

## COPYRIGHT / USAGE

Material on this site may be quoted or reproduced for **personal and educational purposes** without prior permission, provided appropriate credit is given. Any commercial use of this material is prohibited without prior permission from The Special Collections Department - Langsdale Library, University of Baltimore. Commercial requests for use of the transcript or related documentation must be submitted in writing to the address below.

When crediting the use of portions from this site or materials within that are copyrighted by us please use the citation: *Used with permission of the University of Baltimore.*

If you have any requests or questions regarding the use of the transcript or supporting documents, please contact us:

Langsdale Library  
Special Collections Department  
1420 Maryland Avenue  
Baltimore, MD 21201-5779  
<http://archives.ubalt.edu>

# United States Senate

## COMMITTEE ON FOREIGN RELATIONS

PRESS RELEASE

FOR RELEASE: 6 PM, NOVEMBER 25, 1992 (THURSDAY AM'S)  
CONTACT: FRANK SIEVERTS, 202 224-5220

### PELL RELEASES STAFF REPORT ON THE SPREAD OF WAR IN THE BALKANS

Senator Claiborne Pell (D-R.I.), Chairman of the Foreign Relations Committee, released the text of a Committee staff report on the war in the Balkans.

In releasing the report, Senator Pell said, "It is appalling that Serbian slaughter of the Muslim people of Bosnia-Herzegovina is being allowed to continue, and that we are witnessing the imminent destruction by force of a U.N. member state. The international community's failure to thwart aggression in Bosnia-Herzegovina runs the risk of encouraging Serbia to extend its policy of ethnic cleansing to other parts of the former Yugoslavia, most notably Kosovo. It also signals to other potential aggressors worldwide that force can prevail."

This is the first U.S. Congressional report documenting the prospects for the spread of war in the Balkans. The staff report concludes that "Serbian forces in Bosnia-Herzegovina are on the verge of a military triumph in a campaign that has altered, probably forever, the ethnic balance in the country." According to the report, the international community has few good options available to respond to Serbian aggression, and that "the available non-military actions are at best pathetic when measured against the scope of the tragedy and the determination of the Serbs."

The report documents violations of the U.N. sanctions regime and warns that "Failing to tighten the sanctions further and to enforce them more vigorously -- on the Danube as well as the Adriatic -- will leave military intervention as the only viable means of stopping Serbian aggression."

In a separate chapter on Romania, the report states: "Denying most-favored-nation trading status to Romania ... risks diminishing Romanian enthusiasm for enforcing sanctions against Serbia."

The report was prepared by Foreign Relations Committee staff members Peter Galbraith and Michelle Maynard on the basis of their travel to the region October 12-30, 1992. They visited Croatia, Bosnia-Herzegovina, Serbia, Kosovo, Macedonia, Albania, Bulgaria, Romania, and Greece.

**WAR IN THE BALKANS**

**A STAFF REPORT  
TO THE  
COMMITTEE ON FOREIGN RELATIONS  
OF THE  
UNITED STATES SENATE**

**NOVEMBER 24, 1992**

## CONTENTS

### Letter of Transmittal

Summary of Key Findings.....	1
I. The War in Bosnia-Hercegovina.....	6
A. Bosnia-Hercegovina.....	6
B. Croatia.....	8
C. Policy Issues.....	10
II. Wider War.....	14
A. Kosova.....	14
B. Serbia.....	16
C. Beyond Kosova.....	17
D. Beyond the Former Yugoslavia.....	20
E. Policy Issues.....	21
III. International Sanctions.....	23
A. The Ineffectiveness of Sanctions.....	23
B. Policy Issues.....	25
IV. Romania.....	26
A. Summary.....	26
B. Recent Developments.....	26
C. Policy Issues.....	28

CLAIBORNE PELL, RHODE ISLAND, CHAIRMAN

JOSEPH R. BIDEL, JR., DELAWARE  
PAUL S. SARIBAKIS, MARYLAND  
ALAN CRANSTON, CALIFORNIA  
CHRISTOPHER J. DODD, CONNECTICUT  
JOHN F. EBURY, MASSACHUSETTS  
PAUL SIMON, ILLINOIS  
TERRY SANFORD, NORTH CAROLINA  
DANIEL P. MOYNIHAN, NEW YORK  
CHARLES S. ROSS, VIRGINIA  
HARRIS WOFFORD, PENNSYLVANIA

JESSE HELMS, NORTH CAROLINA  
RICHARD G. LUGAR, INDIANA  
NANCY L. KASSERBAUM, KANSAS  
LARRY PRESSLER, SOUTH DAKOTA  
FRANK H. MURKOWSKI, ALASKA  
MITCH MCCONNELL, KENTUCKY  
HANK BROWN, COLORADO  
JAMES M. JEFFORDS, VERMONT

GERYLD S. CHRISTIANSON, STAFF DIRECTOR  
JAMES W. NANCE, MINORITY STAFF DIRECTOR

# United States Senate

COMMITTEE ON FOREIGN RELATIONS

WASHINGTON, DC 20510-6226

November 24, 1992

The Honorable Claiborne Pell  
Chairman  
Committee on Foreign Relations  
United States Senate  
Washington, D.C

Dear Mr. Chairman:

An expanded Balkan war could be the major foreign policy issue for the new Congress and the new Administration. In our August 1992 report on ethnic cleansing in Bosnia-Herzegovina, we concluded that there was great potential for Serbia to pursue a similar policy in other areas such as Kosova or Macedonia. Accordingly, at your request, we travelled to the Balkans from October 12 through 30 to follow up on that conclusion and examine the potential for widening conflict in the region.

The following reports our findings. To prepare this report, we visited Croatia, Bosnia-Herzegovina, Serbia, Kosova, Macedonia, Albania, Bulgaria, Romania, and Greece. We had very good access to government officials, including heads of state and government, foreign and defense ministers and their staffs, parliamentarians, and military leaders. We met with, among others, Croatian President Tudjman; Serbian President Milosevic; Yugoslav Prime Minister Panic; Dr. Rugova, the leader of the Kosova Albanians; Albanian President Berisha; Bulgarian President Zhelev and Prime Minister Dimitrov; and Romanian President Ilescu and then Prime Minister Stolojan.

We visited Serbian land border crossings and monitoring points on the Danube River where we met with customs officials and international sanctions monitors. We also spoke with political opposition leaders; representatives of the United Nations, the Conference on Security and Cooperation in Europe, and refugee and relief organizations; human rights activists; Western journalists travelling through the region; and average citizens. We benefitted enormously from briefings by the U.S. mission country teams and from our informal conversations with U.S. embassy officials.

We are deeply grateful to the U.S. embassies in Zagreb, Belgrade, Tirana, Sofia, Bucharest and Athens for facilitating our trip.

The conclusions in this report are our own and do not necessarily reflect those of the Committee on Foreign Relations or Members thereof.

