

INFORMATION REPORT INFORMATION REPORT

CENTRAL INTELLIGENCE AGENCY

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This is UNEVALUATED Information

COURSE EVALUATIONS ARE DEFINITIVE APPRAISAL OF CONTENT IS TENTATIVE.

1. While the Yugoslav Government has, on the surface, relaxed controls over the individual, it has resorted to a system which in practice exerts tighter control over the populace. To control an enterprise or association, the Federation of Communists of Yugoslavia (FCY) picks out reliable Party members and presents them to the enterprise or association prior to an election of officials. FCY cell members in the enterprise, by force of threats, pressure the non-Party members of the enterprise to vote for their slate of officials. At the same time they prevent non-Party members from presenting themselves as candidates for the election. Thus, a predetermined set of Party members are elected to managerial positions and are in a position to effectively control the activities of the members of the enterprise or association.
2. The authority of the directors of commercial enterprises has been strengthened considerably during recent months. This resulted from the fact that the Workers' Councils started to interpret the law literally and had begun to act as if they were the actual owners of the factories and enterprises. Since it is a very rare case where the Communists are a majority in any factory or enterprise, the regime was faced with the possibility of losing control of the factories and enterprises. The regime's solution to this problem was to invest the directors with more authority, changing any director who did not comply with the directives of the FCY.
3. Activity of the FCY cells in enterprises and institutions has been intensified since November-December 1954. Before that time, the cells use to meet once a month; now they meet once a week. Evidence of their intensified activity is shown by the fact that Party members back the decisions of the director of their enterprise and exert psychological pressure on the workers and members of the Workers' Council who criticize or oppose the decision of the director.

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