

Abstract

This article explores the role and the engagement of Yugoslav self-managed corporations in the global economy, with a particular attention to the late socialist period. Guided by a vision of a long-term integration of the Yugoslav economy in the international division of labour on the basis of equality and mutual interest, by the late 1970s the country's foreign trade and hard currency revenue was boosted by a number of big globally-oriented corporate entities, some of which survived the demise of socialism and the dissolution of the country. These enterprises had a leading role as the country's principal exporters and as the fulcrum of a web of economic contacts and exchanges between the global South, Western Europe and the Soviet Bloc. The article seeks to fill a historiographic gap by focussing on two major Yugoslav enterprises (Energoinvest and Pelagonija) which were based in the less developed federal republics – Bosnia-Herzegovina and Macedonia. The article also investigates the transnational flow of ideas around the 'public enterprise', its embeddedness in an interdependent global economy and the visions for equitable development. Finally, the article explores these enterprises as enablers of social mobility and welfare, as well as spaces where issues of efficiency, planning, self-reliance and self-management were debated and negotiated.

A Non-Aligned Business World - The Global Socialist Enterprise between Self-Management and Transnational Capitalism

An advertisement for Metalna, one of the largest Yugoslav companies from Maribor, Slovenia, appeared in a 1982 issue of the international *Public Enterprise* journal: the company was presented as an exporter to 50 countries all over the world and presently "working on equipment for the hydroelectric power station at Hadith in Iraq and Assuan II in Egypt; [...] building wharf cranes for Nigeria and Bangladesh and presses for the Soviet Union; the total value of the work in progress [being] over 100 million US dollars".¹ Embeddedness in the global economy was one of the major parameters success was measured against in Yugoslavia's socialist corporate world. This article explores the role and the engagement of Yugoslav self-managed enterprises in the global economy, with a particular attention on the late socialist period.

In the literature on Yugoslavia's economic development, it is often remarked that the country was characterised by marked development disparities between the richer northern republics such as Slovenia and Croatia, and the less developed areas in the South, such as Kosovo and Macedonia. Similarly, scholarly research has routinely pointed out that Slovenia constituted the economic powerhouse of socialist Yugoslavia and was

¹ 'Metalna', *Public Enterprise* 2/3 (1982), 101. The *Public Enterprise* Journal was published by the Yugoslav-based and UN-sponsored International Centre for Public Enterprises in Developing Countries (ICPE).

the most developed region; indeed, there has been a tendency to focus on Slovenia, Croatia and Serbia in scholarly research. This paper, by contrast, focuses on the Yugoslav 'semi-periphery' and sheds light on a largely under-researched aspect of Yugoslav and international Cold War labour history. By focussing on two major Yugoslav companies and exporters - Bosnian *Energoinvest* and Macedonian *Pelagonija* – the paper investigates the transnational flow of ideas around development, the public / social enterprise and issues of efficiency, planning, self-reliance and self-management; at the same time, it explores the creation of a 'global identity' amongst the Yugoslav workforce.

From the 1950s, one of the fundamental questions for Yugoslav policy makers was whether socialist enterprises could achieve the same quality of products and efficiency as capitalist ones and hence be able to compete internationally. In their view, the Yugoslav economic model of market socialism was the first to provide a positive answer to this long-standing question in the debate about socialism and its viability as an economic system.² An imperative of becoming and remaining competitive at international level whilst preserving the specific features of self-management survived up until the dissolution of Yugoslavia. In compliance with the developmentalist paradigms that defined debates within the Group of 77 Developing countries (G77) and the UN Conference on Trade and Development (UNCTAD), Yugoslav development strategies were underpinned by a vision of a long-term integration of the Yugoslav economy in the international division of labour on the basis of equality and mutual interest. By the late 1970s, the country's foreign trade and hard currency revenue was boosted by a number of big globally-oriented corporate entities, many of which survived the demise of socialism and the dissolution of the country. Moreover, they reached their peak in export earnings at the end of the 1980s, as the country faced mounting economic and political problems. These enterprises' leading role as the country's principal exporters and as the fulcrum of a web of economic contacts and exchanges between the Global South, Western Europe and the Soviet Bloc was at its highest in the 1980s.³ In that sense, the article interrogates the conventional teleological narrative of the inevitable economic decline and the nonviability of market socialism and workers' self-management.

² Diplomatic Archive of the Ministry of Foreign Affairs of Serbia, PA U.N. (1953), box 102, 'Koncept druga Flerea za VIII zasedanje ECE'. U.N. (1953), box 102

³ Beside the construction and the oil industries which were the largest and most profitable ones, the Yugoslav civil aviation industry also reached its peak in growth and revenue in the second half of the 1980s, thriving on the country's non-aligned positioning in the 'global Cold War'. For the history of the Yugoslav national carrier, see: Phil Tiemeyer, 'Launching a Nonaligned Airline: JAT Yugoslav Airways between East, West, and South, 1947-1962', *Diplomatic History* 41/1 (2017), 78-103.

The paper maintains that a Yugoslav socialist ‘corporate value system’⁴ that embodied an outward-looking, export-oriented, globally imagined business culture was internalised by the Yugoslav workforce and shared across the enterprise. The dynamic international engagement was reflected in the workplace, as companies successfully created and legitimised a consensus towards a shared goal of market expansion and profit making amongst the workforce. Indeed, corporate culture was shaped by the quantity and nature of international links, non-aligned values and practices stemming, for example, from the policies on collective self-reliance and South-South cooperation. The article, thus, seeks to show how non-alignment was brought home and its ideas diffused even amongst workers who did not travel, but who benefitted both financially and otherwise from their globally oriented enterprise. The article also reflects on the global and domestic shifts that occurred in the late 1980s, with a growing consensus favouring privatisation and challenging the legitimacy of self-management and social ownership.

In the literature on Yugoslav economic development Bosnia and Herzegovina and Macedonia are often defined as middle- to low-developed areas, with economies traditionally based on the mining, heavy industrial and extraction sectors.⁵ Because of their overall lower economic output in comparison to, say, Croatia and Slovenia, it is often overlooked that some of the enterprises that were based in the less developed regions such as Bosnia and Macedonia, were among the most successful Yugoslav companies and among its largest exporters.⁶ In 1981, Energoinvest’s yearly revenue was over 3.9 billion US dollars – as a comparison, IBM’s revenue for the same year was 29 billion; ABB, the leading company in engineering and pipeline construction had yearly revenue of 17 billion dollars in 1988.⁷ By 1988, Energoinvest was the third biggest company in Yugoslavia in terms of both overall revenue and number of employees, after the Zastava

⁴ Valentin Jež, ‘Corporate culture, values and motivation’, *Public Enterprise* 9/3-4 (1989), 358-367.