Sincerely,

  
Peter W. Galbraith

  
Michelle Maynard

## Summary of Key Findings

o Serbian forces in Bosnia-Herzegovina are on the verge of a military triumph in a campaign that has altered, probably forever, the ethnic balance in the country. Because of ethnic cleansing, Serbs will soon be the largest single ethnic group in Bosnia-Herzegovina. The formerly majority Muslims hold only a handful of cities and their grip on these, including the capital Sarajevo, is tenuous.

o Catastrophe is about to overtake the Muslim population of Bosnia-Herzegovina. The United Nations High Commissioner for Refugees estimates that more than 400,000 people may die this winter. Refugee flows in the month of October exceeded total projections for all of the last three months of 1992. Without substantial military force there is every reason to be pessimistic about the prospects of sufficient aid reaching Bosnia's besieged population this winter.

o It may be too late to take effective action to prevent the collapse of the government of Bosnia-Herzegovina. Measures that may have been effective earlier this year, such as lifting the arms embargo or limited air strikes in support of the Bosnian government forces, may no longer be adequate. Given the unlikelihood of international military intervention, there is little prospect of a negotiated solution that can preserve Bosnia-Herzegovina as a state and save its Muslim population.

o The "no-fly zone" declared over Bosnia-Herzegovina is being ignored by Bosnian Serb forces. Staff observed jet aircraft using the base at Banja Luka, parachutists practicing jumps onto the base, and helicopters flying in the Banja Luka area.

o Violence perpetrated against civilians by Serb forces has been far worse than generally reported. Most press accounts have come from women and elderly men who generally were only briefly detained. Male prisoners being released in exchanges gave accounts of unspeakable horrors. These are now being collected by the U.S. embassy in Croatia and should be useful in war crimes prosecutions.

o The Croatian government believes it can conclude a deal with the Federal Republic of Yugoslavia (Serbia-Montenegro) in which Croatia recovers the one-third of its territory now under Serb control. The unarticulated quid pro quo is that Croatia will no longer oppose Serbian ambitions in Bosnia provided that the Croatian population of Bosnia is left alone. Presently, there is a de facto ceasefire between Serb and Croatian forces in Bosnia; and the Croatians, who constitute just 17 percent of Bosnia's population, now hold some 30 percent of its territory. Unlike the Serbs, the ethnic Croatians of Herzegovina live in ethnically homogeneous areas and have not engaged in any significant ethnic cleansing.

o The failure to thwart Serbian aggression in Bosnia-Herzegovina sends a message to Serbia that it can extend its policy of ethnic cleansing in Kosova, Sanjak, Vojvodina, and Macedonia. It may also signal to other potential aggressors worldwide that force can prevail. In essence, the



failure to respond in Bosnia-Hercegovina undermines the authority of the United Nations and with it the global collective security regime.

o Stopping the slaughter of the Bosnian Muslims and the destruction of the Bosnian state may require large scale military intervention which no state is presently willing to contemplate. A U.N. expeditionary force could relieve the besieged Bosnian cities and help reverse the ethnic cleansing. Estimates vary as to the size of force needed, but two factors may keep the numbers required relatively small: (1) the Bosnian Serbian foe is at most 80,000 men, many poorly trained and ill disciplined; and (2) a U.N. force would have highly motivated, albeit poorly equipped allies in the Bosnian-Muslim population. Some have suggested that if 500,000 U.S. led troops were sufficient to rout the disciplined million-strong Iraqi army, it would seem that U.S. military estimates ranging from 200,000 to 400,000 troops in a multinational force for Bosnia are far too high. But even a small U.N. member force (for example, 50,000) would be expensive and would take casualties.

o There are few good options to deal with the war in Bosnia-Hercegovina. Now, even if the arms embargo is lifted on Bosnia and military aid begins to flow to the Bosnian Government forces, it may be too late. The available non-military actions are at best pathetic when measured against the scope of the tragedy and the determination of the Serbs.

o Kosova is the flashpoint for an expanded Yugoslav war. One spark there amid the explosive ethnic and political mix could ignite a third Balkan war. Kosova might have been the first part of the former Yugoslavia to explode had it not been for the leadership of Ibrahim Rugova and the Democratic League of Kosova, which has been dedicated to non-violent resistance.

o A single incident could set off a chain of events leading to ethnic cleansing and ethnic war in Kosova. If the Serbian police were to fire on an Albanian crowd, perhaps in response to provocation, it could well lead to Albanians taking revenge on the province's Serb minority. This in turn could bring in the Serbian army and the beginning of ethnic cleansing in Kosova.

o It is also possible that Serbian President Slobodan Milosevic, acting as always through his agents, could initiate ethnic cleansing in Kosova. Although 90% Albanian-inhabited, Kosova has an important role in Serbian history, and as he becomes more embattled in Belgrade, Milosevic may try to stay in power by playing the Kosova card: appealing to Serbian nationalism by ousting Albanians from sacred Serbian soil.

o Kosova's prospects depend to some extent on the outcome of the power struggle underway in Belgrade that has pitted Milosevic against the unlikely team of Yugoslav Federal Prime



Minister Panic and Yugoslav Federal President Cosic. Most bets are on Milosevic.

o Whether accidental or premeditated, it is unlikely that a war in Kosova could be contained. Ethnic cleansing in Kosova could drive upwards of one million of Kosova's two million Albanians into Albania and Macedonia. Under these circumstances, it is likely that the Kosova Albanians will engage in armed resistance; and neither Albania nor Macedonia has the force, or in the case of Albania, the political will, to stop its territory from being used as a base for anti-Serb insurgencies.

o If Macedonia and Albania are used as bases for anti-Serb activities, it is very likely that Serbia will take military action against the insurgent bases, if not against the host governments.

o Macedonia has no means to avoid getting involved in such a war. The absence of international recognition of Macedonia's independence contributes to instability in the region. Without international recognition and U.N. membership, Macedonia does not enjoy international security guarantees. Macedonia's economy is in ruins, and it is suffering not only from the sanctions against the former Yugoslavia, but from an oil cutoff by Greece; refugees from Bosnia place an additional strain on the economy. Macedonia possesses only a small and poorly equipped territorial defense force.

o If Kosova is the spark for a third Balkan war, then Macedonia, over which the first two Balkan wars of 1912-13, were fought, may be fuel for the fire. Bulgarian and Greek leaders strongly advocate a policy of non-intervention and will do everything in their power to stay out of a conflict in Macedonia and elsewhere in the former Yugoslavia. Although Bulgaria and Greece have a much better chance than does Albania of avoiding entanglement in a wider war, under certain worst-case scenarios, Bulgaria and Greece, along with Turkey, could be dragged into a conflict against their will.

o So far, no international action has had the slightest deterrent effect on Milosevic and his Bosnian Serb surrogates, who seem to respond only to the threat of force. Serbia has taken on only weak and defenseless victims. In fact, it was only when Serbia believed that Croatia posed a genuine military threat that it ceased its land grab, backed down and agreed to the Vance plan. Accordingly, providing military assistance and training to the Government of Albania might help Albania become a credible deterrent to Serbian aggression in Kosova.

o Most Balkan leaders insist that international recognition of Macedonia is crucial to stability in the region. Measured against the potential loss of life and stability in the Balkans, Greek arguments about the name Macedonia should be reconsidered.

o As of late October, international sanctions against Serbia and Montenegro were ineffective. Gaping holes in the U.N. sanctions regime enabled the delivery of vast quantities of banned goods to Serbia via the Danube River as well as via numerous truck routes.

o The original U.N. sanctions regime did not prohibit or even restrict transit traffic through Serbia. Carriers made widespread use of that loophole to circumvent the sanctions, particularly by consigning goods to ostensibly legitimate end-users in Serbian-controlled areas of Croatia and Bosnia-Herzegovina. U.N. Security Council Resolution 787, passed on November 16, helps to close a gap in the sanctions regime by prohibiting the transit of some commodities, such as petroleum, through Serbia. Other goods, however, are still permitted to transit Serbia, and as long as any transit traffic is permitted, leakage is likely. Moreover, while transit traffic through Serbia is now limited, Serbian-controlled areas of Bosnia-Herzegovina and Croatia are not, in and of themselves, subject to sanctions. Failing to tighten the sanctions further and to enforce them more vigorously will leave military intervention as the only viable means of stopping Serbian aggression.

o International sanctions monitors on the Danube River and at the land crossings to Serbia cannot do their jobs because they lack essential communications equipment. Due to the poor state of telecommunications in the host countries, customs officials and international sanctions monitors cannot communicate with monitors at other locations to verify that transit traffic is actually exiting Serbia with its cargo intact. The U.S. Administration had promised to provide the monitors with satellite telephones, but the equipment has not been delivered.

