

**ALIENATION AND SOCIALISM:
An Analysis of Yugoslav Workers' Self-Management***

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INTRODUCTION

The works of Marx and Durkheim, and to a lesser degree Hegel, on the subject of alienation have dominated contemporary writings on alienation and have been discussed at length elsewhere.¹ In extracting pivotal themes from these three authors, one is able to deduce certain common emphases. Hegel, Marx and Durkheim all write at length on the topic of alienation or an equivalent concept. In so doing, each alludes to the alleged benefits of either syndicalist-like corporate collectivities or outright workers' self-management. The suggested nexus between alienation and workers' self-management is significant as are related linkages between alienation and work alienation and property, and alienation and classes. It is these clusters of linkages which shall be studied. Specifically, the following hypotheses relating to alienation are extrapolated and operationalized:

- 1) Is the workers' self-managed factory more democratic than the capitalist firm?
- 2) Does the employee of a workers' self-managed factory perceive his condition as having improved?
- 3) Is the workers' self-managed factory associated with lower alienation levels?

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- 4) Does class membership relate to alienation levels?²
- 5) Is participation in self-management associated with lower alienation levels?
- 6) Is alienation in the factory strongly associated with alienation in society?

To test these questions, data are largely derived from the author's surveys conducted in 1972-73 in both capitalist factories in Canada and workers' self-managed factories in Yugoslavia. In each country only the most industrialized regions were sampled. Owing to the pioneering aspect of this comparative study, sample sizes are relatively small (Yugoslavia, N = 180; Canada, N = 101).

IS THE YUGOSLAV WORKERS' SELF-MANAGED FACTORY MORE DEMOCRATIC?

The question as to whether the workers' self-managed factory is more democratic than the capitalist enterprise is crucial and has been the centre of divergent opinions. It is, therefore, worthy of substantial treatment. The socialist assertion is quite clear that the socialist factory will be more democratic and thus will follow enlightened conditions and policies. There can be little doubt, however, that present nationalized factories both in the Soviet Union and Great Britain are *not* marked by highly participatory and pluralistic intra-factory social relations. The question posed, then, is 'Does a more radical socialist proposal, that of the establishment of a functioning factory workers' council, increase the diffusion of power?'

Power is a difficult variable to attempt to measure but perhaps a start can be made by looking at the public's perceptions of power

¹ See for example Kostas Axelos, *Alienation, Praxis and Techné in the Thought of Karl Marx* (Austin: University of Texas, 1976) Bertell Ollman, *Alienation: Marx's Concept of Man in Capitalist Society* (Cambridge: Cambridge U. Press, 1972) István Mészáros, *Marx's Theory of Alienation*, (London: Merlin Press, 1970), E. Mandel & G. Novack, *The Marxist Theory of Alienation* (New York: Pathfinder Press, 1970), Robert Schacht, *Alienation* (New York: Doubleday, 1970), Joachim Israel, *Alienation: From Marx to Modern Sociology* (Boston: Allyn & Bacon, 1971), Shlomo Avineri, *The Social and Political Thought of Karl Marx* (Cambridge: Cambridge U. Press, 1970), Branko Horvat, "Alienation and Reification", *Economic Analysis and Workers' Management*, Vol IX, 1975, #1-2, reprinted as chapter #4 of Horvat's *The Political Economy of Socialism: A Marxist Social Theory* (Armonk, M. E. Sharpe, 1982), Alan Whitehorn, "Alienation and workers' Self-Management", *Canadian Slavonic Papers* (Vol. 14, No. 2, 1974, pp. 160-186) and Alan Whitehorn, *Alienation and Socialism* (Ph. D., Carleton University, Ottawa, 1975).

holders within the factory in general! In each factory, all respondents chosen were asked to rate all the leading structures in the enterprise as to their degree of influence. An analysis of perceived amounts of influence of the various factory groups indicates influence being the greatest for the director, then workers' council, management board, League, technical staff, supervisors and the least for the union, skilled workers and unskilled workers.² Thus, while the director is still influential, his power has declined³ as economic decentralization has occurred and his responsibility is increasingly subject to that of his collective subordinates.

² Please note that this question is premised on the notion that as long as division of labour between mental and physical work exists, then so must different classes remain. In so suggesting one does not ignore or deny the importance of ownership patterns upon class structure. Quite the contrary, I am a strong advocate of class analysis for *all* societies but recognize that control of property need not rest exclusively on legal ownership. For an elucidation see Karl Marx, *The Economic and Philosophic Manuscripts of 1844*, D. Struik, ed., (New York: International Publishers, 1964), Ralph Dahmendorf, *Class and Class Conflict in Industrial Society*, (Stanford: Stanford U. Press, 1957), James Burnham, *The Managerial Revolution* (Harmondsworth: Penguin, 1942).

Is the Yugoslav Workers' Self-Managed Factory More Democratic?

¹ Such a reputational model has been the prevalent technique for attempting to determine influence levels in Yugoslav factories. A rationale for a reputational technique is R. Lippitt's finding, "The Dynamics of Power", *Human Relations* No. 1, 1952, pp. 37-64, that perception of power closely resembles the power attributed by other groups. Cited by M. Seeman, "Alienation and Estrangement" in A. Campbell and P. Converse, eds, *The Human Meaning of Social Change* (N. Y., Russell Sage, 1972, p. 507.

² J. Kolaja, in his pioneering study, found the following configuration of influence: workers' council with the most, then the director, the union and lastly, the League. *Workers' Councils: The Yugoslav Experience* (N. Y., Praeger, 1965), p. 34. J. Zupanov found the following order of influence: director, other leading personnel, workers' council, experts, political functionaries, workers. "Is Management Becoming a Profession?", *Moderna Organizacija* No. 10, 1968 cited in M. Broekmeyer, ed., *Yugoslav Workers' Self-Management* (Dordrecht, Reidel, 1970) p. 98. See also R. Supek's ranking of director, collegium, foremen, workers' council. "Problems and Perspectives", p. 233-34. D. Gorupić, *Workers' Self-Management in Yugoslav Undertakings*, (Zagreb, Ekonomski Institut, 1970) pp. 41-42, 124, also notes the dominant power of the director. An alternate mode of inferring influence levels, although less reliable, is Rus's tabulation of replies to the question "If you suffered an injustice, to whom would you turn?" the replies were: 30.2% to one's direct superior, 17.5% to the workers' council, 9.2% to the director, 9.1% to meeting of work unit, and only 8.2% to the grievance committee. Note the ranking of the council over the director for this matter. "Responsibility and Power in the Work Organizations", *Moderna Organizacija* 1972, p. 164, cited by V. Arzenšek, "Industrial Conflict in Yugoslavia", *Some Yugoslav Papers Presented to the Eighth World Congress of I.S.A.* (Ljubljana, University of Ljubljana, 1974).

