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AS-1
Prejudices & Impressions

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Dubrovnik, Yugoslavia
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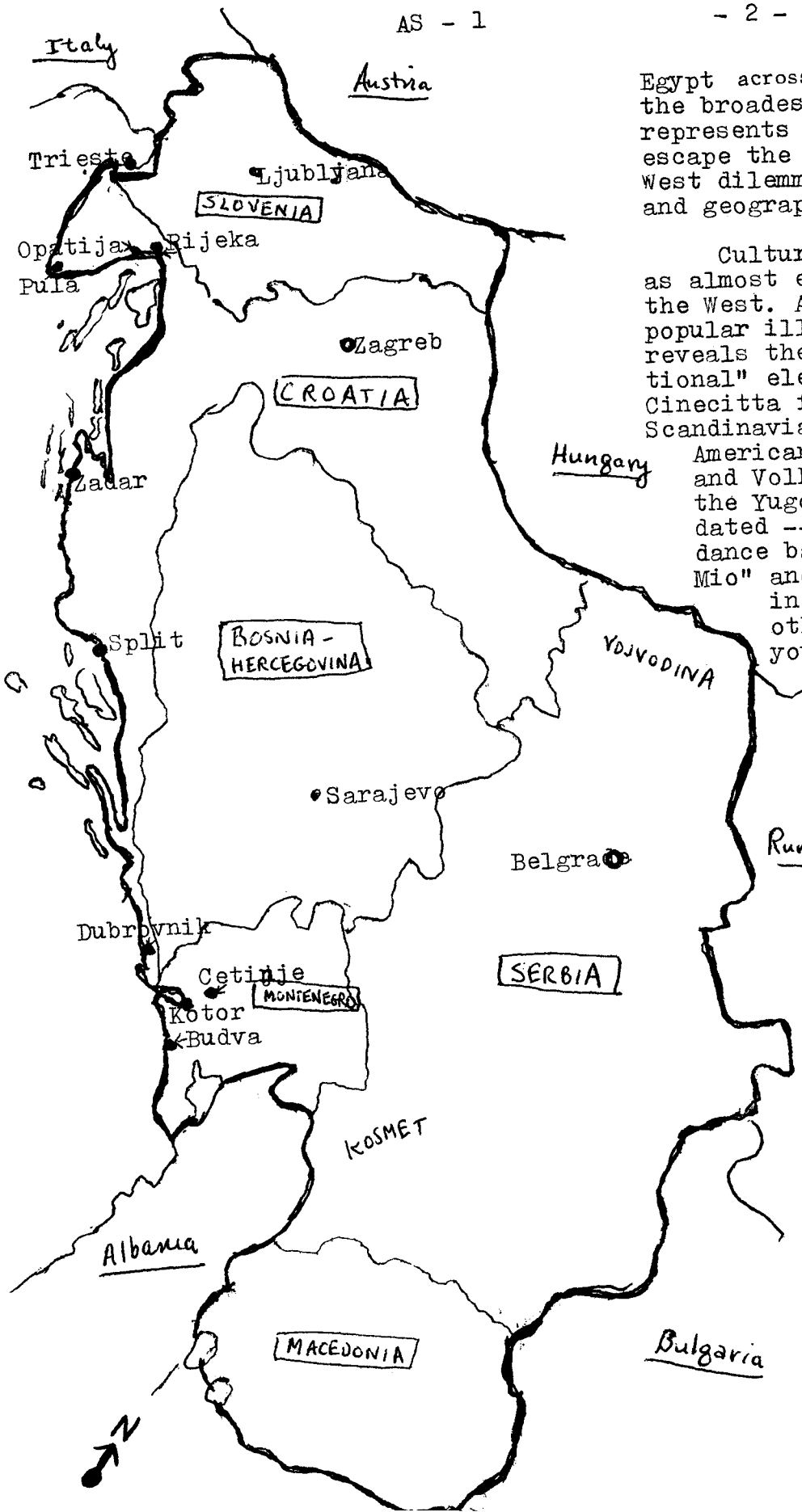
Dear Mr. Nolte:

"You are going to Yugoslavia at an interesting time," everyone said; and even after but a few weeks of wandering along the Adriatic coast one begins to get a sense of why this should be so. To be sure, this breathtakingly beautiful land, with its rich and tragic history, would be fascinating at almost any time. Yet, at just this time, a host of complex problems -- Yugoslavia's fundamental orientation, its economic development, the nationalities question, the political succession -- are either already in their time of testing or will be relatively soon. It may be useful, at the start of our journey, to survey these problems in a broad way, adding where we can our own impressions and observations. I should warn, however, that what follows may represent not so much Yugoslav reality as a recapitulation of my own and other current prejudices about Yugoslavia.

