

Class Discourse in Croatia: Where did it go? Is it coming back?

Marko Grdešić, University of Wisconsin, Madison

Introduction: From workers' self-management to neoliberalism via war and nationalism

How has Croatian class discourse, both popular and academic, evolved in more than two decades of transition from socialism to liberal democracy? During socialism, the working class was celebrated, but frank discussion of class divisions muted. The most interesting academic research was conducted on workers' influence in company level decision-making. During the transition to liberal democracy academic research on class switched focus to economic elites. In the initial transitional years, class disappeared as a topic in the public sphere, with nation replacing class as the regime's new master concept. The male blue collar worker lost the central position he once had as the bedrock of the regime. However, in recent years class has been re-introduced into popular discourse – by a new left which uses it to refer more broadly to disparities in economic and political power. As such, it serves mainly as a springboard for an activist agenda aimed against neoliberalism.

Despite substantial shifts in the way in which class has been approached, there are several continuities which run through the entire period. First, issues of class and distributive conflict were then and remain now on the margins of popular discourse and are only weakly established in academic work. Second, the practice of socialist self-management, Yugoslavia's alternative to Soviet state socialism, was and still is shrouded by ideological thinking of various kinds. Only very simplified interpretations of self-management circulate in public discussion. However, class discourse has gone through something of a resurgence recently, as class issues are taken up by new actors. This opens up the possibility of a renewed class analysis in academic work as well as a better understanding of the historical legacy of self-management.

Empirically grounded analysis of class issues was rare during the socialist period. The dearth of empirical research lead to impoverished images of Yugoslavia's social structure. Even those Yugoslav social scientists who specialized on the working class adopted simplified views in which productive workers and “the people” were juxtaposed with the parasitic and corrupt “bureaucracy.”¹ This view was

based in Marxist theory, especially the labor theory of value and the base and superstructure model. Once in the realm of popular discourse, it became the basis for populist mobilization aimed against segments of the elite, who were seen as detached from the toils of real life. This view came to the fore in the many factory strikes which took place in the late 1980s.² Such “anti-bureaucratic” sentiments could be observed in all of Yugoslavia, though they lead to large street protests only in Serbia, where Slobodan Milošević decided to embrace and mold popular mobilization in order to strengthen his political position *vis-à-vis* other segments of the communist elite.³ However, the disdain that so many in Yugoslavia had for “bureaucrats” was deeply rooted in the regime's apotheosis of blue collar workers, as well as in the celebration of “the people” which formed the foundation of the large communist-led World War II resistance movement.

For official Yugoslav ideology, classes existed only as aberrations and deviations which needed to be stamped out. The preferred view was one in which conflict and classes were absent. This was especially the case given the regime's emphasis on the ideology of worker self-management, according to which any distributive conflict could be resolved through existing institutions, making overt contestation unnecessary.⁴ However, academic research, especially the quite lively literature on industrial sociology, slowly began to accept the presence of social conflict and frequently emphasized the unequal distribution of power in companies.⁵ However, the natural development of this body of research was interrupted by the collapse of socialism, the dissolution of Yugoslavia and the outbreak of war.

In the 1990s, as Croatia began a rocky transition to liberal democracy, issues connected to class analysis were brushed aside by nationalism and war-induced homogenization. The climate of war gave the ruling nationalist party Croatian Democratic Union (CDU) and its president Franjo Tuđman a pretext to stifle free speech and make life difficult for their opponents. Ruling political elites tried hard to demobilize discontent based on socio-economic and class foundations and continuously asked actors such as trade unions for patience.⁶ Any differentiation within the Croatian nation, which increased with the transition to a market economy with private ownership, was swept under the rug. Those that raised concerns of class, distributive justice or inequality, be it trade unions or oppositional parties, were often labeled traitors of the nation.⁷ Socialist and nationalist ideologies were therefore paradoxically similar: both preferred to see society as an organic community in which conflict is absent. Thus they both had

an authoritarian dimension.