³ I. Adizes, *Industrial Democracy: Yugoslav Style* (N. Y., Free Press, 1971), p.203. J. Zupanov, "Is Management Becoming a Profession?", reports that 82% of the directors and 67% of the professionals and leading factory officials felt that the director had too little authority. Broekmeyer, *op. cit.* P. 99.

The Yugoslav system, as sampled in Slovenia, seems to have democratic elements, particularly when one compares structures traditionally associated with 'labour' (e.g. workers' council, union, skilled and unskilled workers) and those associated with management (e.g. director, management board, supervisors, and technical staff). Thus, respondents' perceptions of group influence suggest that the system is fairly democratic.⁴ The ratio of managerial bodies' influence to labours' for example, is 1.278/1.000 (i.e. management bodies are approximately 28% more influential). Indeed, only the director is perceived as being more influential than the workers' council.

When Canadian factories were rated by the same method the influence ratio of managerial to labour structures was found to be 1.345/1.000 (i.e. a 35% difference). Power equalization is perceived as being more developed in Yugoslavia than in Canada.⁵ In both systems, however, respondents indicated a wish for a more widespread diffusion of power. Yugoslav democratic aspirations, despite a shorter history of democratic experience, were nevertheless stronger than Canadian. (see TABLE J-4) Indeed, the Yugoslavs seemed to seek a unit veto system in which each set of 'management' structures and 'labour' structures were almost equal in power (i.e. approaching a ratio of 1:1) and thus capable of counter-balancing each other. Perceptions both of the actual and desired influence levels are more democratic in Yugoslavia than in Canada.⁶

TABLE J-4

Comparison of Managerial Influence in Canada and Yugoslavia

	Canada	Yugoslavia	
ideal	1.219	1.087	
actual	1.345	1.278	
	N = 101	N = 180	total N = 281

no significance test available, lower score indicates greater pluralism.

Such evidence is also partially confirmed by responses as to one's sense of personal influence in the enterprise. For the question

⁴ A similar conclusion is reached by J. Rawlin, "Social Values and the Managerial Structure: The Case of Yugoslavia and Poland", *Journal of Comparative Administration* No. 2, 1970, pp. 131-159.

⁵ Such a finding corroborates Tannenbaum and his associates' tentative suggestion that Yugoslav enterprises are the least hierarchical of those analyzed in five countries. Tannenbaum et al., *Hierarchy in Organizations* (pre-publication draft). Indeed, this is a partial reflection of Zuparov's finding that equality is the most highly stressed value of workers. S. Bolčić, "The Value System of a Participatory Economy", *Participation and Self-Management* (Zagreb, University of Zagreb, 1972) Vol. I, p. 111.

⁶ These data confirm B. Kavčič's proposition that "the more democratic the distribution of real influence, the more democratic the desired distribution of the ideal influence...". B. Kavčič, "Some Trends in the Development of the Self-Management", *Participation and Self-Management*, Vol. 6, p. 170.

'How much influence do persons such as yourself have upon the way the company is run?' the following results were tabulated:

TABLE J-5

Comparison of Labour's Sense of Influence in Yugoslavia and Canada⁷

	Yugoslavia	Canada	
\bar{X}	3.382	3.950	
SD	.945	1.146	
	N = 123	N = 80	
t-test significant at	.01	3.66 > 2.2326	df 201

lower score indicates greater influence

* 'labour' — production and clerical workers

Individual Yugoslav labourers indicate a greater sense of self-influence than Canadian labourers. Perhaps, paradoxically, management replies to the same question provided the following results:

TABLE J-6

Comparison of Management's Sense of Influence in Yugoslavia and Canada

	Yugoslavia	Canada	
\bar{X}	2.745	3.200	
SD	.627	1.240	
	N = 51	N = 20	
t-test not significant at	.05	1.527 > 1.671	df 69
significant at	.10 ⁸		

* 'management' — junior, middle and senior management, professionals

Clearly, Yugoslav managers perceive that they have greater influence within the factories than do their Canadian counterparts. The question thus arises 'are the workers merely being duped and do the managers still run everything?'. Certainly these are important questions and should not be dismissed too lightly. However, a plausible explanation of these apparently contradictory phenomena of both Yugoslav labourers and managers feeling a greater sense of influence is that communication and hence influence patterns might be more effective in the Yugoslav system. In other words, rather than the labour-management system being perceived as a conflict oriented zero-

⁷ I am using the term not in the sense of ownership but in terms of power. See R. Dahrendorf, *Class and Class Conflict in Industrial Society* and J. Burnham, *The Managerial Revolution*.

⁸ While the data are statistically valid only at the .10 level, I have chosen in this instance only to note the findings as likely to be valid.

sum game in which one must lose for the other to gain, it may be perceived as a cooperative plus-sum game.⁹ In such a social setting all may feel that their sense of influence has increased. Such an hypothesis is also suggested by the work of R. Likert¹⁰ in which he found that among the more democratic American factories total influence by all groups was greater than among less democratic ones.

Different conclusions as to the democratic nature are derived when one compares labour versus management on self-influence within Yugoslav factories:

TABLE J—7

Comparison of Sense of Self-Influence by Class in Yugoslavia

	labour	management	
\bar{X}	3.382	2.745	
SD	.945	.627	
	N = 132	N = 51	
t-test significant at	.01	5.221 > 2.576	df 172

Low score indicates greater influence and within Canadian factories:

TABLE J—8

Comparison of Sense of Self-Influence by Class in Canada

	labour	management	
\bar{X}	3.950	3.200	
SD	1.146	1.240	
	N = 80	N = 20	
t-test significant at	.02	2.396 > 2.390	df 98

In both systems, regarding individual influence, one notes that there is still a marked dissimilarity between labour and management influence. In this sense, little differs between the two systems.

Contrary to what one might expect from self-management theorists, more Canadian workers sampled reported making suggestions about the enterprise operation than did Yugoslav (see TABLE J—9). The difference seems rather pronounced¹¹ and suggests a rather cri-

⁹ That is to say the two variables are the total amount of influence and the percentage breakdown in distribution. If the former can be increased then cooperation is possible. See V. Rus, "Power Relationships Between Territorial and Work Organizations", *Some Yugoslav Papers*.

¹⁰ R. Likert, *New Patterns of Management* (N. Y., McGraw-Hill, 1961), p. 98. See also M. Rosner, "Self-Management in Kibbutz Industry" *Participation and Self-Management*, Vol. 4, p. 111. J. Jerovšek, "Structure of Influence in Commune", *Sociologija* pp. 118—119, 135, found that total influence also correlated positively to economic efficiency.

