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# **Two Serbias in the Long Run**

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## **Abstract**

This thesis outlines the political cleavage of Two Serbias over the course of two centuries. Is populism a Serbian invention? Why is it that it keeps reappearing? What is the trajectory of Serbian modernisation from 1870 to 1990? What is de-modernisation and why is it relevant? What does populism even mean and how does its Serbian version fare in comparison? To answer this, the thesis contrasts two historiographical approaches, combining them with the latest cliometrics and contemporary sociology on demodernisation and Western populism.

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## Introduction

There is hardly a more prevalent or longer lasting division of Serbian society than the dichotomy of two Serbias, a perpetual cleavage of two socio-political worlds, locked in a multidimensional struggle, with contours of a latent civil war.

Today, both blocs have a left and right-wing and the range of political ideas represented within each bloc spans almost the entire political spectrum. The continuity goes from a Radical-socialist bloc versus a liberal-progressive-conservative one in the 19th century, to today's ruling pragmatist-developmental, authoritarian-neoliberal, socialist, social-democrat, national-socialist, conservative, and left-wing nationalist coalition versus a liberal-led green, centre-right, monarchist, right-wing liberal, national-conservative, conservative-liberal, far-right and millennial left opposition.

The foreign-policy dimension also cuts across the cleavage, as there are pro-Western and pro-Russian sub-blocs within each big bloc. The government coalition's right wing is pro-West, and its left wing is pro-Russia, while the opposition's right wing is pro-Russia and its left wing is pro-West.

Socially, there is a general distinction of the 'popular' bloc being of the nation, the working class, the country, and the 'citizen' bloc being middle-class, of the city, with the elite split in between, tilted towards the latter. This is not absolute, either, as both blocs have their respective middle class sections, and blue-collar sections.

And lastly, the inter-bloc cleavages are more recent. In the 20<sup>th</sup> century the old, right-wing agricultural elite gradually transformed into a secular, commercial elite, which defined itself as

progressive against the old conservative, hierarchical, patriarchal elite. Likewise, but conversely, the old working class, which understood itself as progressive was transformed at roughly the same time into a new, deprived, insecure mass of private-sector workers, protected by hardly any state regulations, and employed by foreign capital which became newly conservative.

It all makes little sense at face-value, but it makes a great research question. This text enters the historical view in addressing the two Serbias and the leading approaches to it. The first chapter discusses liberal interpretations of (de)modernisation and the historical fortunes of each of the two Serbias according to Latinka Perović and Dubravka Stojanović. The second chapter contrasts this with the more sociological annales approach. In conversation with Traian Stoianovich about the social dimension of two Serbias in the 19<sup>th</sup> century, it tests and expands his interpretation with contemporary cutting-edge 19<sup>th</sup> century economic history by Palairret, Milanović, and Mijatović. The third chapter deals with the evolution of the old binary blocs into two new binary blocs, then form specific alliances with the old binary blocs. This dynamic is responsible for much of the counter-intuitive asymmetries and blasphemies. Establishing a pattern in the development of the two Serbias and looking at their chronological origins in generational culture change in the late 19<sup>th</sup> and 20<sup>th</sup> centuries largely resolves the seemingly unintelligible character of Serbian political divisions. The fourth chapter sums up the former three into a coherent argument.



## 1. Failed expectations

Serbian liberal historiography sees Serbia as fundamentally dysfunctional because it failed to follow the Western model of modernisation. The power dynamic between the two Serbias did not follow the same dynamic between the two Frances, or two Englands, where the elite won and went on to rule the world.

This is, like much of Serbian intellectual thought, born out of a dismal disappointment with the outcome of the 20<sup>th</sup> century, a stunning fall from grace of a former ally of the West, which became its worst European enemy and the first country to be bombed by NATO. The First Serbia, ever infatuated with the West, could not explain this in other terms than to blame the Second Serbia for this and at the same time, claiming historical agency for itself, blaming itself for failing the West. The historiography belonging to the First Serbia is thus obsessed with finding the exact point of this great Sundering, the point of departure from a normal Western modernisation model, which in their eyes led to an understandable reaction from the West to purge Serbia of this malignant growth in the nineties. In that, it tends to essentialise itself and the nation as a whole, seeing it dysfunctional and fundamentally flawed. “*Finally, one thing in which the Balkans have had an advantage over Europe, Populism!*” is how Dubravka Stojanović, one of Serbia’s leading historians, self-deprecatingly opens her main book.<sup>1</sup> The Western gaze is internalised and one sees oneself through it. History is understood linearly, as either converging or diverging from the best system imaginable, every divergence being pathological.

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<sup>1</sup> Dubravka Stojanović, *Populism the Serbian Way* (Beograd: Pešćanik, 2017).

This line of thinking suffers from what Alfred Rieber called the regretful prevalence of the German model of geo-politics over the French model of geo-culture. In the German model, historical developments are traced to ideas of small groups, to thought patterns, and a culture, which conform or do not conform to models of healthy modernisation. This leads Stojanović, Calic, Perović and others to neglect what Polanyi called the substantial reality of history. The economic and sociological dimension, which ultimately creates and primes the people who act history out, is neglected. The two Serbias each had their own economic reality, and their relative strength in each period was to a large degree determined by the growth or erosion of the Serbian economy.

The main intellectual battleground in debates about the Serbian Sonderweg and its failure at modernity is the late 19<sup>th</sup> century. Liberal historiography sees there an inherent inability of the Serbian mind to conceive progress. Liberation from the Asiatic backwardness of the Turks was thus conducted in an equally backwardly-egalitarian manner, rather than in a truly Western-capitalist style. For Stojanović, the concept of Zadruga became a straitjacket of mental inadequacy and lack of political maturity. Protectionism, not unknown elsewhere, she says, citing Calic, was given undue weight in Serbia, and acted as a “*particular and previously unknown obstacle to the development of capitalism.*”<sup>2</sup> This supposedly sentenced Serbia to one of the lowest agricultural productivities in Europe, leading to backwardness. The causal chain goes from a flawed idea, marred in backward politics, into the practice of agriculture, into the socioeconomic configuration, where Second Serbia wins. The difficulties in foreign trade were, according to Calic and Stojanović, a result, rather than a cause of this internal dysfunction.

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<sup>2</sup> Stojanović, 23.

Politically, the debates about the Serbian Sonderweg coalesce around the late 19<sup>th</sup> century nascent democracy and its defeat at the hands of the Radicals. Stojanović's book about Serbian populism ultimately blames the 1870s as the turning point in the fate of Serbian modernisation, effectively branding it a Sonderweg.

The second case of this supposed Sonderweg were the 1980s. Stojanović notes, again with disdain, that now too, Serbia did not follow the example of the more pro-Western Poland and Czechoslovakia in shunning old egalitarian backwardness and remained unduly anti-modern with Milošević. The nineties, according to Stojanović, were once again proof of the inherent uncivility and the same cyclical patterns of exceptionality and the intrinsically violent character of Serbian politics. The following isolation was solely Serbia's fault and represents a welcome medicine for the backward nation, which forever fails in comparison with the civilised world, she claims, before welcoming the bombing of her own country as a civilising mission. After trashing Serbia for its record of political assassinations and violent overthrows of its leaders, linking them to inherent backwardness, she praises the violent overthrow of Milošević and his extradition to a hostile foreign country, a de-facto political assassination.<sup>3</sup>

The period in between the two Sunderings is described as the modernising zenith, although it is scarcely mentioned and mostly omitted, in line with an overall emphasis on Serbian backwardness. Paradoxically, Stojanović concludes, the undemocratic Communists came the closest to creating a social configuration compatible with liberal democracy, which is a middle-class society.<sup>4</sup>

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<sup>3</sup> Stojanović, 38.

<sup>4</sup> Ibid, 41.

Stojanović's main argument is one of hyperbolic vogue, but is nevertheless ambitious and grand in its comparison. It is of Serbia being a pioneer of (post)modern European/Western populism. The overwhelming desire of Serbians to be of the West is realised in a cruel game of irony of it being the vanguard of European decline and anti-modernity, on display across the continent for a years now with a large streak of unprecedented right-wing electoral victories from Sweden to Italy and from Britain to Estonia. In the Age of Trump and Brexit, of Catalan and Scottish separatism, of creeping European Union disintegration, of xenophobia and ethnocentrism, of a religious revival, a traditional-values revolution, and an overall sense of cultural regression, Serbia holds the patent for this strain of right-wing revolution, says Stojanović. Populism's birthplace is Serbia and the date of birth are the 1870s.

Latinka Perović agreed that Serbian history can be seen as an interaction between two camps. A popular-socialist-radical bloc, intellectually founded on the democratic principle of the people, and a liberal-progressive-conservative bloc, founded on an aristocratic principle of the elite. The division has a foreign-policy dimension, which was long the primary subject for historians, and a social dimension, which had been neglected, says Perović.<sup>5</sup>

Writing in the nineties, Perović implicitly juxtaposed her contemporary political, societal and cultural demodernization and regression with a previous case of demodernisation to argue for a pattern of continuity. Once again, there were two 90s, she says, one in the 19th and one in the 20th century, and each time Serbia somehow willingly and intentionally turned away from modernity.

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<sup>5</sup> Latinka Perović et al., eds., *Srbija u modernizacijskim procesima XX veka: (naučni skup) = Serbia in the modernization processes of the 20th century: conference* (Beograd: Institut za noviju istoriju Srbije, 2018).

We have been here before, she implies. Serbia was on course towards a Western liberal modernisation, a new liberal constitution was drafted in 1888, but then revoked in 1894 in favour of an old, conservative one from 30 years ago. The Radical Party, also for Perović the premier anti-modern force, was born in the late 1880s, slowly rose to power in the 1890s, and then took over in the early 20th century, their leader Nikola Pašić becoming probably the most influential person in modern Serbian history.

In the medium run the modernist side, the liberals, conservatives, and progressives, slowly but surely surrendered power to the anti-modernist Radicals. An enlightened king was assassinated and his family exterminated by a nationalist coup.

She presents a causal chain of modernisation. Modernity is primarily a matter of competence, and competence is the domain of the elite. Therefore, modernisation is the responsibility of the elite. In view of the Sundering, has the elite, then, possessing concentrated agency, failed Serbia, rather than the popular majority, which didn't know better? Her answer is yes, but the very existence of the elite is subjected to economic laws. A rich society will have a large and powerful elite, which will boost competence, furthering modernisation in all other areas of life. A poor society will have a small elite, which will achieve the opposite. But what makes a society rich or poor in the first place, so that there is an elite which can liberalise society to steer it towards Western modernity?

What we have then is a causal chain with a cyclical-argumentation issue. If modernisation depends on the elite, and the elite only exists in a wealthy society, but not in a poor one, then there is a missing link. What makes a society wealthy in the first place, creating an elite which makes it richer still, as well as politically and culturally modern?

Two of the most prominent investigations of the long duration of Serbian modernisation come to the same conclusion. The end of the 19th century stands as the matrix of demodernisation and a pattern, which repeats itself on a loop within the country and in today's Europe as a whole. In the 1870s, we are told, Serbia was a normal country, on its way to converge on the West and its social, political, and institutional configuration, when it went astray into a pathological embrace of the past over modernity and development.

This argument is the point of departure which will be assessed in the remainder of this text. The position of this text is that the core argument itself is factual, but is woven into a causal fallacy, which is inverted to be compatible with a political agenda. It is now time to address the 19th century conjuncture.

## 2. Social Foundations of Politics

Also writing in the 1990s, Traian Stoianovich had a different interpretation. He saw the spread of Radicalism a century earlier as a specific form of generational conflict, as the coming-of-age of a deprived generation, sunken into economic dependency and impoverishment:

The new situation which inspired the diffusion of radical theory in the Balkans was the subjection of the new states, especially after the Crimean War, to the economic and political imperialism of the European powers, of which an important consequence was the impoverishment of a portion of the Balkan peasantry and artisan class.

The Balkan states could not protect themselves against the competition of European manufactures, either because existing treaties forbade them to erect protective tariffs, obliging them to exhaust their limited capital resources in the building of railroads (instead of allowing them to develop their industry), or because the bulk of their exports was earmarked for one or two European countries. As a result, these countries could deprive a Balkan state of a market if it tried to assert its economic independence. The adoption in the Balkans of new industrial techniques and the pursuit of a more coherent economic program were therefore delayed until the end of the century. In the meantime, the old craft industries stagnated or declined.<sup>6</sup>

Population growth brought rural overpopulation and together with coupled with economic dependence imposed by newly industrialised imperial states of Central Europe created a conjuncture.<sup>7</sup> (124) The official and landowning class profited from exports of the few raw materials that Serbia could export to the West, and embraced philosophical positivism. Serbian conservative positivists, Stoianovich says, who organised themselves in the Progressist party, “were the exponents of a triple slogan: progress, order, and European culture”, embracing “the

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<sup>6</sup> Traian Stoianovich, *Between East and West: The Balkan and Mediterranean Worlds. Vol. 3, Material Culture and Mentalités, Power and Ideology*, vol. 5, Studia Balcanica, Islamica et Turcica (New Rachele (New York): Aristide D. Caratzas, 1995), 123-4.