⁵ Susan Woodward, *Socialist Unemployment: The Political Economy of Yugoslavia, 1945-1990* (Princeton: Princeton University Press, 1995); Lenard Cohen, *Broken Bonds: Yugoslavia’s Disintegration and Balkan Politics in Transition* (Oxford: Westview Press, 1995).

⁶ Some of the largest Yugoslav exporters such as Energoinvest (engineering and power plants construction), Unis (metal processing and engineering), and Šipad (wood and furniture manufacturer) were based in Bosnia-Herzegovina. These were the third, sixth and tenth biggest producers in Yugoslavia in terms of revenue, and together they employed roughly 190 thousand workers across the country. ‘140 Najvećih proizvodnih preduzeća industrije i rudarstva, poljoprivrede, šumarstva i građevinarstva prema ukupnom prihodu u 1989. godini’, *Ekonomska Politika*, No. 2008, 24 September 1990, 4.

⁷ ‘ABB Asea Brown Boveri, Annual Report 1988’, available at: <https://library.e.abb.com/public/33f22888a75c3bdcc1256cf300449bf9/ABB1988EN.pdf?x-sign=dwadmfuwasT0erNmS0rtGo8bpGkLL/fFYvmJrwYhl0EixU5SuPQXW5gZH6XREtCT>; https://www-03.ibm.com/ibm/history/history/year_1981.html (last accessed 17 June 2019).

car plant and before other Bosnian giants (Unis and the Zenica steel plant).⁸ Its yearly export was over 440 million US dollars, accounting for four percent of Yugoslavia's annual export.⁹ Although smaller, the Macedonian construction company Pelagonija ended up as one of the eight Yugoslav companies featured in the world top 200 contractors in the 1989 *Engineering News Record* ranking.¹⁰ Bosnia's and Macedonia's biggest trade partners were developing countries and non-aligned partners in North Africa and the Middle East, as well as some of the state socialist states of the Eastern Bloc: they were engaged in the design, production and construction of large civil and military engineering projects in Iraq, Libya, Algeria, Czechoslovakia, and the USSR.¹¹

The Yugoslav enterprise beyond Yugoslavia: international division of labour and equitable development

One of the imperatives for the post-war Yugoslav elite was the modernisation and the industrialisation of the country, but also the fundamental restructuring of its pre-war economic model which defined its foreign trade and positioning internationally as a producer and exporter of raw materials (grains, livestock, wood and iron ore). This was underpinned by an exigence to catch up with the West and engage both economically and politically as an equal partner, on equal terms, avoiding relationships of dependency that marked the interwar period.¹² Hence, pragmatic economic 'multi-alignment' predated official foreign policy non-alignment. As early as 1954, the Secretary-General of the Yugoslav Chamber of Foreign Trade observed that 'The endeavours to extend economic ties with the largest possible number of countries are in the spirit of the policy being pursued by the new Yugoslavia...'¹³ The following decade, Yugoslavia would internationalise the demand for more equitable international economic relations as one of

⁸ '10 Najvećih proizvodnih organizacija udruženog rada u oblasti industrije, rudarstva, poljoprivrede, šumarstva i građevinarstva', *Ekonomska Politika*, No. 1849, 7 September 1987, 5/45.

⁹ 'U reformu – bez odlaganja', *Energoinvest List*, No. 944, 21 November 1988, 2.

¹⁰ B. Vojinović, *Medjunarodno tržište: Gradjevinski radovi u 1989* (Beograd: Jugoslovenska banka za medjunarodnu ekonomsku saradnju, 1990).

¹¹ State Archive of Bosnia-Herzegovina, Zapisnici sa sjednice RSMO (1-6), Folder 47, 'Republički Komitet za odnose sa inostranstvom, Izvještaj o radu u 1988. godini, Sarajevo, januar 1989 godine', 14-15. Here, Energoinvest is mentioned together with UNIS as the largest company responsible for cooperation and export. Most of its projects were related to the design and installation of electric power-lines and power-plants. Its engineers also designed and produced equipment for the processing, chemical, and oil industries, as well as for nuclear power plants and the processing of non-ferrous materials.

¹² See: Stephen G. Gross, *Export Empire: German Soft Power in Southeastern Europe, 1890-1945* (Cambridge: Cambridge University Press, 2016).

¹³ Ivan Barbalić, 'Yugoslavia's Post-War Trade and Outlooks for the Future', *Journal of Foreign Trade* 1 (1954), 38.

the founding members of the Group of 77 and UNCTAD in 1964. Developing countries were to be afforded equal opportunities for industrial development, 'trade not aid', as the slogan went, and a chance to reorganise the existing international division of labour, where structurally unjust terms of trade determined the role of the post-colonial 'South' as producer of primary commodities and the rich 'North' of manufactured goods. Yugoslavia was able to gain much sympathy among its non-aligned partners precisely because of its principled view that the developing countries 'must conquer a new place in the present pattern of international division of labour'.¹⁴

From the mid-1960s onward, the argument about a better involvement in the international division of labour was used to legitimise the liberalisation and 'marketisation' of the Yugoslav economy. As a resolution of the Party's 1969 Congress noted, 'The development of socialist commodity production implies [...] the need for wider involvement in the international division of labour.'¹⁵ The refashioned political program also foresaw the creation of large, economically sound organisations of associated labour and their widest possible integration as 'the path of accelerated growth'. It was at this time that 'industrial integration', i.e. the creation of large, complex enterprises took off. Eventually, it was this decision that enabled a lot of Yugoslav companies to become competitive at the international market. As David Dyker argued, 'Industrial integration' was seen as a vital part of the 1965 economic reform package that sought to deepen Yugoslavia's involvement in the international division of labour as well as to 'breed national champions which could lead the Yugoslav assault on world markets'.¹⁶

Following this principle, from the mid-1960s onwards, these companies embraced the challenge of global expansion. An empirical research study on top management efficiency and managerial motivation in 'highly efficient' self-managed enterprises in Yugoslavia found that there was a consensus and a list of shared development priorities that included the following: a strong market orientation; export orientation; quality of products; development based on own financial resources (self-reliant development); development of and investment in the local community; technology and human resources.¹⁷ Indeed, up until the disintegration of the federation, the most successful

¹⁴ 'Yugoslavia and the United Nations Conference on Trade and Development', *Journal of Foreign Trade* 1 (1964).

