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 SECURITY INFORMATION  
 CENTRAL INTELLIGENCE AGENCY  
 INFORMATION FROM  
 FOREIGN DOCUMENTS OR RADIO BROADCASTS

REPORT

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CD NO.

COUNTRY Yugoslavia

DATE OF  
INFORMATION 1951SUBJECT Economic - Organization  
Political - Administrative

DATE DIST. 15 Jul 1952

HOW  
PUBLISHED Monthly periodicalWHERE  
PUBLISHED Belgrade

NO. OF PAGES 12

DATE  
PUBLISHED Jun - Jul 1951SUPPLEMENT TO  
REPORT NO.

LANGUAGE Serbo-Croatian

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SOURCE Narodna Drzava, Vol V, No 6, 7, 1951.THE ORGANIZATION AND WORK OF PEOPLE'S COUNCILS IN YUGOSLAVIA

The present organization of the administrative apparatus of the srez people's councils is based mainly on principles that were formulated early in 1948. The basic principle of this organization was the division of councils into commissions, headed by a commissioner, who was also a member of the executive council. Since then, the changes that have taken place in the organization of the economy, in health, education, and social care in Yugoslavia, besides the changes that have taken place in the commissions themselves, have made it necessary to re-study the organization of local administration and its relation to the economy now being administered by producers and to the social services which are being transferred to the administration of the state agencies. Further, it has become necessary to study the personnel structure in the administrative apparatus of the people's councils and find suitable measures for professional development of personnel.

Therefore, at the beginning of April 1951, the Council for Legislation and Development of the People's Authority sent all federal ministries, republic councils for legislation and development of the people's authority, scientific and other establishments, and public and scientific workers the following proposals for changes in the organization and work of people's councils for their study. The federal government is to issue corresponding recommendations and propose eventual legislative and other measures based on the results of this study.

Organization of Local Economy

The organizational development of the economy as a whole is directed toward abolishing differences between enterprises of local, republic, and federal significance. In the future, the relation of people's councils to enterprises is to be the same whether enterprises are large or small. The economic basis for autonomy in people's councils is to be based on designated rights to the accumulation /profits/ of all enterprises in their area and the right to dispose of this accumulation in improving the living standard of the inhabitants. The only difference between local and republic enterprises is to consist of local enterprises being organized into local associations instead of republic

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associations of producers. The people's councils will probably have some planning and supervisory rights over these local associations, depending on methods of planning.

As long as the economy is to be based on the production of consumers' goods, the economic independence of enterprises and the rights of work collectives must be strengthened, so that within the framework of the law and under the supervision of state agencies, they may handle more independently the property entrusted to them to administer, making it possible for them to enter into economic relations based on production of consumers' goods and to pay a part of the accumulation, as clearly determined by law, for local and general social needs.

Accordingly, the development of associations is not to militate against the independence of enterprises or to make enterprises work under the management of associations. Economic associations will have certain rights toward enterprises, such as the right to collect a part of the accumulation for further investment, but their basic function will be to solve common problems on economic development, help enterprises in their economic connections without infringing on their independence, propose the enactment of general measures and economic plans by state agencies, and make requests of state agencies in the name of associated enterprises regarding the distribution of the accumulation.

Yugoslavia is not yet in a position to organize the economy completely on these principles, because conditions are not yet right. The new financial system must first go into effect and function efficiently, the administrative management of the economy must be liquidated, the new system of trade must be strengthened, and the present system of guaranteed supplies must be eliminated. However, the local economy and its relation to economic associations must be reorganized to enable the gradual realization of the principles mentioned above in the following manner:

1. Transfer the administration of local enterprises to producers and their organizations and enact corresponding regulations.
2. Establish economic associations where favorable economic conditions exist, but refrain from forcing their establishment where such conditions do not exist.
3. Strengthen the operational independence of enterprises.
4. Enact regulations regarding the rights of local agencies with respect to federal and republic enterprises, especially concerning finances.
5. Abolish the operational management of the economy by the administrative apparatus.

On the basis of these principles, the various branches of economy in a srez would be organized as follows:

1. Local (municipal, srez, and city) enterprises, except for those that can join the republic economic association, would be united in a directorate of local industrial and artisans' enterprises while in small srezes, a joint industrial and artisans' enterprise of plants would be established. The directorate would take care of capital construction, increasing activities, etc., thus eliminating the necessity for the administrative apparatus to do such work. In case a joint enterprise of plants is established, the rights of each plant would be regulated.