¹¹ It is difficult, however, to discern what effect the larger non-response rate in Canada and smaller Canadian factories might have on this comparison.

tical finding for the self-management system. Some persons have suggested that given a workers' council system, many workers may feel they have collective representatives and influence and, therefore, there is little need to make personal suggestions. I think such an argument suffers from the criticism that those who personally know and can identify with their representatives ought to be more inclined to convey opinions on certain issues since there would be few barriers and inhibitions to such communication.

TABLE J—9

Comparison of Suggestions Made Concerning Operation of the Company by Class in Yugoslavia and Canada

		Yugoslavia		
		yes	no	total
labour		37.1%	62.9%	100%
management		82.4%	17.6%	100%
	N = 177	phi —.40	tau-c —.38	
	χ^2 .01 significant			

		Canada		
		yes	no	total
labour		51.9%	48.1%	100%
management		89.5%	10.5%	100%
	N = 98	phi —.27	tau-c —.23	
	χ^2 .01 significant			

Another indicator of the extent of egalitarianism in the Yugoslav factory system is to analyze the distribution of economic benefits such as wages. Here one finds that the ratio of average wage scales of the director to unskilled labour ranges from 4.8/1 to 3.4/1.¹² This seems quite sizeable for a socialist system although not as extreme as often occurs in large capitalist corporations.¹³ Thus, one's evaluation of this aspect of the Yugoslav self-managed factory is muted optimism. One should, however, be careful not to infer that such low wage differentials are necessarily a result of self-management, for some authors have noted that this is a continuation of a policy begun in the more

¹² J. Kolaja, *Workers' Council: The Yugoslav Experience* p. 32, found the ratio to be 4:1. R. Supek in Broekmeyer, *op. cit.*, reports a 5:1 ratio and A. Sturmtal, *Workers' Councils*, (Cambridge, Harvard, 1964) p. 106, suggests 3:1. It is important to note that a high percentage of managers feel their salaries are too low. See Broekmeyer, *Workers' Self-Management*, p. 103.

¹³ M. Argyle, *The Social Psychology of Work* (Harmondsworth, Penguin, 1972) cites the differentials in capitalist countries such as the United States and Western Europe as 10:1, p. 254. Japanese wage differentials are, however, lower than the United States also. *Ibid.*, p. 219. Note that hidden fringe benefits have not been calculated.

that concepts and scales developed and largely tested in the United States may be suitable for comparative research.⁶ It was found, similar to Finifter,⁷ that powerlessness and normlessness sub-dimensions scale more readily than does social isolation. (See TABLES H and H—1.)⁸ Of the two easily scaleable dimensions powerlessness, as in so much of the literature elsewhere, emerged as the dominant dimension. This was found for both work and societal alienation.

TABLE H

Dimensionality of Scales: Work Alienation Items

	Yugoslavia		Canada	
	powerlessness Factor 1	normlessness Factor 2	powerlessness Factor 1	normlessness Factor 2
1	.55*	.19	.31*	.10
2	.43*	.31	.89*	.19
3	.72*	.11	.53*	.21
4	.66*	.02	.29*	.05
5	.39	.54*	.24	.51*
6	.00	.97*	.02	.81*

TABLE H—1

Dimensionality of Scales: Societal Alienation Items

	Yugoslavia		Canada	
	powerlessness Factor 1	normlessness Factor 2	powerlessness Factor 1	normlessness Factor 2
11	.21	.59*	.24	.34*
12	.32	.45*	.06	.21*
13	.23	.70*	.21	.75*
14	.40*	.28	.43*	.21
15	.80*	.19	.60*	.42
16	.67*	.27	.85*	.08
17	.51*	.33	.59*	.43

* starred items are ones used for particular scale.

⁶ It is likely, as in the case of Dean's scale, that some items would have to be dropped but this is less so than with a number of other alienation scales, particularly political ones, which are so culture-bound and geared to American referents that it is unlikely they could be adapted for any comparative research. One should note, however, that the reliability is lower for the societal-level normlessness scale. For, while all items used in the scale load relatively high in both countries, two items not used in the normlessness scale also load relatively high in Canada. This suggests that the Canadian factor structure may contain some dissimilar elements.

⁷ Ada Finifter, "Dimensions of Political Alienation" in A. Finifter, ed., *Alienation and the Social System* (New York: John Wiley & Sons, 1972).

⁸ It should be noted that only one item is used to give an approximation of the societal "social isolation" sub-scale since all other items did not scale.

TABLE H—2

Alienation Items Suitable for Scaling in Yugoslavia and Canada

Item Number		mean score	
		Yugoslavia	Canada
1	I can influence decisions made in the company.	2.49	3.20*
2	My supervisors indicate respect when speaking to me.	2.26*	2.13
3	I can convey complaints and suggestions freely to supervisors.	2.19*	2.09
4	I have opportunities to use my own judgment on the job.	2.06	2.12*
5	The company is managed in a just manner.	2.34	2.68*
6	Company operations are sufficiently explained.	2.60	3.00*
11	Sometimes I feel all alone in the world.	2.60*	2.39
12	Everything is relative and there just aren't any rules to live by.	2.85*	2.77
13	I often wonder what the meaning of life really is.	3.07	3.18*
14	Sometimes I have the feeling that people are using me.	2.98	2.99*
15	There are few dependable ties between people any more.	3.14*	2.91
16	There is little chance for promotion on the job unless a man gets a break.	3.05*	3.03
17	The future looks very dismal.	2.45	2.47*

* indicates higher alienation level.

** 5-point scales: all coded such that high score indicates high alienation.

WORKERS' SELF-MANAGEMENT AND ALIENATION

With these brief theoretical and methodological notes in mind, one can now analyze the relationships between alienation and workers' self-management in detail.¹ As stated previously, there are a number of socialist assumptions about the effect of the presence of a workers' self-managed structure in the factory upon alienation levels. The second hypothesis tested is whether the presence of workers'

Workers' Self-Management and Alienation:

¹ For a more detailed analysis see Alan Whitehorn, "Alienation and Workers' Self-Management", CSP, 1974.

self-management is associated with a sense of improved conditions and lower levels of alienation?²

The long term success and acceptance of workers' self-management in Yugoslavia is difficult to discern, since thirty years is a relatively short span to judge any social system, particularly one that really only developed an operating workers' self-management in the late fifties. Perhaps the best general evaluation is by the employees themselves. When Yugoslav respondents were asked 'What do you think is the attitude of the workers in general to self-management?' the overwhelming majority (79.8%) replied that the workers accepted self-management. More importantly, an even larger majority (81.8%) believed the self-management system to be a success in *their* enterprise. Clearly, these particular findings indicate rather positive attitudes on the part of workers to Yugoslavia's self-management system in general.³

