

Yugoslav self-management: The forgotten anti-capitalist seeds of degrowth

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Abstract: This research investigates the historical significance of self-management practices in Yugoslavia as inherently anti-capitalist and anti-colonial, contributing to the discourse on degrowth. The primary argument posits that Yugoslav self-management embodies unwritten historical elements that resonate with contemporary degrowth theory. Employing a theoretical and methodological framework that encompasses desk research, historical methods, and institutional analysis, this study utilizes Erik Olin Wright's anti-capitalist strategic framework to delineate the unique characteristics of Yugoslav self-management in contrast to other forms. The findings suggest that the Yugoslav model offers relevant insights for future provisioning systems in a post-growth and post-development context.

Keywords: self-management; anti-capitalist; anti-colonial; degrowth; post-development; post-growth

Autogestión yugoslava: las semillas anticapitalistas olvidadas del decrecimiento

Resumen: Esta investigación examina la importancia histórica de las prácticas de autogestión en Yugoslavia como inherentemente anticapitalistas y anticoloniales, contribuyendo al discurso sobre el decrecimiento. El argumento principal sostiene que la autogestión yugoslava encarna elementos históricos no escritos que resuenan con la teoría contemporánea del decrecimiento. Utilizando un marco teórico y metodológico que abarca investigación de escritorio, métodos históricos y análisis institucional, este estudio emplea el marco estratégico anticapitalista de Erik Olin Wright para delinear las características únicas de la autogestión yugoslava en contraste con otras formas. Los hallazgos sugieren que el modelo yugoslavo ofrece perspectivas relevantes para futuros sistemas de provisión en un contexto post-crecimiento y post-desarrollo.

Palabras clave: *autogestión; anticapitalista; anticolonial; decrecimiento; posdesarrollo; post-crecimiento*

I. Introduction

This research is motivated by the existence of diverse pluriversal worlds that exemplify sustainable living through anti-capitalist, anti-racial, and anti-colonial principles. These worlds provide a rich tapestry of social imaginaries and radical relationalities that challenge dominant narratives of development and progress. The exploration of these “invisible” histories is crucial for escaping the confines of Western developmentalism and advancing political practices rooted in decolonization and sustainability. Such examples represent the epistemological and ontological hope for theoretic and practical transformations. Seeing the invisible is the precondition for escaping the western developmentalism and moving towards political practice of decolonization, de-racialization, in post-development and post-growth sustainable future. The untold stories of self-management in Yugoslavia serve as a vital repository of knowledge for envisioning a post-growth and post-development future, thereby enriching the discourse on degrowth theory and practice.

The study aims to elucidate how the interpretations of economic democratization and anti-capitalist practices of self-management have manifested in various systemic and ideological contexts across Europe. Yugoslav self-management, which operated for four decades, emerged from the unique historical backdrop of post-World War II Europe, particularly during the “Iron Curtain” era. As a project rooted in the southeastern periphery, it sought to establish a distinct path of internal political, social, and economic democratization while fostering international relations with both Eastern and Western blocs. Yugoslavia was always a “world of the third” (Dhar & Chakrabarti, 2019). Furthermore, the south-eastern and periphery position determined Yugoslav quest towards the alternative internal and external path. Self-management in Yugoslavia represented a project of internal political, social and economic democratization, through which international relations were established with the West, East and non-aligned countries. As such, this case was a successful attempt of building up the real existing anti-capitalistic, anti-colonial, decentralized democratic socialism of the time.

The Yugoslav model of self-management represents a significant attempt to construct a decentralized democratic socialism that was both anti-capitalist and anti-colonial. Drawing on a rich body of Yugoslav and international literature related to self-management, post-development, and degrowth theories, this research facilitates a cross-cutting analysis that highlights the relevance of these concepts in contemporary discussions.

At the core of this investigation lies the concept of alienation and delinking, which are pivotal in understanding the Yugoslav self-management project. The Yugoslav self-management project was about mitigating the various forms of alienation. Delinking, as advocated by scholars such as Escobar (2015); Amin (1987); Wynter (2003); Harcourt (2019); Walsh (2018) and Akbulut et al. (2022), serves as an invitation to explore alternative ways of thinking and being that challenge dominant perspectives and open up possibilities for alternative worlds, as knowledge *otherwise* to *unsettle* dominant and *relate* to *otherwise*. Delinking is seen as a means to explore alternative epistemologies that challenge hegemonic perspectives. This conceptual framework is essential for examining the patterns of ideology formation and the evolution of socialism in Yugoslavia, particularly in relation to anti-capitalist thought.

Exploring the invisible worlds of the collective and communal spirit requires an engagement with pre- or non-capitalist forms of economic and social organization.

The findings of this research indicate that self-management, in its various historical forms, served as a mechanism for undermining capitalist structures. While hetero-management in the Western bloc aimed to alleviate the negative impacts of capitalism, the Eastern bloc sought to transcend capitalist structures.

In Yugoslavia, self-management evolved into a unique blend of transcending capitalist structures and neutralizing capitalist harms. This self-management model not only mitigated capitalist harms but also embodied an anti-capitalist ethos, firmly rooted in the southeastern periphery.

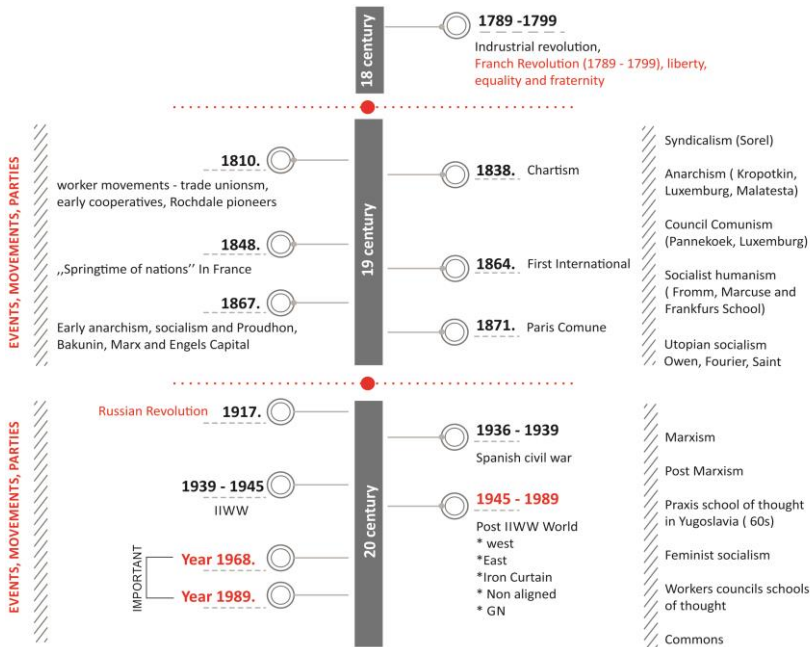
Utilizing a Marxist theoretical framework, particularly Erik Olin Wright's anti-capitalist strategic framework, this study underscores the significance of self-management as a strategy for eroding capitalism.

The empowerment of the working class through direct democracy, autonomy, and social ownership (as common ownership of the means of production), new institutions and mechanisms in the case of self-management in Yugoslavia remains pertinent to contemporary debates surrounding degrowth theory and practice.

II. Self-management: Tracing its historical roots

The emergence and evolution of self-management across Europe are intricately linked to a myriad of historical dynamics. To facilitate a clearer understanding of these developments, Figure 1 presents a schematic overview of pivotal events, theories, movements, and influential thinkers that have shaped the discourse on self-management. This simplified visual representation elucidates the established dynamics and contextual factors that have influenced the trajectory of self-management practices.

Figure 1. Roots of self-management



Source: Authors contribution.

The history of all hitherto existing societies is the history of class struggles (Marx & Engels, 1848). Class antagonism between the working class and the capitalist class has developed historically as “constantly revolutionizing the instruments and relations of production, and with them the whole relations of society” (Marx & Engels, 1848: 16). These social relations manifest themselves in the omnipresent class struggles in people's lives. As the Marxist tradition asserts, social classes are delineated by their relationship to the means of production, with class conflicts most prominently arising in the context of production relations. In stark contrast to capitalists, workers possess only their (but alienated) labor, which is commodified within capitalist production frameworks.

