

Vladimir Lj. Cvetković

*First Initiatives for Restoring Economic Relations of Yugoslavia with Neighbouring
“People’s Democracy” Countries 1953–1954*

Summary

In the period from the end of World War One to the 1948 conflict, the Soviet Union and Eastern European countries held a dominant position in Yugoslav foreign trade. In 1948 imports from this group of countries accounted for 45.7% of total Yugoslav imports, and exports to these countries amounted to as much as 50.7% of total exports. Bearing that in mind, it is clear how much Yugoslavia was affected by economic blockade imposed by these countries after 1948, but it is also clear where, after Stalin’s demise, lay Yugoslav interest for economic cooperation with these countries. The main goal that Yugoslavia desired to achieve by renewing trade with Soviet satellites, including the neighbouring ones, was to create a larger manoeuvre space for its own foreign trade. Belgrade expected to achieve that by increasing foreign trade volumes, exports in particular, since it was easier to sell to these countries the products that were harder to find buyers for on other markets. The Government plans did not fail to recognise the role of imports from Eastern European countries. Imports were to ensure supplies of some important raw materials and semi-finished products (coke and coking coal) that at the time were only imported into Yugoslavia from the West, and it was “in the interest of independence” of its policy that there was a possibility to import them from the East as well. The planned structure of imports from the Soviet Bloc countries served not only to ensure the supply of raw materials, but also to ease the burden of Yugoslavia’s balance of payments with the West, where foreign currency was needed.