the enterprises and the wider society. Inside the factories, the reform introduced a new layer of self-management bureaucracy positioned close to the shop floor, which was used to maintain more direct contact between the party apex and the manual workers. Industrial output continued to grow under the novel institutional set up and renewed investments.

The persistent economic crisis of the 1980s and political weakening of the federal center drastically altered the relations of power between different occupational groups in the self-managed industry. The global crisis of planned and protectionist economies gave advantage to the opponents of Associated Labor. After Yugoslavia had abandoned 'market socialism' in the early 1970s, both China, under Deng Xiaoping, and the Soviet Union, under Mikhail Gorbachev, turned to economic liberalization as a pathway to further development. Western Europe was heading towards an economic union, making Yugoslavia more aware of its dependence on economic exchange with this core of highly-developed capitalist countries. After years of economic stagnation and first signs of the end of the bipolar world-order, the ambition to

maintain the ‘Yugoslav road to socialism’, as a social project unique in the global context, was largely lost among the generation of political pragmatists and technocrats.

The economic crisis deepened social inequalities between different groups of workers inside the factories and exposed the clientelistic practices in the distribution of common social goods. The self-management elites, made up of former blue-collar workers, were discredited through corruption and their privileged status in relation to ordinary workers. By wrongly assuming that Associated Labor would neutralize the class differences and unify all employees behind the interests of collectively-owned firms, Yugoslav socialism was creating an alienated and angry working class, which saw an increasing divide between the Associated Labor promise and the realities of everyday factory life. The economic crisis and the lack of democratic control over the self-management bodies opened the door for liberal interpretations of self-management to position themselves once again as the valid oppositional discourse, identifying political interference and the reluctance to conduct more radical reforms as the root cause of industrial malaise and skewed distribution.

Without the existence of the strong federal center and figures with revolutionary prestige to maintain ideological rigor, the republican leaderships gained a chance to further their distinct agendas and embrace the ideas of market liberalism and nationalism more openly. There was a need to replace the worn-out concepts of ‘contractual economy’ and ‘workers’ self-management’ with a new language of optimism and more up-to-date perspectives of development, based on the latest technologies, increased government accountability, rejuvenation of party cadres, opening up to the world market, and a stronger defense of particular, local interests. The Serbian and Slovene parties seemed to be adapting most successfully to these new themes.

The communist leadership in Slovenia became convinced that this was probably the last chance for a radical reform of the local economy, if the system were to survive at all. The local party-state was rapidly advancing its sovereign program of liberal restructuring inside the enterprises, based on the inputs from market-oriented enterprise managers and integration into the Western European market. The Slovene leadership revived the traditional liberal interpretations of self-management, contrasting them with the highly unpopular austerity measures introduced by the federal government. The factory elites discouraged egalitarian sentiments and tied the manual

workers to the ongoing reform campaign by pointing to the income gap and difference in the overall development between Slovenia and the rest of Yugoslavia. Any step in the direction of solidarity with the less-developed regions was presented as the path to ‘equality in poverty’.

On the other hand, reformist forces in Serbia were stuck in an impasse by insisting on a new, common federal institutional frame as a prerequisite for economic and political changes. The growing radicalism of the Serbian leadership was the result of the sense of urgency and lagging behind Slovenia. By 1988, the popular pressure for reforms became so strong that the Serbian party decided to break the taboo of street mobilizations as an instrument of political struggle and actively rally citizens behind its plan of action. During the summer of 1988, politics was extended beyond the stale meeting halls. Public rallies in the streets were increasingly becoming the officially-endorsed new instrument of mass politics. By connecting factory grievances to broader political themes of constitutional order and lack of unity inside the federal party-state, Milošević aimed to rally parts of the blue-collar activists behind the nationalist agenda, and, in the process, blurred borders between class and national inequalities.

