

Yugoslav Integration and Macedonia (1918–1939)

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After World War I, the great Eastern European empires collapsed, and new states were established, such as Czechoslovakia or Yugoslavia. On 1 December 1918 the Kingdom of Serbs, Croats and Slovenes was proclaimed. The new state included seven different regions, which had been either sovereign states (Serbia and Montenegro) or parts of the Austro–Hungarian Monarchy. The Kingdom of Serbs, Croats and Slovenes had to face a huge challenge: integrating the different parts, regions and systems and organising them into a unified country. Among the different areas of the new state, compared to each other, some were very poor while others somewhat more prosperous.

The territories that had previously belonged to the Austro–Hungarian Monarchy produced more income than the rest of the regions. The political system of the Yugoslav state was established within a couple of years of the creation of the new state. A common parliamentary body and a unified government and public administration were established, and the common army was also formed based on the Serbian army. Some time later the judicial systems were also unified. Harmonisation failed only in the field of civil law. After the establishment of the state, the primary task was the unification of the economic institutions. One of the most important tasks was the establishment of the country's own currency system and the stabilisation of the national currency. The introduction of the common currency was completed in 1921.

The National Bank was created, the use of the dinar was extended to the entire country, its gold cover and convertibility were guaranteed, and the use of other currencies was prohibited. The system of state revenues and expenditures was organised by the mid-1920s, and the unification of direct taxes completed the establishment of the fiscal system. Unified customs tariffs were introduced in 1925. Before 1918, the cultural life of some Southern Slavic nations was directed from various centres (Belgrade, Zagreb, Ljubljana, Sarajevo, Novi Sad and Split). There were two basically opposing concepts regarding the organisation of the education. Although during the years several draft laws were prepared, the laws enacting the unified school system were only adopted at the end of 1920s. It declared that the objective of education was to educate children in the spirit of national and state unity and religious tolerance. Education was universal, free and compulsory for all in the entire country. The

language of public elementary school education was the language of the state, i.e. Serbo-Croat-Slovenian.

Macedonia's situation was determined mainly by the fact that the region was annexed to Serbia after the Balkan Wars. Vardar Macedonia found itself in a new situation, as previously its main economic and political relations were with the south, with Thessaloniki being the economic centre of the region. Its links with Serbia were weaker. Local people did not consider themselves Serbs, thus they did not regard their coming to form part of the new state as a liberation. Serbia, however, considered the territories acquired in 1913 as Serbian territories, and extended the Serbian laws to the Macedonian areas as well. The region constituted a real borderland, surrounded by countries with territorial claims and active propaganda. During the entire period between the wars, this region was not represented by local politicians in the parliament, and locals were hardly appointed for higher positions in the public administration in spite of the development. The Kingdom of Yugoslavia failed to acquire a unified national identity; neither the one nation with three names and tribes nor the "integral" Yugoslavism after 1929 managed to imbue the masses of people with such an identity. The national identity remained unattained, as loyalty towards Yugoslavia did not strengthen. The Serbs wanted the inhabitants of Macedonia to assimilate the Serbian national consciousness. But they did not have the facilities to develop culture in the region and attract the local population. Macedonians simply did not want to acquire the Serbian national consciousness.

In Macedonia, a larger number of firms were established compared to previous times, and the tobacco industry received the heaviest investments. The state played a significant role – 40% of the investments were made by the state. Investments in Macedonia were not considered profitable, therefore the amount of investments there was well below the amount in the more developed regions. Yet, in spite of the development, Macedonia remained one of the most underdeveloped areas of Yugoslavia. During the first (royal) Yugoslavia little was done to align the economic level of the different regions. Here we should mention some important measures. Only in the second half of the 1930s did prime minister Milan Stojadinović promise a development plan for the southern regions. In the 1930s, plans were drawn up for the development of Macedonia, improvement works (partly in order to stop the spread of malaria) and railway construction. However, rural development was very slow. At this point we can mention some measures taken during the agrarian reform and colonisation, which contributed to the development of poorer regions. Approximately 20-22 thousand families (80-90

thousand people) moved to the south of the country, out of which approximately 4-6 thousand families moved to Macedonia (20 thousand people) and received land there.

The government established new villages and settlements (more than 100 in Macedonia), built houses, wells, and schools. With the construction of railways the state sought to develop the less-developed areas and incorporate them into the transport system of the country. The railway lines constructed in Macedonia in this period are: till 1926 the line between Veles and Kočani (of military importance), in the 1930s the one between Veles and Bitola, and during World War I and after the World War a narrow gauge railroad between Skopje and Ohrid. However, the largest plan – the line between Belgrade and the Adriatic Sea – was never realized.

To sum it up, the unification of institutions and systems was successful. On the other hand, the socio-economic differences were not successfully reduced. As a result of economic development, modernisation kept taking place in the regions that had come to form part of the state of Serbs, Croats and Slovenes with a more developed social structure (except for Belgrade and its surroundings that gained the greatest advantage of becoming the centre of a bigger country). From a social point of view, the Yugoslav integration cannot be considered successful, although we have to acknowledge that time was often insufficient for smoothing out disparities and the factors facilitating the change were also missing. Macedonia remained one of the most underdeveloped areas of Yugoslavia.