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2. The commercial network in the srez would consist of the following:

- a. Srez and city state stores to be established in cities, large places, crossroads, and other places.
- b. One or more srez wholesale enterprise (not necessarily in every srez).
- c. Stores (not necessarily in every village) for general agricultural cooperatives.
- d. Stores established by farm work cooperatives for their members.
- e. Srez crop-purchase enterprises.
- f. Enterprises for scrap trade.
- g. Commercial enterprises for disabled persons.

Instead of uniting commercial enterprises into directorates, they could be united into joint enterprises (cartels) for joint economic activity.

General agricultural cooperatives and SRZ (farm work cooperatives) would also participate in commerce.

Commercial organizations could continue in some srezes. For some time, their functions would be to distribute guaranteed supply items and some items in short supply; to serve as middlemen in procuring merchandise, particularly goods sold in small quantities; and to establish direct connections with industry and individual enterprises, wherever possible.

Agencies of the state administration would establish the plan for commerce in goods, plan new investments, plan the commercial network, regulate or approve prices, perform commercial inspection, supervise guaranteed supplies and fulfillment of the plan, supervise finances, and regulate relations toward employees and citizens.

3. Crop-purchase organizations would be the Grain Foundation and its bases and warehouses, local crop-purchase enterprises, farm work cooperatives, associations of farm work cooperatives, and the foundations for mechanization.

The Grain Foundation, being a republic enterprise, would purchase grain directly from the farmers, farm work cooperatives, srez associations of farm work cooperatives, or general cooperatives, not through crop-purchase enterprises as was formerly done.

Crop-purchase enterprises would fall into the category of commercial organizations, which do crop purchase of meat and lard but do not unite into an economic association. They would join the republic cartel for guaranteed supply items.

Farm work cooperatives and Foundations for Mechanization would do crop purchasing directly.

The Grain Foundation and crop-purchase enterprises would perform all the commercial and technical functions of crop purchasing. State administrative agencies (commissions or administrations for crop purchasing) would establish the crop-purchase plan, fix advance grain-delivery quotas for farmers, supervise the fulfillment of these quotas, apply administrative measures in cases of nonfulfillment, and supervise the activities of enterprises.

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4. The agricultural organizations in each district would be the Foundation for Mechanization, the Srez Association of Agricultural Cooperatives, farm work cooperatives, general agricultural cooperatives, producers' cooperatives for individual branches, state farms, farms, experimental and similar stations and schools, seed enterprises, and veterinary stations.

The Foundation for Mechanization would serve to connect farm work cooperatives and represent the nucleus of an economic association of farm work cooperatives. At present, it could not be an agency for operational planning for farm work cooperatives but could help them in planning. It could make its plans in accord with plans of farm work cooperatives through its council and administrative council, because farm work cooperatives are represented in these councils. By strengthening its economic connections with farm work cooperatives, the Foundation for Mechanization would, in time, become an economic association of farm work cooperatives.

Economic connections with farm work cooperatives are to be developed by economic help being extended by the Foundation for Mechanization as a state enterprise, by a contract which provides for guaranteed supplies being sold through the Foundation for Mechanization, and by technical and special help being extended by the Foundation for Mechanization.

Srez associations of agricultural cooperatives, as social and economic agencies representing the interests of agricultural cooperatives in administrative agencies, must be able to help general agricultural cooperatives in their activities and organization by organizing general agricultural cooperatives, giving technical and special help, mediating and making joint purchases and sales, and by furnishing financial supervision.

Srez associations of agricultural cooperatives can establish various activity units and enterprises to help general agricultural cooperatives, but their income shall not support the council nor shall such activities have an income. Employees would be paid as in other commercial stores and final surpluses divided by farm work cooperatives at the end of the year.

Srez associations of agricultural cooperatives are to give technical and specialized help to general agricultural cooperatives through experimental and similar stations.

Farm work cooperatives would operate as follows:

A farm work cooperative may have artisans and service activities under its administration in villages which are members of farm work cooperatives, provided they are outside the organizational orbit of state administration for local areas.

A farm work cooperative may have procurement, sales, and hotel establishments for its members. These establishments can be connected with a bakery, slaughterhouse, smokehouse, or similar processing activity, thereby freeing women for agricultural work.

Here and there, farm work cooperatives may take over construction of communal institutions related to their work but this should not be done generally.