The radical reformist wings of the Slovene and Serbian LCs were made up predominantly of younger politicians, who had few visions of social development apart from the ones suggested by the economic elites inside the enterprises. As we have seen, the party lost the role of independent arbiter with a vision of a politically-controlled market in the service of the future communist society. Moreover, after the death of Tito, there was no charismatic figure at the top of the party state able to maintain direct contact with the masses. The radical reformists and liberal intelligentsia put great pressure on the communists to abandon their special relationship with the manual workers and orient toward the concept of a pluralist society and modern technologies. All of a sudden, the working class was not guaranteed a privileged place in the official ideology. With no populist leader at the top ready to coopt workers’ demands, the 1980s opened up the space for a prolonged independent organizing of labor.

The working class in socialist Yugoslavia did not enter the 1980s without any experience in independent organizing. As the research has shown, the micro-ambience of the shop floor or BOAL was often the place where workers organized in informal ways and protected their interests from the management and the party-state. In the late 1960s, the semi-independent blue-

collar initiatives found expression in the highest forums of the trade union and the party. Parallel to workers' reliance on strong political leaders or the factory management, the system also witnessed short bursts of autonomous labor organizing. Workers were prone to interpreting the promises made by the two main ideological treads of self-management literally. When it comes to the liberal visions of self-management as an entity standing separate from the state, the blue-collar workers often pushed for the creation of autonomous working-class organizations, such as independent trade unions. In the case of collectivist interpretations, the shop floors perceived self-management as the right of the working class to influence the decision-making process in the party-state to a large degree, if not take complete control over it.

The activity of Rakovica's municipal trade union and the spontaneous joint protests of workers in Maribor in 1988 were examples of workers' readiness to revive and expand the traditions of autonomous organizing in the liberalized political atmosphere. Yet, workers' opportunities to come together and form a political platform in defense of their class interests were largely dependent on the nature of the working class as it entered this crucial period, meaning the composition of Yugoslav labor behind the official optimistic portrayals, as well as the inherited ideological premises. A deeper look inside the factories enabled us to go beyond the superficial proclamations about the inherent unity of the Yugoslav working class. Using Michael Mann's four criteria for the development of a revolutionary working-class consciousness, we can now revise some of the main characteristics of industrial workers in Rakovica and Tezno and point to the reasons why market and nationalist-oriented reformists managed to gain the upper hand inside the industrial communities.

According to Mann, the first element of working-class consciousness is 'class identity', or a definition of oneself as a working-class person performing a distinctive role in common with other workers in the productive process. As explained, the party endorsed workerist interpretations of manual work in the industry as a unique kind of labor, which produces surplus value. This idea was appropriated by the shop floors and circulated widely among workers in both factories. Most workers recognized themselves as exceptional socialist citizens who perform exhausting physical labor under tough conditions in order to create a material base for social progress, and they expected public recognition for this task. However, the ambivalent

nature of Yugoslav socialism gave birth to another, broader vision of the self-managing worker as a 'free producer'.

The latter notion placed emphasis on the workers' role as a collective decision-maker instead of their production place. It was therefore a more inclusive idea, incorporating all 'working people', whether peasants, workers in the service sector or white-collar employees, who were seen as free, self-managing individuals surpassing the 'wage mentality' typical for workers' consciousness under capitalism. The fact that the management often used the latter notion to spur enterprise unity and block distinct blue-collar demands, made the shop floor generally skeptical toward it. In a factory like IMR where the workforce was strongly connected to the ethos of productivism, the workers most responsive to this idea were highly-skilled individuals active in socio-political and self-management bodies. However, in factories with a great number of unskilled workers and a strong enterprise identity, such as TAM, the idea of collective entrepreneurialism was potentially more widespread. This duality did create confusion inside labor institutions about which features define a 'proper worker'.

