ABSTRACT – This paper examines the socio-economic, demographic and political changes that occurred in Yugoslavia between 1979 and 1986 and links them to workers’ grievances. A particular set of socio-economic factors coalesced in the early 1980s, which greatly affected the composition of Yugoslav working class. The early 1980s saw an increased public awareness that the project of socialist modernization was in deep crisis. In the aftermath of the 13th Session of the League of Communists of Yugoslavia, a broad discussion was launched in party cells on the state of the party and society in 1984. Exploring these discussions within Belgrade metalwork factories provides insight into the multifaceted grievances launched by blue-collar workers during a brief moment when the party opened up space for debate on the shop floor.

KEY WORDS – Yugoslavia, working class, social class, labour, League of Communists of Yugoslavia, economic crisis
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INTRODUCTION

A typical historical narrative of Yugoslavia in the 1980s sees the death of Tito in 1980 as a watershed. Yugoslavia entered recession the previous year and in 1981, Albanian demonstrations in Kosovo and their brutal quashing by the federal police and military, unsettled the country and gave increased salience to the national question. Accounts often stress that with the economy in the doldrums, national sentiment was increasingly aroused. Nationalist themes took centre stage with the 1986 publishing of the inflammatory SANU Memorandum (a national programme of the Serbian Academy of Science and Arts, which was leaked to the press). Accounts then detail the Serbian League of Communist infighting through which Milošević rose to power with the goal of curtailing the autonomy of Kosovo and Vojvodina (constituent provinces of Serbia which had enjoyed de facto republican status since the 1974 constitution). This was achieved through fomenting protests among Kosovo Serb activists and mostly (but not exclusively) Serb workers in 1988 and 1989 during the “Antibureaucratic revolution” (Vladisavljević, 2008). These social movements catapulted Serbian nationalism into the political mainstream and set Serbia and Slovenia on a collision course, leading to the political dissolution of the League of Communists of Yugoslavia during the 14th Congress in January 1990.

Such a historical narrative tends to overlook or downplay the structural socioeconomic and demographic changes that occurred in Yugoslavia in the years prior to the tumultuous late 1980s. Many of the issues of discontent among workers, which came to a head in 1988, had found expression across
Yugoslavia (not only in Serbia) in the years before this. This article highlights some key social changes that occurred in the Yugoslav working class in the years between the official recognition of crisis in 1979 and the rise of Milošević in 1986. It does this by focusing on the workers employed in various metal factories in Belgrade, one of Yugoslavia’s most industrialized urban centres, who played a prominent role in staging strikes and street protests in the summer and autumn of 1988. The key argument we seek to develop is that in the period between the peak of welfare socialism in the second half of the 1970s, and the crisis years of the mid-1980s, structural changes occurred which impacted on the composition of the working class and upon working-class subjectivities. In other words, socioeconomic and demographic transformations changed the way many Yugoslav workers saw themselves within the political and socioeconomic order. Workers, particularly those who entered the workforce after 1979, became increasingly alienated from the institutions of self-management and the party-state.

In the course of 1984, the League of Communists of Yugoslavia (LCY) attempted to animate workers with a broad debate about the state of society and its institutions launched around the 13th Session of the Central Committee. This brief opening up to voices from below showcased a new language of grievances developing inside the factories directed against the political status quo. However, the campaign produced no tangible changes in the industrial communities. We argue that the inability of the Yugoslav party-state to recognize the changing composition of its main constituency—the working class—and to accommodate the popular discontent which manifested on the shop floor in the first half of the 1980s, paved the way for the political activation of the working class in street mobilizations and the rise of populist leadership in Serbia in the second half of the decade.

1. The best organized and politically articulated strikes in late 1980s were staged by the workers who protested in front of the Federal Assembly building in central Belgrade. The local factory that set the trend was the agricultural machine producer Zmaj in Zemun municipality in June 1988. In October of that year, three factories in the municipality of Rakovica (Industrija motora Rakovica – IMR, 21. maj and Rekord) staged their own protest marches in the centre of the city. Rakovica workers were later prominent participants of the so-called “Antibureaucratic Revolution” and mass gatherings which consolidated Slobodan Milošević’s political power (see Musić, 2016).

2. In addition to secondary sources, we draw upon the analysis of documents from factory archives, periodicals from workplaces and the trade union and print media. For a detailed discussion on the use of such sources, see Archer and Musić (2017).
1. THE CRISIS AND ITS “MAINTREAMING”

Like many developing countries, Yugoslavia entered a serious debt crisis in the early 1980s. The 1970s was a decade of stable economic growth and high investment in production facilities made possible by cheap credit accessed on global financial markets. After the political convulsions and economic slowdown of the late 1960s (which took place in the context of the integration of the self-managed economy into the world market) the political imperative of the 1970s was stability and the creation of jobs in new plants oriented primarily toward the domestic market. As the expanded industrial facilities were dependent on the import of raw materials, intermediary products and technologies, the government decided to facilitate foreign borrowing in a favourable global financial climate. However, by the end of the decade, conditions on the world market changed drastically with the rising price of oil and hikes in interest on loans contracted in US dollars. As a result, between 1976 and 1981, Yugoslav foreign debt jumped from $3.2 billion to $21 billion, forcing the party-state to shift from developmental economic policies to austerity measures and concerted efforts to boost exports (Bilandžić, 1986, p. 68).