Fundamental Orientation. Is Yugoslavia a "Western" or an "Eastern" country? Even Diocletian -- greatest of the eleven Emperors this ancient land of Illyria gave to Rome, whose retirement palace at Aspalathos still forms the nucleus of modern Split -- could not decide. In dividing his powers, he drew the line between the Western and Eastern Empires right through Illyria. It was an act with consequences. More or less the same line soon came to separate Roman and Byzantine Christianity and later became the frontier between Hapsburg and Turk.

If it is not at all clear what Yugoslavia historically is, then what should it be? The question has bedevilled not only the rulers of interwar and postwar Yugoslavia, but even those of old Serbia, who at various times attempted to orient their kingdom toward Vienna, St. Petersburg, Paris. If the tension between "Westernism" and "Slavophilism" has been (and perhaps remains) a painful dilemma for Mother Russia, one can imagine what force it holds for this country, whose Dalmatian coastal cities still bear (with distinct pride) the marks of Venetian empire, while a few kilometers beyond, perhaps -- as in the Montenegrin hills above Budva -- one still feels the presence of the Turk.

It is customary nowadays to think of the problem of Yugoslavia's basic orientation in terms of the cold war: will President Tito visit Mr. Khrushchev at Sochi, should the U.S. extend dollar aid, and so on. In these (rather narrow) dimensions, it seems clear that Yugoslav policy is to avert an irrevocable choice between the two global juggernauts, and that a principal feature of this policy is the courtship of other "non-aligned" nations, beginning with



Egypt across the sea. Viewed in the broadest terms, this policy represents a clear attempt to escape the country's classic East-West dilemma, imposed by history and geography.

Culturally, the pull here, as almost everywhere, is from the West. A look at some of the popular illustrated magazines reveals the familiar "international" elements: Hollywood and Cinecitta films, Paris fashions, Scandinavian home design, Latin American dance rhythms, Fiats and Volkswagens. Sometimes the Yugoslavs are rather dated -- e.g., the Opatija dance band that played "O Sole Mio" and "Hold That Tiger" in the same set. On the other hand, the more hep young Croats in the same town thronged elsewhere -- to twist. (Watching them, I heard a boy of no more than 14 whistle "When the Saints Go Marching In.") On another level, the Dubrovnik Summer Festival offered "L'Ecole des Femmes," "The Tempest," "Hamlet," and "Romeo" (the last by the Old Vic itself) with only the Dresden Philharmonic and a couple of pianists as "Eastern" balance.

Yet cultural taste is not at all decisive in politics (as Eichmann's love of Mozart would seem to prove for all time), and in any case Oistrakh and the Moiseyev ballet are already part of the "international" melange. For Yugoslavia, the

attractions of Western culture (and I do not even speak of such ancient institutions as the Catholic Church) are limited by important geographical and historical factors. I shall mention only two.

First, of course, this is a Balkan and Danubian country as well as an Adriatic and Alpine one. The important rivers, without exception, flow east or south rather than west. A majority of the people (that is, Serbs, Montenegrins and Macedonians) live east of the Dinaric Alps, are Orthodox in faith, use the Cyrillic alphabet and are most closely related ethnically to the Bulgarians. In the heart of the country, Bosnia, are more than a million Moslems. And the two most important national minorities are the Magyars in the Vojvodina and the Albanians in the Kosmet, both located near sensitive frontiers.

Second, the immediate "West" for the Yugoslavs means Italy and Austria (i.e., Germany) -- powers which the Yugoslavs have been fighting, one way or another, for centuries. This has not prevented Fiat and Opel from establishing assembly plants in Yugoslavia, and perhaps thousands of better-off Yugoslavs from buying their products. Nor has it prevented the flooding of Istria and Northern Dalmatia by Italian, Austrian and especially West German tourists (a fine example of habit overcoming politics -- the habit dates from Hapsburg times; French tourists, like Marmont and Vialla de Sommieres in the nineteenth century and the French Army in 1914, go further south, to Montenegro).

