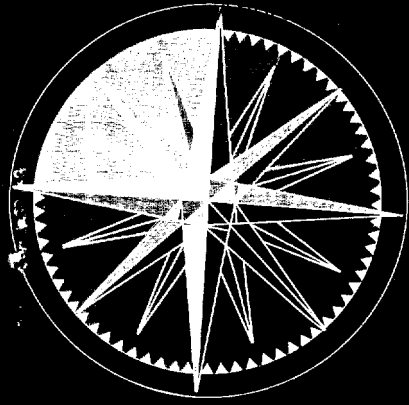


SECRET

Case 2006/08/22 : CIA-RDP79-00927A005400020002-1



5 August 1966

OCT No. 0301/66A

Copy No. 42

CURRENT INTELLIGENCE WEEKLY SPECIAL REPORT

YUGOSLAVIA—THE FALL OF RANKOVIC

CENTRAL INTELLIGENCE AGENCY DIRECTORATE OF INTELLIGENCE



25X

SECRET

GROUP 1 Excluded from automatic
downgrading and declassification

Case 2006/08/22 : CIA-RDP79-00927A005400020002-1

Approved For Release

Page Denied

SECRET

YUGOSLAVIA--THE FALL OF RANKOVIC

With the firing of his heir apparent, Aleksandar Rankovic, Yugoslav leader Tito has touched off a major reorganization of the party and government. At the same time Tito has initiated other steps designed to spur implementation of his liberal policies. The effect of these moves is to face his regime with its greatest crisis since Yugoslavia was expelled from the Cominform in 1948.

Tito's moves were precipitated by his discovery of Rankovic's intensive use of the secret police to ensure succession to the top spot. Although Tito was obviously aware of the far-reaching effects of his reaction, he nevertheless acted decisively against Rankovic and those conservative elements which had rallied around him and were endeavoring to hamstring political, social, and economic reforms.

The struggle to become Tito's successor-designate has been reopened, the sensitive nationality issue stirred up, and the status and influence of ex-Partisans in the regime has been undercut. Should Tito die or become incapacitated in the near future these issues would become the source of severe political instability.

The Ouster of Rankovic

The decision to fire Rankovic and his main supporter--overseer of the secret police Svetislav Stefanovic--from their party and government posts was made in June and announced at the fourth party plenum on 1 July. Tito appears to have acted rapidly, for he had let Rankovic lead the Yugoslav delegation to the 23rd congress of the Communist Party of the Soviet Union in April and go on an official party visit to Poland in mid-May.

Rankovic was publicly charged with using the secret police (SDB) to enhance his own position and to oppose regime policies. Tito and other top-level leaders at the July plenum accused the then vice president and party secretary of placing his SDB followers in important positions throughout the party and government. The SDB itself was accused of acting as a power above society and the party, of intruding into political matters, and of trying to intimidate leading government and party officials.

SECRET

SECRET



CHRONOLOGY OF EVENTS LEADING TO RANKOVIC'S OUSTER

- 25 Feb:** Third plenum of League of Communists of Yugoslavia (LCY) hears Tito charge that opposition to economic reform exists in top party leadership. Rankovic attacks Serbian chauvinist tendencies.
- 15 Mar:** Tito in a speech says that next party plenum will discuss nationalities problem.
- 19 Mar:** The Serbian party executive committee meets and again attacks "closed circles and informal groups." Although not a member, Rankovic attends.
- 26 Mar:** Rankovic heads Yugoslav delegation to 23rd Soviet Party Congress.
- 28 Apr:** LCY executive committee meets and announces fourth plenum in mid-June to discuss personnel questions.
- 9-21 May:** Rankovic visits Poland at invitation of its party central committee.
- 16 May:** Serbian central committee meets and again discusses interference and influence-wielding, attributing it to persons in high places.
- 16 Jun:** LCY executive committee hears report of technical commission investigating secret police. Commission headed by Macedonian party leader Crvenkovski is organized to substantiate charges now made against Rankovic, who offers to resign.
- 22 Jun:** Crvenkovski commission reports to party executive committee, which announces rescheduling of fourth plenum to 1 July.
- 1 Jul:** Rankovic and Stefanovic are ousted from their party and government posts at fourth plenum. Commission is set up to study reorganization of party.
- Oct:** Party plenum to meet to consider recommendations on reorganization of party.
- End of year:** Possible extraordinary party congress to reorganize LCY.