In 1979 the party-state officially launched an economic “stabilization” campaign in an effort to put an end to the dramatic rise in foreign debt. Yugoslavia’s workers were familiar with the concept of “stabilization”, which repeatedly emerged as a dominant slogan in industry whenever the foreign trade deficit rose out of control. Stabilization implied cuts in government investment, savings in collective consumption, stricter work discipline and a greater insistence on factory profitability. “Tightening the belt” in this manner was highly unpopular on the shop floor. Such measures were normally reversed by the government as soon as the economy showed signs of recovery. By the mid-1980s, however, it was apparent that self-managed industry was not overcoming the crisis despite years of austerity.

The GDP growth rate fell from 7.9 per cent in 1979 to 2.2 per cent in 1980, continuing to sink below one per cent in the following years. Exacerbating matters, the economic slowdown was accompanied by inflation and a drastic fall in productivity (Pavlović & Marković, 2013, p. 289). Realizing the crisis could not be effectively tackled with the help of traditional methods, the federal party-state formed an expert group, known as the Kraigher...
commission, tasked with proposing more concrete measures for economic recovery. In 1983 the Federal Executive Council accepted the “Long-Term Programme for Economic Stabilization” which affirmed a liberalized market-based economy and harsh austerity measures. Reforms would take place under the continued tutelage of the League of Communists of Yugoslavia without displacing the 1976 Law on Associated Labour or other elements of self-management (Woodward, 1995, pp. 254–255). The official interpretation was that the crisis was caused by the weakness of the “subjective factor;” meaning the inability of the communists to lead by example in stabilization efforts, not the structural shortcomings of the Yugoslav economy.

The reform programme therefore stopped short of tackling the complex and cumbersome system of mediation and business agreements between enterprises built up in the previous decade. The 1970s were marked by an increased party influence inside the factories and the expansion of the legal prerogatives of shop floor institutions of workers’ self-management. Political control over the factories was achieved by radical decentralization of each enterprise into Basic Organizations of Associated Labour (BOALs). On the other hand, there was an attempt to prevent hostile takeovers and market rivalry by forcing the work collectives to make long-term plans and negotiate business relations through self-management agreements from below. By the mid-1980s, critical voices within and outside the party began accusing the Law of Associated Labour of being a costly and inefficient mechanism of economic decision-making that spawned excessive bureaucracy (Jović, 2009, pp. 142–147, 160). Despite the pressure, the federal party hesitated to reform the institutional solutions devised in the 1970s, knowing this would inevitably also open up questions of the divergent economic interests between the republics, the constitutional architecture of the federation and the “national question.”

Whereas the institutional set-up within which the new policies would take place was still not open for debate, the necessity of austerity remained undisputed, with the working class bearing the brunt of the reforms. One of the main measures undertaken to fight inflation was cuts in social spending and limitations of wage growth. A young Zagreb economist quoted by

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3. The commission was led by Sergej Kraigher, a Slovene partisan, veteran economic functionary and President of the Federal Presidency in 1981–1982.
Branka Magaš offers a good example of reformist-minded economists’ views on labour at the time:

“It is true that the workers have not eaten the accumulation; but they will nevertheless have to pay for all the wrong investment made by borrowing abroad. Somebody must pay, and it must be industry... The belief that industry’s trouble can be solved by redistribution of capital sitting in banks is absurd. For there is no capital there at all, only huge debts which do not appear thanks only to various book keeping machinations.”

(Magaš, 1993, p. 99.)

By the mid-1980s, some 40 per cent of social sector workers were estimated to be living on the poverty line (Bartlett, 1991, p. 239) with real wages falling 34 per cent between 1979 and 1984 and pensions by more than 40 per cent (Bilandžić, 1986, pp. 118–123). As a result, living standards in the 1980s fell back to those of the 1960s, with blue-collar workers who had cut ties with the countryside and those employed in low productive enterprises affected most gravely (Schierup, 1992, p. 86). In Belgrade, the poverty threat to its blue-collar citizens was particularly dire. The city was home to many migrant workers, not all of whom could fall back on village households for foodstuffs. Its factories were less competitive than the industry located in the north-western regions of Yugoslavia. For the first time since the early post-war years the workers of various Belgrade collectives received food coupons for scarce products, such as coffee, oil and laundry detergent. In an effort to cut down on oil imports the government imposed restrictions on petrol sales (Pavlović & Marković, 2013, p. 290).

For the party-state, which had built its legitimacy on high levels of consumption (in comparison to other state socialist regimes at least), the sudden scarcity of basic provisions and drop in living standards of the 1980s carried potentially devastating consequences by placing that legitimacy at risk. It brought discussions about crisis into the mainstream. Until the death of Tito, debates about the problems of Yugoslav socialism tended to be restricted to political and managerial elites and intellectuals. By the 1980s however, lively discussion of social, economic and political change spilled out of institutional and elite circles into a broader public discourse, fostering what Ramet
(1985a, p. 3) has termed an “apocalypse culture”, an introverted anomie and “quest for meanings”, which questioned the “fundamental political and social values of the society”.