Nevertheless, the historical slate is not altogether clean. A young Croatian girl still blames the barreness of the Dalmatian coast and islands on the despoliations of the Doges ("They cut down all our trees to build Venice"), although those formidable signiori have been out of business, if I recall correctly, since the Treaty of Campo Formio. And, on the houses of Istrian towns between Pula and Rijeka, few have erased the painted slogans of 1945-46: "We Want Yugoslavia," "Istria Is Croatia," "We Are With Tito." (Conversely, the Italian road signs still direct one to Fiume and Abbazia, rather than, as they have been since 1945, Rijeka and Opatija.)

Thus, there are reasons for Yugoslavia to look both ways quite apart from the Communist origins of the present government. The big question now is whether the dynamism of the European Common Market (particularly if it is "opened" to include Britain, socialist Scandinavia and neutral Austria) will so affect the Yugoslav economy as to compel fateful decisions on the country's fundamental orientation as well. (I hope to report on this question soon, after visits to Belgrade and Zagreb.)

Economic Development. "This country is fifty years behind the times," a former Western correspondent warned me. I am inclined to think his exaggeration considerable. Even coming from the revolutionary boom which is northern Italy, I found Yugoslavia much less poor than I had come to expect. To be sure, summer sunshine always enhances, and I have been seeing, on the whole, the more prosperous areas. Yet even the more desultory scenes, urban and rural, reminded me of America in the late 1930s, rather than some

mythical Europa-1912. The Montenegrin peasants, along the road from Budva up the mountain to Cetinje and down again to Kotor, seemed almost timeless, but they had sheep, and some goats and cattle -- more than the "forgotten men" I saw on a drive along U.S. 2 through rural Maine just seven years ago.

If the general impression, then, is of the Thirties, much is far newer. New port installations in Rijeka, Zadar and Split; new sections of apartment houses in Pula, Rijeka and Split, the stucco or poured-concrete construction dressed up by brightly - colored balconies, window frames or curtains; new hotels and villas, international-modern, in Pula, Dubrovnik and Budva; new roads, gas stations, motels and autocamps all down the coast. Split particularly, with Diocletian's palace and a new hydroelectric station under development, almost recalled (far richer) Florence in its deft blending of old and new.

Yet there are also signs of old ways everywhere. Black soft-coal smoke from ship funnels, which I hadn't seen in New York harbor since before the war; horse-drawn wagons helping unload the ships; wells and pumps for water in the midst of sizeable towns; not-too-old houses suffering woefully for the mere want of fresh paint or plaster; shops with promising windows offering only one or two sizes inside. And there were many villages set on the stark gray karst of the Dalmatian coast, with churches from the 12th and 14th centuries, where one could only wonder: How do they live? (The answer, apparently, is fishing and some subsistence farming, vegetables and the like; but that is hardly an answer at all in the year 1962.)

The extraordinary range in the levels of development extends to people as well. A shipping director in Rijeka, a hotel manager in Dubrovnik, a commercial counselor at the London Embassy one could set down in Rockefeller Center with perfect confidence they would speedily find room at the top. There are others far less competent in the uses of the modern world (including one waiter, a recent hotel-school graduate, who knowingly poured the first few drops of wine into the lady's glass before serving the rest of the party).

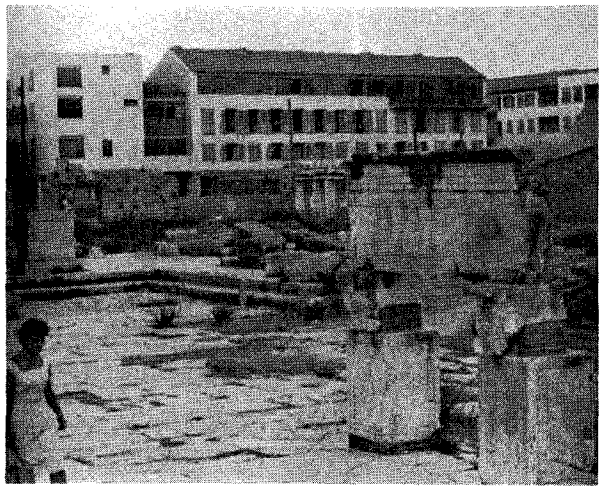
All of this and more is recognized by the Government, which is committed to economic development above almost all else. There has been, in fact, an unusually rapid growth since the mid-Fifties, when the regime scrapped most of the last vestiges of Soviet-type planification, decentralized industrial management, and created what its theoreticians call a "socialist market economy." Yugoslavia was more than 75 per cent agricultural before the war; now it is half-industrial. The work has gone on with great determination and despite many handicaps. A Dutch friend was full of admiration for the crews building the Adriatic highway without bulldozers or pneumatic tools: and when we complained of the one bad stretch (25 kilometers) north of Split, a veteran French traveler objected: "But ten years ago there was nothing on this coast!"