Farm work cooperatives may establish sales stores in cities.

Municipal people's councils in villages where farm work cooperatives exist will have a considerably smaller volume of work, so it is necessary to establish large municipal people's councils which will include several farm work cooperatives.

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In the future, communal institutions and social welfare establishments are to be outside farm work cooperatives and under a differently organized people's administration.

Several villages can join together in a general agricultural cooperative, though there can be villages without any cooperative.

A general agricultural cooperative may have artisans' services, commercial services, and other activities, so there will be no need to establish state activities in any such area. A stimulus for these activities should be introduced, such as profit sharing, and the responsibility of members of the cooperative for proper separation of activities should be increased or introduced.

In the beginning, general agricultural cooperatives may even do purchasing and selling, then proceed to processing and agricultural production by joint cultivation with tractors, joint harvesting, joint distribution of profits, etc., thus opening the way to farm work cooperatives.

The establishment of production and processing cooperatives for vineyard cultivation, apiculture, farming, and similar activities should not be avoided by general agricultural cooperatives, because of their role in guaranteed supplies and the possibility of development into farm work cooperatives.

Such organization of srez agriculture will result in state administrative agencies having the same relation to agriculture as to industry. The only problem remaining will be the relation of the state agencies to the individual farmer. To date, this relation has consisted only of enforcing the compulsory obligations to the plan. It is questionable whether this kind of relation is still necessary.

5. The same principles apply to hotel management and the organization of the hotel network as apply to commercial stores. State hotel activities should be established at large crossroads as well as cities. Hotel activities should first be reoriented toward farm work cooperatives.

6. In forestry, local agencies would have only supervisory functions and the responsibility of enforcement of various administrative measures, which they would accomplish through a forester and a fixed number of rangers. Purely economic activities would exist only in private forests, local forests, srez forests, and reforestation enterprises.

If possible, private forestry should be united into processing, cultivating, and general agricultural cooperatives. Local and srez forests should be turned over to cooperatives or the srez association of agricultural cooperatives. Reforestation should be organized as a type of cooperative. If this is impossible, an administration with administrative and economic functions should be organized.

7. The construction industry would work through one or more construction enterprises united into a directorate of communal enterprises if economic activities required it. The directorate would also include enterprises (plants) producing construction materials, designers, etc. The directorate would be responsible for the fulfillment of the construction plan.

The administrative apparatus would consist only of a construction inspection office to supervise construction with staffs trained to do this work, perform regulatory functions, issue permits, approve projects, etc.

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8. Communal activities would be divided into those in which enterprises may be established and those in which only establishments may be organized.

Because of their purely local character, communal enterprises and establishments could unite only within the limits of their locality (except for the establishment of srez and cartel associations). Communal organizations in which enterprises may be established would be organized into one or more enterprises which will unite as industrial enterprises do. Communal organizations in which establishments may be organized (parks, sanitation departments, etc.) would be administered by administrations of an institutional (not administrative) character.

Local transportation and its enterprises also should be classified as being local establishments and enterprises. Certain transportation and shipping enterprises should be united into a directorate of industrial and artisans' enterprises. Communal enterprises would include streetcars and busses.

Roads represent a special problem. Some administration of an institutional character may administer roads and sidewalks within a locality. It can also have economic units, such as enterprises for repairing. The maintenance and administration of roads outside localities should be under srez administrations for roads, regardless of whether they are of republic or federal significance.

State-owned apartment buildings should be administered by supervisors appointed by higher agencies. A council of tenants, elected from the membership of house councils, should act as an advisory agency. Its functions should be precisely determined. In the future, administrative organizations for buildings with fixed rights, in regard to house councils, may be termed administrations.

The house council would collect rent and hand it over to the administration, except for the part left for its disposition. The house council would be under the supervision of the administration appointed for each area. This administration may have enterprises for repair.

Administrative functions, such as penalties for uncleanness, disorder, and other infractions of house rules may be transferred to such administrations. Right of appeal from their decision will be to the higher administrative agency. Certain investment construction could be transferred to these administrations. Building administrations could be established for each part of the city, without regard to whether the city is divided into rajons or not. The administration's regulations should be issued to them by the people's council.

All communal institutions are to finance themselves.

9. State artisans' trades should be developed into industrial and artisans' enterprises, which would unite into a directorate. Some artisans' enterprises may be united with other enterprises (artisans' construction work with construction enterprises, artisans who do building repair with the Administration for Apartment Buildings, etc.).