Interlocking crises in politics, society and labour were reflected in popular culture and media as well as a flurry of civil society organization, with Belgrade being one of the centres of this new, more open and inquisitive, yet cynical spirit. Of course, the articulation of an imbalance between normative and practical application of self-managing Yugoslav socialism had been evident at least since Djilas’s (1957) critique of the “New Class”. In the reflexive conditions of Yugoslav socialism “self-criticism” was a recurrent trope and sources from workplace archives indicate that it was rather ingrained—workplace communication often included harsh self-criticism with the aim of improving conditions or practices (Archer & Musić, 2017, pp. 53–56). Yet, by the mid-1980s, the criticisms became much more widespread and public discourse was imbued with a sense of urgency. This sentiment was amplified by the political crisis and ethnically framed incidents in Kosovo. Many ordinary people who had hitherto abstained from politics, became familiar with (and reproduced) binary concepts reflective of the purported gap between theory and practice (for example the mismatch between “words/actions”, “plan/realization”, “rights/obligations”, “then/now”).

Examining sources from the workplace and the lower echelons of the party-state, one can observe that the traditional ideological concepts put forward by the League of Communists could no longer accommodate new social phenomena, such as the expansion of the middle strata and private business, consumer-based lifestyles, computer technology, new subcultures and the revisiting of taboo political themes (such as civil war in Yugoslavia during WWII). Beyond the national borders, developments such as the stagnation of the Soviet Bloc and the Non-Aligned Movement and the accelerated unification of Western Europe defined the conventional understanding of global processes.

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4. In 1981, the Albanian population of this autonomous province staged protests for more national rights and against alleged economic exploitation by Serbia. The movement was suppressed by mass arrests and the introduction of a state of emergency. In the following years Kosovo Serbs raised grievances about their own minority rights inside the province, reporting growing pressures from Albanian nationalists to relocate to Serbia (Schmitt, 2008).

5. In the official presentations, the Western capitalist societies and Soviet-type states were both
future, were nevertheless open to alternative viewpoints. This seemingly contradictory condition of chronic weariness, on the one hand, and willingness to accept new explanations on the other, combined with attempts at radical, almost desperate, final attempts to break the stalemate, capture the overall atmosphere in late Yugoslav self-management quite well.

The liberalization of the media in the early 1980s contributed to popular perceptions of “life in the times of crisis” and to the spread of the belief that the Yugoslav system was incapable of responding to ever-increasing demands for modernization and reform. The press was one of the main catalysts for the dissemination of critical discourses. Like all the other enterprises, publishing houses came under increased pressure to maintain profitability in the Yugoslav media market and, in a race to attract a readership, newspapers started publishing increasingly sensationalist articles, which tackled former taboos and exposed ongoing political clashes. The traditional channels for information in working class neighbourhoods (such as state television news, broadsheet newspapers and local party meetings), were now competing with an array of news and entertainment media which were only loosely controlled by the party-state and thrived on peddling controversial topics.

Tellingly, four out of the ten papers with the largest circulation by the early 1980s were tabloids. Ramet (1985b, p. 109) described the bestselling Serbian tabloid Zum Reporter as a paper “aiming at a less educated audience and specializing in scandals, gossip, highly critical interviews and strange occurrences...” In Rakovica, the official party paper, Komunist, could be seen lying unpacked in bundles by the factory post-boxes. The party found it increasingly difficult to communicate with its members on the shop floor. When asked by the factory press how the party might better involve new members in its work, a young female worker from the local foundry complained that explanations of current issues and events were absent from the party meetings. She found the materials sent to her branch meetings from torn by internal social clashes, whereas the Yugoslav model enabled a conflict-free society. As Johanna Bockman (2011) shows, encouraged by the strong economic performances in the 1950s and 1960s, Yugoslav economic theoreticians tended to promote the Yugoslav model of worker self-managed society, based on socially-owned enterprises, which performed on the market, as a valid alternative for developing countries gathered around the Non-Aligned Movement. This emerging new alliance of developing countries, they claimed, was the future of human progress, whereas the two old blocs (capitalist and state-capitalist) would be forced to reform in the direction marked by the trend-setting countries.
the City Committee to be “dated”, since workers had already informed themselves on all the issues from the newspapers weeks beforehand (Dikić, 1987).

It was not only the tabloids and more market-oriented press which provoked debate. The well-established media, connected more closely to the authorities, were also more open to unconventional and controversial topics. In Belgrade, Borba, the official paper of the largest mass organization in the country, the Socialist Alliance of the Working People of Yugoslavia, reported more openly on labour strikes and political scandals. Many workers appeared to welcome the sharper tones coming from the media considering this as a means to hold the political elite accountable for their (in)actions. The following two statements recorded at on the shop floor of the Rakovica engine and tractor factory IMR demonstrate this clearly:

“I support the sharper rhetoric of politicians who confront each other... it’s good that people can see who stands for what, so we can choose instead of just voting.”

(“Opori optimizam”, IMR, 1985.)

“The newspapers show who brought this country to the present situation... it is the party leadership who is guilty, not us.”

(Žulj, 1987.)