The ruling ideology projected many other 'intrinsic values' upon workers, not strictly related to their function within the economic system and its self-management superstructure. As already noted, the working class was considered the main carrier of socialist principles such as social and national equality. The blue-collar workers were confident that they possessed the ability to pass judgments in best accordance with the true ideals of the revolution. Once times got rough, when the politicians were wavering and concerned primarily about protecting their short-term interests instead of the common good, it was up to the industrial working class to openly reveal things 'as they are'. Workers were convinced that various party functionaries were visiting the factories exactly in order to gain access to some of this pure, unadulterated working-class voice and position themselves accordingly before the inevitable turn of the tide

The proletariat jealously guarded its role as the moral conscience of Yugoslav socialism, granted to it by the official ideology. The workers felt they had the duty to raise sensitive political issues for the first time in public and, by doing this, convey the general social grievances to the LCY apex. Consistent with the important task the party had delegated to them, workers could often identify and offer their voice to other social groups in need. When it comes to the defense of

Yugoslav unity, the blue-collar workers often portrayed themselves as the most consistent anti-nationalists and embraced Yugoslav national identity. They could also extend solidarity with particular national groups inside and outside of Yugoslavia. In Tezno, the party organized support gatherings for the Slovene national minority in Austria. In Rakovica, IMR workers were among the pioneering voices calling for Serbian national rights in Kosovo. As a renowned social vanguard, workers were in a position to gain popular recognition by acting on behalf of the oppressed social groups. In the process, the workers could appropriate parts of their grievances and identity.

The presence of a large number of peasant-workers and migrants, as well as the importance of kinship and birthplace connections in the organization of life in the urban surrounding made the workers very responsive to regional identity. Many migrant workers from Kosovo were well integrated and had lived in Belgrade for decades, but this did not make them any less prone to endorse the cause of fellow Serbs from their home province. In a decentralized institutional landscape, the place of residence could also gain importance in organizing one's identity. The specific personal traits, traditionally attributed to residents of Rakovica, its homogeneous social makeup and the emergence of a distinctive blue-collar platform in the form a local trade union, all contributed to the fact that IMR workers often identified themselves as citizens of a city municipality. By maintaining multiple, particularistic loyalties and identities, workers therefore increased their chances of being heard and recognized as noteworthy socialist citizens. In times when the official ideology started attributing less value to workers' supposedly primary function, as creators of social wealth and self-managers, they were likely to emphasize some of their other social roles and identities in order to gain attention.

The spread of national consciousness among the working class in the second half of the 1980s is a case in point. As already explained, the universalistic class consciousness was tightly related to Yugoslav national identity. Therefore, the retreat of the ideology of integral Yugoslavism within the party and strengthening of the regional national identities and anti-socialist sentiments pulled the rug from under labor's feet. In many ways, modern industrial labor in Yugoslavia was created by the socialist revolution under the banner of brotherhood and unity. The industrial workers in the separate republics had few prewar political traditions they could rely on. It was therefore hard to imagine a "Serbian" or "Slovene" working class. IMR workers, for instance,

extended their political support to Kosovo Serbs as representatives of the Yugoslav working class or citizens of Rakovica, not as ‘Serbian workers’. The same went for TAM workers rallying in support of the Slovene national minority in Austria. In order to adopt separate national identities more vigorously in the late 1980s workers therefore had to denounce their class allegiance.

The two case studies show that the nationalization of everyday life was by no means an automatic process and varied widely, depending on the local conditions. In TAM, the local executives had used protectionist notions and particularistic demands with national undertones at least since the early 1980s in order to advance reforms within Slovenia. By the end of the 1980s, this rhetoric was increasingly falling on the deaf ears of TAM workers who were disappointed by the concrete results of the market restructuring. In IMR, the language of national entitlement and the demand for putting local interests first was something novel and exciting. An ideology, which still had the potential to connect to anti-elitist blue-collar sentiments.

