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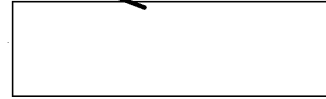
Prospects for Post-Tito Yugoslavia  
Vol. I-The Estimate

25 September 1979



Director of  
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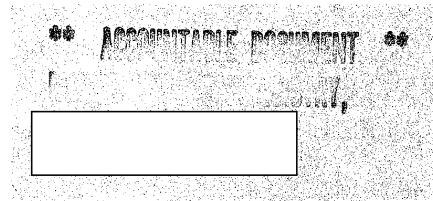
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# Prospects for Post-Tito Yugoslavia

National Intelligence Estimate  
Volume I - The Estimate



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PROSPECTS FOR  
POST-TITO YUGOSLAVIA

Volume I - The Estimate

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*Also Participating:*

The Assistant Chief of Staff for Intelligence, Department of the Army

The Director of Naval Intelligence, Department of the Navy

The Assistant Chief of Staff, Intelligence, Department of the Air Force

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~~SECRET~~**I. INTRODUCTION**

1. The early 1980s will probably be a time of troubles in Yugoslavia. The precipitant will be the incapacitation or death of President Josip Broz Tito, whose role in the creation and preservation of contemporary Yugoslavia has been so large that one cannot be confident it will prove dispensable.

2. On balance, our confidence on this score is lower now than it was at the time of our last estimate in 1973. During the past several years, and especially since the June 1978 Yugoslav Party Congress, a number of developments which had seemed conducive to a relatively smooth and orderly post-Tito succession have lost momentum. Simultaneously, a number of countervailing developments have ensued. In particular, the institutionalization of an effective central policymaking process has virtually stopped, while economic "stagflation" has persisted, and Yugoslav-Soviet relations have further deteriorated.

3. We remain fairly confident that Tito's passing, in and of itself, will not during the first six months or so pose a threat to the integrity or independence of the Yugoslav state. It will, however, reduce the regime's ability to manage domestic and foreign challenges, which are likely to be more severe in the post-Tito period than they have been in the 1970s. Moreover, the high degree of internal political solidarity that will probably characterize the immediate post-Tito succession is unlikely to persist. In consequence, the country will enter a period, probably prolonged, of great uncertainty and potential instability.

4. The range of plausible contingencies that will shape and reshape the sequence of events is very large and includes the distinct possibility that Yugoslavia will not weather the 1980s with its integrity and independence intact. Of crucial importance is the interplay among a number of central variables, of which the most critical will be the nature of Soviet initiatives and reactions, the efficacy of Western assistance, and, above all, the cohesion and adaptability of Tito's successors. While these variables are potentially too volatile to permit any confident judgment about Yugoslavia's future in the 1980s, the odds are at least marginally in favor of Yugoslavia's continuing as an integral independent state. Internal instability and vulnerability to external pressures during a prolonged transition period, however, could make even an integral Yugoslavia a recurring source of international tension.

**II. SUCCESSION CONTEXTS****A. Tito's Historical Achievements**

5. At the age of 87, President Tito remains the unchallenged leader of a regime that he founded over 30 years ago. Under his leadership, Yugoslavia has not only survived severe domestic and foreign challenges but has undergone remarkable transformations.

6. Economically, Yugoslavia has changed from a command to a market-socialist system, while rapidly industrializing and steadily upgrading the standard of living of its people. Since 1948, industry's share in the gross national product has risen from 16 to 42 percent, while real per capita annual income has climbed from \$650 to slightly over \$2,500, and automobiles, refrigerators, washing machines, and other consumer durables are no longer scarce luxury items.

7. Politically, Yugoslavia has moved from a highly centralized and repressive Soviet-style dictatorship to a relatively open system with a considerable amount of authentic individual participation in local affairs. Although the League of Communists is still the country's only political party, other public organizations are no longer subject to strict party control, and there have been experimental multicandidate elections for local public offices. Similarly, while public political dissent is still severely punished, literary publications are no longer subjected to precensorship, and rank-and-file citizens are free to travel and live abroad.

8. Militarily, the guerrilla partisans of wartime Yugoslavia have been transformed into conventional armed forces, backed by a territorial reserve defense force, designed to conduct prolonged unconventional warfare. The regime has simultaneously fostered development of the Army as a guarantor of national unity and as an integrative institution in the country's domestic political life.