The goal of the working class was to defend its existence and a better quality of life. Historically, the working class has achieved this through unionization, by improving the working conditions over time.

The primary objective of the working class has historically been to safeguard its existence and enhance its quality of life. This pursuit has often materialized through unionization efforts aimed at improving working conditions over time. Throughout the 20th century, the working class sought to attain control, management, co-determination, decision-making power, and ownership of the means of production, alongside equitable income distribution. These aspirations were particularly pronounced during the tumultuous period between the First and Second World Wars, culminating in the emergence of socialist regimes post-World War II, which facilitated the emancipation of the working class and initiated gradual reforms toward a welfare economy within capitalist structures.

By the mid-20th century, the working class not only acknowledged its pivotal role as the creator of material and cultural values but also began to critically assess the necessity of intermediaries —such as managers and owners— in the management processes of companies, the economy, and society at large. Collective actions undertaken by the working class were directed toward combating exploitation and domination, leading to the rise of self-management as a reflection of class consciousness and an ideological force advocating for the realization of workers' objectives during the 20th century.

Prezenti (1958) posits that capitalists never accept their alienation from power and control over the creation of profits. However, under specific historical circumstances and the pressure of class struggles, capitalists have

occasionally acquiesced to collective agreements and improved working conditions, permitting workers' representative control and participation, provided that such concessions do not jeopardize their freedoms and authority.

Consequently, the struggle of the working class in the 20th century evolved into a broader endeavor to curtail capitalist power and foster conditions conducive to a future classless world.

The post-World War II era witnessed the proliferation of diverse socialist systems globally. Notably, events such as the May 1968 protests in France ignited interest in self-management, prompting both intellectual discourse and practical applications. Self-management emerged as a counter-hegemonic strategy aimed at dismantling or eroding capitalism. In certain contexts, this initiative was grounded in the concept of the “dictatorship of the proletariat”, which espoused the principle that “the liberation of the workers will be the work of the workers themselves”. Furthermore, the most advanced manifestation of workers' self-management occurred in Yugoslavia, particularly during the mid-1970s following significant reforms. The Yugoslav model not only served as an influential blueprint for French intellectuals and movements during the 1968 events, but also inspired self-management experiments across the Eastern Bloc and beyond. These initiatives were characterized by a shared commitment to the Non-Aligned Movement, which was notably shaped and embraced by Yugoslavia.

The concept of economic democratization is crucial to this discourse, as it elucidates the fundamental distinctions between various forms of self-management, particularly hetero-management (Bourdet, 1970) as observed in Western capitalist countries and the Eastern Bloc, in contrast to the self-management model in Yugoslavia.

Moreover, “workers' participation” aptly encapsulates the trade-offs inherent in the capitalist acceptance of workers' enforced actions in the post-World War II Western capitalist bloc, leading toward self-management. While economic democratization can address and ameliorate some of the harms of Western capitalism, it does not fundamentally challenge the issues associated with the decentralization of power under capitalism, which manifests through *consulting*, *workers' control*, *co-planning*, *co-decision-making*, *l'autogestion*, *mitbestimmung*, and other forms of hetero-management (Sartan, 1967; Lefebvre, 1966; Brier, 1969; Destrée, 1970; Coates, 1965; Basso, 1971; Filho, 1969; Bourdet, 1970; Meister, 1968). In

contrast, experiences from the Eastern Bloc illustrate how economic democratization aligned with the vision of workers' democratization, encompassing identity, interests, and values, thereby fostering collective action and systemic transformation. This highlights the importance of institutionalizing new ideologies within socialist systems. Insights drawn from various specific experiences and practical models in countries such as Russia, Czechoslovakia, Poland, and Hungary further substantiate this argument (Chauvey, 1970; Marcuse 1969; Marcuse 1972; Rihta, 1972; Barta, 1969; Guy, 1969; Zastawny, 1969).

Western bloc hetero-management(s) have gone through dismantling taming and escaping capitalism by fixing its harms, while the Eastern Bloc systems have gone through transcending the structure of capitalism, towards socialism with a centralized state power. In both blocs, the Eastern systems of the Soviet type, as well as in Western capitalism, the workers themselves have no direct or real power over the utilization and use of their surplus labor and its by-products which is the main contribution of self-management in Yugoslavia. These conclusions are underpinned by the anti-capitalist strategic framework proposed by Wright (2018), which is explained in the following section.

III. Yugoslav self-management vs. Iron Curtain anti-capitalist transformations

In his seminal work, *How to be an anti-capitalist in the Twenty-First Century* (2018), Erik Olin Wright conceptualizes capitalism as a market economy intricately intertwined with a specific class structure.

Within this framework, he identifies two primary motivations driving various struggles against capitalism: class interests and moral values. Individuals may oppose capitalism not only because it undermines their material well-being but also because it contravenes moral principles that they hold dear (Wright, 2018). Wright's critique of capitalism is grounded in normative values —specifically, clusters of values such as equality and fairness, democracy and freedom, and community and solidarity. He articulates how these values inform collective actions and shape identities and interests.

This approach also provides a lens through which to analyze state ideology. If we consider the identity of the state, it encompasses its interests,

values, and territorial claims elements that collectively shape the spirit of a place and influence associated collective actions.

Moreover, Wright introduces a strategic logic as a framework for understanding the diverse forms of anti-capitalist practices. He delineates five historically significant strategies employed in anti-capitalist struggles: *smashing*, *dismantling*, *taming*, *resisting*, and *escaping capitalism*, alongside a strategic combination of *eroding capitalism* without resorting to outright destruction (Wright, 2018).

Wright further posits that viewing society as a game allows for a nuanced understanding of the conflicts inherent within and over capitalism (Wright, 2018). Three primary types of conflicts emerge: those concerning the *choice of game* (capitalism versus socialism or revolutionary versus counter-revolutionary politics), *the rules of the game* (defined by reformist versus reactionary politics within social democratic versus neoliberal systems), and *the moves within the game* (where existing rules are perceived as fixed, yet actors and groups can maneuver to advance their interests). This tripartite framework —games, rules, and moves— corresponds to three logics of social transformation: *ruptural transformations* (rapid breaks in the nature of the game), *symbiotic transformations* (alterations to the rules that facilitate systemic fixes and open pathways for transformative possibilities), and *interstitial transformations* (the cumulative effects of actions taken within the existing rules) (Wright, 2018)¹.

Figure 2. Anti-capitalist strategic distinctions around Iron Curtain vs Yugoslavian case of self-management