After 2000, Croatia stabilized its liberal democratic institutions and began to pursue membership in the European Union. Although many on the left thought that transitional abuses could now be addressed, this did not occur. Instead, neoliberal ideas and practices began to take hold in public discourse and public policy. Neoliberalism soon squeezed out any inchoate ideological rivals. Paradoxically, it was the social democratic SDP, i.e. the reformed communists, that became the political party most associated with neoliberalism.

Academic discourse: Fragmented research, unasked questions

One of the liveliest fields in Yugoslav social science was the literature on industrial sociology. It provided insights into life in Yugoslav companies. The literature was, in a manner typical of most Yugoslav scholarship, in agreement with the emancipatory goals of the self-management project, but unhappy with the practice. On the whole, this research found that workers, though nominally in control of all major decisions through workers' councils, had in practice less influence than management. Yet research also showed that companies were quite politicized: conflict was a daily feature of company life. Discussions at workers' councils served to air out controversial issues and provided a platform for various informal groups to confront each other more or less publicly.⁸

This led many to argue that class antagonisms continued to exist in Yugoslavia, ideological declarations to the contrary notwithstanding. Workers battled management on a variety of issues including wages, spending on housing and vacation infrastructure on the Adriatic coast. This led to a literature on the "Illyrian firm", to which both foreign and domestic authors contributed, including Branko Horvat, a leading Croatian economist. According to the initial thesis, a firm managed by workers would spend rather than re-invest, leading to sub-optimal performance.⁹ However, the literature on the labor-managed economy was largely theoretical in nature. Empirically, the existence of workers councils strengthened labor's position relative to management. International research showed that Yugoslav workers had, at least in comparative perspective, a lot of influence.¹⁰

The conflict between labor and management, often called the “techno-managerial” class, was at times overcome due to a cross-class coalition in companies exposed to market pressures. This led to a micro-corporatist alliance of workers and management, especially in sectors of the economy that were capital-intensive and exposed to foreign competition.¹¹ At other times, the conflict could not be managed and led to strikes, especially in the 1980s. After years of economic malaise, a sharp increase in industrial conflict took place leading to a large strike wave which peaked in the late 1980s.¹² However, the break-down of the federal state prevented the consolidation of the preliminary forms of autonomous worker organization which had begun to emerge.

With the collapse of socialism and the dissolution of Yugoslavia, the field of industrial sociology shrunk considerably. Some of the reasons for the change in focus were clearly justified: war and its ramifications certainly warranted a change in emphasis. Other reasons had more to do with following trends in Western research where issues such as identity politics and multi-culturalism squeezed out “old-fashioned” class analysis. Opportunities to study how the war mattered for the working class were missed. Several contributions showed that Croatian workers had opinions and traditions that were leftist in many ways, but which were transformed due to war and the political strategies of the ruling nationalist elites.¹³ Even so, the issue of how Croatian workers made the shift from left to right, from “red” to “black”, remains under-researched.

Many scholars interested in the issue of class switched their focus from the working class to economic elites. Several contributions dealt with elite strategies in the new context. This research showed that most managers attempted to become owners in order to strengthen their positions internally, i.e. in their relationships with workers and externally, i.e. in their relationships with political elites.¹⁴ The new economic elite was drawn from both the small private sector that had been developing in the socialist period as well as old socially owned companies, which were now being transformed into privately owned companies.¹⁵ Some scholars worried that new economic elites were interested more in extracting rents than in a positive developmental role.¹⁶ Research also showed that the new economic elite was less educated than the economic elite from the socialist period.¹⁷

Most of this research relied on surveys, frequently quite small surveys of companies. There has been no large-scale research project which would allow for more sustained knowledge accumulation.

There is an especially large hole in the area of stratification research.¹⁸ Among the largest long-running projects is the survey organized by the Faculty of Political Sciences in Zagreb, administered ahead of each parliamentary election. This research project has provided some insight into class patterns of voting behavior. Most interestingly, working class voters were captured by the right wing nationalist party HDZ in the 1990s, and only slowly rejected them as the ruling party's economic policies failed to deliver on their promises.¹⁹ In the last decade or so, the main leftist party, the reformed communists SDP have increasingly adopted neoliberal solutions and are becoming the party of the elite, the educated and the urban population.²⁰ The working class, the poor and transitional “losers” cannot be assumed to be natural voters of left-wing parties.