¹⁵ 'Rezolucija IX Kongresa SKJ: "Socijalistički razvoj u Jugoslaviji na osnovama samoupravljanja i zadaci Saveza komunista"', available at: http://www.znaci.net/00001/138_94.pdf (last accessed 17 June 2019).

¹⁶ David A. Dyker, *Yugoslavia: Socialism, Development and Debt* (New York/Abington: Routledge, 1990), 71.

¹⁷ Bogdan Kavčič, 'Top management efficiency in self-managed enterprises', *Public Enterprise* 9/3-4 (1989), 335.

Yugoslav companies encompassed all of these features and embodied the particular ethos of strong market and export orientation, coupled with a commitment to a labour-managed economy. However, after 1961, it was Yugoslavia's leading position within the Non-Aligned Movement (NAM) that became instrumental to these companies' global outreach. In the 1960s and 1970s, Yugoslavia became the centre of a web of economic contacts and exchanges between the Global South, Western Europe and the Soviet Bloc.

Already in 1962, Energoinvest's internal journal reported numerous large sales of industrial machinery and equipment in the USSR, Ethiopia, Sudan, Pakistan, and Greece. The company's bulletin remarked with great enthusiasm that export on the foreign market was an imperative for Energoinvest's success.¹⁸ Energoinvest rapidly grew to be amongst the largest exporters, with business partners and networks in more than thirty-two countries. After opening its first branch abroad in Cairo in 1961, throughout the 1960s and 1970s, the company consolidated its global presence, establishing joint ventures in Mexico (EnergoMex), Libya (ELPCO), and Pakistan (EnergoPak). In 1987, despite the economic crisis, it had a revenue of 425 million dollars from its exports.¹⁹ Managers were aware of the opportunities that Yugoslavia's geopolitical position as a founding member of the non-aligned provided. For example, the general manager of Energokomerc - the commercial branch of Energoinvest - Hakija Turajlić, was often interviewed by the company's journal and frequently remarked that the foreign economic relations with other companies and states were 'fundamental for the company's export and stability.'²⁰ This was not only acknowledged by the company's managers and employees, but more broadly by general directors of other large Yugoslav companies. Milorad Savićević, former general manager of the Zastava car factory, as well as Ante Marković, former Prime Minister and manager of the Croatian electrical, transport and energy giant Rade Končar, underlined the importance of Yugoslavia's international geopolitical positioning for Energoinvest: as a non-aligned country, geographically close to the Middle East, Yugoslavia provided the Yugoslav corporate giants with the possibility of establishing their presence across the globe.²¹

¹⁸ 'Vijesti iz naših fabrika', *Energoinvest List*, No. 76, 1 July 1962.

¹⁹ Š. Vučijak, 'Značajan rast izvoza', *Energoinvest List*, No. 906, 25 January 1988, 2.

²⁰ Hakija Turajlić's speech at the meeting of the workers' council. In: Faruk Šarić and Liljana Korjenić, 'Kako ćemo poslovati u novim uslovima', *Energoinvest List*, No. 862, 19 January 1987, 5. Turajlić became a prominent political figure in the early 1990s, when he became Bosnia's deputy prime minister in the first independent government in 1992. He was then assassinated in 1993 near Sarajevo's airport, during a diplomatic stand-off between Serbian paramilitary forces and the UNPROFOR.

²¹ Izudin Filipović, *Emerik Blum. Monografija* (Sarajevo: Šahinpašić, 2002), 138.

Although tourism was always singled out and perceived as the main source of foreign currency revenue, in fact it was the construction industry that competed successfully against the predominantly Adriatic-based sector that began to flourish only after Yugoslavia abolished visa restrictions for foreign visitors in 1967.²² Throughout the post-war period, in particular until the 1980s, the construction sector was regarded as central to contemporary development debates and development strategy. A number of UN agencies and bodies such as the International Labour Organization (ILO), the United Nations Industrial Development Organization (UNIDO) and the United Nations Economic Commission for Europe (UNECE) engaged - both in terms of research and policy recommendation - with different aspects of construction, including employment, technology development, industrialisation, as well as that sector's relationship to economic growth.²³ UNIDO documents pointed that 'Construction as an industry should be given adequate consideration in planning economic strategy'.²⁴ Hence, Yugoslavia's robust investment in the construction sector, both domestically and abroad, should be viewed as part of a particular post-war development paradigm shaped within the UN system. The UN Economic Commission for Europe was especially active in research and policy in the construction field in the 1960s and 1970s, a period which coincided with the leadership of the UNECE by Yugoslav / Slovene economist Janez Stanovnik as Executive Secretary between 1968 to 1982. In contemporary publications on the topic, Yugoslavia was routinely compared with and classed with other developing countries: a 1986 publication, for instance, cited Yugoslavia, Mexico and Ecuador as states where construction output has quadrupled in a period of twenty years.²⁵

Over time, the imperative of foreign presence of Yugoslav companies was increasingly couched in the language of an international division of labour. For instance, by the time it celebrated its 25th anniversary, Energoinvest could boast in an article in *The Financial Times* of the company's ability to 'fit successfully into the international division of labour'.²⁶ Moreover, a 1973 issue of the company bulletin of the Macedonian construction giant Pelagonija stressed the fact that since 1966 the company had been involved in the

²² S. Zdravković, *Mogućnosti i perspektive za izvođenje investicionih radova u inostranstvu* (Beograd: Opšte udruženje građevinarstva i industrije građevinskog materijala Jugoslavije, 1981), 17.

²³ Jill Wells, 'The Construction Industry in the Context of Development: A New Perspective', *Habitat International* 8/3(4) (1984), 9-28.

²⁴ UNIDO, *Construction Industry*, Monographs of Industrial Development No. 2 (New York: United Nations, 1969), 2.

²⁵ Jill Wells, *The Construction Industry in Developing Countries: Alternative Strategies for Development* (London: Croom Helm, 1986), 33.