Strategy and transformation	Rationale behind	Core	Example / self - management	Problem
<p>Smashing Capitalism Transcend the structures of capitalism (revolutionary aspirations)</p> <p>★</p>	<p>The system is rotten. All efforts to make life tolerable within capitalism will eventually fail. From time to time small reforms that improve the lives of people may be possible when popular forces are strong, but such improvements will always be fragile, vulnerable to attack and reversible.</p>	<p>Capitalism is unreformable. Long-term capitalism becomes unsustainable; it destroys its own conditions of existence. The only hope is to destroy it, sweep away the rubble and then build an alternative. The problem for a revolutionary party, therefore, is to be in a position to take advantage of the opportunity created by such system-level crises to lead a mass mobilization.</p>	<p>The first wave of alternatives – “building the new world from the ashes of old” central planned socialism variations: Soviet and Eastern bloc socialism after IJWW, and Yugoslavia 1945-1948.</p> <p>Second Yugoslav revolution towards self-managed socialism 1948</p>	<p>Revolutionary seizure of power never brought democratic, egalitarian, emancipatory alternative to capitalism. It occurred in economically backward societies, new powers became rather centralized than in serve of social wellbeing “for all”.</p> <p>This is the rationale behind why Yugoslavia treated central-planned socialism as State Capitalism</p>
<p>Dismantling Capitalism Transcend the structures of capitalism (revolutionary aspirations)</p> <p>★</p>	<p>From the beginning of anti-capitalist movements there were people who shared the critique of capitalism and the fundamental goals of revolutionaries, but who did not share the belief that a ruptural break with capitalism was plausible.</p> <p>A gradual dismantling of capitalism and the building up of the alternative through the sustained action of the state</p>	<p>Skepticism regarding a revolutionary overthrow of capitalism, did not imply abandoning the idea of socialism.</p> <p>Ruptural overthrow of capitalism, at least in mature capitalist countries, will not create conditions conducive to a democratic, egalitarian alternative.</p>	<p>“Extended period in which both capitalist and socialist relations coexist in a mixed economy” – Socialisms form above</p> <p>– Western capitalism in the first half of 20th century - transition to democratic socialism can be accomplished through state-directed reforms</p> <p>Yugoslavian self-management after 1950s-1960s, institutional building to support the self-managed socialism, social-ownership.</p>	<p>The dynamism of any form of capitalism [western or eastern state capitalism] always tends to keep the power. In the decades following World War II, eastern state capitalism entered economic transition through nationalization. Yugoslavian system entered the second transition through socialization of public property.</p> <p>Western capitalism pushed the expansion of the nationalized sectors of mixed-economies off the agenda, state-directed sectors of capitalist economies became increasingly vulnerable to attack.</p> <p>At the end of 20th and beginning of 21st century, under the banner of neo-liberalism, privatization rather than nationalization was at the center of the</p>
<p>Taming Capitalism Neutralize the harms (non-revolutionary strategy, relying on State)</p> <p>★</p>	<p>Capitalism is a source of systematic harms. The goal is to neutralize those harms, not to replace the capitalism. This became the dominant strategic idea of social democratic parties and non-revolutionary socialist parties in the second half of the twentieth century.</p>	<p>Capitalism, when left to its own devices, creates great harms. It generates levels of inequality that are destructive to social cohesion; it destroys traditional jobs and leaves people to fend for themselves; it creates uncertainty and risk in the lives of individuals and whole communities; it harms the environment. It is possible to build countering institutions capable of significantly neutralizing these harms.</p>	<p>Anti-capitalist reforms – shaped by the state, following the IJWW welfare state in social-democratic systems “muted inequalities and conflicts” Western bloc social democratic reforms in post-IJWW</p> <p>Yugoslavian self-management after 1960-74, new institutions and mechanisms to practice direct democracy towards the economic, political and social decentralization micro-meso-macro development</p>	<p>The idea of taming capitalism does not eliminate the underlying tendency for capitalism to generate harms; it simply counteracts their effects.</p> <p>This is like a medicine that effectively deals with symptoms rather than with the underlying causes of a health problem. It is rather short term strategy than long term.</p>
<p>Resisting Capitalism Neutralize the harms (not relying on State, bottom up)</p>	<p>Seeks to alleviate the harms of the system, but does not attempt to capture state power. It seeks to affect the behavior of capitalists and political elites through protest and other forms of resistance outside of the state.</p>	<p>Defending ourselves from capitalistic harms.</p>	<p>This is the strategy of many grass-roots activists of various sorts:</p> <p>environmentalists who protest toxic dumps and environmentally destructive development; consumer, labor, movements, minorities that organize boycotts of predatory corporations</p> <p>Localism / municipalism in Yugoslavia</p>	<p>The most basic form of resistance connected to solidarities of work and community</p> <p>Capitalism is too powerful a system to destroy. Truly taming capitalism, let alone dismantling capitalism, would require a level of sustained collective action that is unrealistic, and anyway, the system as a whole is too large and complex to control effectively. – it leads us to Escaping capitalism</p>
<p>Escaping Capitalism Transcend the structures of capitalism (bottom up)</p> <p>★</p>	<p>We can build “real utopias”, pieces of the emancipatory destination beyond capitalism within a society still dominated by capitalism.</p>	<p>You can’t fight city hall. The best we can do is to try to insulate ourselves from the damaging effects of capitalism, and perhaps escape altogether its ravages in some sheltered environment. We can remove ourselves as much as possible from its web of domination and create our own micro-alternative in which to live and flourish.</p>	<p>Farmers, utopian communities, from 19th century, workers coops, that performed equality and reciprocity in noncompetitive social spaces, DIY philosophy, of simplicity in abundance, alternative economies</p> <p>Western bloc hetero-management practices.</p>	<p>With the absence of politics, it is easy to dismiss escaping capitalism as a form of anti-capitalism, especially when it reflects privileges achieved within capitalism itself.</p>

Source: Author contribution based on Erik Olin Wright insights (2018).

IV. The third way: Case of the self-management in Yugoslavia to transcend and erode capitalism

Yugoslavia began its revolutionary path after the Second World War on the way to the great socialist transition. It went through several phases of socialist

evolution. The phases are explained by including institutional analysis regarding economic, political, social and cultural sphere.

Table 1. Self-management phases in Yugoslavia

E.O. Wright Strategy	Yugoslav Phase	Goals	Institutional changes	Values
Smashing (Capitalism)	<i>Agitation and propaganda in administrative-centralist socialism (1945-1950)</i>	Anti-fascist national liberation Abolition of class division / negation of private property State ownership the only alternative in reconstructing post-war country	The Law on the Confiscation of Property (1945), The Agricultural Reform Law of (1945), The Law on the Nationalization of Private Economic Enterprises of (1947), Constitution of the Federal People's Republic of Yugoslavia of 1946	Revolutionary values, agitation and propaganda inspired by Soviets
Smashing (State capitalism) + Dismantling	<i>The last tale of Agitprop (1950-1953)</i>	New game to play: self-management, social influence on decision-making in the labor collectives, State kept the power on income distribution, new transition moving from the etatism	Basic Law on the Transfer of State Enterprises and Economic Associations to the Management of Labor Collectives (1950) Constitution 1953,	Social ownership, autonomy,
Eroding capitalism	<i>Eroding the ashes of old (1954-1964) :Self-management</i>	Distancing form private and state ownership, de-etatization	The first Congress of Workers' Councils – resolution	social ownership, self-management, distribution

	<i>economy of transition and state (de)centralized accumulation and investments:</i>		(1957), Constitution 1963,	according to labor surplus and planned control of social reproduction
Eroding capitalism / dismantling the ashes of old	<i>Deepening symbiotic transformations: The reform for the democratic socialist economy (1965-1970)</i>	Confirmation of free market mechanisms and quasi market, banks, investment funds, Political and economic decentralization, income distribution	Economic reform 1965, Basic Law on the Determination and Distribution of Income in Labor Organizations (1968), Basic Law for Enterprises of 1965, Constitutional amendments 1968	Alternatives beyond capitalism
	<i>Post-capitalist design for democratic socialistic economy</i>	Self-management in Yugoslavia 70s	Constitution 1974	

Source: Authors contribution.

Historical evidence and institutional analysis are helpful to understand the patterns and characters of self-management types within systemic evolutions. In Erik Olin Wright’s sense, Western self-management (hetero-management) practices were about *neutralizing harms of capitalism*, while the Eastern self-management practices were about *transcending the structures*.

Self-management in Yugoslavia represented a distinct alternative, diverging from traditional models as a third path. Yugoslavia took a self-management strategic direction, which combined both objectives:

transcending the structures in ruptural changes (in “double revolutionary” smashing capitalism sub-phases); *then neutralizing capitalist harms in symbiotic changes* (eroding capitalism).

The main goal of self-management in Yugoslavia was to achieve the social liberation of work through the abolition of private and public ownership. In this process, the suppression of etatist processes, the decentralization of political, social and economic powers was reversed by further democratic empowered decentralization.

Firstly, unlike other cases around the Iron Curtain which adhered to binary positions regarding “which game to play” (capitalism vs socialism, i.e., revolutionary-counter-revolutionary politics), self-management in Yugoslavia was characterized by its anti-capitalist stance and clear socialist commitment. This was evidenced by its pursuit of collective revolutionary actions aimed at smashing capitalism and subsequently abolishing private ownership.

Initially, the negation of private ownership in Yugoslavia's administrative-centralized system did not eliminate forms of exploitation; rather, it shifted power to state representatives.