All private, cooperative, and state artisans should be organized into artisans' guilds, which would function as social and economic agencies for them. Guilds can organize technical help, make purchases, mediate in sales, etc. The guilds, therefore, may have designated business offices.

Barbers, shoemakers, tailors, etc., and some state artisans may form an association or council within the guild. Artisans may also be united into procurement and sales cooperatives. It should be compulsory for state artisans to be united into such cooperatives.

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Organization of Social Services in the Srezes

Social services include education, public health, social security, social welfare, etc. These services are social because they benefit all society and not merely a single group. State agencies administered these services directly until now, even though their character is such that they should not be administered by the state, because organizational forms for their management had not yet been worked out. Therefore, it is necessary to work out organizational forms which will place these services in the hands of the people as soon as possible. To date, councils for education have been established, which will perform those functions under the jurisdiction of the state. However, Yugoslavia has not yet worked out a system by which the people will administer individual social service establishments.

The administration of an individual social service establishment, such as a school, a hospital, a center, etc., cannot be handed over to a trade union, as in an economic organization, for it does not involve any goods production or mercantile-monetary relations which would make the union interested in discharging its responsibility properly. A trade union can have only a limited influence in the administration of such an establishment. Besides, the participation of union members would be qualitatively different, for doctors and other personnel in hospitals, for actors and auxiliary personnel in theaters, etc.

The extent to which individual institutions should unite into associations should be based on the benefits that would be derived therefrom. For instance, an association for social supervision is not needed, because this will be achieved by direct administration and by councils which are state social agencies. Just as in economic enterprises, the principle of independence of individual establishments should be maintained unless it is contrary to the nature of the establishment. Uniting into an association need not be according to area administrative divisions but can be done according to the needs of a service.

Therefore, the administration of individual services might be organized as follows:

By law, all health institutions in a srez, except large city hospitals, establishments attached to universities, or hospitals connected with a special system of establishments, such as tuberculosis hospitals, would join the Srez Association of Health Establishments (sometimes called the Srez Health Station). The association would have a director as its head and a council made up of managers of the individual health establishments. The participation of representatives of social organizations in the administration of such a health association should also be considered.

The establishment of a health oblast with a central health establishment of a higher rank, staffed by highly qualified personnel, which would give specialized assistance to other health establishments in the oblast, should also be considered. A council would manage the associated health establishments.

Organization of School Administrations

Educational establishments do not need to be united, except for the question of the influence of associations of teachers on administration at the republic level. However, the administration of individual schools should be left as formerly to the director and teachers' council, with an auxiliary council of citizens, teachers, and youth organizations to be established later.

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Organization of Cultural Establishments

Cultural establishments are being administered by social agencies made up of representatives of interested social organizations and citizens, presided over by administrators. Ensembles, choruses, etc., are administered by social agencies of the associations to which they belong. Some members of the work collective (actors, for instance) should participate to a greater extent in the administration of theaters and similar institutions, while other members of the collective could exert their influence through the union organizations.

An association of cultural societies and establishments may exist on a srez level for the joint solution of some problems but not for operational management.

The people's council should be limited to procuring material and capital construction and supervising the administration of the general people's property.

Organization of Establishments for Social Protection

Establishments for social protection should be administered by councils selected by the various social organizations and an administrator and staff appointed by the Council for Social Policy. Some establishments may be administered by councils of inmates, as in homes for elderly people, for the deaf, etc., while others may be administered by councils selected by organized groups, such as the Association of Disabled War Veterans.

Administration of social care establishments is supervised by councils for social policy, agencies of the state.

Organization of People's Councils1. Administrative and Territorial Divisions and Relations Between People's Councils of Varying Degrees

The question of administrative and territorial division arises in the relation between srez councils and city councils. Yugoslavia has two main types of city people's councils: those within the srez and those outside the srez.

The city people's council in the srez has not been able to develop because the srez people's councils have tended toward bureaucracy and centralization. To date, no regulations have been issued to define the jurisdiction of the city people's council in the srez, as was planned in the general law on people's councils.

City people's councils outside the srez have the following faults:

- a. They tend to disrupt economic unity which should exist between the city and the srez. This lack of unity is reflected in lack of unity in planning, price policy, labor policy, crafts, etc.
- b. They tend to disrupt cultural unity between city and srez. The city does not develop institutions to help the srez. This also applies to public health institutions.
- c. They make it possible for the proletariat to have any influence on rural sections.

