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Pec Journal; A Poor Marxist Makes Good; Now He's a Magnate

By Henry Kamm

Sept. 29, 1988

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Bogoljub Karic was decorated with the Order of Labor with Silver Wreath today, an honor customarily reserved for shock workers of Communism. But that is not the way Mr. Karic sees it.

''I feel this is a recognition of the private sector,'' he said, leaning back in one of the 11 leather - or almost leather - armchairs arranged around the long, custom-designed conference table of his company's board room.

His late-model, chauffeur-driven Mercedes, with curtains around the rear windows, was parked at the door. Mr. Karic's assertive style of life and work in Kosovo, the country's poorest province, has an effect comparable, say, to meeting a Rockefeller on the subway.

''I see it as acknowledging finally that private enterprise will get equal status with the socialist sector,'' he said of his award. ''We are so discriminated against. Our social contributions to the state and our taxes on earnings are much higher, we can't get Government credits for our workers' housing and the materials we buy are 30 percent more expensive than for state enterprises.'' Wealthy by Any Standard

Yet somehow Mr. Karic and his three brothers and one sister who founded and head the Karic Brothers concern appear to have overcome the obstacles. Less than 10 years after they began their factory in a garage in this ancient town near the Albanian border, they have become prosperous by any country's standards and incredibly wealthy by those of Communist nations.

Karic Brothers makes a broad range of machines, mainly for the food-processing industry, and machine parts, provides consulting services and market research for industry and commerce, and trades in a variety of products. The Soviet Union is its largest foreign customer.

''By far,'' Mr. Karic replied expansively when asked whether the company was the biggest private concern in Yugoslavia. Speaking of a region of state-owned enterprises, he added with a laugh, ''In all Eastern Europe.''

He said the company's volume of business this year will reach 50 billion dinars. This amounts to more than $15 million at the present rate of exchange, though the currency is constantly depreciating under an annual inflation rate of about 200 percent. A Member of the Party

Mr. Karic, who is chairman of the company although, at 34 years, he is the youngest brother, is a member of the Communist Party and a believer in God and capitalist business. On his desk, a Serbian Orthodox icon stands alongside a photograph of Tito, and the same two images lean against a wall.

''I'm not a good Marxist,'' he admitted. But clearly he knows what is good for his business.

The company employs 320 workers, at wages that Mr. Karic said were four times those in state enterprises. How does Karic Brothers get away with employing many times the number of workers that private enterprises are allowed?

''I'm always ahead of the law and get what I want despite the law,'' he said. ''If something is contrary to the law, it has to be blessed by the party. We are the heralds of the law. Laws are based on our practice.''

The first ''political intervention in our favor'' came from President Tito himself just before his death in 1980, Mr. Karic said. Tito visited Pec in 1979, just when the family had decided to branch out into industry from folk music - the Karic brothers and their sister started out as a well-known local ensemble. They were making lapel badges, road signs and rubber stamps in a garage. Influence Is Acknowledged

''They wanted to arrest us then for restoring capitalism,'' he recalled. But the President, for whom they had been summoned to sing and play, told them he favored family businesses, and local officials took their cue from their leader.

According to Mr. Karic, his success and lobbying for private business, which accounts for only about 5 percent of the national economy, have caused today's leaders to look to him for cues. ''I certainly do have influence, I must admit it,'' he granted. ''The only thing I ask is for them to work like we do.''

Last October, he was invited by the party's Politburo to preside over a conference on the role of private enterprise. A draft law to lift most restrictions and give private enterprise virtual equality with public companies grew out of the session but is still awaiting approval from Yugoslavia's highly decentralized system. Eight regional party and government hierarchies must each give its consent.

''The Politburo has accepted it, but the administrative bureaucracy opposes it,'' Mr. Karic said. ''The Chinese, the Russians, they are changing, but they still block this. Yugoslavia used to be more flexible than the others, but now we lag. That's why I'm so critical.'' Aim Is Private Banks

To spread his antibureaucratic message and the development of the private sector, the Karic Brothers have moved into the academic field in a way unknown in the Communist world. They have founded a Center for the Development and

Promotion of Small Business, which sponsors large annual symposiums and publishes their debates.

''The state should do this but doesn't,'' Mr. Karic said, ''so we do it for them.''

He said he would like to take over one function that the state reserves for itself: he wants private banks in Yugoslavia and wants to be the first to found one.

''The people will come running to me with their money,'' the former singer and guitarist said.