The second transformative step occurred just three years after the initial revolutionary upheaval aimed at “building the new world from the ashes of the old”. This subsequent revolutionary act can be understood as a second smashing phase, and departure from the administrative-centralized socialism prevalent in the Eastern bloc, which was viewed as a form of state capitalism. The goal was to address alienation by returning power to the working class, thereby enabling control over the means of production, capital, and decision-making processes at the micro-level, particularly regarding surplus and autonomy. The socialization of ownership marked a fundamental shift, accompanied by the establishment and empowerment of workers' councils to facilitate the transformation process. This marked the beginning of Yugoslavia's journey towards eroding capitalism.

The third step involved democratic empowerment through decentralization, integrating identity, interests, and values to undermine capitalism through collective actions. This phase entailed the evolution of institutions and mechanisms to support horizontal self-management integration. New institutions facilitated surplus distribution, wherein profit-oriented sectors of the economy operating in the free market self-contributed

to finance the “social and common needs” such as culture, education, health, social welfare, physical culture, and environmental issues. These services operated in a “quasi-market” or non-economic sphere. The introduction of the concept of social ownership facilitated the abolition of inherited capitalist forms of exploitation, making the system inherently anti-capitalist and anti-exploitative. This system of financing social and common needs represent prominent inspiration for future post-growth universal basic services (UBS) provisioning systems.

1. Smashing capitalism: Agitation and propaganda in administrative-centralist socialism

The first sub-phase began after the Second World War in 1945 as a strategy to smash capitalism. It was characterized by the advantage of revolutionary ideas, values, and interests. During the agitprop phase, “cultural policy was centralized, with state control including many strategies of repression and censorship that led to self-censorship. The communist party formed tasks in the field of culture, which were carried out by the agitation and propaganda apparatus” (Kočović De Santo, 2023: 34). Administrative centralism in Yugoslavia during this period was strongly influenced by Stalin’s model.

Two important facts traced the direction of administrative-centralist socialism in Yugoslavia. First, the conquest of political power by the working class took place within the framework of the national liberation war against the fascist occupiers, treason, and the reactionary bourgeoisie (Kidrič, 1949). Secondly, the struggle for national liberation meant transcending the structures. The goal to be achieved was the abolition of the class division of society. The means to achieve this goal led to the negation of private property. This path presupposed the measures and instruments for transforming private ownership of the means of production into state ownership.

The first measures supported the nationalization of private property. This was decided in 1944 at a meeting of the People's Anti-Fascist Council of Liberated Yugoslavia (Marsenić, 1976). The Law on the Confiscation of Property confirmed the measure in 1945, when the war was over. By the end of 1945, more than half of the industrial capital found had become state property. The Agricultural Reform Law of 1945 stipulated that “the land belongs to those who cultivate it”. According to this law, an upper limit was set for land ownership. Anything above this limit was converted into state property (49%), while the rest was distributed to poor peasants and landless people (51%) (Marsenić, 1976). The Law on the Nationalization of Private

Economic Enterprises of 1947 provided the institutional basis for the nationalization of the entire economy in 1948. The means of production and other material conditions of production in state ownership constituted the economic basis of the administrative-centralized economy. The economic role of the state is laid down in Article 15 of the Constitution of the Federal People's Republic of Yugoslavia of 1946

The state directs economic life and development through a general economic plan based on the state and cooperative sectors of the economy and exercises general control over the private sector of the economy (...)

Article 16: The property of the entire people is the mainstay of the state in the development of the national economy (Constitution of the Federative People's Republic of Yugoslavia, 1946: Article 15 and 16).

The structure of the political system was based on the achievements of the national liberation struggles of the Second World War. Administrative-centralist socialism was introduced in the years of post-war reconstruction and lasted until 1950. According to Marsenić, the dynamic economic growth that the country achieved during this period and the successful reconstruction are primarily linked to the country's industrialization policy (Marsenić, 1981). At that time, socialist state ownership was seen as the only alternative for building socialist production relations. It was an inevitable act based on the existing subjective forces and material basis.

The events of 1948 and the cooling of relations between Stalin and Tito contributed to the further development of the socialist system in Yugoslavia as an authentic project. However, the administrative-centralist economic system itself had many weaknesses. The freedom of the working people was restricted by vertical information from the top down. The work process was controlled by orders and directives. As Marsenić noted, "it was understood relatively early in our country, earlier than in any other, that the abolition of class alienation did not mean the simultaneous abolition of all forms of alienation" (Marsenić, 1981: 150). On the contrary, alienation from the conditions of production led to the other forms of alienation. Such a sequence entailed the danger of a permanent separation of workers from management processes and a fixed institutionalization of the state as the owner of the means of production. A new form of "state capitalism" emerged, giving formal political rulers the right to decide on the management of production and the appropriation of surplus labor.

2. Smashing the state capitalism: The last tale of Agitprop (1950-1953)

As far as cultural policy concerned, the basic idea of 1950 was the need to democratize culture through decentralization, de-etatization and institutional preparations for self-management quasi-state institutions that would function in the 1970s. Recognizing that socialist universality did not allow for independent and free development of the country, Yugoslavia abandoned the “best (socialist) practices” dictated by the Soviet planned economy to achieve free, autonomous socialist development through workers' self-management (Kočović De Santo, 2021).

The adoption of the Basic Law on the Transfer of State Enterprises and Economic Associations to the Management of Labor Collectives (1950) was an institutional prerequisite for the gradual transition from an administrative-centralist to a self-managed economic system. This law was preceded by the directive on the Establishment and Functioning of workers' councils as Consultative bodies in State enterprises (1949) (Marsenić, 1981). These steps enabled social influence on decision-making in the labor collectives, which was the most important revolutionary issue (Marcuse, 1972).

The responsibility of the working class for management processes was institutionalized in Yugoslavia in the 1950s. In addition to the responsibility towards the workers' collectives, there was also a responsibility towards the state, which set the rhythm of the planning directors. This reflected the influence of the inherited elements of the administrative planning system.

The greatest discussions at this time revolved around the question of how social reproduction could be achieved in the emerging self-management (New Game to play). The state authorities maintained their role in the distribution of fixed assets, labor and capital, whereby fixed assets did not have the status of commodities and almost the entire surplus of labor was withdrawn from the labor collectives (Marsenić, 1981). This meant that the distribution of investment funds was managed on a budgetary basis.

The 1953 Constitution marked the dismantling of capitalism that led to the formation of an integral system of self-management in Yugoslavia. This is the beginning of the erosion of capitalism. The autonomy of labor collectives was institutionalized. The Constitutional Law recognized the importance of the representatives of enterprises (through the producer councils) in the

national parliament and other socio-political communities (municipalities, republics, bodies of autonomous provinces, etc.). Social ownership and self-management were recognized as the basis of the country's socio-economic system.

Boris Kidrič previously spoke about this transformation of state ownership into social ownership as a long-term social process: "It is not about the liquidation of state property, but about the process of transforming the still indirect social property into direct social property" (Kidrič, 1952).

Economic and political democratization thus meant striving for the abolition of intermediaries in democratic practice, gradually through institutional reforms. For Yugoslavia, this phase meant the second "transitional economy". The unity of socialism and freedom meant turning away from the old ways and letting go of statist rule (Goldmann, Mallet, 1968).

3. Self-management economy of transition and state (de)centralized accumulation and investments: Eroding the ashes of old (1954-1964)

More significant changes took place in 1957 and 1961, when the income distribution system was confirmed. The relationships in the distribution of income between the economic sphere and the wider social community were defined. Benjamin Ward was the first to explain the Yugoslav self-management approach to the issue of income by making the main distinction between capitalist and self-managed enterprises. After the enterprise has paid the obligations for the use of capital (the means of production), it distributes all remaining income to the workers. The goal of profit was thus to maximize the net income per worker (Ward, 1958).

The slow growth of industrial production (1961 and 1962) was, according to some Yugoslav researchers, related to the incomes policy when the growth slowdown occurred (Marsenić, 1981).

The changes in the economic system were influenced by three types of management relations. The first expressed the income-relations of social reproduction between economic subjects and the broader "social community" (federation, republic, province, regions and municipalities). The second related to micro-relations and the freedom of working people to decide what to do with the part of the enterprise's income that remained after fulfilling

obligations to the social community². Finally, a special point concerned the regulation of relations between companies in the same branch.