2. SHIFTING “GEOGRAPHIES OF POVERTY” IN THE EARLY 1980S

In tandem with the economic slowdown of the late 1970s and the full-blown crisis of the early 1980s, the “geography of poverty” in Yugoslavia shifted significantly. According to the Yugoslav model of socialist modernization, the city and its industrial workforce were bound up in narratives of progress. This vision was exemplified in new industrial and mass housing complexes—the modernist settlement of Novi Beograd being the most notable (Le Normand, 2014). With economic liberalization and the turn towards market socialism in the mid-1960s, a greater emphasis was placed on consumption and raising living standards (Duda, 2005, 2010; Patterson, 2011). The 1970s was the heyday of the “Yugoslav dream” with purchasing power reaching its peak in 1978 (Duda, 2016, p. 174) and extending to all parts of the country (albeit unevenly). Even poorer parts of Kosovo experienced an “accelerated modernization” and growth in living standards during the
decade (Ströhle, 2016, p. 119). As Marie-Janine Calic (2011, p. 79) claims, however, by the 1970s the “… Yugoslav system was no more than a façade concealing the economic problems and behind which internal conflicts of interest were reaching dangerous levels’ in a ‘crisis of socialist modernity.”

Economist Branko Milanović (1990, pp. 314–315) explains that the gains made by households between 1973 and 1978, the peak of Yugoslav consumerism, were lost in the first five years of economic crisis, between 1979 and 1984. He details how during the same period, because of significant demographic shifts, the geography of poverty changed in Yugoslavia. In absolute terms, numbers of poor Yugoslav citizens were now greater in the cities than in the countryside.

“[W]hile in 1973 only 30 percent of all poor households lived in urban areas, that proportion was 60 percent in 1983. The absolute number of poor urban households increased between 1978 and 1983 by 250 thousand, or by more than 800 thousand people... Yugoslavia must face for the first time in its history urban poverty.” (Milanović, 1990, pp. 314–315.)

Sharply contradicting socialist narratives of modernization, this demographic change occurred parallel to sustained Yugoslav economic and political crises in the wake of Tito’s death.

Yugoslav cities were being substantially transformed in the 1970s and 1980s by social inequalities. The model of socially owned subsidized housing (društveni stanovi), funded by self-managing companies for their workers, could not keep up with demand. The authorities began to view the independent construction of family homes by workers on the peripheries of Yugoslav cities with more tolerance. The period in question (1979–1986) saw a proliferation of settlements built informally, usually by migrants to the city who found themselves excluded from the provision of socially owned flats by their workplaces (Archer, 2016). Predictably, the expansion of workers’ settlements was not a class-neutral phenomenon. It helped to forge a sense of consciousness among workers who found themselves increasingly alienated by the institutions of self-management. Bogdan Denitch (1990, p. 69) writes that class solidarity fostered in the workplace amongst Yugoslav blue-collar workers was reinforced in increasingly segregated residential neighbour-
hoods leading to an “us and them” attitude pitting workers against the communist politocracy and its technocrat allies.

While informal settlements and slums were part and parcel of Yugoslavia’s rapid and uneven development after World War Two (Simić, 1973; Dobrivojević, 2013), qualitatively, great change was taking place in these settlements during the 1970s and 1980s. Belgrade working class municipalities like Rakovica and Zemun contained an urbanised core of modernist high rises, but the scarcity of newly built socially owned flats meant that these developments were soon surrounded by spontaneously developed neighbourhoods of red brick family houses. Communities like Kaluderica and Resnik, were constructed en masse by their residents. Their construction was no longer taking place according to the desired parameters of the socialist authorities but rather by self-initiative and kin networks—although these were conditioned by the socialist workplace, favourable credit and the unwillingness in practice of municipalities to prevent construction (Archer, 2018).

Newly built socially-owned flats were supposed to be financed by work collectives and distributed according to need through their self-management bodies. However, numerous reports show that factory housing commissions were indeed exposed to great pressure while the waiting lists were manipulated. The factory paper of Industrija motora Rakovica (IMR) reported “ugly and illegal behaviour” on the part of individuals trying to access company flats. Candidates were providing forged medical reports, entering arranged marriages or fictitious divorces, and registering extended family members as part of the immediate household in order to advance up the waiting list. Controversial “cadre flats” were used by companies to attract skilled labour (Archer, 2016, p. 66). This opened up further space for machinations, with the management promoting favoured workers to cadre positions and rewarding them with flats (Žujović, 1980, p. 3). The democratically elected delegates in self-management organs therefore lost control over a good part of the housing allocation process, giving way to the informal exchange of favours, family connections and bribes. Abuses were so widespread and dissatisfaction so acute that the Serbian Supreme Court declared the distribution of “cadre flats” to be an unconstitutional practice in 1979 (though it continued subsequently). The court found that internal enterprise regulations for this type of flats were unclear and that their allocation occurred largely along “private lines” (Lalić, 1979, p. 2).
The grievances over the usurpation of socially owned property by privileged individuals and the decades-long waiting period for flats that most workers experienced induced the party state to take action, at least symbolically. In late 1982 the federation of trade unions launched a campaign entitled “You Have a House, Return the Flat” (Imaš kuću – vrati stan). It originated in Prizren, Kosovo and spread to all republics—except for Slovenia where the authorities claimed they were successfully implementing existing law (Archer, 2013). The campaign attempted to appeal to socialist morality as a means to cajole individuals who possessed both a socially owned flat and a private home to return the flat, which would then be distributed to someone on the waiting list. Predictably, in a context of growing cynicism, the campaign failed to gain traction and petered out during the late 1980s (ibid.).