Actually, the peak year of growth was 1959, when the gross product increased by 17 per cent. The rate slowed down to 6 per cent in 1960 and 5.5 last year. When, this year, the balance of payments began to tilt in the wrong direction, President Tito put aside international preoccupations to make a major economic speech at Split, and a series of Communist party and Government conferences hammered out a program of controls and remedial measures. I am not yet in a position to evaluate this program, but several aspects deserve note.

Most obvious to me here has been the energetic manner in which foreign tourism is being promoted as a means of earning foreign exchange. A great deal of ingenuity is being expended, from building auto camps around favorable swimming sites to charging 50 dinars (7½ cents) for parking in the street. One wonders how much of a strain tourism places on the ordinary Yugoslav. Apparently the hotels and larger restaurants have priority on the best meat and other food, and sometimes there is not much but seasonal fruit and vegetables left over at the market. Buying quality peaches at 400 dinars a kilo the other day, I heard a local lady complain: "Are these prices only for the tourists, or for us, too?" The salesman laughed that they were for everyone; and he had buyers enough.

OLD AND NEW IN SPLIT

ON THE ROAD IN MONTENEGRO



ROMAN RUINS IN ZADAR

More significant, probably, is the question of wages and what the Yugoslav does with them. "The trouble with the Yugoslavs," one foreign observer told me, "is that they have acquired Western tastes before they have achieved Western productivity." Eighteen months ago, a profit-distribution and tax reform led to a general raising of wages -- which could only have been generally popular but which had some unfortunate effects. According to President Tito and others, the wage increases were not always equitably apportioned; all too little, in fact, went to the lower-paid workers, while all too many directors, managers and plant officials took far more than their share -- and used the money to buy new cars or other imports.

It appears that, whenever the doors of the Yugoslav economy are opened a bit to admit foreign competition, there is a run on imports. The Government does what it can to stop the run, or at least to take its share (American cigarettes cost 400 dinars, or 60 cents, a pack), but the people find ways of circumventing the controls: Where did the Rijeka girl get that pert Bikini? In Trieste, when her uncle visited (on business) last winter.

The fact is that in all too many lines Yugoslav industry cannot yet compete, even in the domestic market, with German technical skill or Italian style. (I watched a Yugoslav fashion show at Opatija, with everything from summer dresses to imitation fur coats. The styles were quite chic as well as ingeniously practical; but I have not yet seen any such clothes, even at their rather high prices, in the stores. Obviously, the imagination and talent are present; what are lacking are the productivity and efficiency in distribution necessary to produce at a low price for high-volume consumption.)

Yet compete Yugoslavia must, President Tito has said, and in world markets as well as at home if the balance of trade is ever to be stabilized. It is a difficult task when the competition includes not only the U.S., Western Europe and Japan but such countries as Czechoslovakia, Hungary and Rumania which can produce as well (some say, better) many of the things Yugoslavia might most readily export.

The premium, thus, will be on productivity, and President Tito has called for a concentration of new investments around the already developed, most efficient enterprises and regions. "We must stop," he said, "building factories simply for political reasons." Since the Partisan movement was in large measure a protest of the more backward areas (particularly Bosnia and Montenegro) against the neglect of Belgrade and the pretensions of Zagreb, and since a cardinal feature of Communist policy was the development of these underdeveloped regions, it would seem that the tangled relations among the various regions -- and peoples-- of Yugoslavia are about to enter a new phase.

The Nationalities Question. The issue here is not with the Slovenes, Yugoslavia's "Swiss," who adapted themselves to both the interwar and postwar governments; nor with the Macedonians, whose

language, culture and nationality have been greatly encouraged since the war; the Bosnian Moslems, to whom the Yugoslav idea offers the greatest security or the Magyar and Albanian minorities, who represent potential problems of foreign rather than domestic policy. The issue, quite simply, is that of the Serbs and the Croats -- the same people with the same language but two alphabets, two traditions and, most importantly, two faiths. The two fought on opposite sides in World War I, wrecked interwar Yugoslavia with their quarreling, and slaughtered each other mercilessly in World War II. (An Italian worker who saw Yugoslavia in the early Forties observed: "It is a fine country, but the people do not know how to live -- they kill each other for nothing!")