SECRET

SECRET

Although these charges undoubtedly were true, Tito himself supplied the basic reason for Rankovic's removal in his speech to the plenum: "what is involved here is the factionalist struggle of a group, the struggle for power." Both Tito and Cvijetin Mijatovic, party chief in Bosnia and Hercegovina, implied in later speeches that Rankovic was becoming a Yugoslav Stalin in his misuse of his party position and the SDB.

Rankovic's Motivation

There is no evidence that Rankovic was planning to overthrow Tito, and it is more likely that he was only attempting to ensure his political future as Tito's successor. However, he obviously overplayed his hand by such moves as permitting the wire tapping of the homes and offices of the highest government officials.

Rankovic probably anticipated that his political position was in danger. Under the major personnel reshuffle planned to accompany the national elections in 1967, he could reasonably expect that many of his appointees would lose their jobs. He in turn would probably be removed from the vice presidency. This reshuffling would mark the first meaningful implementation of the regime policy that officials are not to hold party and government posts simultaneously.

He also knew that many in the party and many among the

public at large looked askance at the prospect of his succeeding Tito. As chief of the secret police during the early years of the Communist regime, Rankovic had earned much ill will. Moreover, his Serbian nationality, while giving him a political base in the largest republic and party in the federation, aroused the suspicion of many Croats and Slovenes.

The Role of the Secret Police

Tito's decision to attack Rankovic through his long-time association with the secret police hit at his most vulnerable point. It is significant that the party's accusations stressed Rankovic's links to the Administration of State Security, the old designation, thereby reminding both public and party of his role in the postwar terror engendered by the ruthless suppression of dissent. Tito was thus also able to play up his own image as the protector of a more liberal and democratic Yugoslavia.

There is little doubt that Rankovic had used the secret police to penetrate parts of the Yugoslav Government that were otherwise beyond his control, such as the State Secretariat for Foreign Affairs (SSFA).

In late 1964, Rankovic reportedly presided over an investigation of the SSFA's foreign intelligence component. The investigation led to the head of the department's being replaced by a supporter of Svetislav Stefanovic, who was the indirect head of the SDB

SECRET

SECRET



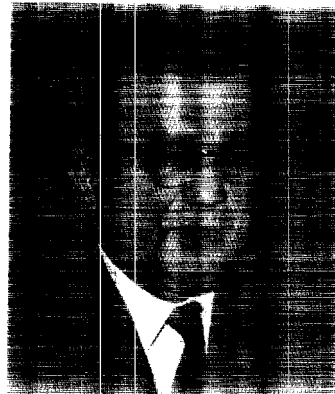
JOVAN KUJUNDZIC

The 43-year-old President of the League of Communists of Yugoslavia since 1957. He has effected Yugoslav unity and movement by the League of Communists from the capitulation in 1945 to the present day. He has led the League of Communists to its present day position of a social and all-progressive force.



ALEKSANDAR RANKOVIC

The former vice president of Yugoslavia. Rankovic was a legislative counterpart of Tito and was generally regarded as his political heir. He had been organizational secretary of the League of Communists since 1940. Rankovic is Secretary of the State Security Service (SSOB), directly and indirectly, since its organization during World War II.



SVETISLAV STEFANOVIC

Created as head of the SSO and as president of the Federal Executive Council. Commission for Internal Policy. Stefanovic has been associated with Rankovic and the SSO since its founding in 1944. A Communist Party member since Tito's Partisan forces during World War II.



MIJIA KOSTIC

Formerly vice president of the Yugoslav National Assembly and an Communist Yugoslav representative of the people of the League of Communists. He is a member of the executive committee of the League of Communists. He is a member of the central committee of the Yugoslav League of Communists since 1948. He was a member of the party's Politburo since 1952.



KOCA POPOVIC

Rankovic's replacement as vice president. Popovic had been working at a foreign relations expert in the party's central committee since April 1965. A World War II Partisan, he served as chief of the Yugoslav General Staff from 1945 to 1953 and chief of the military intelligence office from 1953 to 1965. Well-educated and intelligent, Popovic is a Communist Party member since 1938 and joined the party in 1943. He has served as a member of the party's Politburo since 1952.



MIROSLAV POPOVIC

The secretary general of the Socialist Alliance of Working People of Yugoslavia, the country's new organization. Popovic has replaced Rankovic as the party's secret general committee. A Serb, he worked as a constant on highway for the private legal profession, joined the party in 1949, and was a Partisan during World War II. He has been a member of the Politburo since 1952.