A question for consideration is whether it would not be possible to unite cities and srezes into an administrative and territorial unit, with the exception of a few large cities. Such unification would guarantee full independence in communal business to the cities in a srez and assure a completely

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independent budget for communal activities. However, city people's councils would have to be directly responsible to republic agencies instead of srez people's councils, where the city people's councils were general administrative agencies of the first degree. The unification of cities and srezes would be especially favorable for the establishment of economic associations, uniform health service, education, culture, etc.

If conditions for such unification are not ripe, because city people's councils do not trust srez people's councils, it would be necessary to prepare regulations to establish such trusts. It would also be necessary to establish joint economic associations where necessary and institute joint management of social services.

The relation between srez people's councils and local people's councils should be changed entirely. By law, communal, artisans' enterprises, and similar organizations should be on a local level, but associations of these enterprises should be on a srez level. Srez people's councils then would have rights and jurisdictions in relation to associations, as local people's councils would have to individual enterprises. Srez bureaucracy and centralization would be eliminated, as would the poor operational administration of some local people's councils, which led to poor work and increased costs. Budgetary and other autonomous rights of local people's councils should be strengthened and tutelage over their routine administrative work eliminated.

The establishment of such organizational principles will probably lead to abolition of oblasts in all republics.

The jurisdictional area of local people's councils, where the entire population belongs to a farm work cooperative, should be extended to include several farm work cooperatives. At present, the jurisdictional area of the local people's council includes only one farm work cooperative, which means that the same people are members of the local people's council and of the administrative council of the farm work cooperative. By extending the jurisdictional area of the local people's council, it will not be in the hands of the council of the farm work cooperative and will be able to perform administrative functions in relation to farm work cooperatives in its area.

## 2. Principles for Determining the Staff Structure of the Administrative Apparatus of Srez and City People's Councils

The core of the people's council should be composed of a legal staff and of economists well acquainted with all phases of state administration and the state economy. Highly qualified staff: agriculturalists, veterinarians, and construction engineers should also be included, auxiliary administrative personnel should be educated, and the practice of employing half-literate personnel should be abandoned.

The administrative apparatus of the people's councils should consist of management officials (assistants to the director, with at least a secondary-school education and a university education in some instances, having organizational experience, who are ethically and politically qualified), independent reporters (analysts, economists, instructors, inspectors, legal and personal reporters, etc., with extensive experience and with a secondary-school or university education), the executive staff (tax executor, treasurers, housing officials, etc.,) and administrative technical personnel (records officials and other auxiliary personnel, with at least 8 years of schooling).

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To secure such a staff, the following should be done: (a) survey of existing personnel and of the plan for filling vacancies should be made, eliminating officials who have not developed (or did not care to) and who are not specialists; (b) the preparation for and taking of special examinations should be organized; and (c) officials should improve in specialized abilities, frequent transfers should be eliminated, and an attempt should be made to make staff positions more permanent.

#### Problems of Organization and the Work of the Citizens' Council

Citizens' councils are social agencies in the local agencies of the state government to whom certain functions of the state administration are transferred, with the view of taking over the functions of the state as the state withers away.

Each citizens' council should have 5-15 members. In addition to citizens appointed by the plenum of the people's councils, members of the citizens' council primarily should be representatives of mass and other social organizations, and of workers' councils of individual enterprises. The social organizations entitled to elect representatives would be determined by statute of the people's council, and members elected would be approved by the people's council. The commissioner of the people's council would not be a member of the citizens' council, nor would the officials of the people's council be members.

Members of the citizens' council would be elected each year, except that eventually, a system of rotation could be adopted to elect only a certain number of new members each year.

The general jurisdiction that all councils exercise in issuing general decrees and directing and supervising work should be fixed by law. The law should determine the relation between commissioner and council. The jurisdiction of the citizens' council in affairs of local significance should be defined by the people's council when appointing the citizens' council. Its general jurisdiction should be defined by general regulations issued by a higher-echelon state agency authorized to regulate such activities.

Another problem connected with defining the jurisdiction of citizens' councils is whether the law should outline definite matters over which the councils have jurisdiction or whether it should only determine the area of jurisdiction, leaving definite matters to special laws and regulations of higher-echelon state agencies. The question of whether republic laws can give citizens' councils jurisdiction over matters in the province of federal laws and regulations also should be considered. Decisions on specific questions about administrative procedure should not be within the jurisdiction of citizens' councils. Citizens' councils could issue decrees based on a majority vote if there is a quorum present.