o Romania's reputation as the pariah of Eastern Europe is largely undeserved. The long-promised presidential and parliamentary elections held in September and October, have been determined, despite some irregularities, to have been free and fair. Economic conditions are difficult, but reforms are underway.

o Tension does exist between the Romanian majority and Hungarian minority, although many of the problems are exaggerated for political effect, particularly by the extreme Romanian nationalist parties.

o U.S.-Romanian relations have been dominated by the issue of most-favored-nation trading status, which was rejected by the U.S. House of Representatives in September. With the holding of free elections, Romania appears to have met the criteria for the reestablishment of MFN status. The others, which already have been met are: independent media, civilian control of the Romanian Intelligence Service, and the protection of human rights and civil liberties.

o Romanian government and opposition leaders warn that denying MFN and other benefits to Romania bolsters the standing of those not committed to a democratic course and helps to fuel tension towards the Hungarian minority. Denying MFN also risks diminishing Romanian enthusiasm for enforcing sanctions against Serbia.

o Romania clearly perceives U.S. policy as denying Romania benefits based on its behavior, and Romania has responded to the pressure. If the United States fails to reward Romania for meeting the criteria that the United States has set out, or if the United States ups the ante in the middle of the game, it risks pushing Romania away from the policies and actions we desire.

## I. The War in Bosnia-Hercegovina

### A. Bosnia-Hercegovina

The war in Bosnia-Hercegovina is coming to its bloody denouement. Serbian forces are on the verge of a military triumph that will consolidate their control over some 70 percent of the territory of the new country. The forces loyal to the government of President Ali Izetbegovic control only a half dozen key cities and towns. In all these towns control by the loyalist forces is contested. At the end of October, the strategically important town of Jajce fell and many observers believe this presages the end for the government, if not the country. It is our assessment that other cities, including the capital Sarajevo may fall in the winter months.

Whatever the course of the war, the death toll in Bosnia-Hercegovina this winter is certain to be high. With improbable precision, the CIA has estimated that 147,000 people could die this winter. The United Nations High Commissioner for Refugees has estimated that up to 400,000 deaths could occur. Both of these estimates were drawn up in the early fall and both may be optimistic. At present fewer relief supplies are reaching Bosnia's besieged population than anticipated by the CIA and UNHCR estimates, and there are many more displaced persons than were estimated earlier. Imminent Serbian military victory increases the incentives for the Serb forces to starve and freeze the populations of the besieged cities. Recent Serbian military successes have created tens of thousands of new refugees. If cities such as Sarajevo, Tuzla, and Goradze fall, the refugee numbers will swollen by hundreds of thousands. These people, mostly Muslim, will have no place to go during the bitterly cold Bosnian winter.

By next spring it is likely that Muslims will no longer be the dominant ethnic group in Bosnia-Hercegovina. Ethnic cleansing has already driven more than 350,000 Muslims into neighboring Croatia; more than twice that number have been internally displaced, having been forced out of the north and east into the besieged cities and areas adjacent to Croatian-dominated western Hercegovina. These internally displaced Muslims no longer can be housed or fed where they are, and so in the end many may end up leaving Bosnia-Hercegovina. Between deaths and departures, Bosnia-Hercegovina's ethnic structure may be dramatically altered from the pre-war position of 1.9 million Muslims (44%), 1.4 million Serbs (33%), and 731,000 Croats (17%). If the present situation is not altered, the springtime population may be more in line with the following: 1.4 million Serbs (50%), 700,000 Muslims (23%), and 700,000 Croats (23%).

For a time, it appeared to many that Bosnia-Hercegovina would avoid the violence of Slovenia and Croatia. Elections in November and December 1990 had led to the victory of three ethnically based parties representing Serbs, Croats, and

Muslims. The three formed a coalition government with Party of Democratic Action (Muslim) leader Alija Izetbegovic heading a collective republic presidency. Although the republic government did not take sides in the Slovenian and Croatian conflicts, it was unable to prevent the Yugoslav People's Army (JNA) from using bases in Bosnia-Hercegovina to attack Croatian targets.

Tensions between the republic's Croatian and Serbian communities increased somewhat during the Croatian war, and led, in part, to an undermining of the country's cohesiveness. In the fall of 1991, the Serbian Democratic Party declared several Serbian autonomous regions within Bosnia-Hercegovina, which would secede from the republic if it were to declare its independence. Some of these regions had Serbian majorities; others had few Serbs but were strategically located between the Serb majority areas and Serbia. Ethnic Croatian regions formed "Croatian communities," which their leaders said would respect the republic's territorial integrity as long as it did not become part of a Serb-dominated Yugoslav state.

The terror in Bosnia-Hercegovina began in earnest after Muslims and Croats voted overwhelmingly for independence in free elections on February 29 and March 1. The Serbs, one third of the population, opposed independence and boycotted the referendum.

On March 18, representatives of the three ethnic groups during EC-sponsored talks agreed in principle to a plan to divide Bosnia-Hercegovina into ethnically based cantons, which would have wide-ranging autonomy within the republic. However, the three sides were not able to agree on the precise boundaries of the cantons, their powers vis-a-vis the federal government, nor their relationship with Serbia and Croatia.

On April 1, ethnic Serbs led by Zeljko Raznjatovic (who uses the nom-de-guerre "Arkan") and his paramilitary forces, attacked the Muslim majority town of Bjeljina a few kilometers from Serbia. By April 4, ethnic Serbs, supported by the JNA, launched attacks throughout the republic. On April 6, the European Community recognized the new republic of Bosnia-Hercegovina, on the grounds that it met the criteria for recognition that the European Community had set out the previous December. The next day, the United States followed suit.

By the middle of April, Bosnian Serb forces, along with elements of the Yugoslav People's Army, began shelling Sarajevo. Outside Sarajevo and mostly out of sight of the world press, something far more sinister and far more deadly had begun. If the Bosnian Serbs wanted to remain geographically tied to Serbia, they had to move to the Muslim majority districts in the northeast and southern parts of Bosnia, and to remove the Muslims from these areas. This is what they set out to do.

On May 19, the JNA announced its withdrawal from Bosnia-Herzegovina. Left behind were 85 percent of the officers and troops, ostensibly because they were Bosnian-born Serbs, and all the army's equipment. After this date, the ethnic cleansing -- that is the evacuation of Muslim villages -- accelerated as did the killings. After the JNA withdrawal, ethnic cleansing began in earnest in the northwest of Bosnia. The Serb plan was to connect the Krajina regions of western Croatia and Herzegovina to Serbia through an ethnically Serb corridor.

The ethnic cleansing is essentially irreversible. The homes of Muslims and Croats have been destroyed. The jobs that once employed these communities are gone, and, most important, neither the Muslims nor the Croats are likely to want to return to villages where neighbors once killed and looted, and where the horrors could be readily repeated.

So far, none of the international actions has had the slightest deterrent effect on the Bosnian Serbs. Serb officials in Banja Luka joked about being war criminals but clearly do not expect to be held accountable. Similarly, the "no-fly zone" over Bosnia-Herzegovina is also considered a joke by the Serbs. In a 24-hour period, staff observed helicopters flying in the vicinity of the large Bosnian Serb airbase at Banja Luka, parachutists practicing jumps on the same airbase, and jet aircraft flying at low altitude over the city.

The United Nations is attempting to deploy forces to the Banja Luka area to deter further ethnic cleansing. The Canadians, whose forces are awaited in this area, have been slow to deploy as have other peacekeeping forces in other areas of Bosnia. The delay has encouraged the Bosnian Serbs to accelerate the ethnic cleansing so as to finish the job before the peacekeepers arrive.

The Bosnian Serbs believe that any effective international action on behalf of the Muslims, such as the lifting of the arms embargo against the Bosnian government, will be too late. They are probably right.