9. On the international plane, Yugoslavia has moved from near isolation to intense multilateral involvement and far-reaching ideological influence, and has achieved political prestige disproportionate to its size. Its status has changed from heretical outcast to that of a recognized variant within the Communist world. In the West, it has gradually won acceptance not only as a courageous breakaway Soviet satellite but as an active interlocutor in East-West and North-South exchanges. And in the Third World it has established itself not only as a symbolic European ally but as a leading force within the nonaligned movement.

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### B. Institutional and Procedural Flaws in Tito's Legacy

10. These are all transformations for which Tito can claim substantial personal credit. They are also transformations in which large numbers of Yugoslavs take understandable pride. In consequence, Tito can be reasonably confident that his successors will not follow Soviet and Chinese precedents and launch a process of "de-Titoization." On the contrary, he can probably rely on his successors both to profess and to feel a strong loyalty to most of the basic tenets of Titoism. However, he has recently introduced new decision-making procedures that will make it extremely difficult for this loyalty to find expression in effective leadership.

11. In particular, the emergence of such leadership will be strongly impeded by the strictly collegial policymaking procedures that Tito has prescribed both for the nine-man collective State Presidency and—since 1978—for the much more important 24-man Presidium of the League of Communists.<sup>1</sup> So long as Tito is alive and well, these procedures do not have decisive significance. Once Tito leaves the scene, however, his successors will be left to try to make timely and coherent decisions in large collegiums with short-term rotating chairmen and rules of conduct that require so much consultation and coordination that they almost entail a paralyzing *liberum veto*. Such an enterprise would be highly problematical under the best of circumstances—let alone the trying circumstances that will confront Tito's successors.

### C. Economic Strains

12. Weakened central leadership will make it more difficult for the post-Tito regime to manage what are in any case likely to be increased economic problems. At a minimum, their lack of charismatic authority will deprive Tito's successors of an asset that has helped to prevent economic crisis during the 1970s, when the effects of high inflation (averaging 17 percent per annum), large deficits in the balance of payments, growing regional economic disparities, and fluctuations in growth of consumption, associated with wide swings in overall growth rates, have threatened to get out of hand. Moreover, the regional pressures behind inflation and external deficits will be intensified by a

<sup>1</sup> For a detailed discussion of party institutional trends and evolving policymaking arrangements and their likely effect on the succession, see volume II, annex A, "The League of Communists."

new decentralization program that is giving the regions a greater say in national economic decisions.

13. During the 1980s, Yugoslavia is likely to face persistent foreign trade deficits as well as continued high domestic inflation and unemployment. Western demand for Yugoslav exports will probably remain slack, while competition in Western hard-currency markets will increase. Domestic energy supplies will tighten, and jumps in world oil prices (Yugoslavia currently imports 36 percent of its energy and 75 percent of its oil) will boost external deficits and domestic prices sharply.

14. Such strains will increase Yugoslav reliance on Western financing. Belgrade can probably continue to count on substantial support from official Western lenders. At present, however, over half of the \$10 billion Yugoslav debt is held by private Western banks. Their loans have periodically fallen short of Yugoslav needs and could be considerably affected by heightened political uncertainty in a time without Tito. If private foreign lending should be curtailed for a lengthy period and the difference is not covered from official Western sources, post-Tito Yugoslavia could not avoid a significant economic slowdown. This, in turn, would aggravate the endemic cyclical pattern of growth and seriously increase the level of unemployment, which currently amounts to almost 7 percent of the national work force and about 20 percent of the urban work force in some of the country's less developed regions. If the leadership proves incapable of designing and enforcing an austerity program appropriate to such circumstances, there could be a prolonged economic crisis with potentially disruptive political ramifications.<sup>2</sup>

### D. Regional and Communal Tensions

15. Economic stringencies seem certain to lead to sharper conflicts of interest among Yugoslavia's constituent republics and provinces.<sup>3</sup> Such conflicts, in turn, could escalate into militant confrontations among the already antagonistic ethnonational communities whose "homelands" are competing for scarce material and financial resources. Such confrontations have been a recurrent feature of postwar Yugoslav history and have periodically forced even Tito onto the defensive.

<sup>2</sup> For a more detailed assessment of Yugoslavia's economic prospects and the economic issues that will confront Tito's successors, see volume II, annex B, "The Economy."