SECRET

SECRET

and a Rankovic man.

Although Rankovic reportedly also was able to exert pressure on Yugoslav foreign trade enterprises to accept SDB personnel, his probable attempt to extend his influence into the army failed.

In 1964 General Gosnjak, State Secretary for National Defense and an old friend of Tito's, reportedly instigated the removal and party reprimand of Deputy Defense Secretary Otmar Kreacic, reputedly a Rankovic man. There are indications that Rankovic had intended to make Kreacic defense secretary once Tito was gone. While no deputy secretary was named to replace Kreacic, General Jefco Sasic, a Tito supporter, was made an assistant secretary of defense. The success in neutralizing Rankovic's efforts to infiltrate the army was apparent at the plenum, where the military apparently lined up solidly behind Tito.

Crackdown on the SDB

Tito has moved quickly to purge Rankovic supporters from the SDB and to bring the organization under close party control. A commission has been set up to recommend ways to reduce the size and scope of the SDB and its influence in the foreign intelligence work of the Foreign Ministry.

So far, the purge of Rankovic sympathizers has been restricted mainly to the federal internal security service and to the services in Serbia and Montenegro. The deputy federal secretary for internal affairs, Milisav Lukic, and three assistant secretaries have been dismissed, as well as the internal affairs secretaries and their deputies in Serbia and Montenegro. The other republics, particularly Croatia and Slovenia, will probably feel the purge later, if only to allay Serbian suspicions of being the sole target.

Wholesale removal of Rankovic's political supporters probably will come later, as part of the personnel reshuffle that will accompany the proposed party reorganization and the 1967 national elections. Although rumors continue to circulate about the extension of the purge to the Foreign Ministry, only the SSFA's intelligence chief, who had been installed by Stefanovic, has been dismissed.

National Antagonisms

Although Rankovic, speaking before the July plenum, denied that he was a Serbian nationalist, his ouster is bound to affect Yugoslavia's nationality problem. Historically, many Serbs have believed that Yugoslavia is essentially a Serbian creation, which they legitimately should lead. This "Greater Serbian" view clashes

SECRET

SECRET

with the Croats' traditional demands for autonomy and insistence on their cultural superiority.

The imposition of Communist rule and Tito's immense prestige as the liberator of Yugoslavia from Axis occupation temporarily submerged nationality quarrels. In place of the centralized state that had existed before 1941, Tito formed a federation of six republics, each organized around one of the major nationality groups. Serbia remained the largest republic geographically and in population, but a careful nationality balance was maintained in both party and government positions at the federal level.

Tito's handling of Serbian sensibilities during and after the fourth plenum reflects his awareness of the inflammability of this old problem. The commission that investigated the SDB and called for Rankovic's resignation was composed of one member from each of the six republics. None of the top-level Croatian or Slovenian leaders joined in the denunciations of Rankovic at the plenum. Instead, Jovan Veselinov, the Serbian party chief, and Dobrivoje Radosavljevic, a member of the Serbian party's executive committee, criticized the fallen party secretary.

Veselinov in particular took pains to reassure his fellow Serbs that the attack on Rankovic and the SDB was not aimed at Serbia. Moreover, although Tito

had remarked at the fourth plenum that the Serbian party faced the heaviest tasks of all the republic parties, in a speech five days after the ouster he expressed his pleasure at the way the Serbs had already started to implement the plenum's decisions.

Tito has also maintained the pre-plenum nationality balance in redistributing Rankovic's party and government posts. Mijalko Todorovic, the new party secretary, Milentije Popovic, who replaces Rankovic on the party's executive committee, and Koca Popovic, the new vice president of Yugoslavia, are all eminent Serbs, as is Rista Antunovic, who took Stefanovic's place as head of the government's commission for internal policy.

Conservatism Versus Liberalism

Contributing to the nationality problem are the individual republics, competing political and economic interests which have become intertwined with the conservative-liberal debate over the country's future course of development.

It has been clear that some rank and file party functionaries with the support of figures in the top hierarchy--now identified with Rankovic--have not supported Tito's policies to decentralize the state apparatus and economic decision-making. These "centralists," who prefer the party's traditional reliance on force and intervention in the decision-making process, face the loss of their positions and power. Although their

SECRET

SECRET

opposition to decentralization has not been overt, it has been effective in behind-the-scenes debates and evident in their failure to implement regime policies.

