

If for a short period after the war Yugoslavia emulated the Soviet model of economic development and political authoritarianism, its ties with the Soviet Union were abruptly broken in 1948. The rupture came as a result of Tito's refusal to tolerate Stalin's intervention in Yugoslav affairs, and was sustained by the fact that Partisans had liberated most of Yugoslavia's territory before the Soviet army arrived and Communist rule had been effectively established without significant Soviet involvement.

Since then, Yugoslavia has charted its own domestic and foreign policies quite independently of the other Communist states, while maintaining a one-party system led by the League of Communists of Yugoslavia. The party seeks to guide and influence rather than command the political and economic life of the nation. In 1950 it introduced a unique socialist system of decentralized "workers' self-management," under which the means of production (i.e. factories, banks, etc.) are owned and managed by the workers themselves, and are exploited to their direct benefit. Yugoslavia's foreign policy emphasizes avoidance of domination by either the East or the West.

## Yugoslav Federalism

While Yugoslavia is a highly decentralized federation, the responsibilities of the Federal Government include the formulation and co-ordination of national policy with regard to the economy, external relations and defence. Particular attention is devoted by federal authorities to the reduction of the severe regional disparities existing between the richer northern portions of the country and the much poorer ones in the South. Republics enjoy wide decision-making powers in administrative, economic and political matters, their institutions duplicating closely those found at the federal level.

In foreign policy, Yugoslavia enjoys international political prominence as one of the founders of the "non-aligned movement." As a result, it entertains close ties with many developing countries of Asia, Africa and America.

## The People

In 1982, the population of Yugoslavia stood at 22.6 million. Some 28 percent of the workforce is employed