²⁶ 'Energoinvest in Its Silver Jubilee Year', *The Financial Times* 26/992, 11 June 1976, 17.

international division of labour through investment construction projects in Africa, Western Europe and the socialist Bloc.²⁷ While these companies were mostly dealing with partners from the non-aligned world and the state socialist East, efforts were made to maintain business contacts and partnerships in the West as well. Pelagonija, for example, became involved in the construction of the Olympic village in Munich. On the other hand, when Yugoslavia started talks with Sweden about the potential establishment of joint ventures in developing countries, Energoinvest was one of the large developers involved. However, it was also thanks to investment contracts with oil-rich non-aligned partners such as Iraq, Libya, Kuwait and the United Arab Republic (UAR) that Pelagonija, with foreign contracts worth 305 million dollars, was ranked 70th in the world's 250 top contractors by the *Engineering News Record* in 1989 and 90th in 1990.²⁸

Throughout the 1970s, Energoinvest similarly expanded in markets within its geopolitical proximity, most notably Northern Africa and the Middle East. In Libya, Egypt, Algeria, and Iraq, the company built large infrastructure projects, such as power plants, for which it received payments in oil. At the same time, in collaboration with the Croatia-based oil production and refining industry INA, and with financial participation by the World Bank, Kuwait and Libya, it participated in the project for the construction of the Adria Pipeline JUNAF (abbreviated for *Jugoslovenski naftovod*), that was supposed to enable the supply of Arab oil to Czechoslovakia, Hungary and Yugoslavia via a new terminal in the Adriatic Sea. Moreover, like other major industrial conglomerates in the country, Energoinvest was at the forefront of Yugoslavia's economic and political expansion in the non-aligned world and the Soviet Bloc. Together with other large construction and engineering companies (such as Belgrade-based Energoprojekt), it paved the way for Yugoslavia to exercise its soft power in much of the developing world – from Indonesia, to Algeria and Zaire. Moreover, thanks to new bilateral trade agreements Yugoslavia signed with Algeria and Panama, Energoinvest obtained contracts to build oil refineries in the two countries. In the case of Panama, Yugoslav officials described this agreement as 'a step toward economic liberation' and away from dependency on American oil monopolies for Panama's energy needs.²⁹

²⁷ Киро Камчев, 'Реализирани задачи во вредност од 30 милиони долари', *Пелагонија - весник на организацијата на здружен труд*, Мај 1973, 5.

²⁸ Г. Хаџи-Васков, 'ГП пелагонија на 70-то место во светот', *Пелагонија*, August-September 1989, 2.

²⁹ US Department of State report, US Embassy Belgrade to Secretary of State Washington DC on Yugoslav-Panamanian Relations, R 151515Z APR 75, 15 April 1975, https://wikileaks.org/plusd/cables/1975BELGRA01848_b.html (last accessed 7 July 2019).

Although professionals involved in the Yugoslav investment construction sector often complained that there was no legal framework regulating investment construction abroad, in 1983 a legal framework regulating business and technical cooperation with foreign partners was finally approved.³⁰ This regulation incorporated the same vocabulary and normative framework about a 'more equitable involvement of the Yugoslav economy in the international division of labour' and 'cooperation with other countries, especially the developing ones.'³¹ The profitable Yugoslav self-managed enterprise measured its success in relation to its web of transnational engagements. The globally-oriented self-managed enterprises, thus, formed a vital part of Yugoslavia's strategy of what its elites understood as the democratisation of international economic relations and the rethinking of the old international division of labour, where Yugoslavia and its non-aligned partners used to play the role of primary commodity / raw materials producers. The imperative to open up the economy and engage the self-managed enterprise in the global flow of finance, services and capital stemmed from a pragmatic, but also from a deeply personal, psychological commitment: to compete with, or even overtake the West and engage with it as an equal partner, eschewing asymmetric relationships of inferiority and dependence.

Theorising and materialising 'the public enterprise': reconciling market socialism and self-management

In 1972, *Fortune Magazine* published a long piece on Energoinvest titled 'A socialist enterprise that acts like a fierce capitalist competitor'. The piece praised, among other things, the entrepreneurial skills of Energoinvest's management. Indeed, the global outlook of these companies and their success both at home and abroad were significantly influenced by the character, experience and business ethic of their top managers. The empirical research study on top management efficiency and managerial motivation quoted above, also pinpointed another crucial element in the global outreach of the Yugoslav enterprise: it classed top managers in three groups, the first one being what they termed 'the founding fathers'.³² Energoinvest's founder, Bosnian-Jewish engineer and entrepreneur Emerik Blum, sought from the start to expand beyond the federation's borders. He belonged to the Yugoslav war generation, the elite core of which had spent

³⁰ 'Law on coproduction, business and technical cooperation, and acquisition and cession of substantive technology rights between domestic organisations of associated labour and foreign persons'. Milorad Tešić, *The Yugoslav Model of International Transfer of Technology* (Belgrade: Exportpress, 1986), 13.

³¹ *Ibid.*

³² Bogdan Kavčič, 'Top management efficiency in self-managed enterprises', 336.

some of their formative years in different parts of interwar Europe. Blum, born in 1911, was educated in Prague and Vienna and spent several years during the Second World War in concentration camps before he joined the Partisan resistance. Blum's motto was: 'We cannot live of Yugoslavia! The market here is too small. It can serve as a training terrain, but we will play the real game abroad'.³³ In his last interview for the company's journal, Blum stressed that ever since the foundation of Energoinvest in 1954, it was able to remain competitive or economically viable because it looked beyond the small Yugoslav market.³⁴ Thus, since the mid-1960s, Energoinvest worked towards a business and development strategy that would guarantee its technological advancement and competitiveness both on the global and domestic markets. Factories and research centres were developed in Bosnia and throughout Yugoslavia that were geared towards production for foreign markets.

Scholarly analysis, so far, has tended to focus on the Yugoslav-specific features of its economic system, somewhat essentialising and provincialising the doctrine of socialist self-management. By shifting our attention to the global role of the Yugoslav self-managed enterprise and its embeddedness in the transnationalised post-war economy, we also seek to de-provincialise the Yugoslav economic experiment and embed the Yugoslav story in the complex dynamics of a transnational flow and exchange of ideas around development, management, trade and interdependence. One prominent, but often overlooked aspect of this was the institutionalisation of a growing interest, research and policy making at international level around the 'public enterprise' and Yugoslavia's crucial role in it. By looking more closely at these debates, we can also trace the decline of self-management and the shift in thinking around the public enterprise that occurred after 1988, as it will be discussed below. The International Centre for Public Enterprises in Developing Countries (ICPE) grew out of a United Nations seminar on the management of public enterprises held in the Yugoslav-Montenegrin coastal town of Herceg Novi in October 1969. The Centre was established in Ljubljana in 1974 as a Yugoslav institution for cooperation between developing countries receiving assistance from the ILO and UNIDO. The purpose of the Centre was to carry out research and training on all aspects of the operation and development of public enterprises and the role played by the public sector in national economies. At the same time, the Centre's goals were fully aligned with

³³ Filipović, *Emerik Blum*, 120.