<sup>7</sup> Stoianovich, 124.

*culture of a work ethic*".<sup>8</sup> Convinced that industrialisation could only be achieved through capital accumulation, they pursued befriending the core capitalist powers. The Radicals, on the other hand, embraced protectionism to protect the the peasant class and its elite and *"preferred the capitalist powers that played a secondary role in their economy (Russia, France, or Germany)."*<sup>9</sup> The two Serbias were taking shape.

The world economic crisis of 1873-96 was the crucial context for Stoianovich, while it is never mentioned by Stojanović or Perović. Politically, it brought "darwinism", a live-or-die situation for political parties, which in turn made politics revolve around opportunistic expediency. By "darwinism", Stoianovich is referring to what we today would call populist authoritarianism: *"reactionary agitation by populist muckrackers"*.<sup>10</sup> This period ended shortly after the economic crisis, in the very early 1900s, and Stoianovich makes the connection: After 1900, *"Balkan political improvements were in some degree the result of renewed prosperity and in particular of the enrichment of a segment of the peasantry."*<sup>11</sup>

Besides "populism", the economic crisis brought ethnocentrism, antisemitism, and brigandry. The famous hajduks were *"marginal men"*, of a *"hero-villain type"*, which brought together *"high school students and young "intellectuals," disgruntled army officers, intellectuals dissatisfied with their official public roles, social revolutionaries, pure patriots, nationalist extremists, and real gangsters."*<sup>12</sup>

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<sup>8</sup> Ibid.

<sup>9</sup> Ibid.

<sup>10</sup> Ibid, 128.

<sup>11</sup> Ibid.

<sup>12</sup> Stoianovich, 126.



Stoianovich makes the implicit point that it wasn't the brigands themselves who were the root problem, but that a general "grave condition of the nation" and impoverishment gave rise to chaos and violence, which was then ameliorated by the state and its social elite by hiring a part of these marginal men, putting them into a grey zone of semi-official, state-sponsored thugs.

The Stoianovich interpretation shares many key points with Stojanović and Perović. There was trouble between 1870 and 1900, and his description of this period's politics rhymes with what we think of as "populism": the violence, the social unrest, a new kind of cutthroat politics, and ethnocentrism. All of these, according to him, stand in contrast with the pre-crisis period and the post-crisis period, forming a specific mini-period.

Now, let us take a step back from interpretations and take a look at some cliometric data from the newest cutting-edge social and economic history of Serbia in the second half of the 19th century.

19th century Serbia was an agricultural nation of small-holding peasants. This was institutionalised via low taxation, caps on maximum holdings, and weariness of the market, all designed to prevent famine of the subsistence farmer. This made for an egalitarian society. Michael Palairot states that the countryside sometimes had a Gini coefficient of almost zero, meaning almost perfect income equality.<sup>13</sup> The majority lived on subsistence. The elite was small, and almost entirely made up of state bureaucracy officials, save for a slim commercial class. There was little industry, and a small artisan class.

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<sup>13</sup> M. R. Palairot, *The Balkan Economies c. 1800-1914: Evolution without Development*, Cambridge Studies in Modern Economic History 6 (Cambridge, UK. : New York: Cambridge University Press, 1997).

19th century being the proper birth of the modern topography of development, and a pronounced formation of an industrialised core in Western Europe, this meant economic dependence for the European and wider periphery. Serbia's place in this world was determined by what raw materials it could sell to Austria and Germany. And that was agricultural products.

Palairret follows Stoianovich: *"For the smaller and more remote economies of continental Europe the economic history of the pre-1914 era should perhaps be seen most constructively as one of a commercial revolution on the fringe of the industrializing centre. One of the mainsprings of this process must surely have been the tremendous expansion, within the area which may be described broadly as Mediterranean Europe, of the export of specialist and industrial crops, to the countries of the industrial centre."*<sup>14</sup>

The fate of the Serbian middle class now rested on a handful export raw goods which could be sold on the market or exported. Wine, plums, but most of all, pigs. Serbia's main export, main source of cash, and the production that defined its place in international trade was pig farming.

Both Karađorđe Petrović and Miloš Obrenović, the great men of the first half of the century, liberators from the Ottomans, and founders of the two Serbian dynasties, were both pig traders from the most prosperous agricultural region of Šumadija in Western Serbia, where most of the exporting rural middle-class was located. The path to wealth and power in the 19th century was to export pigs.

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<sup>14</sup> Michael Palairret, 'Merchant Enterprise and the Development of the Plum-Based Trades in Serbia, 1847-1911', *The Economic History Review*, 2022, 21.

When pig farming was accessible, profitable, when there was demand from Austria, Hungary and Germany, along with a tariff-free trade climate, there were good times. When demand was precarious, and protectionism was enforced by Austria and Germany, there was a crisis.

There were cyclical periods of expansion and contraction via both external and internal factors. The 1830s and 40s were a period of expansion, followed by the late fifties, which were a crisis. The developments most important for our case were from 1860 onward.

The export economy kicked off during the European trade boom of 1860s and 70s.<sup>15</sup> There was a climate of exchange, Serbia did relatively well economically and produced an export-oriented, commercial middle class, as well as the rural part of the country doing well off the back of pig exports. This coincided with a (proto)liberal political outlook.

As soon as the dark clouds of those processes that would eventually spawn a world war started gathering, the export economy took a big hit and from then on there was little in the way of progress and “populism” prevailed. The latter seems to have been a consequence of overpopulation, a frozen trade climate, closing of imports into Austria-Hungary, and the subsequent erosion of an economic base for an export-based, commercial, rural, middle class.

Palairot provides a long-term synthesis of Serbian economic history as a commercial boom in 1860s and 70s, and from then on decline leading to impoverishment up to the second world war. Milanović and Mijatović's study of urban wages comes to a similar conclusion, as do Mijatović and Zavadjil in a recent study of economic performance between 1860 and 1910. Growth up to 1880 and then decline up to the end of the century and the Great War. A political history synthesis

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<sup>15</sup> David Lazer, ‘The Free Trade Epidemic of the 1860s and Other Outbreaks of Economic Discrimination’, *World Politics* 51, no. 4 (July 1999): 447–83.

is a (proto)liberal outlook in the 1860s and 70s, and radicalism in the 1880s and 90s. Was there a match?

Below is a series of visualisations to briefly diagnose the Serbian economy in the second half of the 19th century. Based on the Statistics Office data, these are the wage trends, unqualified in blue, qualified in green:

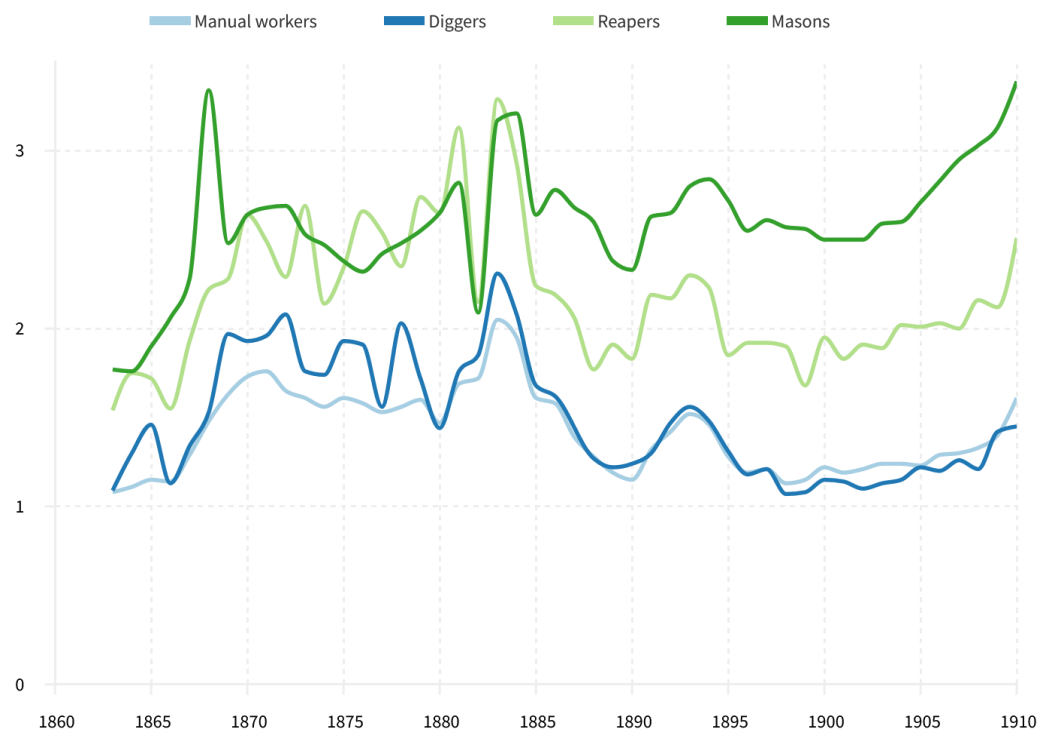


Figure 1: Serbian wages 1860-1910

Source: *Dva veka razvoja Srbije*, Statistics Office<sup>16</sup>

Milanović and Mijatović come to an identical conclusion: »Two different periods can be observed in the evolution of the real wages of both skilled and unskilled labor, the first period

<sup>16</sup> Dragan Vukmirović, ed., *Два Века Развоја Србије: Статистички Преглед* = *Two Centuries of Serbian Development* (Београд: Републички завод за статистику Србије, 2008).

lasting until the end-1880s in which both show an upward trend, and the second period of decline noticeable especially for the wages of ordinary workers. The real wages ended in 1910 for the unskilled worker at the same level as in the 1860s, but at a significantly higher level for the construction worker.«<sup>17</sup>

Next, a visualisation of the most relevant results from Mijatović and Zavadžil's recent work:

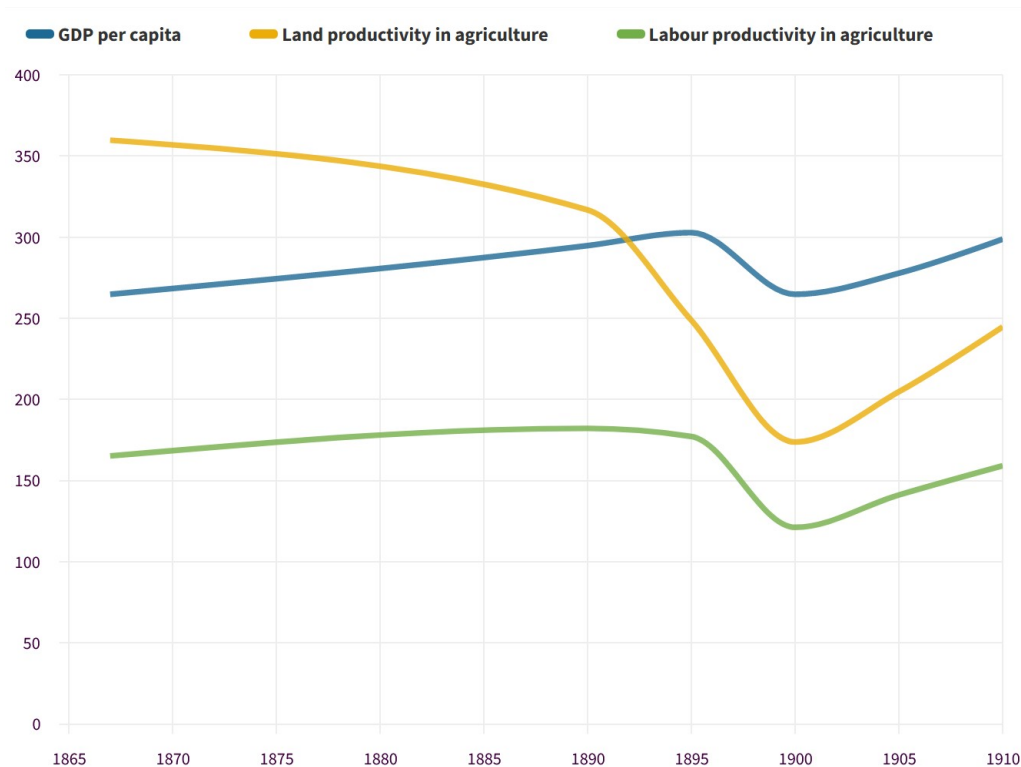


Figure 2: Key economic indicators by Mijatović and Zavadžil, 1865-1910<sup>18</sup>

Next, trade balance from the Statistics Office data. Besides the trade crisis in the eighties, notice the extreme fluctuations every 2 or 3 years. Exporters lived a painfully precarious existence.