As the 1980s progressed, the working class residents of peripheral Belgrade municipalities increasingly differentiated themselves from their neighbours in more central neighbourhoods. The white-collar enterprises (for example firms engaged in the import and export of goods) managed to boost their incomes by openly implementing market-oriented solutions. Government employees raised their wages with the help of legislative acts. Industry remained the “last bulwark” of stabilization measures implemented through self-management procedures. To the manual industrial workers, most other social strata—whether the land-owning peasantry or white-collar employees—seemed better positioned to safeguard their living standards in the crisis. In the words of a frustrated IMR worker:

“How are we supposed to control our income when it is stripped before it arrives at the factory? Both the peasant and the clerk are in a much more favourable position than us workers. The state administration increases its wages while we have to wait for authorization from the top. Who has the right to hand the social [welfare] card to me, the person that carries the whole state on his back?”

(“Opori optimizam”, IMR, 1985, p. 6.)

The relative proximity of working class communities like Rakovica to the well-heeled neighbourhoods of central Belgrade (which Dennison Rusinow [1977, p. 139] noted was the first socialist capital by 1965 with a parking problem), increased the sense of frustration and inequality. As one female
worker from Rakovica stated in 1986 in the documentary film Žulj (1987) “It is our children that fill the volunteer brigades. Do the children of functionaries go to work-actions (radne akcije)? These are all Rakovica youth.”

Class differentiation was also informed by consumption practices with well-to-do Belgraders engaging in conspicuous forms of consumption. The same Rakovica worker complained that her children were looked down upon in school because they did not have Nike shoes. Many workers felt that the rest of Yugoslav society was not showing them the gratitude they deserved for their work. The symbolic capital attributed to workers officially was eroding in practice. One worker summarized this feeling of humiliation and lack of gratitude:

“I am a poor member of the working class and I don’t feel sorry for myself because my parents were also poor working people. However, they were appreciated while they were building up this system, whereas I turn out to be some kind of outcast... It turns out if there were no foundrymen, no miners, nobody would be poor... we seem to be some kind of a burden on this system, this is not imaginable anywhere else in the world, only in Yugoslavia.”

(Žulj, 1987.)

3. INTERNAL DIFFERENTIATION

The attack on working class living standards was made even worse in their eyes by the existence of certain social strata that seemed to escape the worst effects of the crisis. While the stabilization campaigns were not a novelty and the blue-collar workers were used to making sacrifices for “a better tomorrow”, they expected public recognition for their pains, a clear political programme and demonstrations of solidarity from other segments of society. At an open meeting on social differentiation held at the 21. Maj engine factory in May 1984, for the first time since the 1968 students’ demonstrations, the issue of the expropriation of “illegally accumulated” property was raised by a worker (Avramović, 1984, p. 4). The idea that the party should return to the radical redistribution measures of the post-war period gained salience among workers. In interviews by film director Mića Milošević in 1986, IMR workers declared:
“The social status of the working class is satisfactory on average. The problem is that we have billionaires, on the one side, and those who barely make ends meet, on the other... therefore, another great redistribution is inevitable.”

(Žulj, 1987.)

The differentiations referred to were not only between manual workers and the white-collar employees of successful companies but increasingly between different layers of workers within the same factories and working class communities. The growth in importance of well-paid clerical staff and specialists caused production workers to try and shift to office jobs at the first opportunity. This eventually caused shortages of skilled labour on the shop floor. The situation deteriorated to the extent that in 1983 the LC City Committee initiated discussions in Belgrade factory branches on the topic of better evaluation and payment of productive work. The City Committee warned that unregulated forms of distribution stifle the motivation of workers to work and act responsibly. It also insisted that not appreciating productive labour caused the spillover of cadres from industry into government administration, banks and commerce (Žujović, 1983, p. 2).

The difference in income distribution criteria based on piece rates, on the one hand, and job description or hourly payment, on the other, additionally deepened the rift between the workers in direct production and other factory employees. Frustration with the bureaucracy, which allegedly lived off the labour of production workers on an abstract, societal level, was matched by the scepticism the workers expressed towards the white-collar employees inside their own work collective. There was a strong feeling that administrative positions were multiplying much faster than production output, to the detriment of workers. The workers lumped the self-managing functionaries together with the white-collar administration. Those that had blue-collar origins were a particularly distrusted category of class traitors. As metal-worker Miljko Živković commented in the Belgrade trade union magazine: “I think that the former workers make the biggest bureaucrats. Through the delegate system each worker becomes more or less ‘bought off’, maybe not by money, but certainly by different perks” (Antonić, 1985).

