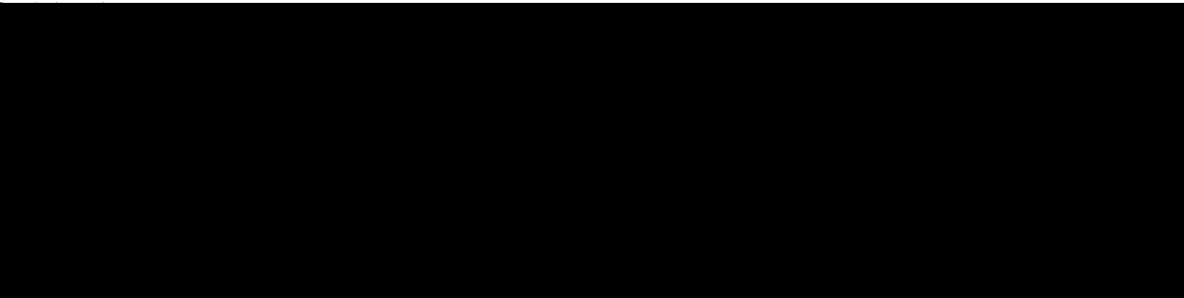


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CENTRAL INTELLIGENCE AGENCY REPORT NO. [REDACTED]  
INFORMATION REPORT CD NO.

COUNTRY Yugoslavia  
SUBJECT 1. Devaluation of the Yugoslav Dinar  
2. Possible Shakeup in Yugoslav Ministries of Trade and Finance  
PLACE ACQUIRED 25X1A [REDACTED]  
DATE OF INFO. 25X1C [REDACTED] 25X1X  
DATE DISTR. 14 Sept. 1951  
NO. OF PAGES 2  
NO. OF ENCLS. (LISTED BELOW)  
SUPPLEMENT TO REPORT NO.



1. The Yugoslav economic and currency reforms which were originally scheduled to take effect on 1 October 1951 have now been postponed to 1 November 1951 and the Yugoslav Assistant Minister of Foreign Trade, Milos Lalevic, is alleged to have expressed doubt that the reform program can be implemented before 1 January 1952 because of "anticipated difficulties" and the necessity to proceed slowly with any such reform. The laws instituting the reforms are reportedly to be presented to the next Yugoslav Parliament said to be scheduled to meet in mid-September of 1951.

25X1C

2. Assistant Minister of Foreign Trade Lalevic has [REDACTED] declared that the dinar is to be devaluated<sup>4</sup> and the exchange rate first pegged at a minimum of 300 dinars to the dollar, then gradually to be increased to 500 dinars to the dollar. The dollar-dinar exchange rate currently in use in inter-Yugoslav Governmental Agency transactions is at the free market rate.

3. The recent economic reforms attempted in Zone B of the Free Territory of Trieste are alleged to be a complete failure up to the present time.<sup>2</sup>

4. A shakeup is [REDACTED] expected of personnel in the Yugoslav Ministries of Trade and Finance where discord within these Ministries is allegedly on the increase. There is conjecture on the possibility that either Milentije Popovic<sup>3</sup> or Dobrovicje Radosavljevic<sup>4</sup> may be replaced. The name of Svetozar (Tempo) Vukmanovic<sup>5</sup> has been mentioned as being considered as the head of a new Yugoslav Economic Committee.<sup>6</sup>

25X1A

1. [REDACTED] Comment: Your attention is called to [REDACTED] 13 July 1951 which reported on Yugoslav preparations to devalue the dinar in Zone B. [REDACTED] reported on the possibility of currency reform in March 1951.

25X1A

2. [REDACTED] Comment: [REDACTED] the alleged statement of the French Military Attache in Belgrade to the effect that the "new economic plan is apparently working well in Zone B".

25X1A

3. [REDACTED] Comment: [REDACTED] the possible arrest of Milentije Popovic, Minister of Foreign Trade, on suspicion of "Cominformism".

4. [REDACTED] Comment: Yugoslav Minister of Finance.

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25X1A

- 2 -

25X1A

5.                      Comment: President of the Council for Power and Extraction Industries.

25X1A 6.                      Comment: This Committee may possibly assume the responsibility for the reform program mentioned in paragraph 1.

25X1A                      Comment: A report of another government agency describes the issuance on 6 September of decrees providing for temporary implementation of some new economic proposals now under consideration.