<sup>17</sup> Boško Mijatović and Branko Milanović, 'The Real Urban Wage in an Agricultural Economy without Landless Farmers: Serbia, 1862–1910', *The Economic History Review* 74, no. 2 (2021): 41.

<sup>18</sup> Boško Mijatović and Milan Zavadžil, 'Serbia on the Path to Modern Economic Growth', *The Economic History Review*, 16 August 2022.

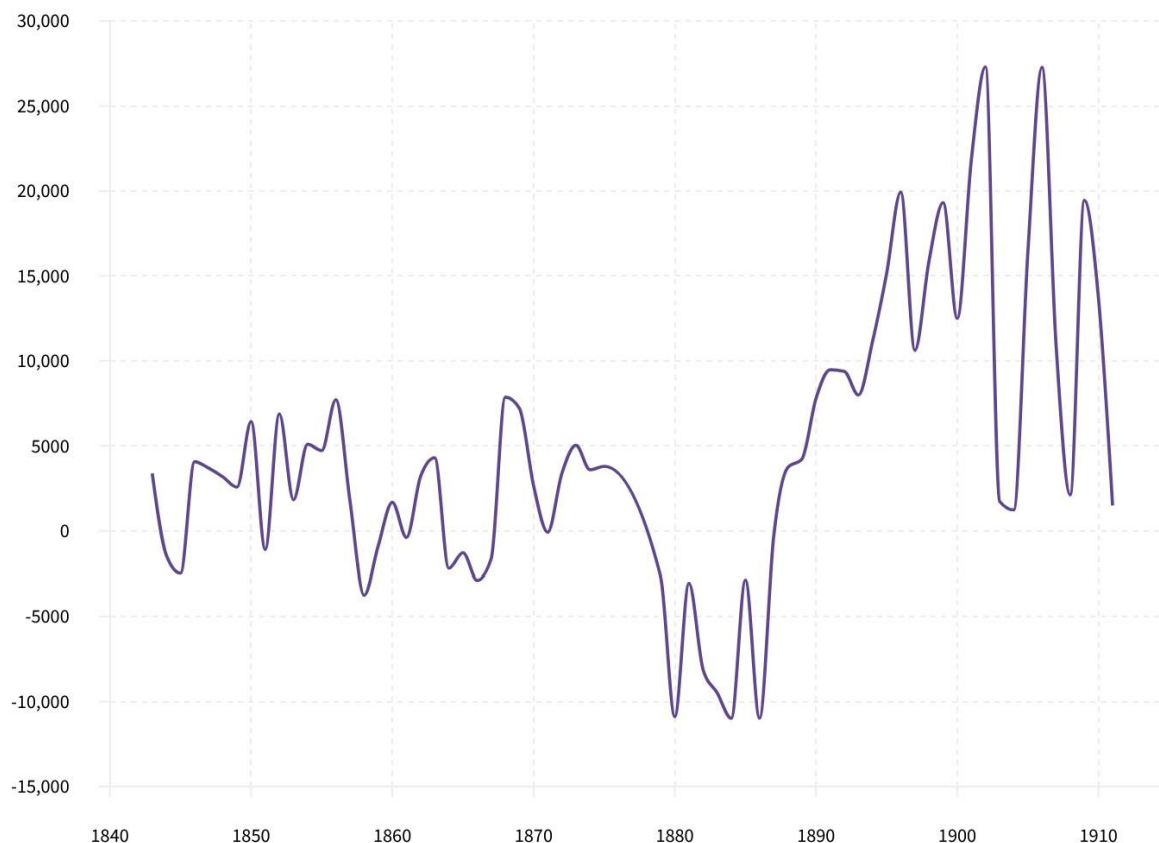


Figure 3: Trade balance 1840-1910, in thousands of Dinars

Source: Dva veka razvoja Srbije, Statistics Office<sup>19</sup>

Wages, GDP per capita, agricultural productivity and trade balance all decreased significantly in the 1880s and 1890s. By virtually every relevant parameter, there was a severe economic crisis. In the late 1880s, compared to a decade earlier, wages had fallen by 50% for a majority of workers, GDP per capita fell by 12%, productivity in agriculture by 30%, and the trade deficit went into millions.

<sup>19</sup> Dragan Vukmirović, ed., *Dva veka razvoja Srbije: statistički pregled* (Beograd: Republički zavod za statistiku Srbije, 2008).

When we talk about modernisation, we usually mean a coherent model of large-scale centralized industrialization and bureaucracy, as per Gerschenkron or Weber. Under this model, there wasn't real, model-modernisation in Serbia until the 1950s. What we have in the 19th century is a province of small-holding peasants under economic dependence and in almost perpetual war. What room there was for 'modern' economic activity, which would create a middle-class, which would in turn tip the scale towards a proto-liberal commercial outlook, was what imperial Austria and Germany wanted to buy from its farmers.

The pig export, the single largest source of currency and the staple of Serbia's place in the economic trade system of Europe, was first divided in half between Turkey and Austria, and gradually, but as the geography of development progressed into a clear domination of West Europe, became exclusively oriented towards the Austrian market.

Eventually, this led into a system of de-facto monopsony, with Weiner Neustadt becoming the sole buyer of Serbian pigs. This meant Austria became dominant in political influence and at one time made Serbia into a vassal state of Austria.

As the 19th century progressed, the economic dependence of Serbia's only sizeable export on an industrialised empire only grew. Everything from then on became a question of balancing the economic benefits of trade with Austria with the entailing loss of sovereignty.

Serbian pig exports in the end were brought down by two factors. On the supply side, per Palairot, as population rose, forests were being cut down to expand subsistence farming to feed the rapidly growing population. Forests, however, were essential for pig grazing. Costs of raising the animals went up and made the activity viable only via feeding them with maize. Output fell.<sup>20</sup>

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<sup>20</sup> Palairot, *The Balkan Economies c. 1800-1914*.

More importantly on the demand side, Serbia was at the mercy of importers. In the end what buried Serbian pastoral exports to the north-west was Hungarian protectionism, which aimed at protecting their own producers. Hungarian restrictions on Serbian pig exports, veterinary legislation clashes, weight restrictions, and regulation about unfattened and fattened pigs, along with very precarious demand, brought insecurity to a point where the craft was untenable.

Put more broadly, nationalism started raging across the continent, leading up to the Great War. There were tensions, trade wars, tariffs, sanctions, and a multitude of protected interests. There was German-Austrian friction, with episodes of Germany restricting the Austrian pig trade, directly affecting Serbia, there were Hungarian restrictions, and Ottoman import curbs.

All this caused substantial uncertainty for Serbian pig farmers, which, coupled with the slow loss of grazing grounds and having to change the way pigs were raised, meant that the single greatest export was severely affected.

Beyond livestock, there were only a handful of sectors which had the potential to create a commercial middle class: wine, silk, and fruit. Fruit was the most important of these, and plums the most important of fruits. There was a geographic dimension to this, again featuring middle-income rural areas of West Serbia, where soil and climate conditions were favourable, an area Palairet calls the plum belt. The plums could be dried for export, made into jam, or into liquor. Their cultivation was intensive, with a high capital and labour cost. Plum-growing areas were some of the most intensely cultivated and offered substantial income. After it kicked off commercially in the 1860s, it made some merchants into millionaires, but it never replaced pig exports.<sup>21</sup>

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<sup>21</sup> Palairet, 'Merchant Enterprise and the Development of the Plum-Based Trades in Serbia, 1847-1911'.



For Palairet, the 1865-75 period was a time of foreign trade and investment but one that was transient. “*Between 1862/5 and 1872/5, Serbia’s export of farm commodities, rose by 95 per cent by value,*”<sup>22</sup> while “*per capita output in farming fell between the early 1870s and 1910/12, by 14.3 per cent in Bulgaria and 27.5 per cent in Serbia.*”<sup>23</sup> 1880s and 90s were a period of crisis and decline.<sup>24</sup>

Going back to Stojanović, Perović, and our longue duree modernisation trajectory, this is very significant as it coincides with a whole range of political developments, which fall directly on the modernisation-backwardness axis. The Progressive Party, the titular modernist party, made up of Western-educated liberals, arguing for free speech, expert oversight over politics, private property, and commercial capitalism, explicitly existing for the modernisation of Serbia, was established in the 1870s and faded out of the spotlight by the 1890s, directly coinciding with with an economic crisis, which destroyed the economic base for a middle-class. In the midst of absolute and relative decline, it was simply impossible to imagine any other kind of progress.

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<sup>22</sup> Palairet, *The Balkan Economies*, 116.

<sup>23</sup> Ibid, 339.

<sup>24</sup> Michael Palairet, ‘Fiscal Pressure and Peasant Impoverishment in Serbia before World War I’, *The Journal of Economic History* 39, no. 3 (September 1979): 719–40.

### 3. Generational Layers of Politics

Now, to address the second part of the rhyme, the second nineties. As part of Yugoslavia, Serbia rose to twice the world average of development, a high-water mark in its history so far. It was able to export to the newly decolonised world, which was boycotting Western expertise, establishing itself higher in the food-chain of the global division of labour and added value. Energoprojekt, for example, an enormous construction company from Belgrade, could export expertise into the Middle East, Asia and Africa, rather than exporting raw materials to the core countries, creating a middle class. Once Yugoslavia died, Serbia once again became a raw-material exporter stuck in a dependency on the capitalist core, which was now as hostile as ever.<sup>25</sup> Here are four graphs that visualise the economic decline leading up to the 1990s.

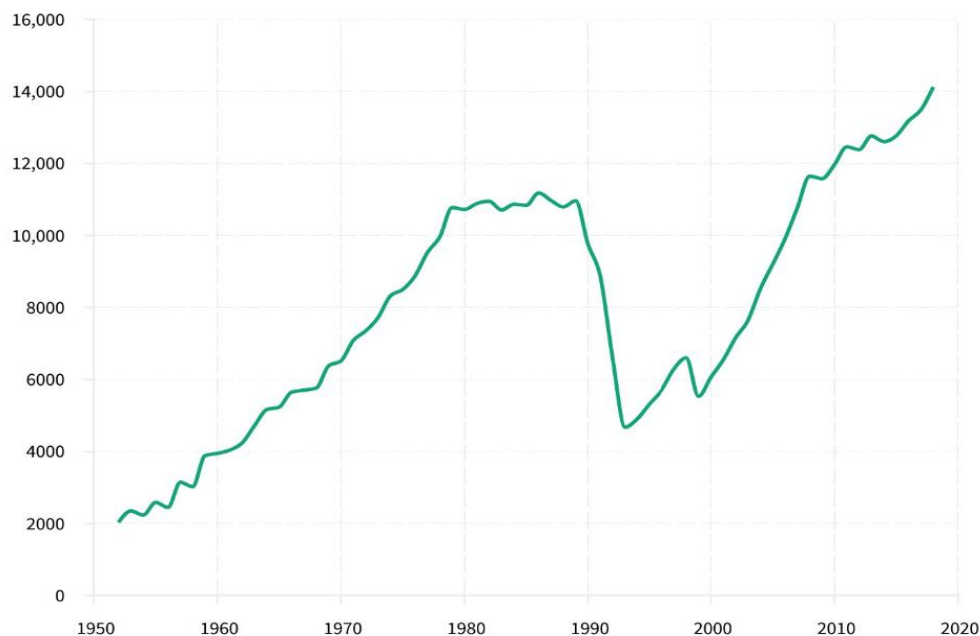


Figure 4: Historical Serbian GDP, Maddison

<sup>25</sup> Carl-Ulrik Schierup, 'Quasi-proletarians and a Patriarchal Bureaucracy: Aspects of Yugoslavia's Re-peripheralisation', *Soviet Studies* 44, no. 1 (1 January 1992): 79–99.