Research on the working class can be described as sporadic at best. Some scholars continued to bring up this topic and asked that more attention be focused on blue collar workers. For example, the late Josip Županov is one such author, a sociologist with a visible public persona who frequently discussed class issues in a provocative way. He remains perhaps the most widely read sociologist in Croatia and the primary source for an overview of the social aspects of the transition in Croatia.²¹ His ability to link theory with empirical issues in a way that appealed to wider audiences was especially admired.²² Yet, even this work was hampered by its weak empirical basis.

Somewhat better developed is the literature on trade unions and industrial relations in Croatia.²³ Trade unions began the transition with a large membership base inherited from the old regime, but over time began to lose both membership and influence. The support and strength they had in the early 1990s have disappeared by the mid 2010s. Unions remain an influence in the public sector, large companies and state-owned utilities. This has left the private sector largely union-free. Labor market fragmentation has produced a divide between insiders and outsiders: those in the private sector are much more at the mercy of market fluctuations.²⁴ Yet overall, the literature on trade unions has followed the pattern visible in other connected fields: small scale of research, a team of only a few researchers, and little to no financial backing for larger research initiatives. Domestic scholars are only slowly beginning to take part in larger comparative research projects, which are mostly funded by the European Union.²⁵

Research on class issues has also not been very methodologically diverse. There is little

discussion of relational versus gradational approaches to classes, structural versus cultural approaches, or the intricacies of stratification, mobility and life-course research.²⁶ Academic journals remain open to contributions on class issues, but there is no critical mass of scholars working on these concerns.²⁷

Popular discourse: Is class coming back?

Although discussions of class-related issues are on the margins of popular discourse they have not disappeared completely. Most importantly, popular discourse still resents the rise of “tycoons”, i.e. individuals who became exceptionally wealthy during the initial transitional years, often under murky circumstances.²⁸ There is also a popular discourse on “little people,” i.e. ordinary citizens who work hard from nine to five, pay their bills, don't ask questions, and yet are constantly under threat of poverty.

Recent events have thrust class issues back into the spotlight. In the late 2000s and the early 2010s, Croatia witnessed several important episodes of sustained popular protest. First, a student blockade in the spring of 2009 shut down universities in several cities. The hub of the movement, which was similar to the US “Occupy” movement, was the Faculty of Philosophy in Zagreb, which houses most social sciences and humanities departments. The goal of the protest was to resist the commercialization of higher education. Second, a sit-in was organized in the spring and summer of 2010 at a centrally located construction site in Zagreb in order to resist the collusion of the city government with a property developer. Protesters criticized the project as the commodification of urban public space. And third, week-long anti-government street protests were organized in early 2011 using social network websites such as Facebook. These protests raised socio-economic and distributive grievances along with a demand for early elections. All three protests caused quite a stir in Croatian society and made the discussion of neoliberalism and class legitimate topics of popular debate.

However, class no longer refers primarily to industrial workers. It is used more as a general inspirational concept for an activist agenda aimed against neoliberalism. Protests were organized by university students and a core of civil society activists. A leftist agenda emerged which emphasizes direct democracy as an alternative to the representative institutions of liberal democracy, and rejects the European Union as a neoliberal project.²⁹ For most liberals and moderate leftists, the key goal of the

2000s was to consolidate liberal democracy and secure a European future for the country. By the 2010s, both goals were largely achieved: there is no more fear of authoritarian backsliding and Croatia has joined the EU. Yet, for the new generation of activists neither achievement is worth much since neither will address distributive concerns or lead to direct democracy. This new cultural current remains disconnected, at least for now, from academic research.