The “social community” (state bodies) played an important role in price control and the circulation of goods and services until 1952. Horvat and many other authors argued that from 1952 a period of *laissez-faire* began in self-managed economic system in Yugoslavia (Horvat, 1969).

After the first Congress of Workers' Councils in 1957, a resolution was passed emphasizing that

the further development of the economic system and economic policy should be in the interest of self-management and direct producers and the expansion of their competences to ensure: the strengthening of the autonomy of enterprises in the framework of planning the management of production, consumption and the development of productive forces, the free distribution of income and changes in the wage system that will be able to exert a greater influence on direct producers in expanded reproduction (Đorđević, 1972).

The new constitution adopted in 1963, confirmed the principles of self-management. The socialist path of Yugoslavia was based on: social ownership, self-management, distribution according to labor surplus and planned control of social reproduction.

This constitution dismantled the administrative-centralist approach, and at the same time distanced itself from economic systems based on the private ownership of material factors of production. As a result, the working class directly controlled the means of production.

In the absence of any form of monopoly, only work and the results of work formed the basis for the material and social position of individuals. Working collectives had the ability to dispose of the means of accumulation and make investment decisions. The limitation of the role of the state was achieved through the abolition of certain instruments of secondary distribution that contributed to de-etatization (Marsenić, 1981). Article 10 of the Constitution states:

The organization of work and management in the labor organization shall enable workers at all levels and in all parts of the labor process to decide as directly as possible on questions of work, the regulation of mutual relations, the distribution of income and other questions of their economic status, creating the most favorable conditions for the work and operation of the labor

organization as a whole (The Constitution of the Socialist Federative Republic of Yugoslavia, 1963: Article 10).

4. Deepening symbiotic transformations: The reform for the democratic socialist economy (1965-1970)

In mid-1965, an economic reform was implemented with the aim of enhancing the involvement of workers' organizations in expanded reproduction by granting them a greater share in the allocation of investment funds. In the same year, the banking system underwent reform, transforming banks from passive professional services to committed actors in mobilizing and utilizing funds for investment purposes. (Marsenić, 1981). This reform aimed to strengthen the market mechanisms within Yugoslavia's self-managed socialism, in which the influence of labor was confirmed by market forces. The self-managed socialist "free market" can be understood as a mixed-economy concept, not in the sense of ownership, but in the sense of two different markets: the economic (free) market and the non-economic quasi-markets. A major difference to Western capitalism at the time lay in the political, economic and social goals pursued. This divergence led to different interpretations of economic and political democratization and decentralization³.

The most important institutional changes took place in 1968 with the adoption of the Basic Law on the Determination and Distribution of Income in Labor Organizations. These reforms aimed to promote economic and political democratization by addressing two key issues related to income distribution. First, the reforms targeted the internal distribution of income at the micro level. Second, they aimed to harmonize income distribution within workers' organizations, both internally and externally.

The gradual economic decentralization was facilitated by institutional support, especially the decentralization of workers' collectives. This process led to the emergence of a complex system of relatively autonomous and economically interconnected organizational units within the workers' collectives. This initiative began as early as 1957, was formalized by the Constitution of 1963 and further elaborated by the Basic Law for Enterprises of 1965.

With the constitutional amendments of 1968, the decentralization of decision-making in income distribution to the lower levels of the organization, in particular to the work units, was institutionally secured.

Article 31 of the Basic Law for Enterprises defined a work unit as a group of employees in a certain part of the enterprise who use certain means in the work process, whose outcomes can be planned or measured and on the basis of which income is determined and distributed.

In the system of self-managed socialism in Yugoslavia, income distribution could not be considered only as an internal matter of the enterprise from an ideological point of view. Moreover, the reform laid the foundation for the “socialization” of income distribution, which refers to the income generated by the work collectives. The reform introduced new mechanisms at the meso-level to facilitate self-management between the different subjects⁴.

The working class thus not only created the social and material foundations for itself, but also laid the foundations for social reproduction. Once primary reproduction had been achieved, the socialization of income distribution created the financial basis for a system of personal and collective “care” provision. Part of the labor surplus was distributed to finance the so-called “common and social needs”⁵. This framework formed an institutional basis for social and economic reproduction, with the aim of achieving social welfare for all.

The reform dismantled “the ashes old” administrative-centralized socialist phase. The new institutional mechanisms appeared to support UBS self-managed provision system in Yugoslavia.

Self-managed socialism in Yugoslavia countered the shortcomings of capitalism with decentralized power structures. It pursued an “agent-centered” approach that empowered individuals and collectives to bring about change. This model emphasized economic democratization through decentralized state power and social empowerment that enabled people to act individually and collectively to achieve their goals (Wright, 2018).

The reform promoted the creation of an institutional framework for the realization of emancipatory alternatives beyond capitalism. Thus, the Yugoslav model of socialism in the 1960s and 1970s was the epitome of economic democracy and offered a progressive socialist economy that is still viable in the 21st century. According to Wright, an economy is socialist to the extent that social power prevails over state and economic power (Wright, 2018).

In the context of degrowth theory and the post-growth future, appropriate measures include limiting overall consumption by reducing the instruments of secondary reproduction, curbing investment spending and increasing the share of personal income in the distribution of surplus. In addition, the inflationary financing of consumption must be curbed through credit and monetary policy restrictions⁶ (Marsenić, 1981).

The 1960s and 1970s saw a remarkable increase in international cultural cooperation, which manifested itself in extensive relations across the Iron Curtain and with the newly founded non-aligned nations of the Global South. The importance of culture as a progressive and transformative force in shaping new ideologies becomes clear when one considers that the “liberation of work and people” is seen as the ultimate goal of social development. In this context, culture plays a central role. Since democratic self-managing mechanisms rely on competent and responsible political subjects, they can only emerge and be constantly nurtured in a society where culture is highly valued (Madžar, Popov, 1968; Kočović De Santo, 2021, 2023).

5. Post-capitalist design for democratic socialistic economy

Since the establishment of the Socialist Federal Republic of Yugoslavia, the adoption of constitutions and subsequent amendments has reflected the development towards a democratic socialist society. The 1974 Constitution summarizes the provisions and legal framework created by previous amendments and laws dating back to 1963. The year 1971 was an important milestone following the Second Self-management Congress, at which the normative principles for the development of the self-management system were laid down (Marsenić, 1981).

The Constitution of 1974 states:

The socialist social system of the Socialist Federal Republic of Yugoslavia is based on the power of the working class and all working people and on the relations among people as free and equal producers and creators, whose labour serves exclusively for the satisfaction of their personal and common needs (The Constitution of the Socialist Federal Republic of Yugoslavia, 1974, Introductory Part, Basic principles).

The fundamental values recognized in the constitution included solidarity, freedom, democracy, equality, and justice. The working class was seen as the driving force in building the system and relied on these values as

principles of labor exchange. The workers achieved this through constitutionally guaranteed rights to free expression of will, freedom of opinion, and the right to collective work.

Solidarity among workers went beyond the boundaries of their workplace and embraced the whole of society in order to adapt to the human development, culture and civilization of a socialist society. The constitution emphasized the inviolable basis of person's position as the social owner of the means of production, which prevented a return to systems of exploitation. By abolishing the alienation of the working class and guaranteeing the social ownership of the means of production, the self-management of the working people in production and distribution was ensured in the realization of a social development based on self-managed foundations.

The liberation of labor as the overcoming of historically determined socio-economic inequalities and the dependence of people on labor is seen through the abolition of the opposition between labor and capital. Moreover, the abolition of all forms of exploitation was achieved by increasing the productive forces, raising labor productivity, shortening working hours, developing and applying science and technology, providing higher education for all (and other common and social services from the non-economic sphere).

In short, self-management in Yugoslavia was about management from the collective self of the working class. Collective decision-making on an equal footing with others in society enabled communing as collective social development through the exercise of social power in a decentralized and de-titized system⁷.