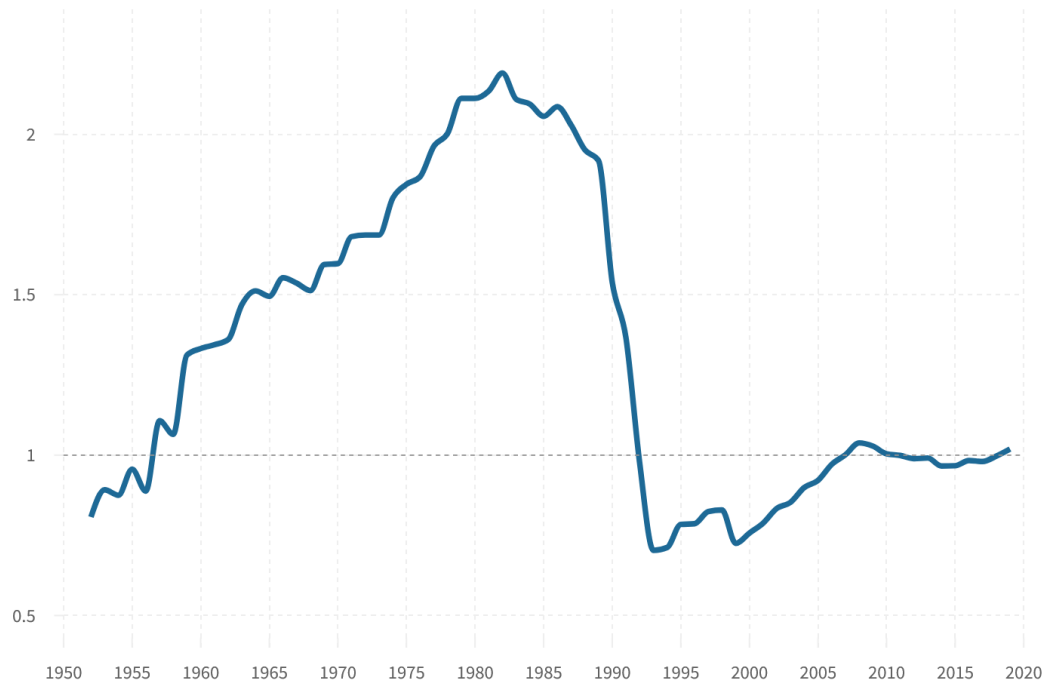


Figure 5: Serbian GDPpc vs world mean

Source: Branko Milanović

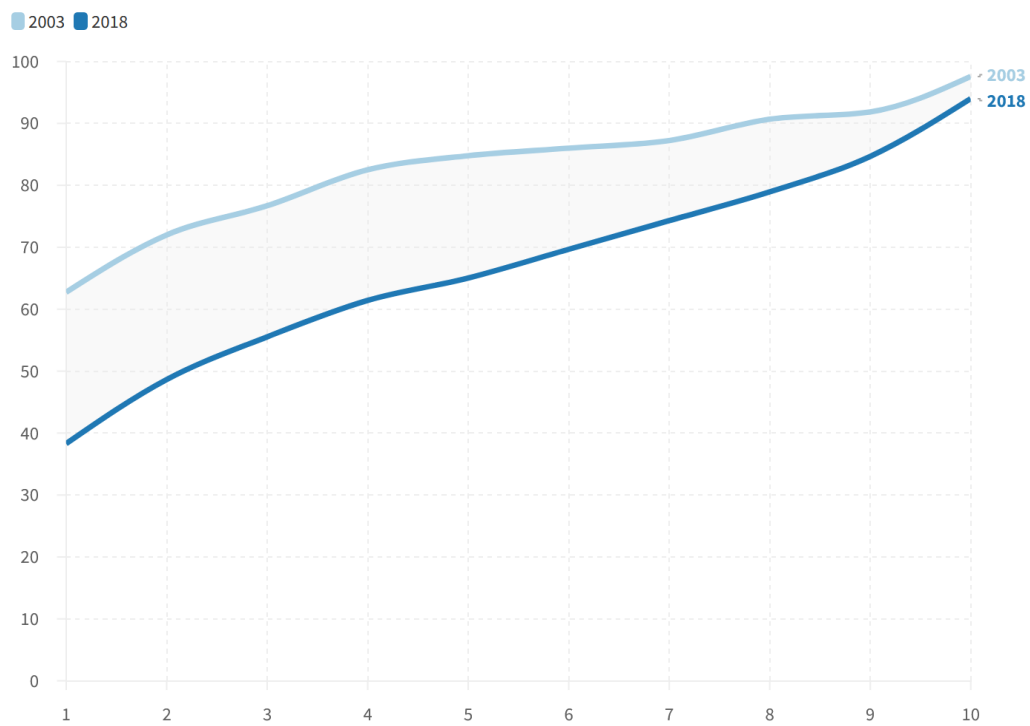
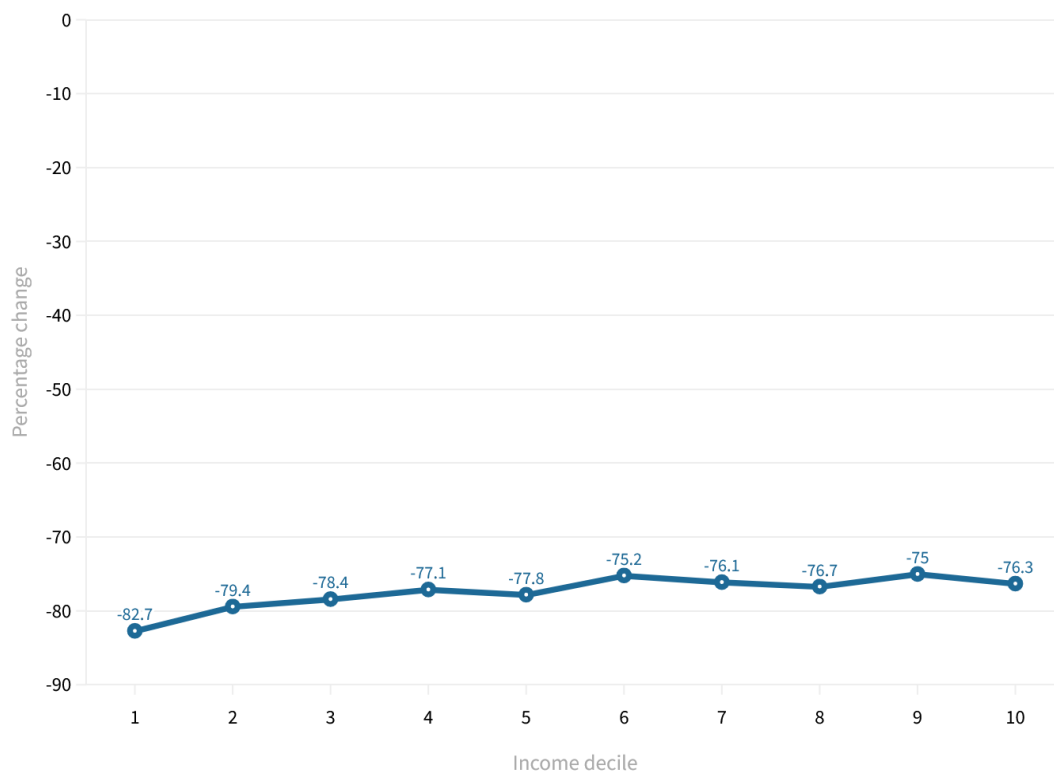


Figure 6: Serbian income ladder in a global comparison

Source: Branko Milanović



*Figure 7: Change in income between 1973 and 1989 across the income ladder*

*Source: Own calculation from household surveys, Statistics Office*

The situation resembles the one from a century earlier: impoverishment and peripheralisation. GDP halved, relative global position halved, which continued to drop between 2003 and 2018. By the end of the eighties all income classes lost three quarters of their nominal income, compared to the seventies.

And once again, a new kind of politics appeared, “darwinian”, complete with a martial-parasitical hero-villain class, ethnocentrism, and a new generational conflict. In order to develop Stojanović’s comparative claim about modern populism and the dual Serbian nineties, given that no one ever defines populism, we need a theoretical approach to define what we are talking about and to assess the comparison of the two nineties.

## Postmaterialist thesis

This chapter will address a different problem than the previous one. Rather than going into what caused the pauperisation of the 1990s and Serbia's sinking into the periphery, it will establish the link between economic crisis and the specific configuration of anthropological, psychological, social and political factors that Stojanović finds both in 1890s and 1990s Serbia, and post-2016 in the West. If this text is to attribute this configuration to insecurity and sudden impoverishment, then it must precisely establish the link beyond mere correlation and concurrence. What is the link between economic crisis and populism? Quantitative data from social surveys on people's values enable a historical-sociological analysis of value changes in a rare occurrence of one of the most impressive streaks of economic growth, followed by one of the most calamitous declines in modern history.

What is populism? We will start with how populism was conceptualised in the United States, and then apply this to Serbia. When it comes to defining it beyond a pejorative term for everything which is not liberal democracy, Ronald Inglehart had his finger on the pulse and his thesis on populism is perhaps the most prominent one we have.

21st century saw profound changes to politics in the West. The old politics of left and right, where the left strove for more government and less inequality, and the right towards less government and more inequality were dead. No longer could we locate the Greens and the new right on the familiar axis, which defined politics for a century. Instead, we got a culture war, where politics increasingly became about values. Inglehart saw two axes, an economic one and a cultural one. The new binary dichotomy became on the one hand social progressives, who were economically right-wing, arguing for a rigid meritocracy and more inequality, and on the other

hand social traditionalists and conservatives, who were economically to the left of the former. The two blocs came to be named based on their position on the cultural axis. This was no longer the old left and right, but something else. The birth of this new axis could be pinpointed to Reagan's Conservative party switching their colour to red and Democrats switching to colour blue, when up to then it had been the reverse.

When Trump won the presidency, no vote indicator gave a clear picture of what happened. Income, class, gender, none of them gave clear-cut preferences. Politics had changed beyond recognition. This was a new era. Inglehart, having studied culture change in West Europe for twenty years, had the answer ready. The new division, he claimed, was materialists versus postmaterialists. In 2016 postmaterialists were 16 times more likely to vote for Clinton over Trump than materialists and materialists 8 times more likely to vote for Trump than postmaterialists. No other single metric produced a better fit.<sup>26</sup>

Under materialism, Inglehart encompassed the psychological configuration, which defined humanity for ages. Tribes competing for survival over limited territory simply had to have strong leaders, they had to establish strong inter-group solidarity, and reject outsiders, they needed soldiers and child rearing, which brought gender roles, they needed religion to soothe the precariousness of existence, where survival was always threatened.<sup>27</sup>

Studying culture change in West Europe after World War 2, Inglehart developed a cultural modernisation theory. By creating Eurobarometer, which later grew into the European and World Values Survey, he was able to show that silently and gradually, as postwar security removed the

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<sup>26</sup> Pippa Norris and Ronald Inglehart, *Cultural Backlash: Trump, Brexit, and Authoritarian Populism*, 1st ed. (Cambridge University Press, 2019).

<sup>27</sup> Ronald Inglehart, *Cultural Evolution: People's Motivations Are Changing, and Reshaping the World* (Cambridge University Press, 2018).

threat of survival, enormous emancipatory changes happened. Old social hierarchies were dissolving at an unprecedented pace. He called it the Silent Revolution.<sup>28</sup>

This was the birth of postmaterialism. These people grew up taking survival for granted and their life strategies changed to focus on self-expression, cooperation, preservation of nature, and a general quest to make society fair and calm. The 1968 moment saw this process manifest on a large scale with crowds of young people, brought up in unprecedented security, demanding a new era of love and understanding.<sup>29</sup>

This process, however, came to a halt after the crises of the 1970's. From roughly 1980 onward, the new social configuration saw a divergence of productivity and real wages and ushered in a new age of precariousness, insecurity, falling living standards, and even falling life expectancy. If the period of 1945-1975 was marked by extensive social safety nets and an inclusive social contract, enabled by a favourable economic situation, the period from 1975 onward was marked by stagnation and even deterioration of living conditions for ever growing swathes of the population.<sup>30</sup>

After Trump and Brexit, Inglehart's updated thesis became twofold. The Glorious Thirties were a period of cultural modernisation, where the vast majority had their most pressing needs taken care of, and could focus on making society better and fairer, a development consistent with modernisation. The second period was the exact same process, but in reverse. Emancipation of under-privileged groups, minorities, and foreigners, was being revoked during the Reagan-

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<sup>28</sup> Ronald Inglehart, 'The Silent Revolution in Europe: Intergenerational Change in Post-Industrial Societies', *American Political Science Review* 65, no. 4 (December 1971): 991–1017.

<sup>29</sup> Ronald F. Inglehart, 'Changing Values among Western Publics from 1970 to 2006', *West European Politics* 31, no. 1–2 (January 2008): 130–46.

<sup>30</sup> Ronald Inglehart and Paul R. Abramson, 'Economic Security and Value Change', *American Political Science Review* 88, no. 2 (June 1994): 336–54.