Moreover, the new emphasis on direct democracy is disconnected from the country's legacy of self-management. The entire society operates with simplified interpretations of Yugoslav socialism. In the neoliberal interpretation self-management is seen as hopelessly inefficient, while in the nationalist interpretation it is seen as a system that enabled Serbian domination in Yugoslavia. Young leftist activists are inspired by the socialist and Marxist tradition, but a better understanding of Yugoslav self-management is only slowly taking shape, as curiosity for the past grows.³⁰ However, the decades-long taboo on the topic has led to a notable loss of knowledge. For example, older leftists who were part of the Yugoslav student movement of the late 1960s and early 1970s are surprised when younger activists express enthusiasm for certain ideas, which they themselves see as conservative in light of the Yugoslav experience. For example, enthusiasm for Bolshevik and Leninist ideas seems naïve to the older generation.³¹ For them, Yugoslav deviations from communist orthodoxy were exactly the ideas which were most interesting.

Therefore, cultural amnesia may lead to a fair amount of re-inventing the wheel. Even so, several cultural platforms now exist which can serve as facilitators. The weekly “Novosti”, the bi-weekly “Zarez”, the monthly “Le Monde Diplomatique” (Croatian edition), websites “H-Alter” and “Bilten” all consciously pursue leftist goals. Several organizations now exist within civil society which are trying to put issues of class back on the agenda and which are trying to connect activists, unionists and members of the academic community. Some examples are BRID (Organization for Workers' Initiative and Democratization) and the annual “Subversive festival” which attracts leftist stars such as Slavoj Žižek, Oliver Stone and Tariq Ali for a week of discussion and debate. The Rosa Luxemburg Foundation remains a key partner of many such leftist projects.

Yet, this struggle remains an uphill one. Mainstream public opinion remains in firm opposition to any kind of socialist rhetoric. The mainstream hegemonic discourse is, on the one hand, marked by a

widely disseminated nationalism and, on the other, by an increasingly strong neoliberalism. Though nationalism is no longer as aggressive and exclusionary as it was in the 1990s, a looser nationalism has nevertheless deeply permeated the Croatian mainstream. This means that Croatia is still widely understood as a state of (and for) ethnic Croats. The position of Croatian citizens who are not ethnic Croats remains precarious. On the other hand, economic neoliberalism has become a growing force. It is pushed most forcefully by the daily newspaper “Jutarnji list” which sees itself as the voice of the modern, pro-Europe and “cultured” Croatia. Inefficiency in the public sector and state-owned companies is denounced as “socialism”, further delegitimizing leftist discourse. Neoliberalism is relatively rare in the academic community, especially in the social sciences and humanities which remain predominantly leftist.³²

Although the recent wave of popular mobilization deeply shook the country, it is unclear what its long-term consequences are. Yet, circumstances are more favorable now than they were in the previous two decades, both for leftist political movements and for academic research on class. The stabilization of liberal democracy and the demise of both the socialist and the nationalist vision of an organic society have normalized notions of conflict and inequality, making class issues more visible. Croatian researchers need to learn more about the country's social structure, about inter-generational and intra-generational mobility and about economic and educational inequality. Without such a mapping of the social terrain, any kind of developmental analysis will be insufficiently grounded in basic social facts. The same holds for any kind of political movement.