The shared ethnicity with Kosovo’s minority population made sure the appeals of Kosovo Serbs resonated strongly inside Rakovica. The Slovene nationalist opposition used the image of the Serb-dominated central state to suggest that the Slovene nation was under threat. Yet, apart from the arrest of four civil society activists by the military police in 1988, there was no pressing source of national insecurity, as was the case with Kosovo inside of Serbia. The role played by the migrant workers in both localities was crucial in awakening national differentiation. In Rakovica, there was a sizable community of Kosovo Serbs. They were well integrated, spoke the same language as other workers and did not hesitate to raise political grievances. In Tezno, the migrant workers from other republics were still newcomers and faced a language barrier. Apart from recognizing themselves as different in relation to Slovenes, the migrant workers were of different origins, nurturing allegiances to the different Yugoslav republics and regions from which they arrived. It was therefore much harder for the ‘southerners’ to organize politically and trigger a potential reaction from the Slovene workers, thus creating ethnic polarization.

The second element used by Mann to indicate the existence of revolutionary class-consciousness among workers in the West is ‘class opposition’, understood as the perception that the capitalist and his agents are the main enduring opponents to oneself. In socialist Yugoslavia, the space

opened up for market mechanisms without the parallel existence of private property, as well as the popular acceptance of the highest party leadership, coupled with customary self-management suspicion toward the state, created great difficulties for workers to clearly conceive ‘the other’, standing in opposition to their class interests. As already explained, in the mental conceptions of the industrial workers the main axis of class differentiation was that between the manual workers in direct production, who create new value, and all other sections of society, who live off this wealth.

Of course, workers rarely took this division to the extreme, to conclude they were standing alone against the entire population that had no direct connection to material production. In different periods, a specific ‘non-productive’ social group could be singled out, as having little of value to contribute to the rest of society, or as behaving exploitatively in relation to the working class. In contrast to Western market economies, where the capitalist could be fixated as the personification of the abstract market forces, the social property made it extremely difficult to point to the individuals and institutions responsible for unequal exchange and distribution. Throughout the 1970s, the official ideology recognized the managers and professionals as the main agents of market relations and potential opponents of self-management. The institutional symbols of this social layer beyond industry were ‘non-productive’, white-collar enterprises such as the banks or trading companies. However, in periods when the liberal interpretations of self-management were on the rise, the state apparatus could have just as easily taken the place of the banks as the embodiment of the exploitative, non-productive sector.

The label ‘techno-bureaucracy’, attached to the perceived foes of workers’ self-management, reflects this ambiguity quite well. The emphasis could be placed on the first word in the idiom, indicating technocracy, or the managerial layer and technical staff, thus following the more class-based and anti-market understandings of workers self-management. On the other hand, more often than not, the term was associated more closely with its second component – the state bureaucracy. Workers’ self-management was traditionally defined as the struggle against the alienated state and the Soviet system of the command economy was routinely equated with capitalist societies in terms of exploitative features and the alleged survival of wage labor. If, in the mind of the average worker, engineers, accountants, bankers and traders could be related to

production in vague terms, the political bureaucracy allegedly played absolutely no useful role in a self-managed society.

The pejorative term ‘bureaucracy’ was therefore quite elusive and could be applied indiscriminately to all those perceived as ‘privileged’ in comparison to the industrial workers. As we have seen, the class hate toward banks and trading monopolies or government administration could spill over to ordinary workers employed in these institutions. The notion of a female ‘floor sweeper’ (*čistačica*) in a non-productive enterprise or a government agency, allegedly having her housing status resolved faster than a skilled industrial worker, was a commonly repeated theme in both factories. The term could also be applied to Associated Labor delegates in political bodies or self-managed providers of social services (SIZ). Various administrative and managerial positions located between the shop floor and the top professional management inside the factories (*režija*) could also be associated with non-economic reasoning and thus positioned closer to bureaucracy than technocracy.