Thatcher era as a survival instinct was slowly kicking in as a result of rising insecurity. A development consistent with counter-modernisation. If 1968 emancipation wave was the first post-war secure generation coming of age, then Trump was the coming of age of the American crisis generations, and Brexit for the English. It was the exact same thing as progress, but in reverse.<sup>31</sup>

“Populism” in Inglehart’s view was therefore a factor of declining physical and economic security for the majority of the population. Prosperity became exclusive and the majority of the population once again felt insecure, and their life priorities turned to ensuring existential needs, like national homogeneity, a strong leader and economic growth, replacing post-material values like noninterference, self-fulfilment, and self-expression.<sup>32</sup>

Contrary to most explanations which centred around evil demagogues, Inglehart saw a deprived population, whose survival instinct was kicking in. Xenophobia for him was an evolutionary collective-psychology response to scarcity, where groups had to fight one another in a zero-sum game. Oppressive normativity and rigid group conformity, which was wiping out emancipatory gains, for him was insurance against chaos, and a quest for national survival in dire circumstances. Strong leaders were not the protagonists of a constructivist causal chain of top-down nationalism, but the desire to have a strong executive branch which could bypass the laws of a bygone secure era to deal with the existential threats at hand.<sup>33</sup>

Now let us apply this to Serbia. The following chapter operationalises Inglehart’s postmaterialist thesis into historical sociology, using social surveys as sources. It presents an

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<sup>31</sup> Ronald Inglehart, Jon Miller, and Logan Woods, ‘The Silent Revolution in Reverse: Trump and the Xenophobic Authoritarian Populist Parties’, 24.

<sup>32</sup> Ronald Inglehart and Wayne E. Baker, ‘Modernization, Cultural Change, and the Persistence of Traditional Values’, *American Sociological Review* 65, no. 1 (February 2000): 19.

<sup>33</sup> Ronald Inglehart and Christian Welzel, *Modernization, Cultural Change, and Democracy: The Human Development Sequence* (Cambridge, UK ; New York: Cambridge University Press, 2005).



empirical section with a visualised statistical analysis of the 1992 presidential and parliamentary elections in the Socialist Republic of Serbia, using election surveys compiled and statistically coded by the Institute of Social Sciences in Belgrade. It then pairs this with time-series data from the European and World Values Surveys, the benchmark social survey databases for cultural sociology.

## Intergenerational

We begin by running a statistical analysis of a 1992 election survey, compiled and coded by the Institute of Social Sciences in Belgrade, which includes a number of other information about the voters. We perform a regression, which looks at how well one variable is explained or predicted by other variables, on sympathy for the front-runner Slobodan Milošević. Of the most common parameters age, education, and size of town come out as relevant. Here is sympathy for Slobodan Milošević on a 1 to 4 scale, from very favourable to very unfavourable, in intuitive colours, cross tabulated for the three main predictors: age, size of town, and education.

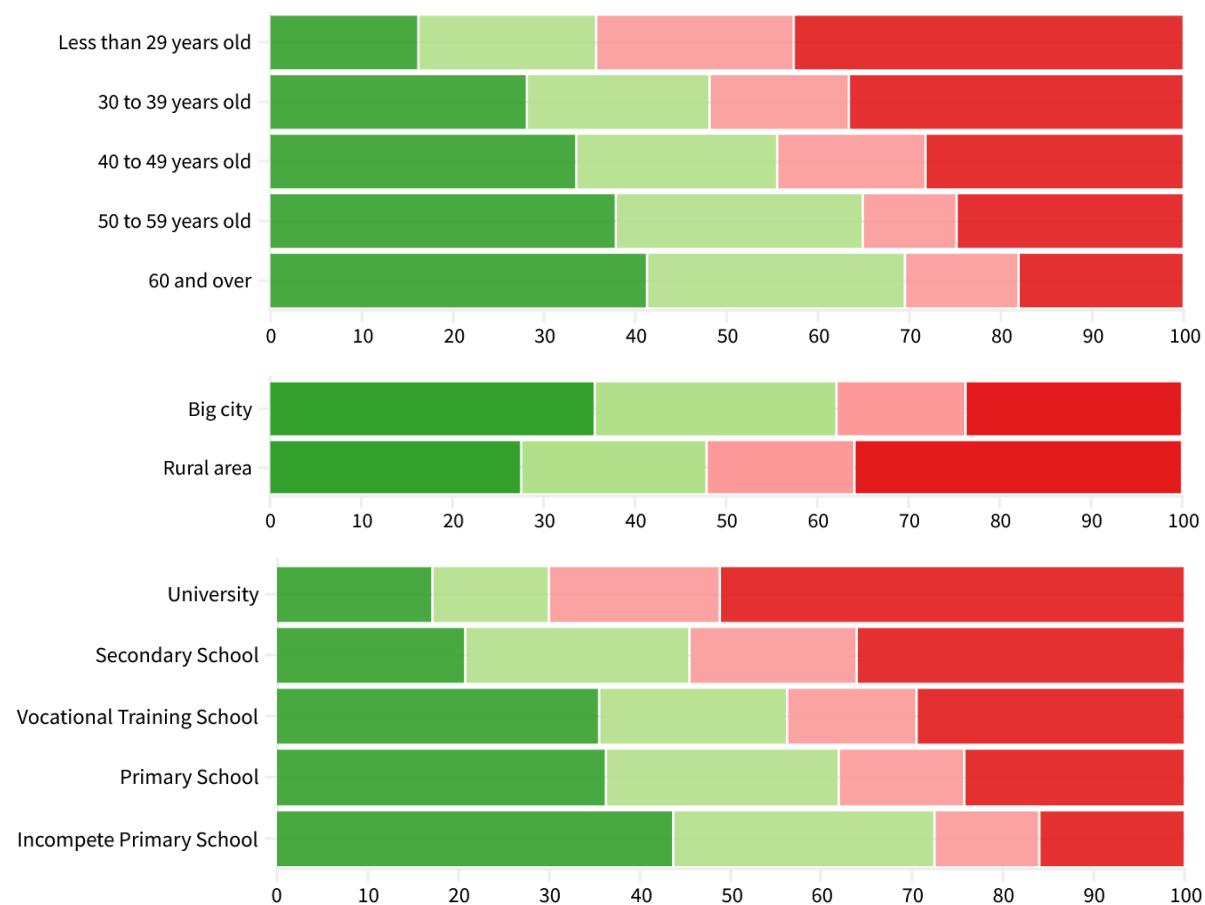


Figure 8: Sympathy for Milošević

Of the three correlations, age and education results display the most straightforward cascades. Age emerges as the main predictor, because each of the horizontal bars represents about an equal part of the population, while the education graph displays vastly more people in the lower bars than the bars higher up.

Age was also the primary unit of analysis for Inglehart. After conducting massive, worldwide surveys, which include more than 100 countries, he found that inter-generational change was the single most important aspect when it comes to explaining cultural change. This rests on the finding that after the formative years of early childhood, people's values change remarkably little during the course of a lifetime.

In his surveys, he included a 4-item question battery which asks people about their priorities in life, requiring two answers. Of the 4 possible answers, 2 are about ensuring survival, therefore basic physical and economic security, and 2 are about personal freedom and self-fulfilment. Those who answer the survey question with 2 materialist answers are termed materialists, those who answer with 2 postmaterialist answers are postmaterialists, and the rest are mixed. Again, the idea is that people who grew up in insecure conditions develop values which prioritise alleviating basic survival precariousness, therefore we call them materialists. Those who had these needs covered in their early childhood develop postmaterialist values which have to do with higher order needs.

Going back to our source, we have taken age as the main explanatory parameter. In the very first graph we saw that the main materialist candidate saw his appeal increase as his voters' age went up. Older people thus tended to be more materialist. There is a popular conception that people become more conservative with age, and it would follow that they become more materialist, too. Inglehart proved this to be false. His massive research project showed that people in fact do not become more conservative with age, but that they largely retain the values they developed in

their early childhood. What he showed was that if older people are more conservative or materialist, it means that they grew up in more insecure conditions. Younger generations will only be more postmaterialist than the older ones if they grew up in better conditions. As values change little during the course of a lifetime, we can, like biologists looking at tree rings, use these surveys to look back in time by examining the generational layers and their values and archaeologically excavate the history of a nation's insecurity. By tracing how materialist each generation is, we can get a new angle on history.

The twin graphs below chart the Serbian generational cascade of materialism and postmaterialism using a different source, Inglehart's World Values Surveys (WVS). There were 4 waves of this survey conducted in Serbia. We start by examining the first in 1994-1998 and the last in 2017-2022. The vertical bars represent generations, and the black line illustrates the aggregate postmaterialist index (right scale), which is the percentage share of postmaterialists minus materialists.<sup>34</sup>

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<sup>34</sup> Inglehart, R., C. Haerpfer, A. Moreno, C. Welzel, K. Kizilova, J. Diez-Medrano, M. Lagos, P. Norris, E. Ponarin & B. Puranen et al. (eds.). 2014. World Values Survey: All Rounds - Country-Pooled Datafile Version: <https://www.worldvaluessurvey.org/WVSDocumentationWVL.jsp>. Madrid: JD Systems Institute.

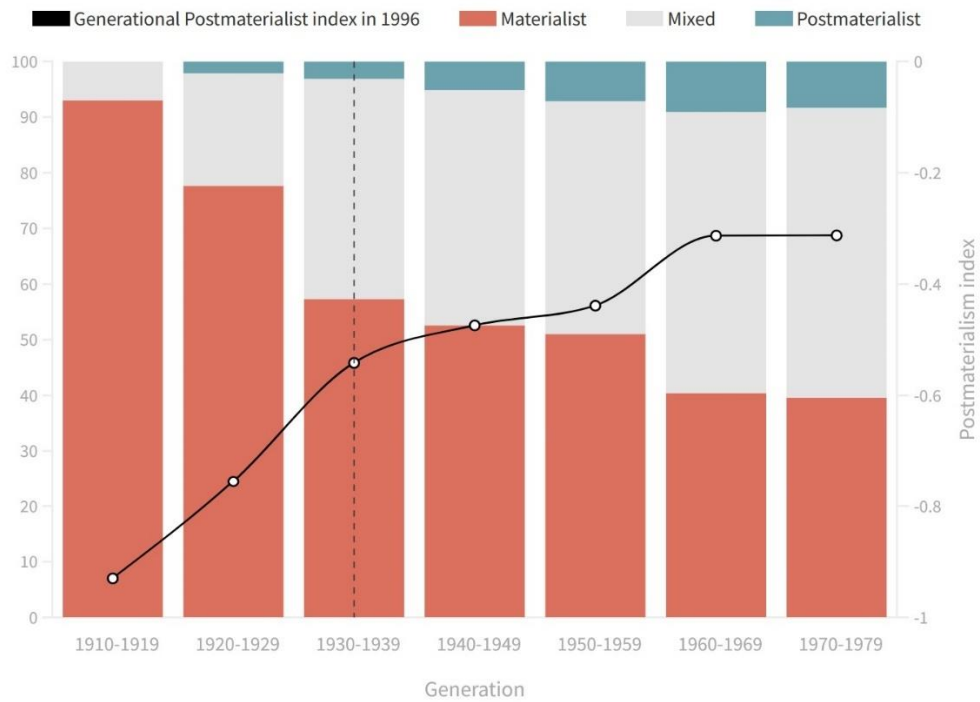


Figure 9: Generational cascade of materialism / postmaterialism in 1996

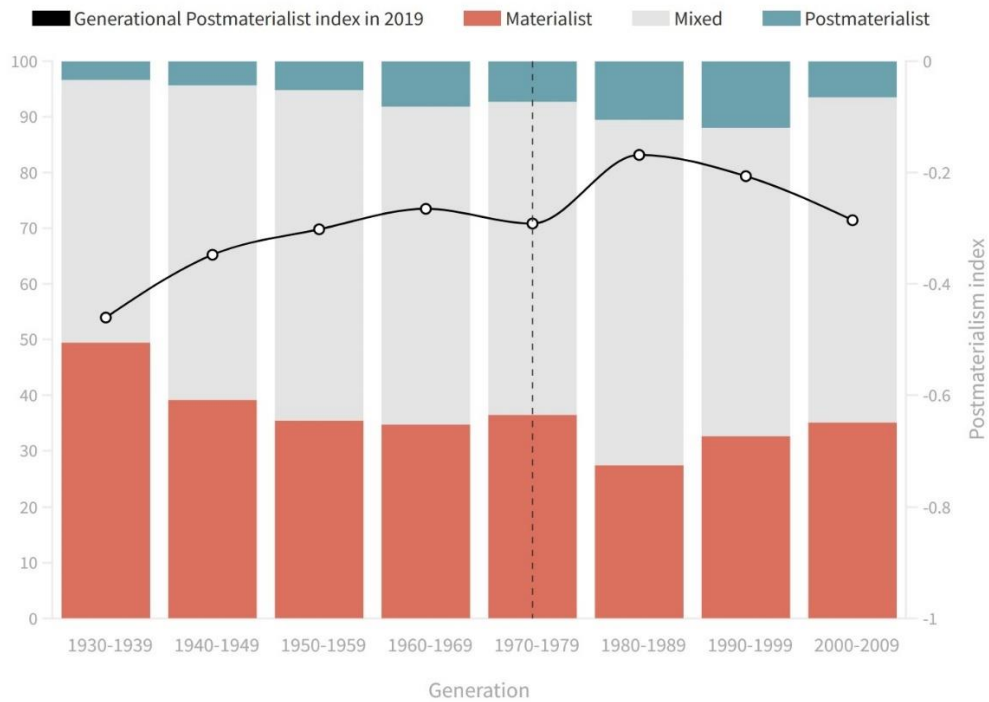


Figure 10: : Generational cascade of materialism / postmaterialism in 2019

The first of the two graphs closely resemble the age graph from the election surveys. Each successive generation is less materialist than the previous one. There is a linear trajectory, warranting a linear modernisation theory, where ‘progress’ seems automatic. On the second one this is no longer the case. From the 1980’s generation onwards, each new generation is less postmaterialist and more materialist. The 1980’s generation is the least materialist generation ever and then the trend reverses. Now, we have an inverse U-shaped modernisation trajectory, warranting a more complex modernisation theory and necessitating the use of de-modernisation as a concept.