The expanded system of enterprise self-management delegations in various government and coordination boards implemented under the Law of
Associated Labour was supposed to socialize the state apparatus, tie the state administration closer to direct producers and make the redistribution of income taxed from the work collectives transparent. However, the growth of the self-management apparatus had quite the opposite effect. Delegates maintained minimal lines of communication with their industrial base and regularly introduced new obligatory financial contributions from the enterprises for various government and self-management funds. On the shop floor, the self-managers were not perceived as the workers’ representatives but as an alienated bureaucracy draining the income of the impoverished industry and transferring it to a non-productive and parasitic administration.

Class antagonisms inside the factories often overlapped with a generational gap. Referring to the decline of worker membership in the LCY and reduced participation in the institutions of self-management, Silvano Bolčić (1986) identified important demographic traits of the new working class, in particular the “new generation” of the working class with no direct experience of WWII, over half of whom had entered the workforce after the 1965 economic reforms. Between 1978 and 1984, some 820,000 new workers entered the workforce (Bilandžić, 1986, p. 119). In the conditions of economic crisis and “stabilization” the system could not absorb and socialize these workers in the self-managing workplace as it had previously. Many new workers slipped into the category of the new urban poor identified by Milanović (1990).

By the beginning of the 1980s, some 100,000 workers in Belgrade were under 27 years of age, yet they had a hard time gaining the trust of older workers and advancing up the internal factory hierarchies. As Petar Trifunović from Industrija precizne mehanike pointed out, the senior workers who advanced to the position of foremen and highly skilled workers were reluctant to allow their younger colleagues access to better paid work positions and more efficient machines (Marković & Mirković, 1984, pp. 5–6). Dragana Stanić from ammunition components producer Prva iskra claimed that older workers feared competition and the pressures of piece work. The more experienced workers were allegedly occupied in their attempts to achieve production norms and had little time or interest in training the younger workers who might become more productive in the future and take up well-paid positions on the shop floor (Antonić, 1985).
The younger generation of workers had little direct connection with the Partisan struggle and developed cynical attitudes toward the official ideology. The number of young worker delegates in Belgrade workers’ councils was reduced by half between 1977 and 1981 with the work collectives usually allotting positions of responsibility to well-connected, distinguished functionaries and hesitating to elect younger cadres who still had to “prove themselves” (Marković & Mirković, 1984, pp. 5–6). Regardless of age, the circulation of well-known, veteran activists between different self-management and socio-political bodies of the factories and undemocratic practices all contributed to significant numbers of workers “opting out” of the self-management system.

Workers from direct production started to regard self-management delegates as agents of the alienated political bureaucracy who were imposing a constantly rising tax burden upon industry. They tended to view collective self-management procedures as a meaningless political ritual, which detracted from precious production time. Nikola Dimitrijević from IMR argued: “People do not care about self-management meetings, especially workers from production. [Self-managers] are chasing money and the meetings are held during working hours” (Marković & Mirković, 1984). Indeed, during the severe speed-ups in production during the “stabilization” years, for those workers paid by the piece rates, any rare minute of work taking place in optimal conditions (i.e. with sufficient materials and functioning machines) was a precious opportunity to try and break the production norm and thus help their diminished wage catch up with inflation. As Mileta Baroš explained: “Most of the workers on the shop floor have no time to even gather their thoughts if they want to make any money, let alone to talk about meetings and politics” (Antonić, 1985).

In October 1986, an IMR delegate told the Central Committee of the Serbian League of Communists:

“Workers demand that the problems are resolved quicker and that we see some perspective for a brighter future. Under the present circumstances, the motivation for work on the job and in the self-management organs is weakening. This is reflected in the fact that we have not been able to organize a union conference for years. Out of 1,500 members in one department, some 40 people
show up for the meeting. In the assemblies it is not much better; if we did not pull people by their sleeves and escort them into the meeting hall, only 10-20 percent of workers would appear.”

(D.Ž., IMR, 1986, p. 6.)

4. OPENING UP

The initial crisis years in Serbia were overseen by the old party cadres who had achieved their top positions through purges of liberal politicians in the early 1970s. Their conservative approach to reforms envisioned economic liberalization and austerity as a set of temporary measures to be implemented without major political changes. In 1984, however, the Serbian LC leadership underwent a generational shift. The former Belgrade party chairman, Ivan Stambolić, came to represent a new breed of cadres not seen since the liberal wave of the 1960s. In contrast to the Serbian advocates of status quo politics, (prevalent in the 1970s and the first half of the 1980s), Stambolić was more willing to initiate reforms.

Stambolić had solid contacts with industry and was ready to more resolutely advocate for Serbia’s interests in federal forums. As a former director of Rakovica’s gas producer Tehnogas, Stambolić was well acquainted with problems inside the self-managed enterprises. The belief that that micro problems inside the enterprises could not be resolved without a broader push for institutional change on the federal level began to take hold inside the top echelons of the Serbian party-state. The renewed Serbian leadership decided to use the moderate reform of the Law of Associated Labour as an entry point for more ambitious constitutional reforms.