## B. Croatia

The Croatian government has been a close, if somewhat worrisome, ally of the government of Bosnia-Herzegovina. However, as the Muslim cause fails, Croatia is increasingly looking to make a separate peace with Serbia.

One third of the territory of Croatia is out of the control of the Zagreb government. This territory was lost during the 1991 Croatian war when the Yugoslav People's Army (JNA) sided with Serbia against the poorly armed and poorly trained Croats. With the ceasefire -- which was achieved only after Croatia acquired the military wherewithal to thwart the Serbian advance -- U.N. forces nominally control this territory; but, in fact, Serbian paramilitaries remain



paramount particularly in the eastern Slavonia sector. The U.N. mandate for the force that separates the Serbs and Croats will expire in March 1993. President Tudjman told us he did not want to renew the U.N. mandate.

President Tudjman is trying to negotiate with the Federal leadership of the new Yugoslavia (Panic and Cosic) a deal under which Croatia would restore its authority over the U.N. protected areas in March. Although not clearly articulated by President Tudjman, the obvious quid pro quo is an end to Croatian support for the government of Bosnia-Herzegovina. Tudjman signalled such a deal in our meeting by emphasizing that the Croats and Serbs in Bosnia-Herzegovina have no real dispute and that there is a de facto ceasefire between the two groups. (This, in spite of the fact that many Croats have been expelled from the northern Bosnian towns cleansed by Serbs.) Tudjman's accommodationist approach was also reflected in his strong opposition to the lifting of the international arms embargo on Bosnia and Croatia (he argued that sending more weapons, even to his own country, would prolong the fighting) and by his adoption of the Serbian line to the effect that the government of Bosnia-Herzegovina is a front for the introduction of Islamic fundamentalism into Europe.

Croatia's prospects for concluding a separate peace appear good. Tudjman argued that the Serbian populations in the Krajina and Knin (two of the three main areas of Serbian occupation in Croatia) are now willing to accept Zagreb's authority. Apparently, the majority of the people there are dissatisfied with their isolation and disappointed in the lack of Serbian support.

There is a logic to President Tudjman's argument. With international recognition of Croatia and its growing political closeness to Western Europe, both the Serbs in Croatia and expansionist politicians in Belgrade seem increasingly to recognize that Croatia's borders cannot be altered by force. Further, at least as compared with the other parts of the former Yugoslavia (except for Slovenia), Croatia looks very prosperous. Croatia's Serbs have a choice either between reintegration into a Europe-oriented Croatia or isolation at the end of a tenuous Serbian supply line. It is plausible that many will choose the former. Independent observers have confirmed dissatisfaction in the Knin and Krajina with Serbia's

Despite its apparent willingness to conclude a separate peace, Croatia's paramount interest in the Bosnian war is in weakening Serbia. As Serbia becomes tied up in Bosnia, and increasingly isolated internationally, the better Croatia's prospects for recovering its own territory become. Croatia does have an interest in the fate of the 17 percent of Bosnia's population that is Croatian. However, unlike the Muslims and Serbs, the Croats of Bosnia-Herzegovina live in a more or less geographically and ethnically compact territory. While scattered Croat villages have been cleansed in the north, most of the Croats of Bosnia-Herzegovina are not directly threatened.



by Serbia. Thus, Croatia is in the position of being able to conclude a separate peace with Serbia to recover its own territory without doing great harm to their co-nationals in Bosnia-Hercegovina.

The military weakness of the government in Bosnia-Hercegovina is a major factor in the Croatian decision to pursue a separate peace. Yet, a separate Serb-Croat peace would likely sound the death knell of the Bosnia-Hercegovinan state and of its Muslim population. If that happens, rump Serbian and Croatian states will divide the country among themselves.

### C. Policy Issues

The war in Bosnia-Hercegovina presents the United States and the world community with only bad choices of how to respond. If effective international action is not taken, the world will soon be confronted with television images that are far worse than the current, haunting footage of the besieged civilians of Sarajevo and of the thousands of refugees fleeing Bosnia-Hercegovina. By January, there is a good chance that there will be daily broadcasts featuring freezing, starving, and dying Muslims. For President-elect Clinton, these images will pose a stark challenge as he tries to focus the nation on his domestic agenda. For the Islamic world, these images will be seen as further proof of Western hostility to Islam. For the United Nations, the images will underscore the impotence of global collective security mechanisms and will make a mockery of the idea of a new world order. For the European Community, questions will arise about whether the quest for unity caused it to be blind to a conflagration on its doorstep.

Already Bosnia-Hercegovina is the top international issue in most Islamic capitals. Although Bosnia's secular Muslims have virtually nothing in common with their Middle Eastern co-religionists, their cause is being championed and exploited by secular and fundamentalist leaders in these countries. Many Islamic leaders suffer from a persecution complex, seeing in Western policies toward Israel, non-proliferation, and Iraq an anti-Islamic bias. The difference in the Western response to Iraqi aggression and Serbian aggression feeds (perhaps somewhat illogically since Iraq's external and internal victims were also Muslims) this persecution complex.

More importantly, the failure to respond in Bosnia-Hercegovina undermines the authority of the United Nations and with it the global collective security regime. Bosnia-Hercegovina is a sovereign state and a member of the United Nations. As such, it is entitled to the protections of the U.N. Charter including assistance to fight externally sponsored aggression.

In fact, the international community has failed to make the case strongly enough that the war in Bosnia-Hercegovina is one of external aggression against a sovereign state. Too

often, whether to justify inaction or perhaps due to a lack of understanding of the situation, the war is cast as a messy civil war. While there are certainly elements of an inter-ethnic, civil conflict, the war is first and foremost an externally sponsored, systematic plan to destroy a country and its people.

The feeble U.N. and E.C. efforts to thwart this aggression may send a signal to other potential aggressors that force can prevail. Further, in its handling of the Bosnia-Herzegovina situation, the United Nations Security Council has issued a number of mandatory decisions. These include the "no-fly zone," the Serbian sanctions regime; as well as the underlying demand that Serbia halt its aggression. Insofar as the Security Council has no military force at its command, its power depends on countries' willingness to respect its authority. If the Security Council is unable to work its will in Bosnia, its respect and hence its authority is diminished.

The reasons to stop the slaughter of the Bosnian Muslims and Bosnian state are compelling. To do so may require large scale military intervention which no state is presently willing to contemplate. A United Nations expeditionary force could relieve the besieged Bosnian cities and help reverse the ethnic cleansing. Estimates vary as to the size of force needed, but two factors may keep the required numbers relatively small: (1) the Bosnian Serbian foe is at most 80,000 men, many poorly trained and ill disciplined; and (2) a U.N. force would have highly motivated, albeit poorly equipped allies, in the Bosnian-Muslim population. Some observers suggest that if 500,000 U.S. led troops was sufficient to rout the disciplined million-strong Iraqi army, it would seem that U.S. military estimates ranging from 200,000 to 400,000 troops in a multi-national force for Bosnia are far too high.

Even a small U.N. member force (for example, 50,000) would be expensive and would take casualties. There is no indication of a willingness by any U.N. member to commit substantial forces to Bosnia. While the United States almost uniquely has the available force to intervene quickly in Bosnia, to do so would in effect make our nation the policeman of the world, a role to which the United States has not been appointed and presumably does not aspire.

Measures short of large scale military intervention probably will be ineffective and, in some cases, counterproductive. Limited military strikes risk Bosnian Serb retaliation against the U.N. relief effort. With the present level of Serb obstructionism, the relief effort may still leave hundreds of thousands of Bosnians dead this winter. If the relief effort becomes more of a target, the death toll will be higher. Limited military intervention, such as air strikes, should not be undertaken unless the countries participating in these strikes are prepared to follow through with a greater commitment of force if necessary.