When Yugoslav respondents were asked 'to what degree had the introduction of workers' self-management affected their position', the following results were obtained:

TABLE K

Sense of Personal Effect of Workers' Self-Management on Yugoslav Respondents

very much improved	improved	uncertain	not improved	not improved at all
8%	44.8%	44.8%	1.1%	1.1%
N = 174				

This suggests that while a majority feel that their position has improved, almost half are uncertain as to the amelioration of their position. This may imply that changes have not occurred swiftly enough for a sizeable number of persons and seems to substantiate the claim that certain aspirations for self-management may not yet be achieved.⁴ This also suggests that Yugoslavia does not yet have a fully mass-participatory self-management system. Indeed, this is confirmed

² In this question the more generic question "is alienation related to social structure?" is also raised, thus combining subjective and structural analysis.

³ Such a finding is corroborated by Supek's research that suggests that support of self-management increases with technology. R. Supek, "Two Types of Self-Management Organizations and Technological Progress", *Participation and Self-Management*, Vol. 1, p. 171, and D. Gorupić, *Workers' Self-Management in Yugoslav Undertakings*, p. 73, found that 61.1% were satisfied with the workers' council operation.

⁴ See D. Gorupić, *The Enterprise and the Development of Yugoslav Economic System* (Zagreb: Ekonomski Institut, 1974), p. 130, for a similar conclusion. See also M. Kamusić, "Economic Efficiency and Workers' Self-Management", in M. Broekmeyer, *Yugoslav Workers' Self-Management*, p. 85.

when one notes that only 30.3% responded that they 'felt a sense of ownership of the company'. Such a finding corroborates Zupanov's study⁵ in which he asserts that the average Yugoslav worker does not yet behave as a co-manager but largely as a salaried employee.⁶ One optimistic note, however, is that the sense of ownership by workers in Yugoslav factories is higher⁷ although not statistically so than that in Canadian factories. (TABLE K—1.)

TABLE K—1

Sense of Factory Ownership Indicated by Canadian and Yugoslav Labourers

	X	SD	N	
Canada	3.474	1.238	76	
Yugoslavia	3.237	1.294	114	
t-test not significant	at .20	1.267 < 1.282		df 198
lower score indicates greater sense of ownership				

An additional problem related to the sense of ownership for the collectively-run self-managed firm is the goals and aspirations that the employees perceive as underlying the system. Economic efficiency was rated first, then better work and wage conditions, then state decentralization and finally, job openings. Clearly, profitability rated above work conditions and job security and suggests that the attitudes of socialist cooperation and humanism in factory social relations do not yet prevail. Indeed, one's own living experiences in Yugoslavia suggest that crass commercialism seems to be spreading rather than diminishing.⁸

Job satisfaction for all strata of employees was found to be considerably higher in the more formally participatory Yugoslav system than in the Canadian. This can be seen in the responses to the item "I like the work I am doing".

⁵ See J. Zupanov, "The Producer and Risk", *Ekonomist* No. 3, 1967, in *Eastern European Economics*. Vol. 7, No. 3, pp. 12—28.

⁶ B. Horvat, *An Essay on Yugoslav Society* (New York: IASP, 1969), p. 21, has suggested that a sense of control rather than ownership is, and should be, unfolding in such a collectivist system.

⁷ Some colleagues have criticized the notion that group or collective sense of ownership can be a positive feature in socialism. While noting their objections, I cannot agree that such a phenomenon need mean a re-emergence of the excesses of individualistic ownership. The former is a democratic public collective while the latter is an authoritarian private entity. That is reason enough for significant differences in their respective policies.

⁸ Such a criticism has also been also raised by a number of the Praxis group located primarily at the University of Zagreb. This finding for a society undergoing rapid industrialization and rising expectations is not, however, surprising.

TABLE K-2

Comparison of Attitudes to Work in Yugoslavia and Canada

	X	SD	N	
Yugoslavia	1.693	.837	176	
Canada	1.947	.932	94	
t-test	significant	at .05	2.23 > 1.960	df 268

lower score indicates greater work enjoyment

Such results may be due less to the presence of workers' self-management and more to the traditional cultural values about work in Yugoslavia.

The work and life alienation scales, as suggested previously, proved to be acceptable both in Yugoslavia and Canada. Thus, one can suggest that certain measures developed in North America can be used successfully for survey research elsewhere. Turning to both work and life alienation measures, certain qualified positive findings can be noted for the self-management system. Contrary to socialist theory, however, one has found that life alienation levels are higher in Yugoslavia than Canada.⁹ This was the case both for labourers and management. (See TABLES K-5 and K-6). The rapid urbanization and societal change in Yugoslavia probably account largely for these results.¹⁰ Work alienation levels, in contrast, indicate lower alienation levels in Yugoslavia than Canada.¹¹ (See TABLES K-3 and K-4.) The fact that different levels exist at the work level than the societal level suggests an important finding confirming that the workers' self-managed factory does seem to limit sub-systemic alienation (factory level) amidst conditions of systemic (national) alienation. It does, however, in contrast to socialist theory, suggest that work and life alienation levels need not closely co-vary.

Turning to the fourth question of whether class is associated with alienation levels, one finds the following results. TABLES K-7 and K-8 suggest that both work and life alienation are inversely related to higher social status in the Yugoslav factory. In all the sub-

⁹ This is confirmed by Tannenbaum's and his associates' finding that the more participatory Yugoslav self-management system is characterized by high levels of work satisfaction, but contrary to socialist hypotheses, also high levels of alienation. Thus, they conclude that "Many of the daily events for workers, including the frustrating aspects of technology and bureaucratic administration, are not very much changed by the fact that some members of the organization participate in monthly council meetings". B. Kavčič, V. Rus and A. Tannenbaum, "Control, Participation and Effectiveness in Four Yugoslav Industrial Organizations", *Administrative Science Quarterly* (pre-publication copy of article). Obradović reports a similar finding. J. Obradović, "Distribution of Participation in the Process of Decision-Making on Problems Related to the Economic Activity of the Company", *Participation and Self-Management*, Vol. 2, p. 137.

¹⁰ The presence of a one party system is also a possible factor.