### **Period effect**

So far we have dealt with long term cultural change which uses generational cascades as the unit of analysis. There is, however, another pace of cultural change, which is short-term. Even though values change little over the course of a person’s life, there is an adaptive mode of collective psychology, which changes the values of generational layers in the short term. Inglehart called this mode a period effect, or an Authoritarian reflex, citing Adorno. When crises hit, there is tide of materialism. In the West, an example is the Reagan-Thatcher conservative revolution following the oil crises of the late seventies, and in the eastern half of Europe, the 1980’s and 90’s feature this phenomenon of culture change.<sup>35</sup>

A careful look at the twin graphs above reveals that there is a difference in the index of the same generation between the two survey years. All generations are more materialist in the first

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<sup>35</sup> Inglehart, *Cultural Evolution*, 23.

graph. The vertical dashed lines delineate the common area, therefore the generations which are shown on both graphs. The below graph takes those 5 generations and compares the scores they have in 1996 (darker colour) and in 2019 (lighter colour). There is a consistent pattern of difference.

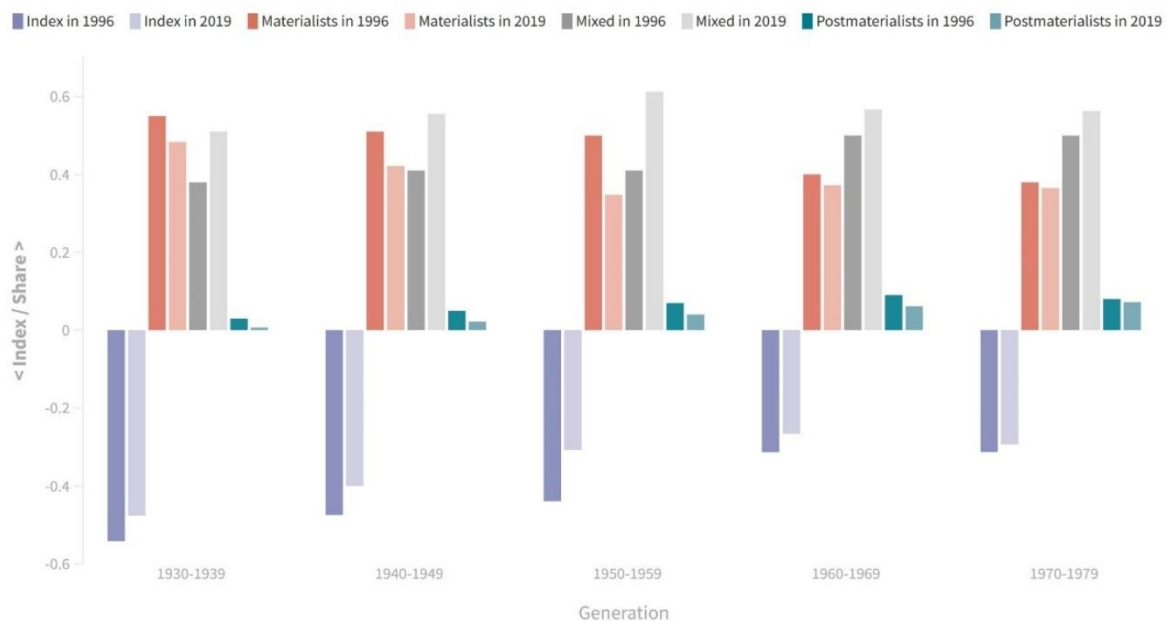


Figure 11: Period effect, comparison of values between 1996 and 2019

At first glance it would seem that values do indeed change over time. Each generation became less materialist with time. In 1996 the index was lower for every generation. However, what we have here is not evidence that an individual's values change with time, as it would appear, but evidence of a slowly receding period effect. The below graph visualises the generational index changes across two decades of surveys, along with an average across all surveys. The 2000's generation reaches the same level as the generation born in the 1960's.

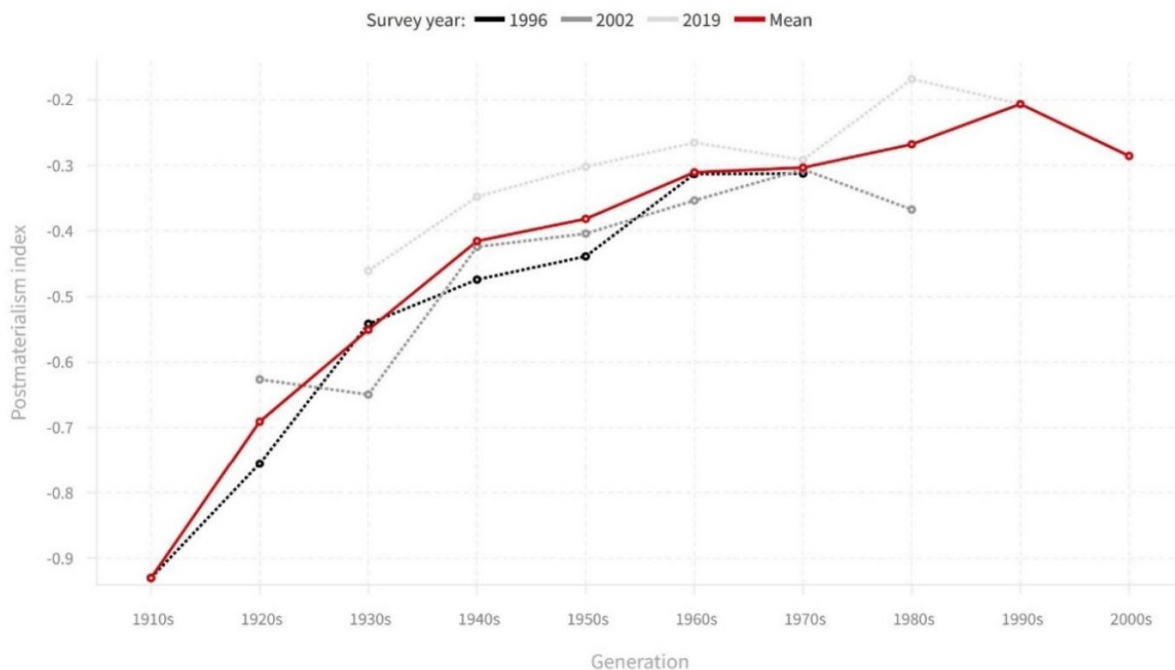


Figure 12: Postmaterialism index by generation in 3 surveys

The same generations hold different scores at different points in time. Why is that? It turns out this does not mean that people become more postmaterialist with time, even if they live in ever greater security. It means that their materialism levels were at one point boosted by a period effect and that this period effect is now receding, bringing their values back to where they were before the authoritarian reflex.

We know from the thousands of worldwide surveys and a vast literature that postmaterialism can only come about with new generations spending formative years in absolute security, therefore in the long term through inter-generational change. It can go away quickly during crises and then come back to its previous levels once the crisis is gone, or it can be gone forever, should the crisis stay, but it cannot come in the short term. No amount of sudden prosperity, abundance and security can achieve an immediate move towards postmaterialism. If



all generations are more postmaterialist in the range of 20 years, which is short-term, as in our case, it can only be a receding period effect.

This means that we need to go further back in time to see this at work. However, we don't have earlier surveys for Serbia, the first one being the 1994-1998 WVS. How do we then test the hypothesis that Serbia was once more postmaterialist, then became materialist en masse, and as the crisis became permanent, postmaterialist index levels slowly started converging on the old levels, but never reaching them?

Luckily, the very first wave of Inglehart's World Values Survey from 1989-1993 has data for 5 eastern European countries, which also experienced the calamitous events of late and post-socialism and are therefore comparable. Below is a chart, comparing the postmaterialist index of these five countries with Serbia over time.

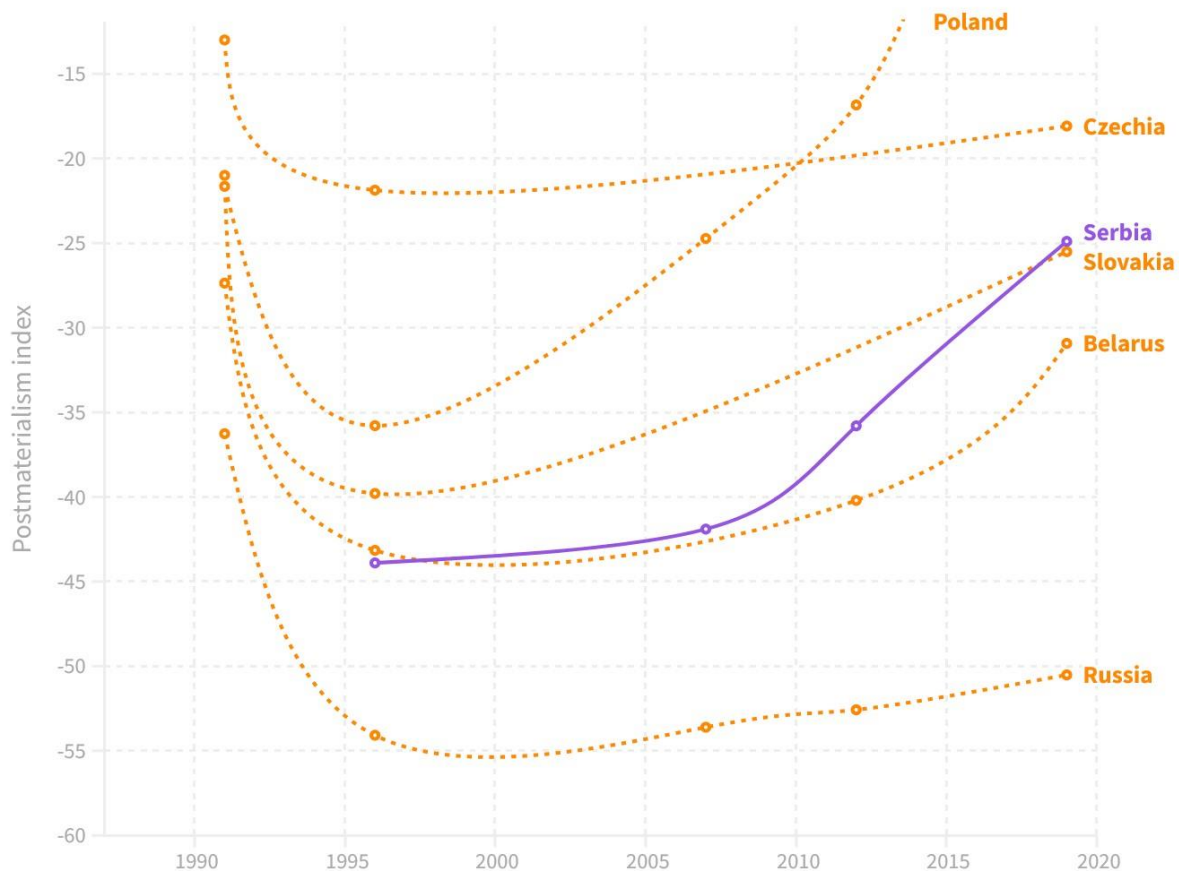


Figure 13: Postmaterialism index in post-communist Europe, 1990-2020

The results confirm our hypothesis. With the exception of Poland, every country surveyed is more materialist today than it was in 1990. And even that is already a decade into the crises, which started in the second half of 1970's, and then surfaced in the 1980's. As result even the highest points on the graph have to be lower than it was a decade earlier. Moreover, even this lower 1990's score has not yet been surpassed to this day. 4 out of 5 of these countries are well more culturally conservative today than they were 50 years ago. This is a period effect at work and a case of cultural de-modernisation, the likes of which there are very few in modern history. What happened to Eastern Europe was a tragedy of epic proportions, and an explosion of insecurity so

vast it spawned the largest materialist period effect on record anywhere, since these surveys began more than 30 years ago.