The U.S. Congress has authorized \$50 million in military aid to Bosnia. This aid has not been delivered because the arms embargo on Bosnia remains in effect. In late September, when Congress authorized the military aid, such assistance might have enabled the government of Bosnia-Herzegovina to stave off military defeat. At that time, the Bosnian government had realistic hopes of being able to push the Serb aggressors back from the main cities. The aid might have saved lives by pushing the attackers out of mortar range of city centers. Now, even if the arms embargo is lifted and military aid begins to flow, it may be too late.

Some have suggested that any military assistance to Bosnia-Herzegovina should be aimed at training and equipping Bosnian forces to protect and defend international relief convoys. Assisting the Bosnians in this way is more palatable to some than other forms of military assistance. It would also lessen the chances that the U.N. forces currently protecting the convoys would be drawn into the conflict, and it would underscore the international community's commitment to Bosnia-Herzegovina as a viable independent state.

In part because of past mistakes, due largely to missed opportunities or lack of will for greater action earlier, there are no good options for dealing with the war in Bosnia-Herzegovina. Assuming that governments are unwilling to undertake the only workable solution to save Bosnia (military intervention), there are still steps that can be taken to mitigate the human consequences of this catastrophe. The available non-military actions are at best pathetic when measured against the scope of the tragedy and the determination of the Serbs.

First, find refuge for the 1-1.5 million Bosnian Muslims who will have been cleansed out of the country at the end of the Serbian war. These refugees are primarily Europe's responsibility, but inevitably to make Europe act, the U.S. will have to take a proportion. As compared with many other refugee populations, the well educated Bosnian Muslims should be per capita less of a burden. The huge downside of this action is that it acknowledges, and to a certain degree, facilitates Serbian success in cleansing Bosnia of its Muslim population.

Second, strive to ensure that international actions give the Bosnian Serb aggressors the least possible benefit. The world community can make clear that it will never recognize the incorporation of any part of Bosnia-Herzegovina's territory into Serbia or Croatia. The population seeking to benefit from the ethnic cleansing can be punished. In this context, at a minimum, the U.N. sanctions against Serbia could be tightened to prohibit all transit traffic through Serbia. (See Chapter III on Sanctions). In addition, the European and international communities could refuse to recognize titles to property acquired by force. Such a step could effectively preclude investment in Serbian-occupied Bosnia and tighten the economic

squeeze of a beefed up sanctions regime. Passports issued to Bosnian Serbs could be declared invalid. While the international community may not be able to reverse the ethnic cleansing, it can make the perpetrators find life almost as intolerable as it was for those they drove away.

## II. Wider War

### A. Kosova

So far there have been three wars in the former Yugoslavia: a week-long conflict in Slovenia that took 100 lives; a 6-month Serb-Croatian war that took 10,000 lives; and the ongoing Bosnian war that has so far cost 50,000 lives. We assess as very high the likelihood the conflict will spread to the other parts of former Yugoslavia heretofore untouched by war: Kosova and Macedonia. If this occurs it is likely that at least Albania, and possibly the other Balkan nations, including Turkey, will be drawn in. The casualties of such an extended war are incalculable.

Kosova is the flash point for an expanded Yugoslav war. One spark there amid the explosive ethnic and political mix could ignite a third Balkan war (the first two having occurred in 1912-13).

Kosova is an ethnically Albanian territory that is part of the Serbian republic. During the Tito period and for 7 years after his death, Kosova had an autonomous status within the Yugoslav Federation. It had its own parliament and its own representative on the post-Tito collective presidency. However, unlike the other constituent republics of Yugoslavia that are now independent states, Kosova was legally part of Serbia and had representation in both the Serbian and federal parliaments. In 1989, Serbian President Slobodan Milosevic instigated sharp limits to Kosova's autonomy, and the following year, he engineered the ouster of the Kosova parliament and the end to the region's autonomous status. This was followed by increased repression of ethnic Albanians, who comprise 90 percent of the province's population.

The University of Pristina was closed and Albanians were removed from sensitive jobs in the government, police, and professions, and Serb-run enterprises. The Albanians went on strike en masse and effectively withdrew from the official economy. The Albanians have established a parallel society to meet their community's basic needs, setting up their own schools, clinics, and so forth. However, these institutions are often poorly equipped and overcrowded, and the effort has resulted in enormous economic hardship for a region already the most backward in the former Yugoslavia.

Kosova might have been the first part of the former Yugoslav Federation to explode in ethnic violence had it not been for the leadership of Ibrahim Rugova and the Democratic League of Kosova. Rugova has preached non-violent resistance to Serbian rule and his party has been able to effect extraordinary organization among the Albanian population. At least until now, the Democratic League's restraining hand has effectively prevented the outbreak of violence.

At the urging of the Democratic League of Kosova, the Albanian population boycotted the 1990 Serbian elections that returned Slobodan Milosevic to power, as well as federal and local elections held in May 1992. It is highly unlikely that the Albanian population will participate in the Yugoslav federal and Serbian republic parliamentary elections scheduled for December 20, despite the fact that they represent one fifth of the Yugoslav Federation's population, and could sway the election. Kosova's Albanian leaders ask, now that the Slovenes, Croats, Bosnian Muslims and Macedonians are no longer part of Yugoslavia, why the Albanians should be the only ones left with the Serbs.

Albanian leaders say that they have yet to hear arguments from the Serbian democratic opposition that would persuade them to participate, and they express doubt that life would change significantly for Albanians in Kosova under any kind of Serbian government. Albanian President Sali Berisha suggests that Kosova should agree to participate in the elections only if their own parliament is restored. Leaders of DEPOS, a coalition of 14 Serbian opposition groups, argue that it would be in the Albanians' interest to support the opposition through the ballot box as they believe that Milosevic is ready and willing to allow the war to spread to Kosova. These opposition leaders failed, however to explain what they have to offer the Albanians of Kosova aside from an alternative to Milosevic.

In the last year, the Democratic League of Kosova was able to organize a clandestine referendum on independence and clandestine elections for a Kosova parliament. These votes had an extraordinarily high level of participation by the Kosova Albanians and the referendum went overwhelmingly for independence. Serbia denounced the referendum and parliamentary elections as illegal and has so far succeeded in preventing the parliament from meeting.

The elections and independence vote have only exacerbated an already volatile situation. Even without Serbian premeditation, a single incident could set off a chain of events leading to ethnic cleansing and ethnic war in Kosova. For example, the Albanians are organizing a number of mass demonstrations and marches. If the Serbian police were to fire on one of these demonstrations, perhaps in response to crowd provocation, it could well lead to Albanians taking revenge on the Serb minority in Kosova. This in turn could bring in the Serbian army and touch off ethnic cleansing in Kosova. In the past three years, more than 100 Albanians have been killed by Serbian police. Given the increasing volatility of the situation, the next such incident could trigger a wider conflict.

It is also possible that the Serbian President, Slobodan Milosevic, acting as always through his surrogates, could initiate ethnic cleansing in Kosova. Although Albanian-inhabited, Kosova has played an important role in Serbian history. During the 12th century, it was the seat of



the Serbian Orthodox Church and capital of the Serbian kingdom. In a field not far from the capital Pristina, in the year 1389, a Serbian army was completely eliminated by the advancing Turks. Serbia's defeat opened the door to 500 years of Turkish and Muslim rule in the Balkans. Slobodon Milosevic skillfully mobilized Serb nationalist sentiment relating to the site of this historic defeat in his own rise to and consolidation of power, as well as in his campaign to overthrow the Kosova government. As he becomes ever more embattled in Belgrade, the danger increases that he may try to stay in power by playing the Kosova card, i.e., to appeal to Serbian nationalism by ousting Albanians from sacred Serbian soil.

## B. Serbia

Kosova's future prospects depend to some extent on the outcome of the power struggle underway in Belgrade. The feud pits Yugoslav Federal Prime Minister Panic and Yugoslav Federal President Cosic on the one side and Serbian President Milosevic on the other. Most bets are on Milosevic.