One should say, rather, that the Croat and Serb extremists, the Ustaše and Četnici, did the racial killing, for of course the Partisans' great appeal was their promise of an end to national antagonisms in a new federalism "national in form, socialist in content." And a federal structure is what they delivered -- six national republics plus two autonomous regions -- and reaffirmed in the 1953 constitution. Economic decentralization further enhanced the role of the republican and local authorities.

There can be little doubt that the Government does everything it can to ameliorate national antagonisms and particularly to allay Croat suspicions -- from publishing Borba in a Zagreb (Latin-script) as well as a Belgrade (Cyrillic) edition to balancing folk-dance programs so that the Dalmatian and Slavonian dances have equal status with the more energetic Serbian kolos. The Communist secularization of education would presumably tend to erode the religious ardour which has traditionally lain at the heart of the Serb-Croat conflict. And the fact that President Tito is himself a Croat would seem enough, on the face of it, to dispel old fears of "Serb hegemony." (Yet it is amazing how national consciousness often transcends purely political beliefs: A Croatian friend, a dedicated anti-Communist, was telling how the Serbs were more passionate, and thus better fighters, while the Croats were more legalistic, and thus better fitted for statecraft. To prove the point he said: "Look at Tito -- unquestionably the greatest statesman Yugoslavia has produced!")

Has seventeen years of Communist "supra-nationalism" been enough to eradicate the memory of the war and the pre-war hostility? The evidence, gathered in conversations across Western Europe as well as in our brief time here, seems mixed. For the one fellow who insisted that the language was "Croatian," rather than (as we had called it) "Serbo-Croatian," another half-dozen freely referred to it as "Yugoslavian." For the Parisian expert who said the hatred was as great as ever ("The entire way of life of the Croats is a provocation to the Serbs, and vice versa"), there was the man at Oxford who said it was enough that a central authority existed with the power and will to suppress outbreaks ("Race hate on the social level exists everywhere").

Apart from such snatches of conversation, there is some objective evidence that the problem is a sensitive one still -- the

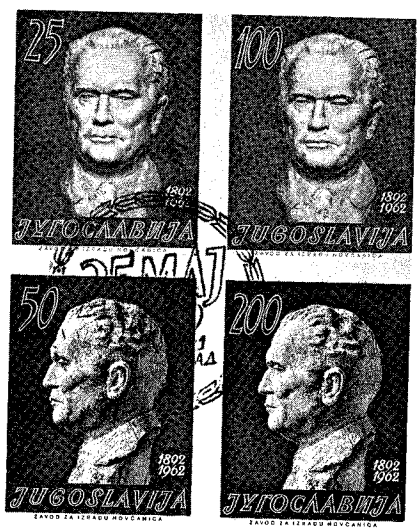
delay in framing a new constitution, intellectual debates over the old issues of federalism and Yugoslav "integralism," recurrent reports of rivalry among the various republics for resources and investments. In any case, the persistence of national tensions (says a local university student) is one of the two problems most disturbing to Yugoslavs today. The other is who will follow Marshal Tito.

The Political Succession. Now 70, Marshal Tito has been Yugoslavia's leader since 1945 and leader of its Communist party even longer -- since 1937. His experience in peace and war makes him both the Lenin of Yugoslav Communism and the de Gaulle of Yugoslav national unity, and his authority is unchallenged. Since Yugoslavia has not yet devised constitutional procedures for an orderly transfer of power (as contrasted with mere office), many fear a long and bitter struggle for the succession. The dual heirs-apparent are, of course, Edvard Kardelj (a Slovene) and Aleksander Rankovic (a Serb), but history knows few successful diarchies and political bookmakers can cite good arguments against either man making it. In any event, the succession problem appears inescapable, and more important than personalities (on which any pundit in New York can speculate better than I can) is the question of what an interregnum and/or new regime may mean for Yugoslavia's fundamental orientation, its economic development, and its nationalities. There are no ready answers here; perhaps there may be some in Belgrade.

Cordially,

Anatole Shub

FIRST-DAY COVER
COMMEMORATING MARSHAL TITO'S
SEVENTIETH BIRTHDAY,
MAY 25th, 1962



Josip Broz Tito
PREDSEDNIK FEDERATIVNE NARODNE
REPUBLIKE JUGOSLAVIJE