A stronger position for Serbia inside the federation was not a desire restricted to nationalist opposition circles. Parts of the political bureaucracy, as well as the enterprise managers, shared similar aspirations. In the mid-1980s, the press obtained an internal LCY document, written by the Serbian communists and sent to Tito in the late 1970s, in which the Serbian autonomous provinces of Kosovo and Vojvodina were challenged for acting beyond their rights as defined in the Constitution, and criticized for considering themselves equal to the republics (Jović, 2009, p. 173). By the mid-1980s, in tandem with the growing influence of nationalist-oriented intellectuals
and media reports about the alleged mistreatment of the Serbian minority population in Kosovo, the broader Serbian public also became increasingly responsive to such claims.

The push for more determined economic and political reforms was thus brought into connection with political centralization and more party control, with Serbia emerging as the main proponent of this line. The reversal of “boalization” inside industry was seen as an essential first step for introducing more responsibility, efficient production and labour discipline on the shop floor. More generally, it was also seen as a precondition for stronger unity among the working class, the party-state and Yugoslavia. Finally, this reinvigorated Yugoslavia with a common central market and unified leadership was thought to stand a better chance of integrating itself into the global economy on more favourable terms. Slobodan Milošević, then a young politician serving as Stambolić’s right hand man, was able to articulate this programme to the Serbian LC Central Committee:

“We are talking here about the fundamental conditions for economic stabilization without which it cannot be fulfilled... I do not talk only about ruptures between the republics and the provinces, but about all the systemic solutions which initiated the closing-off process inside the industry... exactly thanks to the absurdity of these internal clashes, we have the process of build-up of administration and bureaucracy which is becoming bloated through ever more complex procedures of decision making on all levels in society... it grows on the weakening back of our industry... and then a commodity producer in such a bad shape is supposed to run a competitive race on the world market.”

(Milošević, 1989, pp. 30–31.)

The steady loss of political control over the two autonomous provinces (Kosovo and Vojvodina) and the precarious state of its industry thus induced the Serbian LC to stand up and demand a more resolute collective reform push from the federal party. The 13th Session of the LCY Central Committee, to be held in the summer of 1984, was the moment when the federal party finally decided to launch a broad, democratic debate among its rank and file about the state of society and ways to strengthen reforms. The top-down
methods of political work were now renounced. The 13th Session of the Central Committee issued only tentative conclusions, which were then sent to each party cell in the country for thorough discussion and amendment proposals.

The document forwarded to the party base raised the following issues: (a) A more persistent application of economic reforms, a greater respect for “economic laws”, putting an end to the socialization of losses and making wage increases dependent solely on improved productivity. (b) Decreasing administrative and white-collar posts in industry. (c) Clearing the way for better-educated and reform-minded cadres in the party-state. (d) Emphasizing democratic centralism inside the LCY, preventing the further federalization of the party and calling for unity in action. (e) A struggle against opportunism, careerism, illegal enrichment and misappropriation of social property (Centralni komitet SKJ, 1984).

The party’s industrial base was clearly the main target of the document. The LCY had hoped that a revived initiative from below might strengthen the reform push and shake up the middle layers of the party-state which were delaying substantial change. The aim was to win over the industrial cadres to the programme of further marketization of the economy and cuts in state subsidies. This was achieved by focusing on the alleged “socialization of losses.” In 1983, various Belgrade factories were running up 4.8 billion dinars in losses. They were able to finance mere 1.8 billion dinars from their own funds, whereas the rest was covered by the solidarity fund to which all Belgrade enterprises contributed equally (N.D. Beogradski radnik, 1984). The idea that the loss-making companies were dragging the entire economy into the abyss behind them was quite widespread in self-management discussions. As Branislav Milisavljević, a party member from a successful enterprise Precizna mehanika stated:

“We contributed 20 percent of our wages for new investments in our factory. We saved and bought new machines, but other factories were incapable of doing this so they relied on the solidarity funds of other work collectives. In other words, we extracted a type of aid for them from our own wages. In the end, it turned out that my colleague from the aided factory has a bigger paycheck
than me. How can one explain that? We help them out and they have higher wages!”

(Marković & Mirković, 1984, pp. 5-6.)

The parochial understanding of workers’ self-management as the right to keep control over the income of one’s own work collective without outside interference paved the way for loosening solidarity and presenting liberal economic reforms as pro-labour. As already noted in this article, self-management bodies and factory administration staff were recognized as another major drain on factory income. The Central Committee’s 13th Session conclusions thus highlighted the white-collar workers and political activists located outside the shop floor as a major problem and asked for a rejuvenation of the party. Increasing social differentiation was addressed through the critiquing of the illegal appropriation of social property, an increasing problem in the early 1980s (Archer, 2013). Finally, there was a call for more democratic centralism and unity of action across Yugoslavia.

The management of four Belgrade metalwork enterprises decided to seize the moment of political opening up and jointly signed an open letter sent to various government institutions. Industrija motora i traktora (IMT), Ikarbus, Industrija motora Rakovica (IMR) and Zmaj called for substantial cuts in the obligatory financing of common social needs (opšta i zajednička potrošnja) and the lowering of bank interest rates on their debts. Another grievance put forward was solidarity spending for underdeveloped regions. The political crisis in Kosovo and the increase in nationalist reports from the province being published in the Serbian press, presented an opportunity for attacks on redistributive mechanisms designed to decrease social polarization between different Yugoslav regions. Skilled metalworker Stanimir Savkić showcased this logic clearly in the trade union press: “We gave money for Kosovo but their politicians built villas with those funds instead of using it for the right purpose” (Marković & Mirković, 1984, p. 6).