On October 15, Panic made an important visit to Pristina, Kosova's capital, to meet with Ibrahim Rugova. The meeting was the first contact between the Albanians and the federal government since Yugoslavia collapsed. The two sides agreed to set aside the issue of Kosova's future status and to set up working groups on education, the media, the economy, and the legal system. Kosova's Albanian leadership views the Panic initiative as a sign of good will and said that Panic offered a ray of hope to Kosova.

However, given Panic's embattled position, Kosova's Albanian leadership does not expect much at the moment. Panic's control is questionable at best, and Rugova noted that local Serbian leaders who attended the meeting with Panic tried to interfere with the proceedings several times. The local Serb leaders, according to Rugova, maintained that everything was normal in Kosova, and that the Albanian population should be satisfied with the situation, the same view conveyed to us by Serbian President Slobodan Milosevic during our Belgrade meeting.

Panic, an American citizen, was appointed Prime Minister by Yugoslav President Cosic, and was confirmed by the parliament on July 14, 1992. Panic is surrounded by a cadre of U.S. citizens, including the former U.S. ambassador to Belgrade, who serve as his advisers. Panic, whose stated goal is to bring American-style democracy to Yugoslavia, has actively sought audiences and credibility abroad.

Initially, many dismissed Panic as an inconsequential puppet of Serbian President and strongman, Slobodan Milosevic. However, in recent months, most observers have begun to take Panic's intentions more seriously. Panic has condemned the ethnic cleansing of non-Serbs in Bosnia-Herzegovina, and has promised to try to end the war there. However, Panic has



failed to take any decisive action to end the Serbian Government's support for Bosnian Serb terror in Bosnia. He obviously does not possess the power and authority necessary to implement the commitments that Serbia and Montenegro made at the U.N.-sponsored Geneva talks nor, it appears, the commitments he made to Rugova during their October meeting.

Panic went to Pristina with the primary objective of re-opening the University of Pristina to Albanians by the beginning of November. To date, the University has not been re-opened, and the Serbian Government has pulled out of the talks on education.

Panic has survived two Milosevic-inspired votes of no-confidence in as many months in the Yugoslav federal parliament, and by his own description, he is "on a crash course with Milosevic." He has an unlikely ally in his battle: Yugoslav Federal President Dobrica Cosic, an ardent nationalist associated with the 1986 Academy of Sciences memorandum often used to justify the creation of a "Greater Serbia." When Cosic was tapped by Milosevic for the Presidency in June, he was expected to champion Serbia's territorial ambitions. Instead, Cosic has cooperated with the U.N. negotiating process and unlike Milosevic, who denies ethnic cleansing has taken place, has condemned this practice and called for the disarming of paramilitary groups. He continues to give conflicting signals, however, such as his recent speech in which he held out the possibility of sending in the JNA to protect the Serbian people in eastern Hercegovina and Montenegro. Western diplomats attribute such talk to a need to play to the nationalist audiences for political purposes, and they argue that the overwhelming evidence is that Panic and Cosic are still working in tandem against Milosevic.

Albanian leaders believe that Panic's standing could rise among moderate Serbs as a result of the meeting with Rugova, but they fear that extremist Serbs are still more powerful. Rugova dismisses suggestions that the international community ease the embargo on oil for humanitarian purposes or make other concessions to show support for Panic unless "something concrete happens in Kosova and unless the war in Bosnia-Hercegovina ends." Rugova did not think that Panic could control oil distribution and noted that Yugoslav Air Force planes regularly fly the skies over Kosova. Rugova thought that the Albanians had shown support for Panic by agreeing to meet with him. But, Rugova said, Albanians' power still was only moral and not legal.

### C. Beyond Kosova

Whether accidental or premeditated, it is unlikely that a war in Kosova could be confined. Ethnic cleansing in Kosova could drive upwards of one million of Kosova's 2 million Albanians into Albania and Macedonia. (Macedonia is some 20 to 40 percent Albanian, depending on which figures are used, and the Albanians live in the western part of the country adjacent

to Kosova.) Under these circumstances, it is likely that the Kosova Albanians will engage in armed resistance and neither Albania nor Macedonia has the force, or in the case of Albania, the political will to stop their territory from being used as a base for anti-Serbian insurgent activity. Albanian President Sali Berisha told us bluntly that he thought it impossible for Albania to stay out of a war if hundreds of thousands of Kosova Albanians fled to his country. At the same time, he insisted Albania would try not to get involved, but said his government could not control popular efforts to assist their kinsmen in Kosova.

If Macedonia and Albania are used as bases for anti-Serb insurgencies, it is almost certain that Serbia will take military action against the insurgent bases if not against the host governments. With regard to Macedonia, Serbia will have a "Serbian card" to play. There are 40,000 ethnic Serbs in Macedonia and Serbia has already signalled a willingness to play this card. In October, Federal Yugoslav President Cosic met with a delegation of Macedonian Serbs and, using inflammatory language, described their plight as the worst of any Serbs in the former Yugoslavia. Such talk caused tremors among the essentially unarmed Macedonian government. Serbia has clearly laid the foundation for direct military intervention against Macedonia if Macedonia gets involved in the Kosova war.

Macedonia's problem is that it has no means to avoid getting involved in such a war. The absence of international recognition only exacerbates the situation.

The poorest of the former Yugoslav republics, Macedonia is suffering not only from the sanctions against the former Yugoslavia, but from an oil cutoff by Greece that has shut down production in factories and reduced car traffic to a minimum. More than 65,000 refugees from the war in Bosnia-Herzegovina place an additional strain on the economy. Macedonian leaders worry that the dire economic situation could exacerbate social tensions in the republic.

The republic's government includes a broad coalition of five political parties, including members of the ethnic Albanian party. The Internal Macedonian Revolutionary Organization (IMRO), a nationalist Macedonian movement, holds the largest number of parliamentary seats, but is not included in the government. Monitors in Skopje note, however, that IMRO membership varies from extreme militants to more moderate nationalists. President Gligorov has received high marks for his ability to maintain a dialogue among the various political parties and ethnic groups, and reportedly enjoys the confidence of the parliament.

Macedonia possesses only a small territorial defense force. The Yugoslav Army withdrew from Macedonia in March 1992, taking all of its combat equipment as well as virtually everything -- from linens to lightbulbs -- from its former

barracks. According to Ambassador Robert Frowick, the head of the CSCE's monitoring mission in Skopje, if war comes to Macedonia, "...the small nascent army, with no armor or combat aircraft, would have to resort to guerilla warfare from the outset."

The Macedonian Government believes that it would be on its own if war were to come. According to one Macedonian official, "the State Department has said it won't allow aggression to start in Macedonia. NATO has made similar political commitments -- that it won't leave Macedonia by itself. But on the basis of what is happening in Bosnia-Herzegovina and with the non-recognition of Macedonia, we don't rely on these promises."

Macedonia held its first free elections in the fall of 1990. It initially favored maintaining some form of a confederation among the Yugoslav republics and tried to mediate between the Yugoslav federal presidency and Slovenia and Croatia. On September 8, 1991, Macedonia conducted a referendum on independence, that still held open the possibility of future union with the sovereign states of the former Yugoslavia. Ninety-six percent of the population voted in favor of independence. Most ethnic Albanians boycotted the referendum, but the Albanians have subsequently participated in the drafting and ratification of the constitution. Tensions still exist between the Albanian and Macedonian communities, however. By the late fall, when it was apparent that continued association with Serbian controlled Yugoslavia was undesirable, the Macedonian parliament declared its independence.

The international community has postponed a decision on recognizing Macedonia's independence until differences with Greece regarding the name Macedonia have been resolved. In December 1991, the European Community agreed to pursue a pragmatic approach on recognizing the Yugoslav republics based on certain criteria. These criteria included acceptance of the U.N. charter and CSCE process, guarantees of rights of ethnic minorities, respect for existing boundaries, adherence to arms control and disarmament agreements, support for negotiated settlements to resolve political disputes.