³⁴ F.S. 'Bez mladih nema napretka', *Energoinvest List*, June 1981, 7.

the principles outlined in the 1974 UN 'Declaration and Programme of Action for the Establishment of a New International Economic Order'.³⁵

The major projects implemented by ICPE reflected some of the core Yugoslav foreign and domestic policy values: technology transfer and innovation, the role of women in the development of public enterprises, financial management, information systems and monitoring, worker participation in management. ICPE's quarterly journal *Public Enterprise* offered an international platform for discussions and the sharing of experience and know-how on how to reconcile economic efficiency, development and public, self-managed enterprises. Public enterprises were indeed seen as a core segment of the self-reliant development agenda, where their evolution and success were intertwined with their global orientation. Through the Centre and through its bilateral ties with countries in the non-aligned camp, Yugoslavia stood at the forefront of an international debate on the doctrine of workers' self-management.³⁶ An international conference on workers' self-management and workers' council across the globe demonstrated that there was interest in discussing aspects of the system at international level – partly linked with ideas of a successful company perceived as such if it satisfied two conditions: being global and self-managed. Yet, by the late 1970s, the vocabulary of self-management was supplemented and updated with concepts and notions which two decades earlier would have been considered alien. The public enterprise – whether self-managed or not, was, above all, to be *managed efficiently*. This was in line even with World Bank policy guidelines at the time: its 1983 'World Development Report' underlined that 'The key factor determining the efficiency of an enterprise is not whether it is publicly or privately owned, but how it is managed.'³⁷

It was in the name of efficiency, and with the goal of expanding globally, that Energoinvest's managers resolved to consulting the American consultancy firm McKinsey to advise them on the company's restructuring. This further facilitated its global expansion and forged a new understanding of what constituted success: a combination of workers' management and Western-style re-organisation, in particular at the level of production.

³⁵ 'Declaration on the Establishment of a New International Economic Order, 1 May 1974', *UN Digital Library*, <http://www.un-documents.net/s6r3201.htm> (last accessed 17 June 2019).

³⁶ For the reception of the Yugoslav economic model beyond the non-aligned world, see: Benedetto Zaccaria, 'Learning from Yugoslavia? Western Europe and the Myth of Self-Management (1968-1975)', in *Planning in Cold War Europe: Competition, Cooperation, Circulations (1950s-1970s)*, edited by Michel Christian, Sandrine Kott and Ondřej Matějka (Berlin/Boston: De Gruyter, 2018), 213-236; Johanna Bockman, 'Democratic Socialism in Chile and Peru: Revisiting the "Chicago Boys" as the Origin of Neoliberalism', *Comparative Studies in Society and History* 61/3 (2019), 654-679.

³⁷ *World Development Report 1983* (Washington DC / New York: World Bank/Oxford University Press, 1983), 50.

The company's global orientation benefitted from the internal reorganisation proposed by McKinsey's consultants. In fact, as Energoinvest pursued expansion on the global market in the 1960s, it became apparent to its founder Emerik Blum that a structural and managerial reorganisation was needed. Blum, thus, turned to the US, at the time leader in the development of new business and management strategies. In 1968, Energoinvest's management appointed Drago Baum as aide and representative in the US. Baum was an economic expert who had contributed to popularise Keynesian economics by translating Samuelson's *Economics* in Serbo-Croatian.³⁸ Following his suggestion, Blum as CEO decided to engage McKinsey in a large project aimed at the overhaul of the company's internal structure. Energoinvest's managers wanted to introduce business models that would allow them to be as competitive as other Western corporations.³⁹ At the meeting of the general workers' council in Sarajevo in 1968, Blum sought to convince his fellow managers and employees that engaging the costly McKinsey would be beneficial for the future of Energoinvest. As he stated:

'Social relationships in Yugoslavia may be different from those in other countries, but our enterprises must be organised like those in other developed societies. This is a matter of expertise. Since we do not have it, let us be frank, we must buy it, just as we buy licenses to make products patented elsewhere. What is more, we must buy the best. That we can do only in the U.S. Even though it will cost a lot of money, we must take the step if we are to expand our prosperity. Our motto must be the liquidation of amateurism.'⁴⁰

This excerpt reveals a rationale that was quite widespread amongst the company's management: pragmatism was the best way to guarantee success and long-term prosperity for their company. Energoinvest's main point of contact at McKinsey was Croatian-born, newly appointed partner and MIT graduate Charles Shaw. As he recalled:

'At that point in 1969, Energoinvest representatives showed up in New York and they were looking for a consultant. [...] So, then, our manager and

³⁸ Žarko Primorac, 'Sjećanje na Dragu Bauma', *Oslobodjenje*, 5 August 2016, 15.

³⁹ Filipović, *Emerik Blum*, 142.

⁴⁰ Gilbert Burck, 'A Socialist Enterprise That Acts Like a Fierce Capitalist Competitor', *Fortune Magazine*, January 1972, 130.

director McKinsey called me in and said: “Well, this inquiry came in and you speak the language”, and, so, I was sent to Sarajevo to negotiate the first study [...] Also, I had some knowledge on self-management.’⁴¹

Shaw and his team went on to spend a few years in Sarajevo collaborating with Energoinvest on its large restructuring project. Over the years, Shaw grew closer to general director Blum, whose entrepreneurial principles and business drive he deeply respected. As he recalled, Blum ‘had a feeling that [Energoinvest] was not working adequately, and, certainly, if you wanted to compete internationally, you had to be organised well enough to do that.’⁴²

McKinsey’s proposal for increasing Energoinvest’s competitiveness on the global market was essentially one of decentralisation of management functions: it divided the forty-one daughter companies into six groups according to branch, outputs and functions (e.g. research and development, powerlines, armatures), each with its own general manager. Part of this restructuring was aimed precisely at making Energoinvest more efficient and competitive. This, in turn, further strengthened the company’s understanding of quality and success as measured by the ability to engage on the global market. This decision initially created a stir amongst some party cadres in Belgrade, who reportedly accused Blum of ‘going capitalist’.⁴³ Shaw recalled this backlash:

‘At the beginning there was a huge controversy [...] articles and newspapers were saying that Yugoslavia had its own technology [and did not] need foreign consultants. [...] But our basic argument was that [...] you can’t be modern only in the machines, you have to be modern in the management, if you want to be an international competitor. So, there was a lot of fuss, for the first six months to a year, and then it all died down... there was an article in Fortune Magazine, it was a very long article and it very well explained how the place worked and our role actually in there as well... So, yes, I think in some ways that article also helped. Because, it kind of brought the company to international prominence and that opposition died after a year, or so.’⁴⁴

⁴¹ Charles Shaw, Interview with Anna Calori, 14 October 2016.