Many themes advanced by the party and the management during the 1984 debates resonated among Belgrade metalworkers. Yet a closer look at the discussions of the 21. maj factory party cells reveals these same issues were expressed with much more urgency and radical language on the shop floor. More importantly, the range of grievances mentioned by the workers was
also broader and some issues remained untouched by the official discourse controlled by the socialist elites.

First, workers expressed deep frustration with social inequalities, not only between the white-collar and blue-collar professions, but regarding the privileges of the top party-state bureaucracy. The speakers in an automotive/engine party cell meeting argued that “belt tightening should be implemented not only in industry, but all structures equally,” adding that highest functionaries were still being driven around in Mercedes saloons. The speakers mentioned the ‘sucking out of social capital into private pockets’ and the “enrichment of individuals on the backs of the working class” (SOUR 21. maj, 1984). The unequal distribution of socially owned flats was the most repeated grievance and the main symbol of social inequality:

“It is unacceptable that in certain administrative institutions of the state and socio-political organizations individuals receive flats in three to four years, whereas in our factory more than 50 percent of the workforce has unresolved housing needs... Outside industry, social funds are being invested in lavish buildings for banks, insurance companies, political organizations, etc. On the other hand, we have run-down schools, hospitals and cultural institutions.”


In addition, the communists and other workers (the meetings were open to non-party members) called for stricter price controls on basic foodstuffs and the creation of a taxation system which would make the creation of billionaires impossible. In other words, there was a desire to replace ad hoc calls for the struggle against “illegal enrichment” with systemic solutions that could protect the workers’ living standards and decrease social inequalities.

Second, the speakers were of the view that the document failed to mention the problems faced by youth (other than the issue of opening positions in the party for younger communists). These issues of concern included high unemployment, corruption (veze) in employment practices and a lack of trust in workers coming out of vocational schools. Third, there was a conscious effort to raise the political influence of the working class in the party-state. 21. maj meetings called for a party conference which would consist of delegates from the party base without any influence from the higher...
party bodies. Finally, there was a strong feeling that the party was not doing enough to protect the Serbian population in Kosovo from alleged attacks by Albanian secessionists. The media hysteria obviously had a significant echo on the shop floor with communists demanding a stop to “the brutalities of irredentists who rape girls and old women” (SOUR 21. maj, 1984).

**CONCLUSION**

Socioeconomic conditions in Yugoslavia changed drastically between the late 1970s and the mid-1980s. Parallel to the death of Tito in 1980, ordinary Yugoslavs noticed a palpable drop in living standards, which affected Yugoslav blue-collar workers in particular. Demographic and generation changes were also significant in that period. A cohort of younger, poorer workers had moved to Belgrade and other Yugoslav cities and found themselves ever more alienated by and excluded from the project of socialist modernization. Battling with falling profitability, inflation and the high costs of social responsibilities to workers and the broader communities, Yugoslav social sector workplaces struggled to integrate the hundreds of thousands who entered the workforce in these years.

Ordinary Yugoslavs became intimately familiar with many of the details of the political and economic crisis that was enveloping the country but little consensus was reached regarding possible solutions. On the shop-floor the grievances of workers, in addition to falling living standards and deteriorating working conditions, included the proliferation of white-collar positions and the widespread theft of socially owned property (like company flats). An overview of the internal factory debates taking place on the shop floor of Belgrade’s metalwork factories reveals that the LCY’s industrial base was trying to get a hearing at the top, speed up the pace of reforms and broaden political discussion so it could accommodate the main grievances of industrial workers caught in the protracted economic crisis. The party campaign launched around the 13th Session of the LCY Central Committee briefly opened up space for grassroots involvement but the end results were very modest for three reasons.

First of all, the themes favoured by the party-state, such as cuts in government spending and a decrease in prerogatives of workers’ self-management, were advocated in mild language and with weak solutions which
lagged behind the more robust ideas already circulating inside the factories. Second, the official reformist discourse failed to echo a range of concerns among working people, such as social inequalities, generational polarization and the national grievances of Kosovo Serbs. Third, the opening up lasted only a couple of months, after which the party continue to pursue elite politics behind closed doors. By the beginning of 1985, the broad discussions at the base were no longer encouraged. The spirited debates raised expectations, and yet, in the workers’ eyes, the entire effort was once again devalued as “empty words” 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.

As a consequence, the dissident nationalist opposition expanded its influence in the fallout of the 1986 memorandum and in 1987 Milošević removed Stambolić, setting the course for the political wrangling of the late 1980s and the mainstreaming of Serbian nationalism. The next wave of workers’ dissatisfaction in the late 1980s (Vladisavljević, 2008) was to take place in a radically changed political environment shaped by much more aggressive calls for pro-market reforms but also invigorated claims of national victimization and regional rights. The post-war alliance between the party and blue-collar workers was now broken, with workers leaving “in droves” to form strike committees (Magaš, 1993, p. 159). The new political language associated with Slobodan Milošević appealed to segments of the working class as far more radical than the stale, lifeless party formulas of the previous years and thus a potentially better way of accommodating workers’ grievances.

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