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Review Of "Self-Management: Economic Theory And Yugoslav Practice" By S. Estrin And "The Effects Of Economic Reform In Yugoslavia: Investment And Trade Policy" By J. P. Burkett

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Review

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that have been controversial in studies of Križanić: his view of the union of churches and of Slavism as the way toward bettering the lives of the Slavs.

Both monographs include detailed indexes (a feature often absent from Croatian books published in Yugoslavia). Golub's scholarly, detailed, and analytical studies of Križanić's ideas represent an enormous contribution to the rediscovery of Križanić's great corpus of literature and are the definitive monographs on their topics.

GEORGE C. JERKOVICH
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SELF-MANAGEMENT: ECONOMIC THEORY AND YUGOSLAV PRACTICE. By *Saul Estrin*. Soviet and East European Studies (edited by *Julian Cooper* et al.). Cambridge, London, New York, New Rochelle, Melbourne, and Sydney: Cambridge University Press, 1983. x, 266 pp. Figures. Illustrations. Tables. \$49.50.

THE EFFECTS OF ECONOMIC REFORM IN YUGOSLAVIA: INVESTMENT & TRADE POLICY, 1959–1976. By *John P. Burkett*. Research Series, no. 55. Berkeley: Institute of International Studies, University of California, 1983. xi, 189 pp. Figures. Tables. \$9.50, paper.

Both of these books investigate in a systematic and empirical fashion the effects of changes in the Yugoslav economic system upon its performance.

Saul Estrin sees the Yugoslav worker-managed economy as dominated by a small number of large firms so that competition is highly imperfect and labor incomes are highly unequal. The theoretical part of the book is devoted to constructing a testable model of a monopolized worker-managed economy. The empirical part focuses not only on testing the model but also on providing an understanding of changes in the economic system over the past thirty years, especially the role of the reforms of 1965 in bringing about greater unemployment, a much greater growth in the capital/labor ratio, and greater inequalities in wages. Estrin shows not only that industrial concentration has been high but also that entry into the most concentrated and highly profitable industries has been very limited. He also presents considerable data showing the large wage dispersions among industries, regions, and occupations. The econometric analysis ties these two strands together and demonstrates that a portion of the labor income differentials can be attributed to differing degrees of monopoly power.

One can quibble about the author's regressions and the advisability of making assumptions about market clearing in an economy with many administrative elements. One can quarrel with his international comparisons of Yugoslavia with the United States and other advanced nations, when the literature on wage dispersions and also industrial structure provides better types of international comparisons. One can complain about his failure to include foreign trade considerations in his analysis of monopoly or his very condensed presentation of difficult theoretical and econometric points. But despite these faults, this is an absolutely first-rate book by a very good economist.

Unlike Estrin, John P. Burkett sees the economic reforms of 1965 as leading to relatively few changes, at least in the aggregative performance of investment and foreign trade sectors and the operation of government policy in them. He demonstrates this by a simple statistical analysis of time series of planned and actual investment and foreign trade and by a narrative analysis of governmental interventions guiding these sectors. Although an econometric analysis reveals some differences in the two periods (for example, investment plans had less influence on actual investment; investment "storming" was lower; and foreign trade showed longer lags in policy formation), the continuities between the periods before and after the reform are much more striking than the differences.

Again, questions can be raised about a number of points. Although Burkett's book is narrower in focus than Estrin's, it contains much useful information and analysis. The seeming disagreements in the two books about the nature of the reform of 1965 are less serious than they may appear at first glance; the two books are complementary.

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THE YUGOSLAV SEARCH FOR MAN: MARXIST HUMANISM IN CONTEMPORARY YUGOSLAVIA. By *Oskar Gruenwald*. South Hadley, Mass.: J. F. Bergin Publishers, 1983. x, 438 pp. \$29.95.

Oskar Gruenwald's study, a welcome addition to the growing number of works on Yugoslav socialism, interweaves two themes: the development of Marxist humanist theory in Yugoslavia and the nature of Yugoslav self-management. Gruenwald has encyclopedic knowledge of the literature on Yugoslavia, which he uses most effectively in identifying the assumptions on which Marxist humanists base their arguments. For this reason alone, the book is likely to become a basic source on Yugoslav socialist thought.

The reader should nevertheless be aware of the defects of the study. The order of chapters is confusing; digressions abound; and the author's proclivity for raising questions but not answering them can be irritating. While the views of the Yugoslav school of revisionist Marxism are painstakingly analyzed, it is extremely difficult to gain a clear picture of the positions of the individuals in this school. Gruenwald's penchant for quoting a great variety of sources without identifying them adequately can also be confusing and lead the reader to believe, for example, that Jovan Djorđević belongs to the Marxist humanist school. Also Gruenwald is unsure how to measure the contribution made by the Yugoslav Marxist humanist thinkers. One is left with a mixed picture reflecting Gruenwald's apparent conviction that the Yugoslav Marxist humanists have made major contributions to Marxist thought, but are in error in many of their fundamental assumptions.

In the end, one feels nevertheless that Gruenwald has succeeded where other more cautious writers have failed. The book transmits, better than any in recent memory, a sense of excitement and wonder over the confusion of ideas and politics that characterizes Yugoslavia today. Its vivid prose and apt quotations from the vast literature on Yugoslavia are sure to be cited (and perhaps purloined) by students writing on Yugoslavia. Gruenwald's bibliography is immensely useful. Students with no knowledge of Yugoslavia should be warned, however, that the book is far from complete in its analysis of the self-management system in Yugoslavia today, and that it is much better at identifying the contradictions in the self-management system (and in the thinking of those who would change it) than in explaining how the system actually functions.

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DUNĂREA NOASTRĂ. ROMANIA, THE GREAT POWERS, AND THE DANUBE QUESTION, 1914–1921. By *Richard C. Frucht*. East European Monographs, no. 113. Boulder, Colo.: East European Monographs, 1982. ix, 216 pp. Distributed by Columbia University Press, New York.

Richard C. Frucht's study, which actually ranges from the mid-nineteenth century to the era after World War I, focuses first on the diplomatic problems that surrounded the internationality of the Danube River and second on the role of the Danube in Romanian and Great Power politics. Prior to World War I the Danube Question was closely linked