- ¹ Neca Jovanov, *Sukobi* (Nikšić: Univerziteteska riječ, 1989).
- ² Jake Lowinger, “Economic Reform and the 'Double Movement' in Yugoslavia: An Analysis of Labor Unrest and Ethno-Nationalism in the 1980s” (PhD diss., Johns Hopkins University, 2009).
- ³ Nebojša Vladislavljević, *Serbia's Antibureaucratic Revolution: Milosevic, the Fall of Communism and Nationalist Mobilization* (Basingstoke and New York: Palgrave Macmillan, 2008).
- ⁴ Edvard Kardelj, *Pravci razvoja političkog sistema socijalističkog samoupravljanja* (Sarajevo: Oslobođenje, 1983).
- ⁵ Veljko Rus and Frane Adam, *Moć i nemoć samoupravljanja* (Zagreb: Globus, 1989); Josip Županov, *Marginalije o društvenoj krizi* (Zagreb: Globus, 1983); Josip Obradović, “Distribucija participacije u procesu donošenja odluka na temama vezanim za ekonomsko poslovanje poduzeća,” *Revija za sociologiju* 2 (1972): 15-48; Vladimir Arzenšek, *Struktura i pokret*, (Beograd: Institut društvenih nauka Beograd, 1984).
- ⁶ V. P. Gagnon, *The Myth of Ethnic War: Serbia and Croatia in the 1990s* (Ithaca NY: Cornell University Press, 2004).
- ⁷ Marina Kokanović, “The Cost of Nationalism: Croatian Labour, 1990-1999”, in *Workers After Workers' States: Labor and Politics in Postcommunist Eastern Europe*, ed. Stephen Crowley and David Ost (Lanham, Maryland: Rowman and Littlefield), 141–157. Nenad Zakošek, “Difficult Partnership: Emerging Tripartite Interest Intermediation in Croatia,” in *The Second Steps: Parliaments and Organised Interests*, ed. Attila Agh and Gabriella Ilonszki (Budapest: Hungarian Centre for Democracy Studies, 1996), 212-221.
- ⁸ Ellen T. Comisso, *Workers' Control Under Plan and Market: Implications of Yugoslav Self-Management* (New Haven and London: Yale University Press, 1979); Slavko Goldstein, *Prijedlog 85: Glas iz privrede* (Zagreb: Scientia Yugoslavica, 1985); Vesna Pusić, *Vladaoci i upravljači* (Zagreb: Novi Liber, 1992).
- ⁹ Benjamin Ward, “The Firm in Illyria: Market Syndicalism,” *American Economic Review*, 48 (1958): 566-589; Jaroslav Vanek, *The General Theory of Labor-Managed Market Economies* (Ithaca: Cornell University Press, 1970); Branko Horvat, *The Yugoslav Economic System: The First Labor-Managed Economy in the Making* (White Plains NY: International Arts and Sciences Press, 1976).
- ¹⁰ Industrial Democracy in Europe Research Group, *Industrial Democracy in Europe Revisited*. (Oxford and New York: Oxford University Press, 1993).

- ¹¹ Marko Grdešić, “Exceptionalism and its Limits: The Legacy of Self-Management and its Limits”, in *Working Through the Past: Labor and Authoritarian Legacies in Comparative Perspective*, ed. Teri L. Caraway, Maria Lorena Cook and Stephen Crowley (Ithaca NY: Cornell University Press, forthcoming).
- ¹² Salih Fočo, *Štrajk između iluzije i zbilje*, (Belgrade: Radnička štampa 1989); Miroslav Stanojević, “Workers' Power in Transition Economies: The Cases of Serbia and Slovenia,” *European Journal of Industrial Relations*, 9 (2003): 283–301;
- ¹³ Dragan Markovina, *Između crvenog i crnog: Split i Mostar u kulturi sjećanja* (Zagreb: Plejada, 2014); Marko Grdešić, “Javno mnijenje, radnička klasa i raspad Jugoslavije,” *Revija za sociologiju* 43 (2013): 159-181.
- ¹⁴ Drago Čengić, *Manageri i privatizacija: sociološki aspekti preuzimanja poduzeća* (Alinea: Zagreb, 1995).
- ¹⁵ Duško Sekulić and Željka Šporer, “Formiranje poduzetničke elite u Hrvatskoj” *Revija za sociologiju* 31 (2000): 1-20; Duško Sekulić and Željka Šporer, “Political Transformation and Elite Formation in Croatia” *European Sociological Review* 18 (2002): 85-100. These articles are a rare test of Iván Szelényi's theories with Croatian data.
- ¹⁶ Josip Županov, “Upravljačke elite i zakašnjela (polu)modernizacija hrvatskog društva” in Josip Županov, *Od komunističkog pakla do divljeg kapitalizma* (Zagreb: Hrvatska Sveučilišna Naklada, 2002): 103-13; Drago Čengić, ed., *Menadžersko-poduzetnička elita i modernizacija: razvojna ili rentijerska elita?*(Zagreb: Institut društvenih znanosti Ivo Pilar, 2005).
- ¹⁷ Drago Čengić, “Menadžeri i vlasnici: modernizacijski potencijal, vlasnički status i strategije rasta poduzeća” in *Menadžersko-poduzetnička elita i modernizacija: razvojna ili rentijerska elita?* ed. Drago Čengić (Zagreb: Institut društvenih znanosti Ivo Pilar, 2005): 43-81.
- ¹⁸ A search of the Croatian database of academic journals (<http://hrcak.srce.hr/> accessed July 7, 2014) for the keyword “stratification” produced only one relevant article.
- ¹⁹ Ivan Šiber, “Političko ponašanje birača u izborima 1990-2000. Egzistencijalne, vrijednosne i tradicionalne odrednice biračkog opredjeljenja” in *Hrvatska politika 1990.-2000.* ed. Mirjana Kasapović (Zagreb: Fakultet političkih znanosti, 2001): 65-98.
- ²⁰ Andrija Henjak, “Values or Interests: Economic Determinants of Voting Behavior in the 2007 Croatian Parliamentary Elections” *Politička misao* 44 (2008): 71-90.
- ²¹ Josip Županov, *Poslije potopa* (Zagreb: Globus 1995); Josip Županov, *Od komunističkog pakla*