The collective goal was reflected in the obligation to ensure material conditions on the basis of personal and collective labor and to satisfy individual, social, and common needs. People's economic, social and personal security was based on solidarity and reciprocity. The gradually strengthened consciousness allowed the working people to understand that realization of their lasting interests was only possible on the basis of the aforementioned principles, values and democratic political conditions.

Development as a concept, as prescribed by constitutional law, primarily presupposed the development of the personality through direct activity in social life. Self-management was practiced as an integral process of collective action in economic and non-economic areas.

Democratic decentralization opened up new avenues for the direct democratic participation of workers and citizens in all political, social, and economic spheres. This change represented a symbiotic transformation, as the introduction of new principles of governance gave workers the opportunity to actively shape the collective consciousness through an active role in decision-making processes. Decentralization became the norm and allowed individuals to get involved in every aspect of the system. This evolution had a profound impact on self-management, which gradually built up economic, social and political spheres through the realization of a “socialization of powers”. The working class participated in political life, organizations and communities. Political power was exercised through delegates from the workers' councils.

The social power in Yugoslavia was gradually built up through democratically empowered decentralization. Initially, the working class managed economic processes directly through the economic sphere (basic organizations of joint labor, workers' organizations, collectives, delegate systems and workers' councils). The next stage of empowerment was achieved through additional mechanisms of “self-management agreements and social negotiations” and institutions (such as self-management communities and complex organizations of joint labor). The new mechanisms and institutions enabled direct agreements and social negotiations to integrate the economic and non-economic spheres⁸.

Social and common needs were the essential part of the vision of self-management. It was about building a new, balanced society with close cooperation between material and non-material factors of socio-economic development. The activities of common consumption aimed to support the development of a versatile socialist personality while satisfying needs by introducing elements of humanization into the sphere of consumption (Kočović De Santo, 2023). The financial supply flows reflected the exchange in the overall flow of social reproduction⁹.

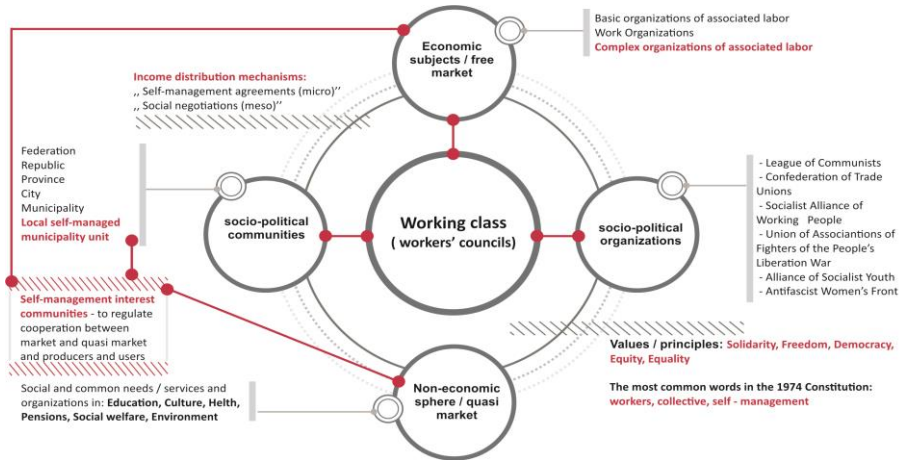
Finally, democratically empowered decentralization took place in 1974, enabling horizontal political-economic and socio-economic integration in the “meeting social planning system” strengthen from the below.

This presupposed territorial decentralization, in which the “local self-management municipal units” (originally: *mesna zajednica*) allowed the self-management integration. In the 1974 constitution, local self-management municipal unit was seen as the most important socio-political organization

that promoted greater participation of workers and citizens from below. Democratically empowered decentralization, as Wright suggests, rests on the idea that for many issues, problem-solving can be more effectively done when real power to make decisions is given to democratic public authority located closer to the problems. The particular importance is to give more power, autonomy and necessary resources to cities and other *decentralized subunits* of national states (Wright, 2018).

This meant that democratically empowered decentralization took place to humanize the economic, non-economic and socio-political spheres through the emergence of the new institutions for democratic participation. Let us assume that the pursuit of production and exchange of goods was a necessary outcome of industrial production (especially in societies undergoing a process of rapid industrialization), with a concept of the *humanistic organization* human needs and the all-round development of the personality become the focus of interest (Supek, 1972).

Figure 3. Self-management system in Yugoslavia from 1974: Techno-economic and socio-economic structure



Source: Authors contribution according to Constitution law 1974.

As Wright (2018: 89) suggests regarding the things we need to achieve in the 21st century, is “a combination of deepening democracy within decentralized levels of government, along *with giving such units the necessary power and resources to do things*”. This futuristic vision given by Wright was achieved in the “local self-management municipal units” in

Yugoslavia in the 1970s. This institution enabled complementary collective action from below, between all subjects of the self-management system. In Constitution 1974 it was recognized as a basic territorial unit of socio-political organizations¹⁰.

Territorial decentralization became essential for the integration of economic, social and political spheres to meet direct and radical democracy. For Castoriadis the concept of democracy always has the meaning of direct democracy, as a way to realize the revolution, where the revolution is an expression of socialism (Castoriadis, 1999), while self-management radical imaginary and democracy is reflected in the socialized means of production (Fotopoulos, 2005; Asara, 2013).

The biggest puzzle in argument for the strategy of eroding capitalism lies in the creation of robust collective actors capable of acting politically to challenge and change the rules of the game of capitalism in a progressive direction (Wright, 2018). As argued before, Yugoslavia pursued a strategy to erode capitalism. The dismantling strategy was reflected in the double negation and transfer of property rights (from private to public and from public to social ownership). This enabled the elimination of all forms of alienation. Personal and collective development was achieved through the self-contribution system i.e. self-management in income distribution, which financed the provision system of social welfare. The taming strategy is reflected in the development of new mechanisms and institutions to eliminate and remove conflicts of interest. Following Wright (2018: 93), “these changes in the rules of the game from above can expand the space for building alternatives to capitalist economic relations from below in ways that, over time, encroach on the dominance of capitalism”. Finally, democratic empowered decentralization in Yugoslav case is reflected in the nature of the self-management economy, which today can be described as solidarity, social and economy for common goods, which operated from below.

Culture played an important role in the emancipation, liberation and ideology of the working people.

The main idea was to achieve democratisation in culture through decentralisation and the introduction of the quasi-state institutions (*Self-management Interest Communities* physically located in *local self-management municipal units*). In practical terms economic sphere provided, while others (from non-economic sphere, for example: culture) received financial support (by giving back the cultural contents). The mentioned

exchange happened as a “*free labor exchange*”. The *Cooperative Labor Act* (1974) recognized productive and *non-productive organizations* of total economy, whereby *non-productive organizations* were also recognized as equally important socially beneficial *labor organizations* (Kočović De Santo, 2023). Culture was the unity of the total economic and societal system. Moreover, if “the liberation of people and labor” was the ultimate goal of socialist development, the importance of the “culture as the fundamental infrastructural base” becomes more obvious, as “integral part of the social being” (Madžar & Popov 1968).

V. Conclusions in a manner of degrowth vocabulary

Historical evidence and institutional analysis were helpful to understand the patterns and characters of self-management types within systemic evolutions. In Erik Olin Wright’s sense Western self-management (hetero-management) practices were about *neutralizing harms of capitalism*, while the Eastern self-management practices were about *transcending the structures*.

The case demonstrates that self-management in Yugoslavia represented a distinct alternative, diverging from traditional models as a third path. Yugoslavia took a self-management strategic direction, which combined both objectives: *transcending the structures in ruptural changes* (in “double revolutionary” *smashing capitalism* sub-phases); then *neutralizing capitalist harms in symbiotic changes (eroding capitalism)*.

The vision of self-management in Yugoslavia was fundamentally anchored in the pursuit of social and common needs, aiming to construct a balanced society that harmonized material and non-material aspects of socio-economic development. This approach resonates with the principles of degrowth, which advocate for a reorientation of societal values towards sustainability, equity, and well-being, rather than mere economic expansion. The activities surrounding common consumption were designed not only to satisfy immediate needs but also to foster the development of a versatile socialist personality, thereby humanizing consumption practices (Kočović De Santo, 2023).