Macedonia submitted its request for recognition to the European Community in December. The Badinter Commission, the EC's arbitration commission, concluded that Macedonia fulfilled all EC conditions. It also denied that the use of the name "Macedonia" implied territorial claims. Greece opposed the report's findings, and the European Community delayed recognition until a solution could be found that was acceptable to all parties.

At the EC's June summit in Lisbon, the European Community agreed to support Greece's position, and said that it would only recognize the republic "under a name which does not include the term Macedonia." Macedonia's leaders have not

changed their position on the name. The United States has followed the EC's lead on the Macedonia issue, which suggests that a name change would be required for U.S. recognition.

The next forum for discussion of the Macedonia issue will be during the European Community's December summit in Edinburgh. A dual name proposal, under which the republic could use the name Macedonia internally, and another name internationally, is likely to be offered as a compromise at the summit. Greece may up the ante, however. Some Greek officials are now insisting that before it can be recognized, Macedonia will have to give up its flag, which displays the Vergina sun emblem associated with Alexander the Great.

#### D. Beyond the former Yugoslavia

If Kosova is the spark for a third Balkan war, then Macedonia, over which the first two Balkan Wars were fought, is certainly the fuel for the fire. Geographically, Macedonia encompasses not only the former Yugoslav republic, once known as Vardar Macedonia, but a small part of Bulgaria (Pirin Macedonia) and 34.6 thousand square kilometers of Greece (Aegean Macedonia).

Like Albanian President Berisha, Bulgarian and Greek leaders strongly advocate a policy of non-intervention and will do everything in their power to avoid becoming involved in conflict in the former Yugoslavia. However, Bulgaria and Greece have a much better chance than does Albania of avoiding military entanglement.

Under certain dire circumstances, however, Bulgaria and Greece, along with Turkey, could be dragged into a conflict against their will. If war comes to Macedonia, the situation could spin out of control despite the best intentions of the Bulgarian and Greek governments not to participate nor allow their territory to be used to advance a military effort.

According to Bulgarian officials, 50% of the Macedonian population has relatives in Bulgaria. With thousands of refugees pouring across the Bulgarian-Macedonian border, perhaps accompanied by armed insurgents, Bulgarian leaders argue that "the unpredictable comes to the fore." In Bulgaria's nightmare scenario, refugees from Macedonia fleeing into Bulgaria would provoke Serbian attacks on Bulgaria, with Bulgarian "volunteers" joining their Macedonian kinsmen to fight the Serbs. The spread of violence close to Greece's northern border conceivably could prompt Greek intervention in Macedonia. If Greece were to act, it is unlikely that Turkey would stand by, and the result under this worst-case scenario could be a Balkan war involving NATO and EC countries.

## E. Policy Issues

While Balkan leaders may offer varying scenarios for how war might come to Kosova, they agree that under current circumstances, if war does come, it cannot be easily contained. U.S. and international policy should therefore be directed at preventing conflict in Kosova, and altering the factors that make a wider war inevitable.

To date, the international community's answer has been through monitoring missions. CSCE missions are attempting to promote stability by their presence in hotspots such as Vojvodina (the region of Serbia bordering Hungary); the Sanjak region of Montenegro and Serbia where ethnic cleansing of Muslims has already begun; Kosova; and Macedonia. The joint United Nations-European Community Conference on Yugoslavia will send a long-term monitoring team to Albania. However, the start-up of these missions has been slow and hampered by bureaucratic snags and a lack of communications and transportation equipment. The teams are small in number, they have no enforcement authority, and it is unclear whether their sponsoring organizations are using the reports that they produce. Frustration about a lack of options to deal with impending conflict has revived calls for the creation of a permanent U.N. force to be deployed prior to the outbreak of war. Even if such a force is eventually created, however, it will be too late for the Balkans.

So far, no international action has had the slightest deterrent effect on Milosevic and his Bosnian Serb surrogates, who seem to respond only to the threat of force. Serbia has taken on only weak and defenseless victims. In fact, it was only when Serbia believed that Croatia posed a genuine military threat that it ceased its land grab, backed down and agreed to the Vance plan. Accordingly, providing military assistance and training to the Government of Albania might help Albania become a credible deterrent to Serbian aggression in Kosova.

The international community's weak response to the aggression in Bosnia-Herzegovina, a U.N. member entitled to international security guarantees, surely sends a signal to Serbia that force can prevail, particularly in Kosova and other areas that do not enjoy this protection. In Bosnia-Herzegovina, local Serbian forces supported by the Yugoslav People's Army were able to attack from within prior to Bosnia's international recognition. This enabled Serbia to circumvent, in a manner of speaking, the international security guarantees that ought to be provided to Bosnia-Herzegovina. Particularly in Macedonia, however, aggression would come from beyond the republic's borders, making the security guarantees afforded by U.N. membership more crucial than they were in Bosnia-Herzegovina.

Most Balkan leaders insist that international recognition of Macedonia is crucial to stability in the region. Macedonia is a hot issue in the Balkan capitals, and outside of Athens,

there is widespread support for recognition. Albanian President Berisha raised the Macedonia issue without prompting: "Macedonia, a country of 2 million, couldn't represent a threat to any country in the region."

One head of state described the Greek position as "crazy." Because they cannot understand the Greek reasoning on the name, several leaders, who otherwise describe their relations with Greece as "friendly" or "good," have begun to suspect that Greece has ulterior motives. As one leader put it, "Greece is spinning a cobweb of destabilization. A Balkan war is possible because of Greece." Another head of state said: "As hard as we try, we can't understand the Greek motive and logic regarding Macedonia...It's as if diplomacy froze in 1913, during the second Balkan War. There's no tangible argument on which they build their thesis when they plead against the name Macedonia."

In fact, a senior Greek Government official implicitly acknowledged that the name issue lacks logic or merit, by saying: "Greece is in a downward spiral on the Macedonian name issue." The official called the name issue "a disaster, a waste of diplomatic capital," but warned that "there will be a permanently destabilizing situation if Greece and Macedonia don't settle the problem sooner rather than later."

The official went on to explain: "You don't understand, but ten million Greeks understand. This is the political reality. I believe it is a ridiculous problem. I believe we are right, but whether we are right or not doesn't matter. Skopje believes it has the right to be recognized by the world, but if it doesn't get along with Greece, it doesn't matter."

Measured against Balkan leaders' dire warnings about the potential loss of life and stability in the Balkans, Greek arguments about the name Macedonia do appear to merit reconsideration.



### III. International Sanctions

#### A. The Ineffectiveness of Sanctions

As of the end of October, international sanctions against Serbia and Montenegro were ineffective. There were gaping holes in the U.N. sanctions regime, enabling the delivery of vast quantities of banned goods to Serbia via the Danube River and numerous truck routes. Less significant in terms of volume, but no less odious is the steady trickle into Serbia of private vehicles loaded with contraband.

The original U.N. sanctions regime did not prohibit or even restrict the shipment of goods (except arms) to Serbian-controlled areas of Croatia or Bosnia-Herzegovina. As of late October, carriers were making widespread use of this loophole by consigning banned goods to ostensibly legitimate end users in these regions. In some cases, the cargo actually made its way to these areas of Croatia and Bosnia-Herzegovina, but the goods were received and used by Serbian paramilitary and other Serbian leaders to advance the war effort. In other instances, goods with a declared destination in Bosnia-Herzegovina or Croatia never crossed the border and instead, remained in Serbia proper.