⁴² *Ibid.*

⁴³ Burck, ‘A Socialist Enterprise’, 132.

⁴⁴ Charles Shaw, Interview with Anna Calori, 14 October 2016.

Božidar Matić, the general manager of Energoinvest between 1989 and 1994 similarly recalled the consultancy work by McKinsey as being relatively unproblematic from an ideological perspective. As he reflected:

‘Yugoslav companies were very independent and were not burdened by the state terror that exists today. They had to respect laws, self-management and so on, but in our decisions on production plans, and our own organisation, we were fully autonomous. The state never told us - “do this” or “do that”. So, I openly say that we copied the best practices from Western companies. They were more advanced than us. [For me] consulting McKinsey was a turning point, as I learnt a lot from this cooperation.’⁴⁵

Decentralisation and restructuring were also at the core of the Yugoslav constitutional reforms in the mid-1970s. The concept of associated labour which came to embody the Yugoslav variant of market socialism was officialised by the constitutional amendments of 1974. They also introduced a new process of planning by agreement and association – the so-called social compacts (*društveni dogovor*) and the self-managing agreements (*samoupravni sporazum*). According to David Dyker, this approach ‘had perfectly good credentials, and a degree of respectability in the Western industrial world.’⁴⁶ So, in this sense, the Yugoslav take on industrial democracy in the form of ‘associated labour’ could be viewed as a genuine attempt at reconciling the market and socialism. The constitutional reforms were preceded by lengthy public discussions within companies and factories across the country that aimed at introducing the new system and getting feedback from its employees. Around five thousand workers at Pelagonija were directly involved in the public debate in 1973, which culminated in a draft ‘self-managing agreement’ that reorganised the company by establishing twenty-two ‘basic organisations of associated labour’.⁴⁷ Similarly, Energoinvest was organised as an umbrella company that encompassed a variety of branches, from the traditional industrial sector (raw materials, mining, foundries) to more technologically advanced companies (engineering, software development and electronics). It had a workforce of fifty-five thousand (with

⁴⁵ Božidar Matić, Interview with Anna Calori, Sarajevo, 09.03.2016.

⁴⁶ Dyker, *Yugoslavia*, 85.

⁴⁷ ‘22 osnovni organizacije na združen trud’, *Pelagonija*, September 1973, 1.

roughly forty thousand in Bosnia), of which over ten thousand were professionals and experts.⁴⁸

Through its official journal and its member states, ICPE also sustained an interest at international level about self-management as a vehicle for promoting popular participation in development. In addition to individual studies, Yugoslavia initiated a big international comparative project under the auspices of ICPE entitled “Workers’ self-management and participation in decision-making as a factor for social change and economic progress in developing countries”, launched at the Fourth Non-Aligned Summit in Algiers in 1973.⁴⁹ Academic debates often portrayed workers’ management as the way forward to motivate workers, to re-establish links between workers and production of labour, thus creating more successful enterprises. Indeed, the idea of the success and profitability of a company was measured up against its ability to be competitive on the global market against other Western companies, whilst maintaining internal self-management and redistribution. While Energoinvest’s managers were keen on learning new practices from McKinsey, they were also aware of the importance self-management still had in their company and in Yugoslavia more broadly. When commenting on his cooperation with McKinsey, Blum stated that ‘since the start it was very important not to allow them to convey a view [of development] which would be damaging for self-management’.⁵⁰ A former partisan and fervent communist himself, Blum was an advocate of self-management as ‘the most revolutionary change in the social relations amongst people’.⁵¹ He, thus, set out to establish his company as a strong international competitor, while at the same time stressing the need for this to be based on local industrial development and the social property paradigm. Jakob Finci, a manager and head of Energoinvest’s trade union, recalled a discussion between McKinsey’s representatives and Blum during a meeting of the workers’ council:

‘I remember McKinsey’s team saying: “We can make this organisation perfectly according to Western standards, but we don’t know where to put your workers’ councils and all these institutions from the self-management system”. And Blum replied: “Please ensure the system’s organisation is perfect, and then I will insert workers’ councils wherever possible or

⁴⁸ Faruk Šarić, ‘Svijet cijeni poslovnost i kvalitet’, *Energoinvest List*, No. 946, 12 December 1988, 2.

⁴⁹ See: Gérard Kester, *Trade Unions and Workplace Democracy in Africa* (Aldershot: Ashgate, 2007), esp. Chapter 2.

⁵⁰ Filipović, *Emerik Blum*, 198.

⁵¹ Emerik Blum, interview in *Oslobodjenje*, 25 November 1970, 5.

necessary”. So, quite honestly, I don't think that this was something that was interfering or that was contrary to the modern management system’.⁵²

As this testimony highlights, the company’s rationale was not only geopolitically, but also ideologically non-aligned. The Yugoslav enterprises’ drive for global expansion and competitiveness with other industrial corporations led them to pursue ideas of efficiency and success beyond ideological alliances. Energoinvest’s partnering with an American marketing giant was motivated by the prospect of achieving a stable presence on the global market. At the same time, Yugoslav economic elites and industrial leaders made attempts to rethink worker’s participation and the socialisation of the economy, remaining conscious of the fact that self-management provided important incentives for workers. Thus, until the late 1980s, combining Western models of management, pricing and production with a domestic model of industrial democracy and workers’ self-management, was seen as a viable and desirable long-term strategy.

The global socialist enterprise at home: social mobility, welfare and geopolitical pride

When Pelagonija was founded in 1952, it had one engineer, eleven technicians and around one thousand workers. In 1973, it employed 165 engineers and 6500 workers.⁵³ In the mid-1970s, the majority of the blue-collar workforce was of rural origin, from the North-Eastern parts of the Socialist Republic of Macedonia, as well as the autonomous province of Kosovo. The profitable and successful Yugoslav self-managed enterprise provided both welfare and financial incentives to a variety of employees – from highly skilled professionals to semi- or unskilled workers. ‘Living standard’, or what was often referred to in official discourse as the ‘social standard’ was the cornerstone of enterprise policy and consumed a substantial part of their net income. Beside subsidised loans, meals and housing, Pelagonija had its own health centre, offered scholarships for high school and university students, provided purpose-built accommodation on its construction sites, and financed two-week spa / physiotherapy treatments for workers with injuries or work-related illnesses. Companies committed to providing a range of welfare benefits and guarantees

⁵² Jakob Finci, interview with Anna Calori, Sarajevo, 08.03.2016.