¹¹ Interestingly, this difference between countries occurs for both labour and management.

scales (TABLES K-9 to K-13) the findings were the same, although it should be noted that only three of the five sub-scale tables were statistically significant.¹² From these results it must be concluded that workers' self-management does not seem to have drastically altered the alienation levels of blue collar workers when compared to managerial persons.¹³ In terms of psychic gratification as measured by alienation scales, the workers' self-managed factory is still an inequalitarian social system.¹⁴

TABLE K-3

Comparison of Labour Work Alienation in Canada and Yugoslavia

	\bar{X}	SD	N	
Canada	2.760	1.137	75	
Yugoslavia	2.452	1.140	104	
t-test	not significant	at .05	1.780 < 1.960	df 177
	significant	at .10		

low score indicates low alienation

TABLE K-4

Comparison of Management Work Alienation in Canada and Yugoslavia

	\bar{X}	SD	N	
Canada	2.263	1.098	19	
Yugoslavia	1.961	1.095	51	
t-test	significant	at .05	2.311 > 2.000	df 68

TABLE K-5

Comparison of Labourer Life Alienation in Yugoslavia and Canada

	\bar{X}	SD	N	
Yugoslavia	2.900	.845	110	
Canada	2.800	.838	75	
t-test	not significant	at .05	.794 < 1.960	df 183

¹² The sub-scales were not used to compare across countries since the number of items in each sub-scale is rather small.

¹³ One important exception is that the three Yugoslav directors sampled scored higher on work alienation (2.666) than the average score (2.288). In life alienation, however, they scored below the norm (2.333 versus 2.788). What one must question then is whether this may be an indication of leadership frustration and alienation in attempting to act in a less hierarchical factory system. See Ichaik Adizes, *Industrial Democracy* (New York: Free Press, 1971), p. 248, for a similar comment.

¹⁴ B. Horvat, "On the Political Economy of Socialism", *Participation and Self-Management*, Vol. 6, p. 107, suggests that alienation is characteristic of a class system. See also Horvat's *The Political Economy of Socialism*, #4.

TABLE K—6

Comparison of Management Life Alienation in Yugoslavia and Canada

	\bar{X}	SD	N	
Yugoslavia	2.531	.938	49	
Canada	2.053	.524	19	
t-test	significant	at .025	2.63 > 2.39	df 66

TABLE K—7

Comparison of Work Alienation in Yugoslavia by Class

	\bar{X}	SD	N	
labour	2.452	1.140	104	
management	1.961	1.095	51	
t-test	significant	at .02	2.557 > 2.326	df 153

TABLE K—8

Comparison of Life Alienation in Yugoslavia by Class

	\bar{X}	SD	N	
labour	2.900	.845	110	
management	2.531	.938	49	
t-test	significant	at .02	2.335 > 2.326	df 157

TABLE K—9

Comparison of Work Powerlessness in Yugoslavia by Class

	\bar{X}	SD	N	
labour	2.0286	.790	105	
management	1.6275	.599	51	
t-test	significant	at .02 level	3.20 > 2.326	df 154

TABLE K—10

Comparison of Work Normlessness in Yugoslavia by Class

	\bar{X}	SD	N	
labour	2.3475	.810	118	
management	2.1765	.932	51	
t-test	not significant	at .05 level	1.20 < 1.960	df 167

TABLE K—11

Comparison of Life Isolation in Yugoslavia by Class

	\bar{X}	SD	N	
labour	2.7083	1.170	120	
management	2.3333	.973	51	
t-test	significant	at .05 level	2.01 > 1.960	df 169

TABLE K—12

Comparison of Life Normlessness in Yugoslavia by Class

	\bar{X}	SD	N	
labour	2.9204	.867	113	
management	2.7000	1.035	50	
t-test	not significant	at .05 level	1.41 < 1.960	df 161

TABLE K—13

Comparison of Life Powerlessness in Yugoslavia by Class

	\bar{X}	SD	N	
labour	3.0442	1.089	113	
management	2.5000	.953	50	
t-test	significant	at .01	3.05 > 2.576	df 161

More objective sociological rather than psychological measures of alienation suggest substantially similar results to those found from the survey questionnaire. When one analyzes the social concerns and contacts (i.e. integration)¹⁵ of the self-managed factories to the local community, one finds social responsibility and integration widespread.¹⁶ First, both Adizes and Tornquist¹⁷ note that Yugoslav factory workers' councils are reluctant to dismiss redundant workers. Indeed, only 17.1% of the workers believed that superfluous labour should be dismissed,¹⁸ even after substantial efforts are made to retrain or direct such workers to new and acceptable employment. Only 19,983 persons were reported as terminating employment in 1969¹⁹ and of these 7,142 were due to contract termination, 4,084 were due to job absenteeism, 3,626 were due to the worker's own request, and only 1,719 were fired by the factory.²⁰

¹⁵ One suggests that social integration and a sense of community are polar opposites to alienation. For a solid review of the literature on integration in international affairs see R. Cobb and C. Elder, *International Community* (New York: Holt, Rinehart and Winston, 1970).

¹⁶ D. Gorupić, *The Enterprise*, p. 137, notes that integration unfortunately has occurred largely within the republics but not between republics.

¹⁷ D. Tornquist, *Look East Look West: A Socialist Adventure in Yugoslavia* (New York: Macmillan, 1966). Also I. Adizes, *Industrial Democracy*, *passim*.

¹⁸ D. Rihman, "Vrijednosni aspekti organizacionih uloga" in J. Bredić, *Organizacija reda u samoupravnim odnosima* (Zagreb: 1970) cited by D. Gorupić, *Workers' Self-Management*, p. 75.

¹⁹ *Statistički Godišnjak SFRJ 1971* (Beograd: Savezni Zavod za Statistiku/Federal Institute for Statistics), p. 97. See also D. Gorupić, *Workers' Self-Management*, p. 220.

²⁰ This seems a very low rate when compared to most capitalist societies. Of course, these findings should be tempered with the realization that unemployment is still very much a problem in the modernizing Yugoslav market economy.

In three of the factories studied some apartment buildings were built and owned by the enterprise for the use of the employees.²¹ (TABLE K—14.)

TABLE K—14

Comparison of Number of Apartment Units and Vacation Hotels Owned by Different Yugoslav Factories

factory	
1	140 apartment units
2	77 apartments units
3	3 vacation hotels
4	65 apartment units

In an age of spiraling housing costs, such benefits seem significant indeed. In addition, each of the enterprises offered low-cost loans to employees for the purpose of private home construction. For example, in factory number one, six percent of the total enterprise income was directed to apartment construction with half going to the employees directly as loans and half to the local municipal government. Other common features to all enterprises were the universal presence of enterprise subsidization of work commuting expenses, holiday expenses and lunch costs.

When respondents were asked to describe the relationship between the enterprise and the local municipality, it can be observed that over seventy percent of the knowledgeable respondents stressed the close contact between the two bodies. This reinforces other evidence suggesting that the Yugoslav self-managed enterprises have acquired important positive social roles in the local community,²² which indicates greater collective integration.

