SELF-MANAGEMENT:
ECONOMIC THEORY AND YUGOSLAV PRACTICE

SOVIET AND EAST EUROPEAN STUDIES

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SELF-MANAGEMENT: ECONOMIC THEORY AND YUGOSLAV PRACTICE

SAUL ESTRIN
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Preface

In this book, I hope to outline some of the ways in which the Yugoslav economy has been influenced by the unique system of workers’ self-management. Many radical thinkers have discussed such a system, normally in response to the perceived dehumanising and undemocratic aspects of industrial work. However, their ideas were for the most part abstract and impractical. The Yugoslavs have shown that democratic control of the workplace is feasible, and the next topic for research is to examine how the system has influenced peoples’ behaviour. This could be approached in many ways and the emphasis here is economic. Even so, no prior knowledge of either self-management theory or the Yugoslav economy is assumed. Chapters 2 and 3 provide self-contained introductions to each area respectively. Hence, the study will hopefully be of interest to general students of workers’ self-management as well as of Yugoslavia.

This book was developed out of my 1979 doctoral dissertation at Sussex University. I was motivated ultimately to write a book on the topic, even though some of the arguments had already appeared in academic journals, by the particular nature of the subject matter. Of course, descriptive material, however interesting, is generally ill-suited for publication in journals. More seriously, the subject matter is linked by common themes which would necessarily be lost in a series of shorter articles. The analytic and the applied work are both pointed in the same direction: to deduce and test hypotheses about the economic effects of self-management. Moreover, in a long piece of work one can bring out more clearly the crucial relationship between technical and institutional points. Though some elements of the study can stand alone, it is hoped that the book as a whole is stronger than the sum of its separate parts.
Preface

The work was finally written in the spring and summer of 1982, while I was visiting the Department of Economics at Cornell University. Since, for better or worse, it reflects the culmination to date of my thinking about Yugoslav self-management, the potential list of acknowledgements is voluminous. However, I shall limit myself here to thanking by name only a few of the most important contributors to my thinking. My intellectual debts for certain points are made clear in text. Moreover, I should stress at this point that although many people have helped me to develop those ideas, responsibility for the final outcome is entirely my own.

First and foremost, I would like to thank Geoff Heal who, as my DPhil. supervisor, helped me to draw what became the basic outlines of this book. Important comments and advice at that stage were also received from Hugh Wills, Peter Holmes and Peter Wagstaff. My understanding of self-management models has benefited significantly from discussions with John Bonin, Norman Ireland and Jan Svejnar, as well as members of the Program on Participation and Labor-Managed Systems at Cornell University.

Turning to Yugoslavia, I have relied enormously on colleagues for explanation, interpretation and even translation of the more obtuse points. My thanks go particularly to David Dyker of Sussex University, who gave me access to all his records and notes and ironed out my most glaring misinterpretations of recent economic history. Also critical for my understanding were discussions with Will Bartlett, Branko Horvat, Miro Labus, Christopher Prout and Peter Wiles. The material was first outlined in this format for a course taught on the Economics of Participation and Labor Management at Cornell, and the critical input of those students is gratefully acknowledged. Especial thanks are also due to Cornell University for facilities, and to Stephen Smith for his invaluable comments on the manuscript. Finally, the initial reaction of the typists, Fiona Savory, Diana Horgan, Pat Paucke and Linda Majeroni, to my scrawl makes me suspect that this book could never have been produced in a system of genuine worker’s self-management. My debt to them for anyway producing a neat final text is therefore enormous.

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