⁵³ ‘Меѓу водечките во земјата’, *Пелагонија*, Мај 1973, 1.

for minimum standards in areas such as housing and food by signing various cross-enterprise 'self-management agreements', as it was mentioned above.⁵⁴

However, for the majority of those who went to work in the Middle East, Africa or Eastern or Western Europe, it was their first time to travel abroad. Yugoslav companies and workers were in a particularly privileged position because of the country's non-aligned positioning, as companies could do business across the globe and their employees were able to travel and gain work experience across the Cold War divides. Moreover, the Yugoslav constitution guaranteed the 'same socio-economic and self-management rights' for workers in self-managed enterprises that made use of resources invested by foreign persons.⁵⁵ By the mid-1970s, around four thousand Pelagonija workers had participated in the company's construction projects abroad, mainly in West Germany, Czechoslovakia and Libya.⁵⁶ Traveling by airplane, being paid in hard currency and venturing to radically new, faraway lands, were experiences which not only constituted parameters of social mobility, but were also deeply transformative on personal level. An 80-year old interviewee who worked in Libya in the late 1960s and 1970s, spoke with a lot of affection about the country, praising its development, culture, as well as its leader Muammar Gaddafi, whose overthrow and execution he deemed unjust in light of Libya's civil war and subsequent destruction. He particularly treasured a traditional Libyan hat he had bought in Tripoli and even had a formal photo taken of him wearing it.⁵⁷

When these companies' outward gaze was reflected inwards, it was usually popularised and shared by the companies' journals. Energoinvest's journal often described its international exploits in terms of competitiveness, research and development. On its pages, visits of international delegations, partners and diplomats were frequently reported. For instance, in 1970, the central branch in Sarajevo received delegations from Iran, Sudan, Kenya, India, Germany, Hungary and the USSR.⁵⁸ This contributed to a spread amongst the workforce of a sense of geopolitical centrality, as well as diplomatic and economic relevance. Details of production and development of factories and companies across the country were always accompanied by news of their international trade deals and contacts. For example, when in 1988 the then president of the Federal Executive

⁵⁴ Д-р Џеват Алибеговски, 'Исхраната и сместувањето на работниците', *Пелагонија*, July 1973, 4.

⁵⁵ Tešić, *The Yugoslav Model*, 147.

⁵⁶ Камчев, 'Реализирани задачи', 5.

⁵⁷ Veljan Acevski, Interview with Ljubica Spaskovska, Skopje, 16.10.2015. See also: Ljubica Spaskovska, 'Building a Better World? Construction, Labour Mobility and the Pursuit of Collective Self-Reliance in the 'Global South', 1950-1990", *Labor History* 59/3 (2018), 331-351.

⁵⁸ 'Delegacija Irana u posjeti', *Energoinvest List*, June 1970, 3.

Council Branko Mikulić went on a visit to Energoinvest's Egyptian production facility EVAKO, he declared that the factory which employed Yugoslav technology in partnership with Egyptian producers was 'the best and most concrete manifestation of the idea and concept of non-alignment.'⁵⁹ The celebration of Energoinvest's internationalist and Yugoslav ethos is best captured in a 'tribute' song the company commissioned, composed by famous Sarajevo singers Kemal Monteno and Alija Hafizović and distributed by Yugoton in 1982.⁶⁰ The lyrics highlighted the company's successes on the world market:

*We had a luminous vision, we saw the opportunity for a collective power
Our [workers'] councils discussed how by building factories, we have built people
All our nations and nationalities all knew that it would be better for them
Energoinvest, Energoinvest, your name is known all around the world
[...] Our bridges, with steel arms, have covered softly the whole globe
[...] Sarajevo, Yugoslavia, Europe, the whole world! Energoinvest!*

The song concluded with an uplifting line, a reminder of Energoinvest's global presence, but also of its business trajectory. Here, too, the recurrent themes that defined an 'Energoinvest' identity were present: international prestige, unity of different nationalities in labour, and the collective effort in constructing factories and, as a consequence, the emergence of a sense of loyalty and collective belonging (Energoinvestovci).

Aside from what was reported in the company's journal, workers were able to experience the benefits of non-alignment and market engagement in the workplace on a daily basis. Energoinvest had a relatively high rate of highly skilled workforce, especially engineers. For them, the company organised trainings both within Yugoslavia and abroad, aimed at educating cadres in line with the newest technological developments. Dževad – an engineer employed in the Sarajevo Armature foundry since 1980 – recalled: 'We had such a privilege to progress, to go to seminars, to get an education. They urged us to learn foreign languages, to go to technical training. For example, I'm an engineer and I was non-stop at trainings'.⁶¹ Miro, a high-skilled worker in the factory and research centre in Lukavica (now Eastern Sarajevo) added: 'Not only we had foreign experts here, but we

⁵⁹ Faruk Šarić, 'Praktična primjena ideje nesvrstanosti', *Energoinvest List*, No. 884, 13 July 1987, 2.

⁶⁰ <https://www.youtube.com/watch?v=FcVz5XeYXF8>; see also: "Poslušajte kako je Kemal Monteno pjesmom slavio BH privredni gigant Energoinvest", *Radiosarajevo.Ba*, <https://www.radiosarajevo.ba/metromahala/teme/poslusajte-kako-je-kemal-monteno-pjesmom-slavio-bh-privredni-gigant-energoinvest/216087> (last accessed on 11 March 2018).

⁶¹ Dževad, Interview with Anna Calori, Sarajevo, 16.12.2016.

had training of our experts abroad'.⁶² 'Even blue-collar workers benefitted from stipends', machine steelworker Osmo noted. This made him feel 'proud' of working for a company that valued training and education to this extent.

