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YUGOSLAVIA REAPPRAISES ITS POLICIES

Faced with hostility from the Warsaw Five and filled with misgivings about Soviet intentions, Yugoslavia is reviewing its foreign policy priorities with an eye toward closer ties with the West.

The Yugoslav leaders believe that, with the occupation of Czechoslovakia, Moscow has abandoned the basic principle of "separate paths of socialism." Undefined references by Moscow and its close allies to a "socialist commonwealth"--a doctrine Tito believes might be used to justify Soviet intervention in any country that strays from orthodoxy--bring a chill of fear to the party leaders in Belgrade.

The Yugoslavs do not believe that they are faced with any immediate military threat from the USSR and have relaxed their partial military mobilization. Belgrade remains apprehensive, however, about Moscow's long-range policies and in particular about the increased Soviet naval presence in the Mediterranean.

Despite the continued polemics, Belgrade is working hard to maintain normal economic relations with the Warsaw Five, which account for approximately 29 percent of its trade. There is, however, no firm date yet for negotiations, usually held at this time, for next year's Yugoslav-Soviet trade agreement.

Last week, Yugoslavia attended Common Market negotiations in Brussels in hopes of improving its export position. West Germany and Italy are sympathetic, and Bonn has already granted larger import quotas on some Yugoslav products. The Yugoslav press has favorably treated Deputy Premier Gligorov's recent visit to the US and Undersecretary Katzenbach's 17-19 October trip to Belgrade, and has stressed the continuity of the US-Yugoslav dialogue.

At the same time, the Yugoslav leadership is taking advantage of the crisis atmosphere to renew the unity and sense of purpose of the Yugoslav people. Government officials will soon debate new constitutional proposals, suggesting that Yugoslavia intends to continue its decentralization. Republic and federal party congresses, beginning next month, probably will oust conservative elements, and replace them with more pragmatic supporters of Tito's liberal reform measures.

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