While strikes are both legal and present in Yugoslavia and Canada, they are far less numerous and are far shorter in duration in

²¹ One should note that this sort of community integration can also occur in a paternalistic and traditional system as well, Japan being a prime example.

²² See also V. Rais, "Power Relationships Between Territorial and Work Organizations" *Some Yugoslav Papers Presented to the 8th World Congress of I.S.A.*, 1974, p. 52, for a similar conclusion. Unfortunately many of the ties such as factory owned apartments seem to have been established in an earlier era of administrative socialism. One of the current dangers that Tito stressed in recent years was that of ethics and humanism being replaced by materialism and profit-mindedness. One must concur that this seems to be a potential pitfall for regimes attempting to introduce a revolutionary cooperative society.

Yugoslavia.²³ This may indicate less need for production-stopping conflict and non-cooperative forms of communication in Yugoslavia. The Yugoslav model, based on a plus-sum game, provides strong incentives for strikes to occur sparingly, and only when the self-managing structure ceases to be representative in the eyes of the rank and file workers do such strikes occur. Thus, as long as a centralized and more remote workers' council system prevails, some sociological manifestations of alienation such as strikes are likely to remain.²⁴

Mlinar²⁵ has also found that both administrative and economic disputes have increased in recent years (see CHART I—K) thus suggesting that conflict in the self-managing system is not as infrequent as one might expect. Indeed, when focusing upon conflicts within individual enterprises, Arzenšek's finding can be noted that three percent of all employees were involved in some form of individual conflict.²⁶ Perhaps more significantly, in 60% of the incidents of conflict, neither the self-managing structure nor the trade union intervened. The result was that one half of those involved still felt the system of conflict resolution to be unfair. Arzenšek therefore concludes that a formally democratic enterprise structure does not necessarily bring about a more democratic solving of conflicts.²⁷ This is a rather disturbing observation, for without a democratic solving of conflicts, it seems unlikely that alienation levels will be as low as is possible.²⁸

²³ From 1964 to 1969 there were only five hundred and thirteen strikes of which 34.2% were less than three hours in duration and 77.0% were less than a day. Also, there was a decline in the number of strikes from the mid sixties to the late sixties. See N. Popov, "Štrajkovi u savremenom jugoslovenskom društvu", *Sociologija* No. 4, 1969, cited by D. Makofsky, "Strikes and conflict Resolution in the Soviet Union and Yugoslavia: The Advantages of Self-Management", (paper presented to Second Conference of People for Self-Management, Ithaca, N. Y., June 1974). See also V. Arzenšek, "Industrial Conflict in Yugoslavia" in *Some Yugoslav Papers*.

²⁴ R. Supek, "Discussion" in Broekmeyer, *op. cit.*, p. 251. See also I. Kristan, "Socialism and Direct Democracy", *Teorija in Praksa*, (Ljubljana: 1969), pp. 143—47.

²⁵ Z. Mlinar, "Social Values, Development, and Conflicts", *International Journal of Sociology* No. 4, 1972, pp. 384—418.

²⁶ V. Arzenšek, "Industrial Conflict in Yugoslavia", pp. 12—14.

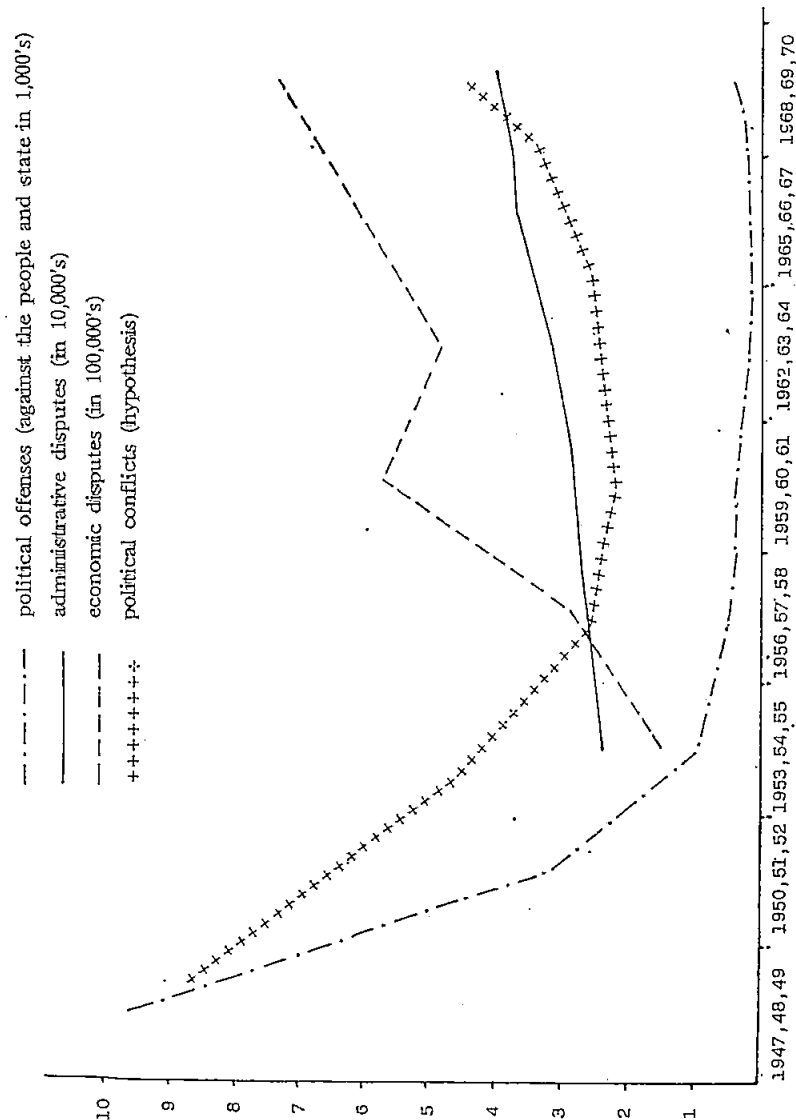
²⁷ *Ibid.*, p. 18. One key issue reportedly resolved is the abolition of time clocks in the self-managed factory.

²⁸ See A. Etzioni, *The Active Society* (New York: Free Press, 1968) for

an elucidation of the reasons for this position.

CHART I—K INDUSTRIAL AND COMMERCIAL CONFLICT

source of data: Savezni zavod za statistiku, *Statistički godišnjak SFRJ*, (Belgrade, 1971) derived by Z. Mlinar, "Social Values, Development and Conflicts", *International Journal of Sociology*, Winter, 1972—73, p. 386.