The 1990-1994 survey is the earliest data we have and because calculating the index requires the survey to be specifically built around it, it is doubtful we will ever know how high the postmaterialist index was at the zenith of socialist modernity.

Going back to Serbia, an extrapolation is at hand. It is virtually impossible to claim that Serbia's trajectory was any different to the other 4 countries. The social, economic and political outcomes suggest that postmaterialism levels were much higher in 1990 than they are today and that in 1980 they were higher still. It is circumstantial, structural, economic forces that guide people's values in Western Europe and in Serbia alike, rather than national essences.

## **Two Serbias on a map**

Concluding the research section is a geographic representation of the postmaterialist thesis applied to Serbia. The heat map on the left depicts municipal-level GDP per capita in 1992 and on the right, the inverted materialist vote in the parliamentary elections of 1992. The province of Kosovo and Metohija is excluded due to an election boycott among the Albanian population. Inverted materialist vote means the share of vote for those political parties, which would under this methodology not be deemed purely materialist, therefore the two liberal blocs and the Hungarian minority party in the northern province.

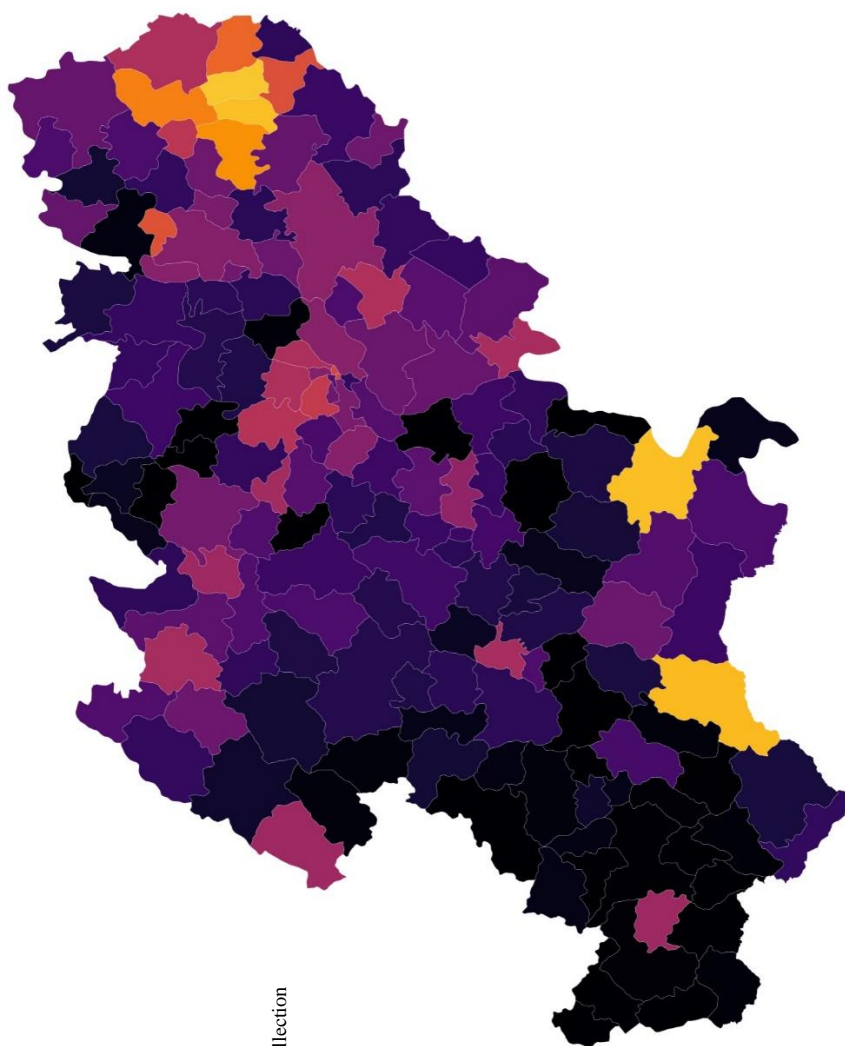


Figure 14: Municipal GDP in 1992

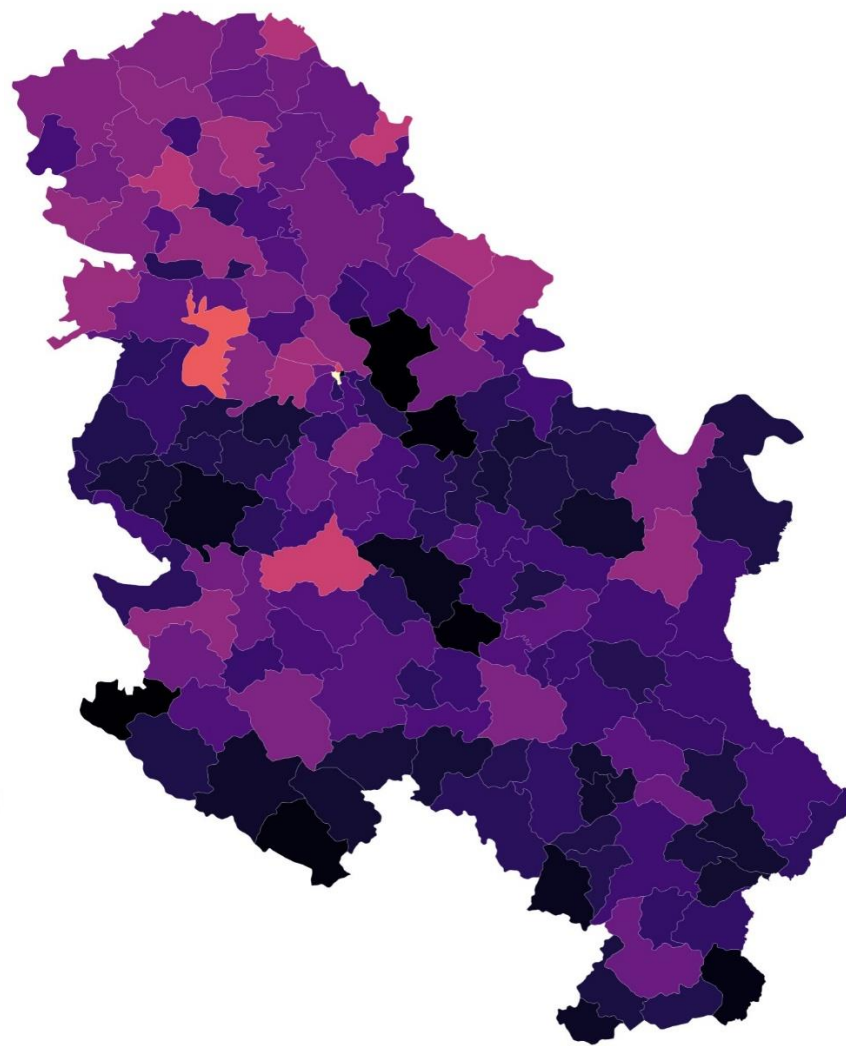
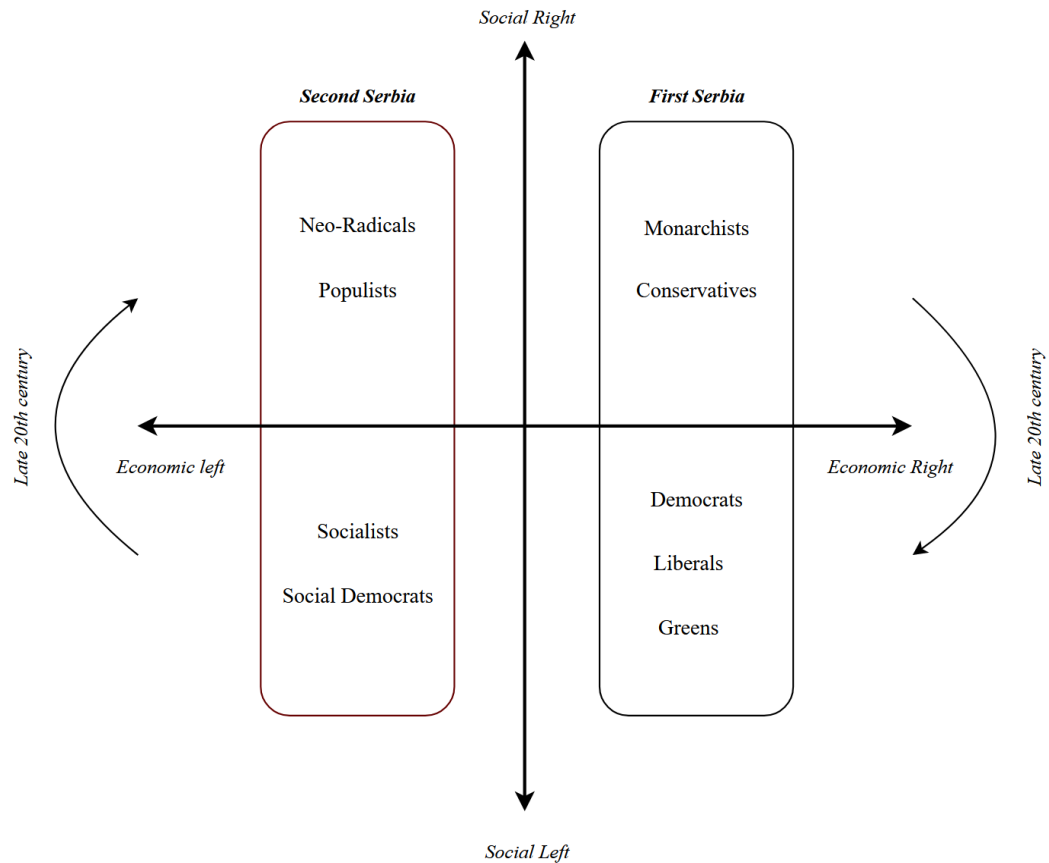


Figure 15: Inverted materialist vote in 1992

## 4. Two Serbias in the Long Run

A conceptual diagram of today's two Serbias would look something like this:



*Figure 16: Two Serbias on the modern political-science axes*

The 19th and first half of 20th century version of the political binary is bottom-left versus top-right. Postwar security created a postmaterialist elite, while the end-of-century impoverishment created the newly materialist population, together locked in a new binary of top-left versus bottom right, which is the basis of modern politics everywhere.

What matters most is that the two Serbias are essentially a coalition between the new right and old left, and between the old right and the new left. What is labelled Second Serbia is today's government coalition, and what is here called First Serbia is the opposition. The main political cleavage is ultimately social while inter-bloc variation is generational.

A same version of the graph could be made for 1890s. There were radicals, who distinguished themselves from the old communal politics once the crisis hit, while slightly before that, during good times, the opposite distinction happened in the 1870s with proto-liberalism, this time Skerlić instead of Nikezić.

Stojanović is justified in comparing the two instances, and comparing them in turn with contemporary West. Causes and effects rhyme in all three cases. But the comparison stays superficial and selective. Both generational shifts have a clear correlation with two contemporary large-scale crises, which were outside Serbia's control, and which have predictable effects, which happened in Serbia just as everywhere else, with local idiosyncrasies just like everywhere else. The recurrence of this trend after 100 years is coincidence within the paradigm of living in a tri-imperial backyard. Any claims otherwise are racism, which is ascribing exceptional, inherent, negative traits to an ethnic group.

Oscillating boom-and-bust cycles are a necessary feature of any borderland. A good example is from a landmark article in the *American Historical Review* by Jeremy Adelman and Stephen Aron.<sup>36</sup> An article that broke ground on colonial-era Native American history,

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<sup>36</sup> Jeremy Adelman and Stephen Aron, 'From Borderlands to Borders: Empires, Nation-States, and the Peoples in between in North American History', *The American Historical Review* 104, no. 3 (June 1999): 814.

it revealed that while British, French, and Spanish empires were all active in conquest of North America, the tribes had it good. They were a prized ally, who could tip the tide of any war. They were kingmakers, who played the three competitors off of one another, getting weapons, trade goods, and even black slaves as gifts. As soon as Britain prevailed over France and Spain, they became useless and were wiped out.