It was in these factories that even blue-collar workers got a glimpse of the Yugoslav global project, one that was very much a tangible shaper of their working lives. Ismet recalled that when he worked for the company in Sudan in 1972, he met 'people who knew about Tito and Energoinvest, and not about Yugoslavia!'.⁶³ When asked about his job, one of the first things Asim – a factory worker in a branch that was a highly-specified producer of power transmission lines that sold the majority of its products to the Soviet Union and Cuba⁶⁴ – remarked:

'Energoinvest has always been a giant, it was known all over the world [...] we were absolutely proud...you know, you have the market, it means you have work...you have a secure wage...if you have the market requesting you to deliver some jobs for 3-5 years from now, it means that you're secure... you must be proud, your job is secure, your existence is secure.'⁶⁵

Indeed, as Ramanadham argued in his study on 'The Yugoslav enterprise', the autonomy the enterprise exercised in decisions on personal incomes was 'one of the important aspects of enterprise performance in Yugoslavia'.⁶⁶ The above-cited *Fortune magazine* article also praised the company's successful production strategies, as well as its capacity to maintain workers relatively satisfied by paying them comparatively high wages.

A sense of pride tied with the global contacts and economic relations that the company developed emerged time and again in interviews conducted with current and former employees of these companies. These companies' global entanglements symbolised the success of Yugoslavia as a key participant in the world economy, and lent credibility to the non-aligned project. Interviewees who were part of Energoinvest, from managers to blue-collar workers, proudly remarked that their company was a 'socialist giant'. They referred to the same two details that they considered illustrative of their company's (lost) grandeur: the number of its employees (fifty-five thousand), and its

⁶² Miro Klepić, Interview with Anna Calori, Lukavica, 29.03.2016.

⁶³ 'Od nostalgije do dobrih želja', *Energoinvest List*, No. 1109, April 2001, 3.

⁶⁴ 'Proizvodnja aluminija veća od planiranje', *Energoinvest List*, No. 861, 12 January 1987, 1.

⁶⁵ Asim, Interview with Anna Calori, Sarajevo, 06.04.2016.

⁶⁶ *Public Enterprise 2/4* (1982), 76.

connections across the globe. This is also the narrative adopted in contemporary reports on the company's unfinished and contested privatisation.⁶⁷

Moreover, in workers' accounts, their country – Yugoslavia - and their company almost overlap: they both constitute a source of pride in terms of geopolitical relevance. As a 1973 Pelagonija company bulletin pointed out, an employee working abroad was not only representing himself and his work organisation, but above all s/he was there as a citizen of Yugoslavia, 'a country that enjoys high international repute' and whose citizens enjoy free mobility and visa-free travel.⁶⁸ It was, thus, often taken for granted that both the companies and their workers acted as unofficial ambassadors of Yugoslavia and fulfilled a specific diplomatic function in enhancing the profile and reputation of both their company and their country. Not only was their company an ambassador of Yugoslavia across the world, but it fully embodied its values and principles. Moreover, employees felt internationally engaged even without leaving their factories in Bosnia or Macedonia, as they were involved in production for the foreign market and were often reminded of this at workers' council meetings or in the company's bulletins which reported at length about their ongoing or future international operations. In this context, policy-makers and workers shared an idea of the world where their country and they could engage with countries and partners from across the Cold War divide as an equal partner. This stands in stark contrast with a current sense of geopolitical marginalisation and peripheralisation that these companies' former employees, Bosnians and Macedonians, more generally, feel.

Conclusion

The globally-oriented self-managed enterprise formed a vital part of Yugoslavia's development strategies both at home and abroad. Shifting the focus away from the realm of exclusively domestic debates around workers' participation provides a fresh perspective on Yugoslav self-management, by de-provincialising the Yugoslav economic experiment and embedding these histories in the complex dynamics of a transnational flow of ideas around development, management, trade and interdependence. A central, yet overlooked,

⁶⁷ Ibro Čavčić, 'Energoinvest se bori s millionskim gubicima, njegovi 'grobari' nagrađeni', *Klix.Ba*, 5 October, 2017, <https://www.klix.ba/vijesti/bih/energoinvest-se-bori-s-millionskim-gubicima-njegovi-grobari-nagrađeni/171002013> (last accessed 11 March 2018); Dženana Karup-Drusko, 'Mustafa Mujezinović Kupuje Dio?!' *Dani*, 10 March, 2000, <https://www.bhdani.ba/portal/arhiva-67-281/145/t455.htm> (last accessed 11 March 2018).

⁶⁸ 'Пред да го ставиме потписот', *Пелагонија*, November 1973, 7.

aspect of this was the institutionalisation of a growing interest, research, and policy making at international level around the 'public enterprise' and Yugoslavia's crucial role in it.

The paper focussed on two Yugoslav industrial 'giants' from the lesser developed regions of Bosnia-Herzegovina and Macedonia. The country's leading position within the Non-Aligned Movement from the mid-1950s became instrumental to these companies' global outreach. Beyond the domestic debates on the socialisation of the economy and workers' control of the means of production, the self-managed, 'public enterprise' was embedded in what its elites envisioned as a long-term project of the restructuring of the global economy, the democratisation of international economic relations, and a definite overhaul of the old international division of labour. From the mid-1960s onward, however, the argument about a better involvement in the international division of labour was used to legitimate the liberalisation and 'marketisation' of the Yugoslav economy. Following this principle, Yugoslav companies embraced the challenge of global expansion. This was further facilitated by additional reforms and the introduction of the concept of 'associated labour'. The economic success of the leading Yugoslav companies was, thus, measured against their presence and competitiveness on the global market, with a commitment to internal self-management and re-distribution. Questions of efficiency and good management practices, as well as notions of corporate culture were not alien; on the contrary, advice on restructuring from management consulting giants such as McKinsey was welcomed and implemented, insofar as it did not challenge workers' participation.

The language of interdependence and a new international division of labour was perpetuated by the enterprises themselves, and disseminated via factory bulletins and at self-management meetings. Essentially, an imperative to catch up with the developed North and prove the viability of the Yugoslav model of industrial democracy underpinned the growth and expansion of these companies. Above all, the unique geopolitical positioning of Yugoslavia, and the role it played within international debates on global trade and development with the UN system, provided credibility to the theoretical base these enterprises were rooted in; furthermore, this increased their visibility and appeal as desirable business partners or investors across the Cold War and North-South divide.

At home, these companies acted as vehicles for social mobility and spaces where inter-ethnic convergence was made possible. Workers' identities were shaped by their companies' global outlook – those who had a chance to work abroad – be it in Africa, the Middle East, Western or Eastern Europe, assumed the role of unofficial ambassadors,

internalising a sense of geopolitical dignity that stemmed from Yugoslavia's positioning in the global Cold War.