Finally, even the industrial workers of loss-making companies, or citizens of underdeveloped regions, could be brought into connection with the bureaucracy as indirect beneficiaries of political wealth redistribution. During the strike in TAM, workers were pointing the finger at the bankrupt Slovene aluminum producer for allegedly handing out wages higher than the ones they received. The same logic could be applied to workers in the less productive industries of the southern republics. As already explained, in the late 1980s, the notion of an exploitative bureaucracy was increasingly gaining national undertones. In IMR, the workers came to be suspicious of the entire ethnic group in Kosovo (the Albanians) as backers of the bureaucracy, since it refused to support the curbing of regional autonomy and its institutions. With the picture of the main opponent remaining so murky on the shop floor, the political elites were in a good position to direct popular anger in accordance with their interests.

The third element in the criteria for recognition of a workers’ consciousness is ‘class totality’, or the acceptance of the two previous aspects as the defining characteristic of one’s own social situation and the whole society in which one lives. The factory elites in IMR and TAM gave their best to spread hegemonic understandings of the world among their workforces. Industry was seen as the material base of socialist society, in other words its most important segment. The

working class was portrayed as the prime creator of social wealth and the rational collective manager standing in opposition to the professional management or the state. Workers internalized these visions through participation in self-managing as well as socio-political bodies, and by taking part in the numerous factory celebrations. Perhaps more importantly, the workerist and self-managing worldviews were adopted through daily contacts, social practices and joint production efforts on the shop floor. However, as the research showed, not all workers were in an equal position to identify fully with the factory values.

Workers of a single enterprise were far from a homogeneous group with equal attachments to the shop floor, the factory product, and the enterprise. A layer of the workforce in both factories achieved great social mobility under self-management socialism and internalized the blue-collar ideology in the process. These were usually male, senior workers with a vocational education or rare work skills acquired during the years spent on the shop floor. Over the years, most of them managed to settle down in the local communities close to the factory and integrate with the help of decent wages and resolved housing. They attended after-work events and leisure activities organized by the factory. As a rule, they were also active in various self-management organs and the party.

At the other end, we find the young, newly-arrived workers, anxious to get closer to all the comforts of socialist modernity. Their prospects of settling in a large city as industrial workers were shattered by the harsh realities of factory work, an inability to advance to a better-paid position, belittling by their middle-class peers in the wider city, and the exploitative practices of the property owners. The older, unskilled workers, earning low wages and residing in distant, semi-rural settlements, were also partly cut-off from the merits of urban life and the socialized economy. Many of them were women whose work at gender-specific jobs was inadequately valued, or migrants from other republics who faced discrimination due to their ethnicity and bad language skills. These workers rarely participated in self-managing decision-making and the systematic favoring of older workers made them skeptical toward a concept of common enterprise interests.

The place of origin and place of residence played a great role in determining an individual's chances of internalizing the vision of oneself as a shop floor worker who participates equally

with his/her peers in the production of surplus value. TAM was the largest industrial employer for adjacent agricultural regions, with a well-developed transport logistic for its workers. Large sections of its unskilled workers were peasants who made daily trips to the factory. The village and work on the field remained a big part of their life's focus. They were often absent from the factory during agricultural work seasons. Moreover, a long daily commute prevented them from forming closer ties with their shop-floor peers. As noted, the crowds would rush to the factory gates as soon as the end of the work shift was in sight, impatient to start the journey back home or to do other business in the city.

In the case of IMR, peasant-workers from the surrounding villages were also present, but the migrant workers usually left their home villages for good, with the intention of settling in a big city with numerous employment possibilities. They lived scattered all over the city and used public transportation to reach work. A big part of them would find housing in the semi-official settlements surrounding Belgrade, with gardens or smaller plots of land attached to them. Workers used the job opportunities offered by the big city to make additional use of their work skills by moonlighting. Some brought their private business into the factory using the machines to work on the smuggled objects or they made use of their work collective colleagues as potential customers for their goods. The low-skilled workers living far away from the factory or holding second jobs had no time to attend self-management and socio-political meetings. They were rarely politicized, unfamiliar with self-management jargon, and felt they could not contribute to discussions about the advancement of the production or technological tasks due to their low education.