Yugoslavia was not unlike the tribes. While it was useful as a Cold War borderland, it did well. Once the West prevailed, it became useless. Serbia would not give up Yugoslavia as it united all Serbs in one country, which inadvertently made it go against the world's sole superpower with no support at the height of the unipolar moment. On the other hand, its material-exporting, product-importing economy got a much worse deal in a global setting than it did within the same country, where it had influence. A deindustrialised import economy once again under complete dependency on the exporter.

Another way of looking at two Serbias is as materialist and postmaterialist. If the division is ultimately social, then the old 19th century liberal-conservative-progressist elite, which strove for commercial capitalism, open trade, foreign investment, free speech, technocratic politics and Western-style democracy, is an early-Modern variant of postmaterialism. And if the old popular side was in favour of protectionism, traditional society, authority, and the ethnic principle, then this was an old variety of materialism. When times were good, after a twenty-year lag, progressive changes came about. An example is the liberal constitution of 1888, which came twenty years after a favourable economic situation, and was revoked in 1894, as the crisis took hold. The Radicals were thus a result of peasant impoverishment.

In the 20th century, a new generational conflict occurred. The post-war period of economic growth, international reputation, security and prosperity, a middle-class society was coming to be. This created a new elite, which was more secular, still Western-oriented, desiring political freedom and association with the capitalist core. In Serbia this reached zenith with Nikezić and Perović in the 1970s. This group was becoming increasingly opposed to communism and allied with the old elite in the dissident conservatives and liberals, forming the embryo of today's First Serbia. On the other hand, the creeping pauperisation transformed the wider population into a more traditionalist, religious, ethnocentric group, which allied with the old state bureaucracy and the old popular bloc, creating what is today's government big tent. Just as in the 1890s, now too, the debate was about political values and about opening or closing the country to foreign influence, which was both then and now both a lifeline and economic dependence.

As in the 1890s, in the 1990s, too, the dynamic between the two Serbias, where Second Serbia won, was a factor of mostly external structural changes in the world economy, which eroded the socioeconomic base of First Serbia.

What Stoianovich calls positivism is a method of inverting the cause and effect. In late 19th century an economic crisis wiped out the rural middle class and halved the income of the rest, which destroyed the social base for liberalism. The resulting protectionism was designed to secure subsistence, which was under threat. It was not the lack of vitality or imagination in the Serbian elite, or the inability of parliamentarians to conceive modernity which caused this. It was low agricultural productivity and export closure which caused proto-populism, not the other way around.



Same goes for the 1990s. An economic crisis, this time perhaps even more severe, again wiped out the material basis of an entire society and it fell back on materialism. By the time Milošević came to power, 75% of Serbians' income had been lost when compared to the high-water mark in the seventies.

The historical fortunes of each camp depended mainly on the socio-economic reality of the period. The first civilisations appeared near fertile rivers, not where the most competent elites were. In fact, the most competent elites appeared near fertile rivers. Weberian positivism wants to invert that and say that the elite came first, and that thus these specific cultures have something special in them. Braudelian determinism is to say that the rivers enabled better agriculture, making a need for storing large quantities of grain, which is how the first writing happens. This gives the need for a competent class to organize this process and modernity is just the proliferation of this process, except rivers get replaced by other things. No fertile river, no competent class, no modernity.

Serbian liberal historiography with Perović represents the stomach-churning, spasmodic death of the Yugoslav Dream. She is the high-water mark in the modernisation of the Balkans. Her abruptly ended political career came at the zenith of the golden age of Yugoslavia. The twenty year lag in generational change had passed and the post-war security had reached threshold for entering the Core. Nikezić and Perović represented what Jovan Skerlić had represented a century earlier. The dream of being part of the global elite. Instead, Serbia was thrust back towards the periphery and the dreamers could never come to terms with this. In line with their Weberian ways, they had to find someone to blame. They found it in the Second Serbia. Unwilling to accept the actual causes, the crushing,

merciless determinism of history, they scornfully scapegoat to the point of racism against their own nation.

### **Conclusion: Wide historical comparison**

What happened to eastern Europe is perhaps the most intense materialist period effect in modern history, as it followed the most severe large-scale economic decline in modern history, but it is by far not the only one in all of history.

If we look at major culture changes, encompassed under the term ‘progress’ and corresponding with postmaterialist values, we get many interesting examples. Isn’t enlightenment a postmaterialist cultural response to the inter-metropolis security at the start of European world domination? By then unprecedented levels of security and prosperity created a shift towards secular thought, reigning in absolutist power with constitutions and so on, all consistent with postmaterialism.

On the de-modernisation side, how did the Boers go from being a sample of the most liberal culture of their time, the Dutch, to fatalistic religiosity and extreme ethnocentrism, if not by a massive materialist period effect, as a result of migration to the outermost periphery of the world economic system?<sup>37</sup> The caste system in India, a religious

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<sup>37</sup> Leonard Guelke, ‘Frontier Settlement in Early Dutch South Africa’, *Annals of the Association of American Geographers* 66, no. 1 (March 1976): 25–42; S. Daniel Neumark, *Economic Influences on the South African Frontier, 1652-1836*. (Stanford, Calif.: Stanford University Press, 1957); Johan Fourie, ‘The Quantitative Cape: A Review of the New Historiography of the Dutch Cape Colony’, *South African*

hierarchy of ethnicity and occupation, is not ancient, but was created in its modern form only during a calamitous economic crisis, which preceded the British conquest.<sup>38</sup> It clearly resembles an iteration of a materialist period effect. The calamities of late-Qing China give perhaps the best example. As the empire was sinking into a catastrophic economic crisis in early 1800's, an ethno-religious rebellion, called Taiping, broke out, demanding genocide against the ethnically distinct Manchu rulers and causing the bloodiest conflict in history up until the World Wars.<sup>39</sup> Again, a materialist period effect. The two great non-European empires collapsed in materialist period effects.

It was the same in Europe. When Spain lost most of its empire in the 17th century, it featured a nationalist tide, expelled Jews and the remaining Moors.<sup>40</sup> When the Netherlands lost its empire in the 19th century, it was struck by a nationalist rebellion, named *Patriottentijd*.<sup>41</sup> When Poland lost its great power status in the 17th century, it became anti-Semitic and nationalist.<sup>42</sup> The Iranian theocratic revolution happened after a massive economic crisis. Similarly, Saddam Hussein was a progressive in the 1970s when the oil economy was in full in swing and oil prices were high, but became a religious and

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*Historical Journal* 66, no. 1 (2 January 2014): 142–68; Leonard Guelke, 'The Anatomy of a Colonial Settler Population: Cape Colony 1657-1750', n.d., 22.

<sup>38</sup> Susan Bayly, *Caste, Society and Politics in India from the Eighteenth Century to the Modern Age*, The New Cambridge History of India, IV, 3 (New York: Cambridge University Press, 1999).

<sup>39</sup> Franz H. Michael, *The Taiping Rebellion; History and Documents*, vol. 1 (Seattle: University of Washington Press, 1966); Vincent Yu-Chung. Shih, *The Taiping Ideology*. (Tokyo: University of Tokyo Press, 1967); Thomas H. Reilly, *The Taiping Heavenly Kingdom: Rebellion and the Blasphemy of Empire* (Seattle: University of Washington Press, 2004).

<sup>40</sup> J. H. Elliott, 'Self-Perception and Decline in Early Seventeenth-Century Spain', *Past & Present*, no. 74 (1977): 41–61; John H. Elliott, 'The Decline of Spain', *Past & Present*, no. 20 (1961): 52–75.

<sup>41</sup> Benjamin J. Kaplan, *Divided by Faith: Religious Conflict and the Practice of Toleration in Early Modern Europe*, 1. Harvard Univ. Press paperback ed (Cambridge, Mass.: Belknap Press of Harvard Univ. Press, 2009).

<sup>42</sup> Jozef Andrzej. Gierowski, *Historia Polski : 1505-1764* (Warszawa: Panstwowe Wydawnictwo Naukowe, 1980).

chauvinistic leader only after Iraq's economy permanently sank by 90% in 1980-82.<sup>43</sup> All of these are historic examples of counter-modernisation. Economic regression, relative deprivation, and explosions of insecurity bring the same results, regardless of time or place or culture.

If populism is an ethno-religious system of hierarchy, then it is a variation in a broader type of materialist period effects, which link it to socio-cultural outcomes of economic decline in India and China. They hit about 20 years into economic decline in all the above cases. There is no exception. The same thing happens every time. It would be a miracle if it didn't happen in Serbia, too.

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<sup>43</sup> Ofra Bengio, *Saddam's Word: Political Discourse in Iraq*, Studies in Middle Eastern History (New York: Oxford University Press, 1998).

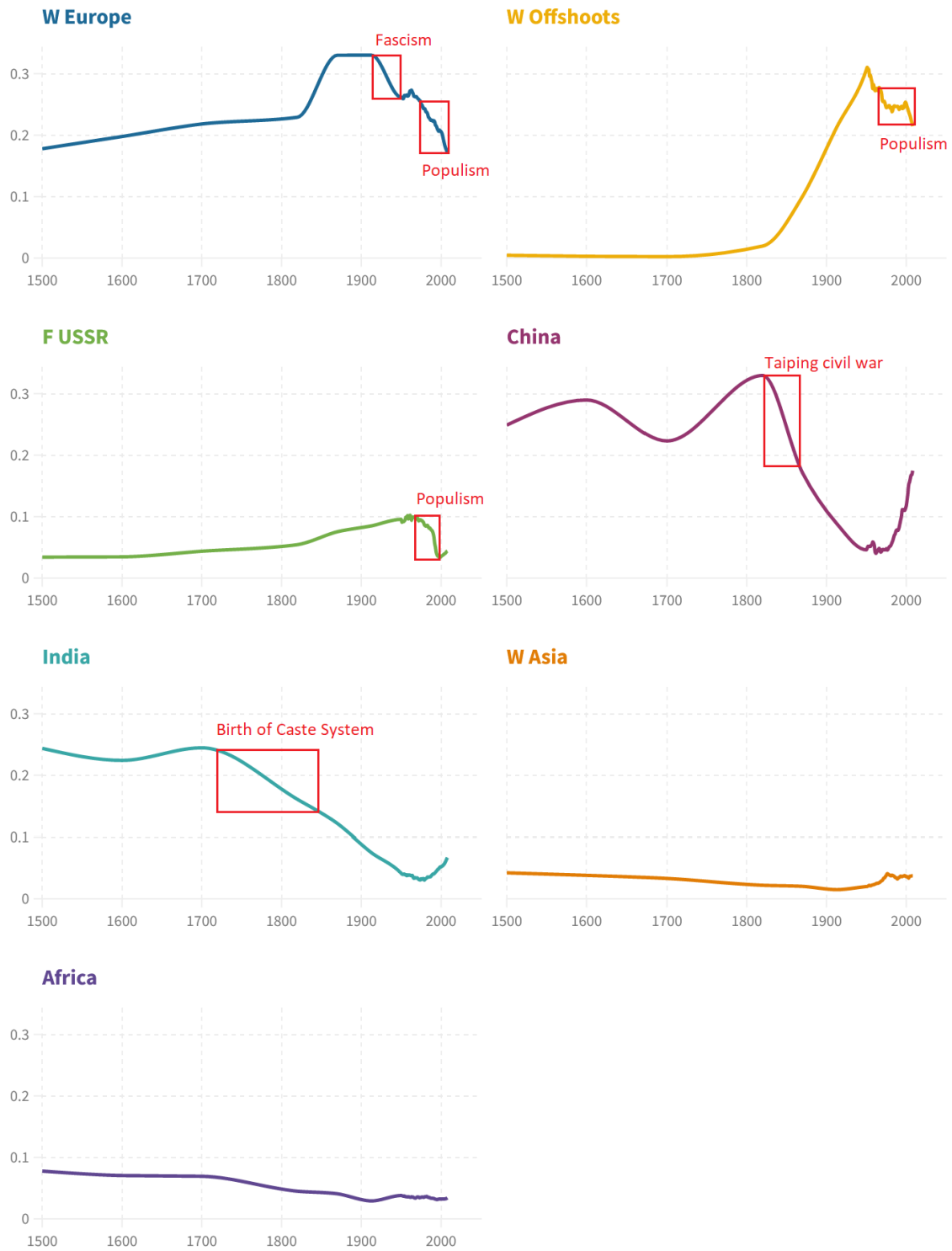


Figure 17: Demodernisation and materialist period effects throughout history

Source: Share of world GDP by Maddison Project Database, own highlights

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