<sup>3</sup> For an analysis of the role of ethnic divisions in Yugoslav politics, see volume II, annex C, "Nationalism and Regionalism."

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In 1968, for example, there were large riots by the country's Albanians, who contended that their "hometown," the province of Kosovo, was an economic and political colony of the Serbs. And, from 1968 to 1972, Serbs and Croats engaged in a prolonged confrontation, during which tens of thousands of citizens joined outspokenly nationalist organizations and participated in nationalist demonstrations, and almost the entire Croatian party leadership evinced "national Communist" proclivities.

16. Despite the relative tranquillity that has reigned on nationality issues since the so-called Croatian crisis, the perceptions and passions that fueled these nationalist outbursts have not disappeared. Because of their self-replenishing and mutually reinforcing religious, cultural, and linguistic roots, these perceptions and passions could easily be reactivated not only by impending economic stringencies but by a host of other stimuli. With Tito's departure, moreover, the regime will lose most of the protection that it has enjoyed as a result of his unimpeachable reputation as an ethnic nonpartisan. None of his likely successors have even a remotely comparable reputation. And some have such close and exclusive ties with "their own" particular republics that almost any policy that they initiate or support is likely to be challenged as ethnocentric.

#### E. Soviet Pressures

17. The Kremlin will not necessarily attempt to prevent a smooth and orderly Yugoslav succession. Under certain circumstances Moscow would see advantages in a stable, viable Yugoslavia. In any case, the USSR is likely to adopt a restrained policy in the immediate post-Tito period. Although it probably retains a desire to reincorporate Yugoslavia into its East European empire, Moscow could adopt a hands-off or even supportive policy in the immediate post-Tito period. Such a policy could persist for some time should Belgrade become more responsive to Soviet policies and more distant from the West. While not impossible, however, such a long-term change in Yugoslav policy is unlikely.

18. Even if developments in Yugoslavia prove less favorable to Soviet interests, Moscow is unlikely to subject Yugoslavia to a direct military intervention. A Soviet resort to force will remain improbable so long as it continues to entail serious risks of a sustained Yugoslav resistance and possible Western political and military support. However, a very sharp escalation of centrifugal tendencies within Yugoslavia might be

seen by the Soviets as significantly reducing those risks, particularly if it were perceived as both fragmenting the Yugoslav will to resist and discouraging Western readiness to respond.

19. If the temptations created by such a perception of Yugoslav and Western weakness were combined with sufficient danger of a radical growth of Western influence in parts of a disintegrating Yugoslavia, the otherwise strong Soviet inhibitions against military intervention in Yugoslavia might be overcome. In such a case, the Soviets would be enticed by the chance to reestablish their direct presence on the Adriatic and to demonstrate a dramatic pro-Soviet shift in the regional and international correlation of forces.

20. But even if such a combination of circumstances does not arise, and Tito's successors do not have to contend with a serious threat of Soviet military intervention, they are likely to be subjected to increased Soviet pressure. As in the past, the Kremlin will attempt to secure freer Soviet access to Yugoslav naval facilities and regularized Soviet overflight rights. Along with these military objectives, it will also press for reduced Yugoslav support for Romanian and other efforts to establish national autonomy within the Soviet bloc, less active Yugoslav encouragement of Eurocommunism, diminished Yugoslav criticism of Soviet foreign policy, and less vigorous Yugoslav pursuit of a China connection.

21. In pursuing these goals, the Soviets may initially place heavier reliance on incentives than on pressures or sanctions. Furthermore, in contemplating sanctions, the Kremlin will doubtless take account of the possibility that "overkill" could prove counterproductive and drive Yugoslavia toward the West. In the face of prolonged Tito-like resistance, however, the Kremlin will probably exert stronger pressure on Tito's successors than it dared to exert on Tito, with his long record of defiance and demonstrated ability to rally domestic and foreign support. Thus, it will be less hesitant to protest strongly and, if necessary, to follow its protests with measured "retaliation" in the form of stronger Bulgarian demarches on the Macedonian question, larger and more frequent Warsaw Pact maneuvers on Yugoslavia's frontiers, and more active and supportive contacts with antiregime nationalist and pro-Soviet "Cominformist" groups both within and outside Yugoslavia.