The Associated Labor was supposed to grow into an all-encompassing moderator of social activity and return the working class and their values to the center of public attention. However, for many newly-arriving workers with a peasant background, the industrial suburbs of the big cities remained a mere transit gate for other jobs in the city or a place they traveled to daily from their home villages in search for additional income. Yugoslavia was lacking ambitious, blue-collar cities built from scratch and focused on single industries, such as Magnitogorsk, Nowa Huta or Eisenhüttenstadt, where the industrial relations enclosed ones horizon. Beyond a relatively thin layer of highly-skilled workers embedded in the factory milieu, the four decades

of rapid industrialization under self-management socialism failed to create a stable, self-reproducing working class with deep-rooted traditions.

Even those workers who managed to settle down in industrial neighborhoods, and saw the factory as the center of their life activities were tempted to abandon the production halls by taking active part in self-managing bodies and becoming full-time functionaries. As noted, the Serbian LC was aware that the prolonged crisis and the lure of side jobs might disintegrate even the core layer of skilled workers immersed in the industrial culture. The search for individual solutions often took precedence over the prospect of collective organizing. For a large part of the workforces, the proletarian worldview could not serve as the holistic explanatory pattern, which corresponded with their multifaceted daily experiences and embraced all aspects of life in the suburbs of the big cities.

The fourth and final element of class consciousness is the conception of an alternative society – a goal toward which one moves in the struggle with the opponent. Unlike workers in capitalism, the independent labor initiatives under state socialism found it difficult to pick up the idea of progress toward a different kind of society as the end goal of their intermediate demands, since transition toward communism was one of the main themes of the ruling parties. According to Marxist theory, communism was supposed to abolish wage labor. In Yugoslavia, the dominant vision of going beyond the wage relations was not the elimination of the market exchange, but its mastery through collective ownership rights in self-managed productive units of equal standing. From experience, workers knew that the all-encompassing notion of ‘working people’ led to the marginalization and lower valuing of manual work. This is the reason why they remained skeptical toward collective entrepreneurialism and the idea of ‘personal income’ substituting the wage.

The reaction was a turn toward vulgar visions of strenuous physical work behind the machine as the only true labor and exact measuring of work efforts, which would allegedly lead to compensation in accordance with the invested labor. As we have seen, the shop floors did not demand the eradication of piecework, but further ‘Taylorization’, meaning the introduction of strict performance measurement for non-productive workers. This was the sentiment that led the workers to demand the reduction of self-management representatives as well as a clear system of

accountability within the factories and broader society. The vulgar interpretation of the Marxist labor theory of value and faith in the exact reimbursement via the socialist market also led workers to adopt anti-intellectualist attitudes and an aversion toward politics, or all the people who earn money through ‘empty talk’.

The orientation toward heroic themes of virtuous labor and reward according to work was supposed to curb the power of the pro-market faction in society by inviting a grand coalition between the working class and the party apex. Contrary to the claims of liberal reformists, this impulse to seek an alliance with the party leadership was not a vestige of the Balkan countryside, but a very contemporary strategy based on workers’ experiences under Yugoslav socialism. The local working class never experienced mass-scale repression along the lines of Hungary in 1956, Czechoslovakia in 1968 or Poland in 1981. For a large part of the workers in Rakovica and even Tezno, the idea of a more resolute party leadership did not come across as a necessarily dire or threatening notion.

In the late 1980s, the horizon of self-managed socialism of some sort was still firmly in place inside the working-class communities. Workers voted in favor of the reform of Associated Labor, but they did not expect that legislative changes would lead to a major shift in the overall development paradigm, expecting that the ruling party would still safeguard their interests. As it turned out, the period between 1986 and 1991 would prove to be radically different from all previous episodes of self-management reforms. In the atmosphere of prolonged social turmoil and open criticism of the socialist legacy, self-management as an alternative system of a socialist society was all but abandoned, the Yugoslav state started to dissolve and the working class found itself in a desolate position, having to find new organizational patterns and traditions amidst rampant nationalism, war and economic breakdown.

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