In special cases, or when the citizens' council has not discussed and decided on a matter in its jurisdiction, its functions should not be taken over by the people's council. Whether citizens' councils should be responsible to people's councils should be considered. Citizens' councils could create commissions to study specific questions or to examine the work of the administrative apparatus.

#### Voters' Assemblies

In addition to the right to discuss and make decisions on all problems related to living conditions in a place, city, region, or settlement, as well as questions within the jurisdiction of higher-echelon state agencies, voters' assemblies should make binding decisions on economic and communal matters of

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local significance, such as the use of pastures, local woods, wells, etc. Because of the special character of voters' assemblies in cities and because such assemblies are established according to electoral units which do not comprise an economic unit, they can not be given the power to make such decisions. Voters' assemblies cannot make final decisions until the plenum of the people's council has discussed them.

Important questions concerning a place or city should be discussed by voters' assemblies, including such questions as proposed budgets or economic plans, or choosing sites for schools or other public establishments.

Voters' assemblies should discuss but not decide on the levying of local taxes, the final decision being made by the people's council on recommendation of the voters' assembly and approved by the people's council.

Voters' assemblies should consist of territorial-economic units, embracing the territory of an entire village or of one or more electoral units in a city or region.

Voters' assemblies should be convened by the executive council on its own initiative or by the plenum of the people's council. If an assembly is not called within a scheduled period, a prescribed number of voters may convene the assembly.

A quorum is required in the voters' assembly only when it is to make binding decisions. In such a case, more than half the voters should be in attendance, and a majority must vote for the decision.

If voters' assemblies are being held in more than one voting unit of the same place, a decision shall be considered as adopted if the majority of voters present in all assemblies votes for it.

Voting should be public. To secure continuity of operations and autonomy, a permanent presidency should be established.

To make people's council executive as well as legislative bodies and thus increase the responsibility of the administrative apparatus toward the people's representatives and the people, it is considered necessary to discuss the possibility of the plenum of the people's council managing single branches of the state administration through councils composed of its own members, a certain number of private individuals, and representatives of social organizations. A commissioner would be the head of the council; he would not be paid but would continue in his usual occupation. The councils would establish various citizens' committees, such as a committee for high schools in the council for education, whose leader would be a member of the council and a member of the people's council.

The people's council would regulate the relations between the council and itself by statute. The executive council could continue to exist, but only as an adviser to the commissioner and not as an autonomous administrative agency with the right to make decisions or issue regulations. The executive council would not have its own president, but the president of the people's council would act in that capacity.

The chief of the administrative apparatus would be the secretary of the people's council, responsible to the president of the people's council. The heads of the basic units of the administrative apparatus would be commissioner's assistants. The question of whether such an organization would be unified under the management of the secretary, or if each council would manage its own organization, should be considered.

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Whether such an administrative organization would require as many councils and commissioners as there are now should be considered. Because the administrative apparatus is to have a reduced role in the economy, a unified Council for Economy, with councils for agriculture, crafts, guaranteed supplies, etc., might be satisfactory. The Administration for Planning would be an agency of this council and the only agency for planning. Of the other economic councils, only the Council for Finance and the Council for Communal Activities would remain.

In addition to other officials, the present Council for Arts and Sciences should have inspectors for various kinds of schools. The Council for Social Policy and Public Health should be divided into sections according to type of work: social insurance, disabled veterans' problems, sanitary inspection, etc.

The plenum could retain its commissions, which deal with its internal problems, such as mandates, complaints, discipline, inspection, etc.

Since future commissioners would not be professional commissioners but would continue in their regular occupations, it would be necessary to establish proper relations between the administrative apparatus and the councils to prevent the possibility of a bureaucratic system of administration.

Voters' assemblies would make decisions on the main problems, give instructions, and supervise their execution. The administrative apparatus would prepare decisions, would give explanations of them, and execute the directives of voters' assemblies.

There are a number of establishments and enterprises which render services to citizens directly, such as the Administration for Housing and dairy enterprises, where consumers should be represented in citizens' councils. Such councils would have supervisory powers over management through reports and other types of surveys and would have the right to participate in certain decisions of fundamental interest to the consumer, such as the setting of prices, determining what branches the enterprise shall establish, and what capital investments shall be made. Disputes between the administration and the council would be solved by the people's council concerned.

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