Finally certain other general sociological measures should be noted that can be indicative of alienation. A most important one is the number of working days lost through illness or accidents. A previous International Labour Organization report notes that these rates are rather high in Yugoslavia,²⁹ and my own personal observations confirm the rather high rate of industrial accidents. This again may be largely due to recent industrialization of large regions of the country.³⁰ Recent industrialization and urbanization may also explain why Yugoslavia has one of the highest alcoholism rates in Europe. Nevertheless, such high rates raise some doubt as to the effectiveness and likelihood of workers' self-management reducing alienation levels completely.

One can, therefore, summarize that the presence of workers' self-management is associated with both positive and negative features regarding alienation. The more numerous positive features are the greater sense of improved work relations, sense of ownership, job satisfaction, lower work alienation, greater job security, and substantial housing, vacation, travel and lunch benefits. On the negative side are higher societal alienation, inegalitarian alienation rates, high levels of accidents, alcoholism and a growing number of economic disputes and conflicts. These are mixed findings, but positive features, particularly at the factory level, outnumber the negative features. Such findings may, however, be clarified by focusing upon the two remaining key hypotheses.

On the fifth question, "Is participation in self-management associated with lower alienation levels?", a study by a leading Yugoslav sociologist has found that participants in self-management are more alienated than non-participants.³¹ (See TABLE K—15)

TABLE K—15

Comparison of Work Alienation Levels Amongst
Non-Participants and Participants

	non-participants	participants
handicraft level	4.15	3.92
mechanized level	4.06	4.03
automated level	4.10	3.95

lower score indicates higher alienation

Source: J. Obradović, "Participation and Work Attitudes in Yugoslavia", p. 163.

²⁹ It was reported that four million working days were lost in 1958. I.L.O., *Workers' Management in Yugoslavia*, (Geneva: I.L.O., 1969) p. 262. Recent rates of total industrial accidents are 253,725 for 1966 and 276,193 for 1970. *S.G.J.* — 1971, p. 275.

³⁰ Indeed, Argyle, *The Social Psychology of Work* (Harmondsworth: Penguin, 1972), p. 27, suggests that converting peasants into industrial workers is not easy.

³¹ J. Obradović, "Participation and Work Attitudes in Yugoslavia", *Industrial Relations*, Vol. 9, No. 2, p. 163.

If this finding proves widespread and is caused by actual participation rather than some other hidden variable such as education, this phenomenon could be a serious hindrance to the likelihood of workers' self-management's success. When participation was correlated to work alienation and life alienation, the following results were obtained. In contrast to Obradović's findings participation in self-management was negatively correlated to both work (—0.24) and life alienation (—0.17). (See TABLE K—21) The same negative associations were found when past council membership was analyzed with the alienation sub-scales.³² (See TABLES K—16 to K—20)

TABLE K—16

Comparison of Work Normlessness by Past Council Membership

	X	SD	N	
past membership on council				
yes	2.2051	.843	78	
no	2.3889*	.844	90	
t-test not significant	at .05 level	1.41 < 1.1960		df 166

TABLE K—17

Comparison of Work Powerlessness by Past Council Membership

	\bar{X}	SD	N	
past membership on council				
yes	1.7027	.613	74	
no	2.0732*	.828	82	
t-test significant	at .01 level	3.15 > 2.576		df 154

TABLE K—18

Comparison of Life Isolation by Past Council Membership

	\bar{X}	SD	N	
past membership on council				
yes	2.3165	1.032	79	
no	2.8556*	1.137	90	
t-test significant	at .01 level	3.21 > 2.576		df 167

³² Despite the lack of statistical significance, four out of five tables correlating present membership on the council and alienation levels also indicate a negative relationship. Perhaps also relevant was Supek's finding that members of council consistently indicated greater opposition than "simple workers" to a questionnaire's proposed abolition of workers' self-management. From this one can infer that commitment to workers' self-management, and thus conformity to and integration with societal goals, are higher amongst such participants. R. Supek, "Two Types of Self-Managing Organizations", p. 171.

TABLE K—19

Comparison of Life Normlessness by Past Council Membership

	\bar{X}	SD	N	
past membership on council				
yes	2.7403	1.005	77	
no	2.9767*	.811	86	
t-test not significant	at .05 level	1.66 < 1.960		df 161

TABLE K—20

Comparison of Life Powerlessness by Past Council Membership

	X	SD	N	
past membership on council				
yes	2.5526	1.124	76	
no	3.1609*	.951	87	
t-test significant	at .01 level	3.74 > 2.576		df 161

When the education variable was controlled (see TABLE K—21), the negative correlation between participation and work alienation increased slightly to —0.29 thus suggesting that participants do *not* seem to indicate greater work alienation than non-participants. Such a finding is reinforced by a number of other general sociological studies.³³

In contrast, the relationship between participation and life alienation is substantially affected by education, for the relationship drops from —0.17 to —0.07 when there is control for education. Nevertheless, the relationship is still negative.

TABLE K—21

Relationship between Participation and Work and Life Alienation — Yugoslavia

	zero order correlation	partial order correlation (controlling for)
participation to work alienation	—0.24	—0.29 (education)
participation to life alienation	—0.17	—0.07 (education)

³³ Such a development is supported by a Yugoslav study by Rus in which he found that "in industrial enterprises the correlation between participation and alienation is sometimes negative and sometimes insignificant". V. Rus, "The Limits of Organized Participation", *Participation*, Vol. 2, p. 174. See also Aiken and Hage, *op. cit.*, pp. 497—507, and J. Clark, "Measuring Alienation Within a Social System", *ASR* December 1959, pp. 849—852.

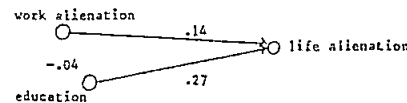
My findings thus suggest optimism for the viability of self-management in that participation in workers' self-management does not seem to be associated with higher alienation levels.³⁴ One might consequently begin to infer that no substantial amount of frustration from participation in self-management bodies seems to be present.

The last question to be empirically tested is whether work alienation between work and life alienation in Yugoslavia is contradictory. The most reliable and significant measure suggests only a .16 correlation between work alienation and life alienation.³⁵ (See TABLE K—22) Only the powerlessness dimension at both the factory and societal level correlate well with each other (.29). Such evidence suggests that the socialist assertion that job alienation in the factory is the predominant cause of alienation is unwarranted.