22. Such pressures or sanctions would be even more likely if Tito's successors were to display what the Kremlin viewed as excessively Westernizing tenden-

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cies—for example, by obstructing major Soviet diplomatic initiatives, by tolerating the public expression of anti-Soviet views, or by sanctioning political pluralism within Yugoslavia. In fact, if it were reasonably confident that the West was unwilling or unable to compensate, the Kremlin would probably be prepared to retaliate against such tendencies by withholding or curtailing scheduled deliveries of arms, petroleum, and other items of which the Soviet Union is a major Yugoslav supplier.

### III. SUCCESSION PROSPECTS

23. To cope with the combined effects of increased economic stringencies, heightened ethnonational tensions, and intensified Soviet pressures, Tito's successors will have to overcome the constraints on effective and timely decisionmaking that inhere in a strictly collegial leadership system. Initially, they will probably not encounter inordinate difficulties. The great bulk of the population will react to Tito's departure by rallying around the regime, and the ruling elite will display a high degree of collective solidarity. Before long, however, these shock effects can be expected to dissipate. Public support for the regime will then become much more contingent on policy outputs and outcomes, and Tito's successors will find it much harder to submerge their internal differences. Although the preceding period will not necessarily be free of significant challenges, this will be the point at which the transition to the post-Tito era really begins and Tito's achievements undergo their first really strenuous posthumous test of endurance.

#### A. Breakdown Possibilities

24. The chances of passing this test have been diminished by the recent (February 1979) death of Edvard Kardelj, who was the one Tito aide who enjoyed broad popular respect and the general trust and deference of his colleagues. Without such a man to serve as arbiter and peacemaker, Tito's successors will find it extremely difficult to compromise their policy differences and rise above their personal and factional antagonisms and animosities. In consequence, it is easy to envision a post-Tito recurrence of the political degeneration which took place during the late 1960s and early 1970s, when Tito allowed his then lieutenants a fairly free hand in domestic policy.

25. By the time Tito belatedly terminated this experiment in late 1971, virtually the entire domestic policy process had succumbed to paralysis, and per-

sonal and factional relations within the ruling elite had deteriorated to the point where Yugoslavia faced incipient violence. To restore political efficacy and order, moreover, Tito had to draw on every ounce of his immense personal authority. And, when it appeared that even this would not suffice, he took the extreme step of threatening to call in the military.

26. In the event of a similar impasse among Tito's heirs, the military might well intervene on its own initiative if it were not invited to do so by elements within the leadership. Tito's designation of the armed forces as the ultimate guarantor of Yugoslav unity could be cited as justification of such an intervention and could mitigate reluctance in the officer corps to interfere in political matters.

27. With their considerable internal discipline and cohesion and close connection with the country's security forces, the armed forces could probably impose a degree of stability in an otherwise shaky situation. In the process, they would probably tend to favor a greater reliance on administrative and centralist methods of control and a substantial increase in the discretionary authority of party professionals.

28. However, the Yugoslav military is not politically monolithic, and a political demarche or coup would almost certainly deepen its internal divisions. Furthermore, any expansion in the military's political role would undoubtedly alienate Croats, Slovenes, Albanians, and other non-Serbs. Although the regime has made substantial efforts to dilute the historic Serbian dominance of the officer corps, non-Serbs still view the military as a predominantly Serbian institution with a centralist bias that threatens their national interests and identities.<sup>4</sup>

29. Accordingly, while a military intervention might temporarily stabilize a crisis situation, the longer term prospect would remain one of potential instability and unrest, with an appreciable chance of ultimate civil war.

#### B. More Stable Alternatives

30. This readily apparent prospect of such a disastrous outcome provides the best hope that Tito's successors will do everything possible to avert it. This hope is strengthened by the fact that all of Tito's present top lieutenants played important supportive

<sup>4</sup> For a discussion of the Yugoslav military establishment and ethnic attitudes toward its role, see volume II, annex D, "The Yugoslav Military."

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roles in the eventual resolution of the leadership deadlock of 1968-72. Furthermore, some of the personal and factional antagonisms that have arisen within the present party Presidium are likely to be muted by future changes in membership, including a number of changes that are scheduled for the immediate future and others that could well occur before Tito's departure. In consequence, it is possible that the post-Tito Presidium will adopt less strictly collegial decisionmaking procedures and that a majority of its members can be organized into a more or less stable ruling coalition.