do divljeg kapitalizma (Zagreb: Hrvatska Sveučilišna Naklada, 2002).

²² For his influence on Croatian sociology see Dražen Lalić, “Osobit potpis Josipa Županova kao istraživača suvremenog hrvatskog društva”, *Revija za sociologiju* 36 (2005): 141-148.

²³ Marko Grdešić, “Mapping the Paths of the Yugoslav Model: Labour Strength and Weakness in Slovenia, Croatia and Serbia” *European Journal of Industrial Relations* 14 (2008): 133-151; Dragan Bagić, *Industrijski odnosi u Hrvatskoj: Društvena integracija ili tržišni sukob* (TIM Press: Zagreb, 2010); Siniša Zrinščak, “Teškoće socijalnog partnerstva: europska i hrvatska iskustva”, *Revija za socijalnu politiku* 12 (2005): 175-188.

²⁴ Domagoj Račić, Zdenko Babić, Najla Podrug, “Segmentation of the Labour Market And Employee Rights in Croatia”, *Revija za socijalnu politiku* 12 (2005): 45-66.

²⁵ One of the pioneering projects of this kind is the cross-country FP7 project “All rights reserved? Barriers towards European Citizenship” which will include Croatia in its study of citizenship, including social citizenship and social inclusion.

²⁶ For an exception, which adopts a framework inspired by Bourdieu see Drago Čengić, “Habitus, tržište i proizvodnja tržišnog sudionika: slučaj kutjevačkih proizvođača” *Društvena istraživanja* 16 (2007): 725-749. However, this article has not inspired further contributions.

²⁷ The journal “Revija za socijalnu politiku” is an important academic publication, especially regarding topics such as housing, health care, pensions etc. However, the journal mostly restricts itself to technocratic and policy-oriented work.

²⁸ Inequality indicators are not very high for Croatia, although they are growing. The latest Gini coefficient is about 34, while in the 1980s it was estimated at around 23 (World Bank data from <http://www.tradingeconomics.com/croatia/gini-index-wb-data.html> accessed July 7, 2014). The presence of a new and highly conspicuous economic elite further increases perceptions of inequality.

²⁹ Srećko Horvat and Igor Štiks, *Pravo na pobunu: Uvod u anatomiju građanskog otpora* (Zagreb: Fraktura, 2010); Mate Kapović, “Europska Unija kao neoliberalna tvorevina”, *Zarez* 302 (2011): 19-20.

³⁰ Srećko Horvat and Igor Štiks, *Welcome to the Desert of Post-Socialism: Radical Politics After Yugoslavia* (London and New York: Verso, forthcoming).

³¹ For example, see the interview with Rastko Močnik and Boris Buden (<http://www.slobodnaevropa.org/content/most-rse-kako-je-nacionalizam-progutao-socijalnu-drzavu/24659450.html> accessed July 19, 2014).

³² An exception is Darko Polšek, a university professor who is actively promoting a libertarian

agenda inspired by the work of Austrian political economist Friedrich Hayek
(<http://mudrac.ffzg.hr/~dpolsek/> accessed July 7, 2014).