Less reliable but perhaps more optimistic results emerge when each Yugoslav factory is analyzed separately. On the basis of rank-order correlation (see TABLES K—23 and K—24) it can be observed that there is a strong relationship (approximately .8) between factories with a high number of respondents scoring high in work alienation and those scoring high in life alienation. Indeed, factory size, lack of polyarchy,³⁶ work alienation, life alienation co-vary, while being negatively associated with enterprise profitability and percentage of skilled in the work force.

³⁴ This optimism is particularly so for work alienation which should be most influenced by the presence of workers' councils. The lower correlation of participation in self-management with life alienation may also suggest that life alienation is a complex phenomenon that cannot simply be resolved by the restructuring of factory social relations. One should also note that Erbe, in studying alienation as an influence on participation, has suggested that alienation, when controlling for socio-economic status does not seem to affect participation. W. Erbe, "Social Involvement and Political Apathy", ASR No. 2, 1964, cited in M. Seeman, "Alienation and Engagement", *op. cit.*, p. 482.

³⁵ This relationship largely remained, changing only from .16 to .14 when controlling for education.



³⁶ This is perhaps a significant finding in that it suggests that as intra-factory polyarchy increases (i.e. self-management develops to its fullest) then both work alienation (.8) and life alienation (.4) decline. An interesting and possible intervening variable which, given the number of factories (4), one was unable to control for is organizational efficiency. For an elucidation see Jerovšek who has found that "work organizations operating on the basis of a participative social system are highly efficient: Those working on the basis of an autocratic social system are less efficient". J. Jerovšek, "Self-Management in Yugoslav Enterprises", *Participation and Self-Management*, Vol. 1, p. 121. See also J. Jerovšek, "Efficiency of Participational Social System in Working Organizations", *Teorija in Praksa*, pp. 134—138.

It can thus be concluded from such tentative findings that while work alienation is positively associated with societal alienation, given the low association, any assumption that such societal alienation might simply be a dependent variable of work alienation seems premature. Clearly, attempts to reduce alienation in the factory are justified and worthy but to expect widespread or complete societal 'de-alienation' seems overly optimistic. Some gains in lowering societal alienation, however, seem plausible.

CONCLUSION

Our findings lead to conclusions that are on the whole favourable for theorists advocating a socialist form of workers' self-management. Of the six socialist-based hypotheses analyzed, three were confirmed (#1, #2, #5), two findings were mixed but leaned in the direction of confirmation (#3, #6), and only one hypothesis was found to be contrary to socialist propositions about self-management (#4).

Thus, the general findings from this research suggest that the central assumptions of self-management seem to be sound and that what is required to reduce alienation levels, particularly at the factory level, is increased factory pluralism and worker participation in self-management. It now remains for the political activists to implement such proposals.

TABLE K—22
Correlation Table of Alienation Scales: Yugoslavia

	work				life			
	127	128	129	130	131	132	133	134
	is	n	p	al	is	n	p	al
work isolation 127	—	—	—	—	—	—	—	—
work normlessness 128			.32*	.81*	.13*	.03	.20*	.10
work powerlessness 129				.78*	.10	.03	.29*	.14*
work alienation 130					.15*	.07	.30*	.16*
life isolation 131						.72*	.36*	.82*
life normlessness 132							.43*	.83*
life powerlessness 133								.69*

level of significance * .05
* .01

N = 155 on average

TABLE K—23

Comparative Factory Scores of Selected Indices* — Yugoslavia

factory	1	2	3	4
size (a)	1352 (1)	780 (3)	566 (4)	1096 (2)
work alienation (b)	2.476 (1)	2.000 (4)	2.227 (3)	2.455 (2)
life alienation Likert scaling (c)	2.822 (1)	2.432 (4)	2.605 (3)	2.667 (2)
life alienation factor scaling (d)	2.889 (2)	2.526 (4)	2.795 (3)	2.939 (1)
lack of polyarchy (e)	1.350 (1)	1.218 (4)	1.283 (2)	1.242 (3)
% of highly skilled and skilled employees (f)	29.7 (3)	35.1 (2)	59.0 (1)	21.9 (4)
profit per employee (g)	5,178 (3)	7,179 (2)	9,604** (1)	loss (4)

* rank order in brackets

** divided by 833 since income data included another nearby branch

TABLE K—24

Rank Order Correlation¹ Matrix of Factory Indices — Yugoslavia

	a	b	c	d	e	f	g
size (a)		.8	.8	.6	.4	-.8	-.8
work alienation (b)			1.0	.8	.8	-.6	-.6
life alienation Likert scaling (c)				.8	.8	-.6	-.6
life alienation factor scaling (d)					.4	-.8	-.8
lack of polyarchy (e)						0	0
percent of highly skilled (f)							1.0
profit (g)							

¹ It should be noted that Spearman rank-order correlation ought to be used in samples of ten or more. It is used here only to give the reader an approximation of the association of the various indices.

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ALIJENACIJA I SOCIJALIZAM: ANALIZA JUGOSLOVENSKOG
RADNIČKOG SAMOUPRAVLJANJA

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Rezime

Radničko samoupravljanje analizirano je na osnovu literature o alijenaciji, participaciji i demokratiji i na osnovu empirijskih podataka izvedenih iz istraživanja koja su obavljena u kapitalističkim fabrikama u Kanadi i u samoupravnim fabrikama u Jugoslaviji.

Nekoliko ključnih hipoteza preuzeto je iz socijalističke literature i operacionalizovano u okviru pomenutih istraživanja:

- 1) Da li je samoupravna fabrika demokracičnija od kapitalističkog preduzeća?
- 2) Da li radnik samoupravne fabrike smatra da je njegov položaj poboljšan?
- 3) Da li samoupravnoj fabrici odgovoraju niži nivoi alijenacije?
- 4) Da li se klasna pripadnost dovodi u vezu sa nivoima alijenacije?
- 5) Da li participaciji u samoupravljanju odgovaraju niži nivoi alijenacije?
- 6) Da li je alijenacija u fabrici čvrsto povezana sa alijenacijom u društvu?

Podrobno je ispitano da li je težak psihološki položaj radnog čoveka iz kapitalističkog društva na bilo koji način ublažen u marksističkom socijalističkom društvu.

Od postavljenih šest socijalističkih hipoteza, tri hipoteze su potvrđene (hipoteze 1, 2 i 5), dva nalaza su bila sumnjiva ali sa tendencijom da budu potvrđena (hipoteze 3 i 6), a samo jedna hipoteza je odbačena (hipoteza 4).

Tako se, na osnovu glavnih nalaza ovog istraživanja, čini da su ključne pretpostavke samoupravljanja valjane i da je ono što je potrebno za reduciranje nivoa alijenacije, posebno na razini fabrike, povećanje fabričkog pluralizma i radničke participacije u samoupravljanju.