Concern over Rankovic's reputed lack of enthusiasm for these programs apparently figured prominently in Tito's decision to fire him. The Crvenkovski commission's report accused the SDB--and thus, by implication, both Rankovic and Stefanovic--of blocking political and economic reforms in recent years. It stated that the state security service had extended its personnel network down to the enterprise level, and alleged that security personnel interfered in both investment and personnel policy decisions. Speaking before the plenum, Tito clearly had Rankovic in mind as he criticized "individuals who became aggressive, who established their power over the people, power over the League of Communists, power over our society. These unfavorable distortions have penetrated down to enterprises, factories, to various social organizations, everywhere."

Whether or not Rankovic overtly opposed Tito's policies, Tito apparently believes he did. Tito has showed a deep concern about the kind of system he leaves behind and apparently has come to believe that Rankovic would have opposed a radical diffusion of power at the expense of the party. Moreover, the conservative element which had rallied around Rankovic

strongly believes that Yugoslavia already suffers from too much decentralization and "excessive democracy." This group is composed largely of ex-Partisans and middle-level party functionaries who are ill equipped to operate successfully in the kind of system advocated by Tito.

Party Reform

Apparently Tito now plans a major overhaul of the party organization to ensure implementation of his policies. A commission, packed with high-level party leaders, is already at work, empowered to recommend that a special congress be held later this year, if necessary, to adopt its proposals.

The ouster of Rankovic and his key supporters clears the way for far-reaching changes. A major aim of the reform is to open the way for the many young liberals in the party who have been blocked by conservatives. Tito hopes this will give the party program more momentum.

Among the measures the commission probably will recommend is a personnel policy designed to broaden public participation in Yugoslav political and economic life. The commission will also attempt to define the functions of the party and the government, and to give impetus to the policy that no one--with the exception of Tito--will simultaneously hold major posts in both party and government. It will probably urge more frequent rotation of personnel and recommend that membership in the

SECRET

SECRET

party no longer be the basic criterion for filling high government and economic posts.

Succession

By ousting Rankovic, Tito has reopened the delicate question of his successor, an issue of deep concern to the regime and the population even after Rankovic had been marked as Tito's chosen heir. Tito had earlier attempted to settle the issue by including in the 1963 constitution a provision for transfer of power to a vice president, at that time Rankovic, who was already second to Tito in the party.

There is at present no one on the scene who can step into Rankovic's second-ranking position and assume Tito's authority should he die or retire. Edward Kardelj, a Slovenian and author of many of the liberal reforms in Yugoslavia since 1952, is now senior party secretary and ranks next to Tito in point of service. He lacks, however, the political power base and charisma necessary to assume authority. Veljko Vlahovic is popular in the party and has made his mark as an ideologue, but as a Montenegrin he also lacks an extensive power base. Todorovic, although a Serb with roots in the largest of the Yugoslav republics, is too new to the office to be considered as a replacement for Tito.

The inevitable purge of Rankovic sympathizers will make room for the rise of as yet un-

identified younger men to vie for Tito's mantle. The elevation of Koca Popovic to the vice presidency gives him some standing. However, though capable, he has so far been a political nonentity on the national scene.

Outlook

Rankovic's dismissal is above all a victory for the party's liberal wing, which probably will dominate the immediate future of Yugoslavia. As long as the 74-year old Tito continues active--and there is no evidence that his vitality is diminishing--his regime and his policies will remain intact. Moreover, he obviously will continue to bend every effort to ensure the stability of the regime and the continuation of his policies after he has gone. Rankovic's ouster and the planned reorganization of the SDB and the party vividly demonstrate the lengths to which he is willing to go to accomplish this.

These dramatic steps, however, contain elements that pose serious problems for his successors. Without the rise of a strong new national leader, Tito's demise will usher Yugoslavia into one of its most critical periods as the inevitable power struggle ensues. Tito's entire system will then come under challenge as candidates vie for power and republic leaders maneuver for local advantage.

Tito apparently hopes to gain such wide acceptance for his policies, both among regime

SECRET

SECRET

officials and with the general population, that any new leaders would find it difficult if not impossible to retreat from the country's present liberal course. He must realize, of course, that there is an inherent contradiction between a party dictatorship--which the hierarchy will try to maintain

at all cost--and the present policy of increasingly reducing the party's role to that of a persuading and guiding, rather than a directing, force in the country. Given a few more years he may resolve this dilemma. Given only a short time, an eruption of violence is possible.

25X1

* * *

SECRET

SECRET

SECRET