31. In broad terms, two such coalitions, with potentially overlapping memberships, seem feasible in the light of current and emergent Yugoslav political realities. One, more likely in the event of an early succession, might be headed by old Titoists such as Vladimir Bakaric, Milos Minic, and Nikola Ljubicic, and would be characterized by a strong commitment to the perpetuation of the status quo ante. It would do everything possible to preserve the present distribution of authority between the center and the republics, to maintain a "self-managing" socialist-market economy, to foster the growth of independent Communist and nonaligned forces in world affairs, and to guard against too Westward a tilt in Yugoslav domestic and foreign policy. The other grouping, more likely in the event of a delayed succession, would include more recently appointed members of the present Presidium (such as Stane Dolanc) as well as top republic party bureaucrats from whose ranks replacements for incumbent old Titoists are likely to be drawn.

32. Although Titoist in crucial respects, a coalition of the latter sort would be far less status quo oriented than its "old Titoist" counterpart and might be ready to introduce a significant amount of incremental change. With respect to the division of authority between the center and the republics, for example, it might be not only willing but eager to sponsor a return to the more decentralized pattern that obtained during the late 1960s, especially in matters of day-to-day administration and management. At the same time, in intrarepublic matters it might be ready to sacrifice significant features of workers' self-management and self-government in the interest of managerial efficiency and political discipline.

33. Along with these changes in domestic policies, a coalition in which old Titoists played a less dominant role might be prepared to curtail Yugoslavia's role in an increasingly fragmented nonaligned movement. In

addition, such a coalition might be less congenitally suspicious of Soviet intentions than a coalition dominated by men with more vivid personal memories of the original Tito-Stalin split. Nonetheless, mistrust of the Soviet Union will remain endemic and a significant Eastward tilt in Yugoslav policy is unlikely unless Soviet pressures on Belgrade fail to elicit effective Western support. In fact, such a coalition might eventually be more willing than its old Titoist counterpart to permit a gradual Westward tilt in Yugoslav policy in return for economic benefits and credible security reassurances.

34. Even the transformations of one of these potential coalitions into a more or less stable ruling group would not guarantee the sort of post-Tito leadership that might be needed to deal with a severe crisis. However, it would ensure at least a measure of leadership and would provide some safeguards against the kinds of erratic or diluted policy choices that could inadvertently invite foreign encroachments and wholesale withdrawals of domestic support. And it would make it possible and worthwhile for interested foreign governments to support Tito's successors in their efforts to preserve Yugoslavia's integrity and independence.

#### IV. IMPLICATIONS FOR THE WEST

35. The amounts and kinds of support that Tito's successors request from the West will vary with time and circumstances. Except under great duress, even a Westward-inclined post-Tito leadership is unlikely to request explicitly or to welcome conspicuous "pro-Yugoslav" changes in Western security policy. During the immediate transition, the chief international concern of Tito's successors will be to deprive Moscow of any plausible excuse to intervene in Yugoslav affairs. In consequence, they will probably desire and expect nothing more than a prompt declaration of continued US and West European interest in the preservation of Yugoslavia's independence and integrity, coupled with every possible effort to prevent an escalation of hostile emigre activities. Although there is little reason to suppose that emigre activities alone pose a real threat to the regime, Tito's successors view them as such and will certainly exaggerate their potential impact and treat Western behavior toward them as a test of Western intentions.

36. If they are faced with escalating Soviet pressure, Tito's successors could request and/or welcome Western representations to Moscow on their behalf. Within

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relatively short order, moreover, they are likely to seek active help in preserving and extending their financial relations with the West, including not only bilateral relations but relations with the Common Market. In addition, they could turn to the West for larger supplies of arms, especially in areas of high technology. And, under extreme Soviet pressure, they could appeal to the United States and NATO to exert economic and political pressure on Moscow, to bolster and alert the 6th Fleet and other forces on NATO's southern flank, and, if need be, to provide direct military support.<sup>5</sup>

<sup>5</sup> For a more extensive discussion of Tito's foreign policy legacy and the ways in which post-Tito policies toward East and West may interact, see volume II, annex E, "Foreign Policy."

37. No amount or kind of Western support can stop Tito's successors from engaging in a self-destructive succession struggle or prevent Yugoslavia's constituent nationalities from embarking on a civil war, if they are determined to do so. However, skillfully timed and carefully designed and orchestrated Western support could make a very large difference to the consolidation and survival of a potentially viable post-Tito leadership and thereby to the preservation of a stable regional, continental, and global balance of power.

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