In this context, the financial flows within the self-management system mirrored the broader dynamics of social reproduction, reflecting a commitment to collective welfare rather than individual profit maximization. The 1974 constitutional reforms that enabled democratically empowered

decentralization facilitated horizontal political-economic integration, allowing local self-management units (*mesna zajednica*) to emerge as vital socio-political organizations. This decentralization aligns with Erik Olin Wright's assertion that effective problem-solving often necessitates empowering local authorities with the autonomy and resources to address issues directly (Wright, 2018).

The emphasis on decentralization and local self-management can be further contextualized within the framework of political ecology, which critiques the capitalist exploitation of natural resources and advocates for sustainable practices that prioritize community needs. By fostering local decision-making, self-management in Yugoslavia aimed to humanize economic, non-economic, and socio-political spheres, thereby creating institutions that promoted democratic participation and ecological sustainability. Wright's strategic logic provides a useful lens for understanding the anti-capitalist dimensions of Yugoslav self-management. The strategies of eroding capitalism, as articulated by Wright, were evident in the Yugoslav context through the dual negation of property rights, transitioning from private to public and then to social ownership. This transformation sought to eliminate alienation and foster personal and collective development through a self-contribution system that financed social welfare provisions. The taming strategy, which involved developing new mechanisms to mitigate conflicts of interest, further illustrates the potential for self-management to serve as a counter-hegemonic force against capitalist structures (Wright, 2018).

While the growth paradigm was the dominant development framework in the mid-20th century, an analysis of Yugoslav self-management reveals alternative systemic elements that are highly relevant to post-growth and degrowth perspectives. The concepts of radical democracy, direct democracy, autonomy, commons, and Universal Basic Services (UBS) are deeply intertwined with the principles of post-growth and degrowth thinking. These frameworks advocate for a reimagining of societal values and structures, emphasizing sustainability, equity, and collective well-being over relentless economic growth.

Self-management in Yugoslavia and democracy. Economic democratization in Yugoslavia represented a profound shift in decision-making power, transferring authority from political elites to the working class and citizens. This decentralization initiated a process where decisions were socially constructed through direct democratic processes. Direct democracy,

intrinsically linked to social ownership, addressed the critical question of who would wield social, economic, and political power following the abolition of private and public ownership —ultimately, the people. Unlike other hetero-management models prevalent around the Iron Curtain, economic democratization in Yugoslavia equated to workers' democratization, leading to practical implementations of direct democracy. However, achieving genuine consensus in political democratization through electoral systems was not always realized.

Self-management in Yugoslavia and autonomy. Autonomy was a defining feature of self-management, granting workers the freedom to organize themselves within work collectives. This autonomy allowed them to make direct decisions regarding all aspects of work processes, including the distribution of surplus labor. Workers determined allocations for personal income, amortization, accumulation, and “social and common needs”. The distribution process involved allocating a percentage of total surplus labor income, a per capita share of workers' income, and a fixed portion designated for amortization and socialized distribution. However, instances of misinterpretation arose, where some believed that social ownership belonged solely to the working class, leading to tendencies toward autarchy in certain sectors. This misinterpretation contradicted the fundamental principle that ownership “belonged to all members of society”. Additionally, differing perspectives on the theory of value emerged, with some Yugoslav scholars advocating for the income approach while others adhered to the Marxist theory of value, resulting in divergent viewpoints.

Autonomy, in the context of self-management, refers to the capacity of individuals and communities to govern themselves and make decisions that directly affect their lives. This concept is foundational to radical democracy, which seeks to empower citizens to participate actively in political processes, thereby challenging traditional power hierarchies (Zanoni et al., 2017). Direct democracy complements this by facilitating decision-making processes that are inclusive and participatory, allowing communities to define their own needs and priorities without the mediation of political elites (Zanoni et al., 2017). In the context of degrowth, autonomy and direct democracy are essential for creating resilient communities that can respond effectively to ecological and social challenges.

Self-management and commons. Self-management operated as a commons, wherein the working class engaged in commoning to fulfill both personal and collective needs. The foundation of production rested on shared

means of production and surplus labor. Workers directly decided on the distribution of resources to fund “social and common needs”. This approach to financing common needs was rooted in planning relations that encompassed goals, needs, priorities, values, and consumption effects. The material basis for production was established through horizontal networking across both economic and non-economic spheres, both of which were considered vital for social reproduction. Non-economic sectors, such as education, healthcare, social welfare, culture, environmental preservation, and physical culture, played integral roles. Economic and non-economic spheres intersected in self-management interest communities and local self-management municipal units, facilitating the exchange of free labor. The satisfaction of common needs fostered the development of new civic identities grounded in libertarian values. By promoting common consumption, self-management aimed to achieve social balance, reduce regional disparities, and bridge the gap between rural and urban needs through unification policies. Access to social and common needs, today recognized as Universal Basic Services (UBS), was equitable for all individuals, thus promoting social justice and welfare.

The concept of the commons is central to both degrowth and post-growth thinking, as it emphasizes shared resources and collective management. Commoning, the process of creating and maintaining the commons, involves everyday practices and social relations that foster cooperation and mutual support (Apostolopoulou et al., 2022). This collective approach challenges the neoliberal commodification of resources and promotes a more equitable distribution of wealth and power. In a degrowth framework, the commons serve as a foundation for sustainable practices that prioritize community well-being over profit maximization. By engaging in commoning, communities can develop alternative economic models that emphasize cooperation, solidarity, and ecological sustainability (D'Alisa, Kallis & Demaria, 2014). This aligns with the principles of UBS, which advocate for the provision of essential services through collective action and shared responsibility, ensuring that all individuals have access to the resources they need to thrive.

Self-management (none) reformist reforms. National policy underwent extensive institutional reforms aimed at integrating and coordinating the self-management system across macro, micro, and meso levels. These reforms, coupled with the establishment of new institutions and mechanisms, fostered a system characterized by social and solidarity

cooperativism. The socio-political sphere actively supported self-government agreements and social negotiations, with representatives from the state, workers' councils, and experts from common and social spheres collaboratively introducing plans and decisions for socialist development. However, Yugoslavia encountered challenges, particularly in achieving extended reproduction and addressing growth stagnation in the 1980s. Despite achieving social justice through principles of equity, equality, democracy, and solidarity, issues arose in the distribution of funds, with direct decisions on amortization impacting capital essence (Šoškić, 1982). The pursuit of growth, ingrained in the growthism paradigm, faced obstacles due to stagnant growth rates and increasing foreign debt. By the mid-1980s, autarchy within the system contributed to inequalities among republics, branches, and working collectives.

The interplay between self-management and degrowth is particularly salient when considering the broader implications for post-growth societies. The Yugoslav model exemplifies how economic democratization can lead to a reconfiguration of power dynamics, shifting authority from political elites to the working class and citizens. The interconnected concepts of autonomy, radical democracy, direct democracy, commons, and Universal Basic Services are integral to the frameworks of post-growth and degrowth thinking. By emphasizing collective decision-making, shared resources, and equitable access to essential services, these frameworks provide a roadmap for creating sustainable and just societies. The Yugoslav experience of self-management serves as a historical example of how these principles can be operationalized, offering valuable insights for contemporary movements seeking to challenge the dominant capitalist paradigm and envision a post-growth future. This transition facilitated direct democratic processes that addressed the fundamental question of who holds power in a post-capitalist society. The principles of solidarity, equity, and social welfare that underpinned self-management resonate with the core tenets of degrowth, which advocates for a just and equitable downsizing of economic activity to prioritize human and ecological well-being (Kallis, 2019). Moreover, the concept of self-management as a commons highlights the potential for collective action to fulfill both personal and communal needs. By establishing shared means of production and surplus labor, workers were empowered to make decisions regarding resource allocation for social and common needs. This approach aligns with degrowth principles, which emphasize the importance of community-driven initiatives that prioritize sustainability and social justice over profit (D'Alisa, Kallis & Demaria, 2014). The historical case of Yugoslavia

illustrates that self-management was not merely a reformist endeavor but a radical project aimed at dismantling capitalist alienation and fostering a new socio-economic paradigm.

The economy is the institutionalized process by which people transform their material environment in order to provide for their needs (Polanyi 1957). This transformation involves work—human work and non-human work (Kallis, 2019). Due to the historical context, the focus of self-management in Yugoslavia was on human work (to achieve a classless world). Labor relied on material extraction to produce the energy and achieve industrial convergence, while providing personal and collective universal basic services for all.

The transformation involved the evolution of institutions and mechanisms to support the horizontal level of self-management integration. In addition to the impact of economic cycles on slowing growth (in the world), the impact of the “workers reforms” (1968) in Yugoslavia provided social power in direct decision making on the distribution of the surplus. Workers decided on the distribution of the surplus for their personal and social reproduction, which allowed them to “simply reproduce themselves without growth” (Kallis, 2019). This was done on the basis of principles/values and interests expressed in solidarity, equality, equity, democracy and social welfare (institutionally supported by the constitution). There are more than a hundred definitions of degrowth that include the most important elements such as direct democracy, equality, justice and well-being within planetary boundaries (Vujanović & Kočović De Santo, 2023). This suggests that the ideological basis for both is the same.

The effects of the decentralization of power thus reflect that economic outcomes become socially constructed policies to ensure social welfare and industrial output. This is consistent with the interpretation that degrowth of material and energy consumption is incompatible with GDP growth. In all likelihood, a decline in throughput degrowth will lead to a decline in GDP (O’Neill, 2017; Kallis, 2019). Furthermore, if degrowth means an equitable downsizing of the economy (Bliss & Kallis, 2022), then degrowth requires political change to reduce the material and energy throughput of affluent societies in a way that prioritizes justice and prosperity and allows people to meet their basic needs (Bliss & Kallis, 2022). Degrowth is a way of reducing resource and energy consumption that goes hand in hand with improving well-being, welfare, use values, etc. (D’Alisa, Kallis & Demaria 2014). Then, self-management in Yugoslavia was a degrowth project because it provided

economic, social and political ontology to envision a post-growth future. It also feeds the argument that the necessary transformation towards post-growth should inevitably come from the GS and the so-called peripheral countries, as a counter-hegemonic force rising from the historically hegemonic position of disadvantage (Kočović De Santo, 2023). This elucidates the motivation behind exploring historical cases and their trajectories within diverse endogenous practices, which serve as valuable inspirations from non-capitalist systems beyond the Global North. These serve to counter the exploitative exogenous knowledge often heralded as the epitome of “best” convergence practice.

Self-management in Yugoslavia dismantled the alienation between individuals and between individuals and the work process. This marked the liberation of both people and labor within an anthropocentric historical context, which could be described as achieving “sufficiency in exploitation”. This was driven by a more efficient utilization of the non-human world to adapt to technological and industrial advancements.

In a hypothetical scenario where renewable technologies were available, democratic socialist self-management would likely have measured material product for its growth, as slowing growth was deemed an undesirable consequence of the time. The evolution of self-management in Yugoslavia brought about a radical shift in how the world was perceived and the role of humans within it. It represented a revolutionary alternative, with the principles of self-management in Yugoslavia serving as pivotal points to inspire the post-growth democracy and autonomy of future societies.

By integrating the principles of degrowth, political ecology, and anti-capitalist thinking, we can envision a future where self-management serves as a foundational element of a post-growth economy. This synthesis advocates for the development of new institutions and mechanisms that prioritize ecological sustainability, social equity, and democratic governance, ultimately contributing to a more just and resilient society.

Yugoslav experience of self-management provides valuable insights into the potential for alternative economic models that challenge the dominant capitalist paradigm. By embracing the principles of degrowth and political ecology, future societies can draw inspiration from this historical case to create systems that prioritize human needs, ecological sustainability, and collective well-being over relentless economic growth. A synthesis between self-governance and degrowth would mean that the future post-

growth economy is about new institutions and mechanisms to achieve and measure degrowth outcomes. What needs to be achieved is a self-managed eco-socialism that supports decreasing material and energy consumption. This would most likely mean a reduction rather than an increase in industrial production (Kallis, 2019).

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¹ These transformations are connected with five strategic logic of anti-capitalism, where the smashing capitalism is a strategy defined at the level at what game to play; taming capitalism and dismantling capitalism are defined in terms of the rules of the game; and resisting and escaping capitalism operate the level of moves in the game (Wright, 2018).

² Therefore, these parameters had a direct impact on the amount of personal income, the determination of the depreciation rate, the determination of the obligatory allocation of part of the income to the reserve funds, etc. (Marsenić, 1981).

³ The economic democratization in Yugoslavia was carried on the process of horizontal and vertical decentralization. To explain the previous, I will originally cite whole Horvat paragraph that brings the comparisons: “The Yugoslav solution, like the Swiss one, belongs to the horizontal and vertical decentralization. However, there was a huge difference between the two, which in this context comes down to the fact that a Yugoslav commune practiced much more economic

intervention than a Swiss canton, and that, on the other hand, Yugoslav producers practice much more direct political intervention than those who control Swiss economic organizations (...) Yugoslav experience has given us historical evidence: worker self-governance is not only possible in practice (it has been functioning in Yugoslavia for over a decade) but is economically efficient (since it was restored, the Yugoslav economy has reached the highest rate of growth in the world)” (Horvat, 1969).

⁴ Subjects of social negotiations: Associations of workers' organizations (chambers of commerce), workers' associations (trade unions) and executive bodies of socio-political communities (federal, republican, provincial, city, municipal, local municipal units).

⁵ Culture, physical education, education, health care, pensions, social protection, environmental protection and more.

⁶ These measures were intended to achieve the following objectives: (a) A balanced economic development in the economic sectors. The parity price relations were the first prerequisite for achieving this goal; (b) A greater volume of exchange with foreign countries, a balanced balance of payments and the convertibility of the national currency. The realization of this goal was initiated by measures relating to the exchange rate, the reduction of import restrictions and export incentives; (c) Stabilization of internal economic flows with the effect of suppressing inflationary price growth. Inflationary forms of financing and investment expenditure, that had no material coverage, were abandoned as a permanent orientation (Marsenić, 1981).

⁷ The right of working people to enjoy the fruits of their labor and to carry this progress into the wider social community was implemented according to the principle of “each according to his ability — each according to his work”.

⁸ In this way, the working class and other working people were able to control socio-economic processes (primary, secondary and social reproduction) by creating the material basis to achieve the social welfare (by satisfying common and social needs i.e. UBS).

⁹ In the system of financing general social and common needs, the acquisition of income was realized: (1) on a fiscal basis, (2) on the basis of freedom to work, (3) on the basis of the provision of services, (4) on a credit basis, and (5) on the basis of reciprocity and solidarity (Ristić, 1982). The common needs and financial processes took place according to the principles of: (1) decentralization and de-estatization, (2) democracy and self-government, (3) pluralism of self-management interests, (4) principle of financial balance, (5) principle of budgeting, (6) principle of financial coverage and financial federalism, (7) principle of priority and selectivity, (8) principle of financial coordination, harmonization, sovereignty, autonomy and co-financing, (9) principle of solidarity and reciprocity, etc. (Ristić, 1982).

¹⁰ Its development started from the revolutionary struggles after WWII, from the Local People's Committees (1950), Local committees (1953), to the Local Self-management municipal units (1968). The 1974 Constitution defines these units in Article 114, paragraph 2: “In a local self-management municipal units, the working people and citizens decide on the realization of their common interests and on the solidarity-based satisfaction of common needs in the areas of spatial planning, housing, communal activities, child and social protection, education, culture, physical culture, consumer protection, protection and improvement of the human environment, national defense, social self-protection and other areas of life and work.” [...] “In order to realize their common interests and needs, the working people and citizens organized in the local self-management municipal units shall unite through social agreements and in other ways with the organizations of collective work, self-governing interest communities and other self-governing organizations and communities in the territory and outside the territory of the local community, which have an interest, i.e. a duty, to participate in the satisfaction of these interests and needs.”