Documents for truck traffic showed the Croatian town of Vukovar and the Bosnian towns of Zvornik and Bjelina as final destinations for a range of contraband goods. These documents sometimes included a U.N. stamp of approval verifying that these areas are not covered by sanctions. Vukovar is held by Serbian paramilitaries and was virtually levelled during the 1991 Croatian war. Sanctions monitors believed there was no legitimate end-user for goods in Vukovar. Zvornik and Bjelina, small towns on the Bosnian side of the border with Serbia, were largely depopulated in the recent Serbian-sponsored ethnic cleansing campaign. Goods destined for these towns were almost certainly consumed in Serbia.

Manifests for oil barges often showed Macedonia as the end user. According to these documents, oil being shipped to Belgrade was to be off-loaded for transit to Macedonia. International monitors and Romanian officials observed that the volume of oil shipments with Macedonian end-users appears to be far in excess of that country's requirements. One monitor suggested that from the number of oil barges destined for Macedonia, that country "should be awash in oil." In fact, Macedonia is suffering from acute shortages of gasoline and heating oil, shortages far more severe than those existing in Serbia itself. Further, it is prima facie improbable that any legitimate exporter would ship oil to Macedonia via the cumbersome Danube/Belgrade route rather than overland through Bulgaria.

The Conference on Security and Cooperation in Europe (CSCE), working with Serbia's neighbors, has placed



international monitors at border crossings and on the river. However, these international monitors have been rendered ineffective primarily because they are unable to conduct on-board inspections of the overwhelming majority of Danube River barges. As a result, a large volume of goods reaches Serbia via that route. The Danube River route provides Serbia with most of its oil, an amount estimated to be up to 1000 tons a day. U.S. Customs officials and other international observers in the monitoring effort believe the vast majority of barges violating the sanctions regime are Ukrainian flagged vessels.

Bulgarian and Romanian leaders agreed that the first U.N. sanctions resolution superceded the Danube River Convention providing freedom of navigation. Nonetheless, the practical details of stopping and inspecting international river traffic are only beginning to be discussed. As a result, only those barges that dock at Bulgarian and Romanian ports (fewer than 5% of all barges headed westward into Serbia) are subject to on-board inspection by Romanian and Bulgarian customs officials. The practice was continuing even though all westward bound river traffic passes through Bulgarian and Romanian territorial waters. In addition to receiving other imports via the Danube, Serbia has also been able to earn foreign exchange through exports made via river barges.

Local Romanian and Bulgarian customs officials believe they had no authority to stop and conduct on-board inspections of barges that sail the Danube without docking in either country's ports. Frustrated with the steady stream of river traffic headed for Serbia, customs officials were anxious to receive such authority from their governments and thus began conducting on-board inspections. The new U.N. sanctions resolution passed on November 16 clearly states that neighboring states have a responsibility to comply with the sanctions, including by halting and inspecting maritime shipping to verify their cargoes and destinations. With such an explicit mandate, Bulgarian and Romanian leaders should immediately be able to authorize their customs officials to begin on-board inspections.

In addition, international monitors on the Danube River and the land crossings to Serbia cannot do their jobs because they lack essential communications equipment. These monitors are well qualified, and receive excellent cooperation from local customs authorities. Due to the poor state of telecommunications in the host countries, customs officials cannot communicate with monitors at other locations to verify that transit traffic is actually exiting Serbia with its cargo intact. The widespread impression that the United Nations had long ago sealed the river route to Serbia is simply mistaken.

To ascertain if a truck or barge was actually transitting Serbia, the monitors at the point where the truck or barge enters Serbia had to determine the particulars of the vehicle and its cargo -- either by examining the manifest, or more

rarely, by on-board inspection. They then had to communicate this information to other monitors at the point where the conveyance is due to exit Serbia. Without communications equipment, this cannot be done. Accordingly, it is impossible to determine whether trucks and barges arrived with their cargoes at their stated destinations. The U.S. Administration promised to provide the monitors with satellite telephones, but bureaucratic impediments have delayed the arrival of such equipment.

## B. Policy Issues

The ineffective sanctions regime has permitted Serbia to continue a ruthless war in Bosnia-Herzegovina and deprives the world community of the non-military tool to check Serbian aggression. U.N. Security Council Resolution 787, passed on November 16, helps to close a gap in the sanctions regime by prohibiting the transit of some commodities, such as petroleum, through Serbia. Other goods, however, are still permitted to transit Serbia, and as long as any transit traffic is permitted, leakage is likely.

Moreover, while transit traffic through Serbia is now more limited, Serbian-controlled areas of Bosnia-Herzegovina and Croatia are not, in and of themselves, subject to sanctions. Failing to tighten the sanctions further and to enforce them more vigorously -- on the Danube as well as the Adriatic -- will leave military intervention as the only viable means of stopping Serbian aggression.

Additional steps should be considered:

First, the United Nations should ban all transit traffic through Serbia to Bosnia-Herzegovina and Croatia. Goods intended for areas controlled by the legitimate governments of these countries do not transit Serbia, but rather, are shipped via other routes. Therefore, any manifest with a Croatian or Bosnian end-user must be presumed destined for Serbia or for its surrogates in Serb-controlled areas of Bosnia-Herzegovina and of Croatia.

Second, as long as any transit traffic is permitted, there will be abuses, so a better system must be devised for inspection and verification of all cargoes travelling through Serbia. International monitors' access to the proper communications equipment is crucial to effective inspection and verification procedures. The U.S. Government should follow through immediately on its commitment to provide inspectors with satellite telephones.

#### IV. Romania

##### A. Summary

Romania's reputation as the pariah of Europe is largely undeserved. Ironically, the democratization and economic reform process in Romania, the site of Eastern Europe's only bloody anti-communist revolution, has been slower and more troubled than in the rest of the former Soviet bloc. In the last year, however, Romania's reform effort has gained momentum, and its leaders seem determined to polish up Romania's tarnished image in the West as the country of orphaned children, AIDS babies, and rioting miners.

The long-promised presidential and parliamentary elections held in September and October have been determined, despite some irregularities, to have been free and fair. Economic conditions are difficult, but reforms, including privatization and the decontrol of prices, are underway. The International Monetary Fund recently concluded that Romania has carried out all the reforms required by its 12 month agreement with the IMF.

The press is free, and with eight independent stations, television reporting appears to be fairly balanced. In terms of human rights issues, the Romanian constitution, adopted last December by popular referendum, prohibits anti-ethnic activities. Some problems, however involving certain ethnic and religious groups, do exist. Tension continues to exist between the Romanian majority and Hungarian minority, although many of the problems are exaggerated for political effect on both sides, particularly by the extreme Romanian nationalist parties. Romania has a small but active Jewish community (which numbers approximately 12,000 to 19,000). Although anti-semitism is not widespread, Jews are frequently targeted by ultra-nationalists in extremist publications. Gypsies, however, are universally feared and despised, but that is not a phenomenon limited to Romania.

The Securitate, Romania's notorious secret police organization, was eliminated at the time of the December 1989 revolution. It was replaced by the Romanian Intelligence Service (SRI), which ostensibly is under civilian control.

##### B. Recent Developments

In February 1992, Romania held its first democratic local elections since World War II. While the candidates of the Democratic Convention (a coalition of eighteen opposition groups) won in most major cities, the National Salvation Front retained power in the rural areas. Recent elections returned President Iliescu to power, with his party, the Democratic National Salvation Front, winning a plurality of the seats in parliament. The Democratic Convention is generally thought to have run a lackluster, disorganized campaign; its largely

unknown presidential candidate won only 38% of the vote, compared to Iliescu's 62%. Because no party received a majority of parliamentary seats, a compromise, non-political economics expert, Nicolae Vacaroiu, was chosen by Iliescu with the agreement of the Democratic Convention, to serve as Prime Minister. Iliescu rejected the notion of forming a coalition government with the far-right ultra-nationalist parties, which received 11% of the parliamentary vote. He evidently recognizes that any accommodation with the far right would severely damage his already tenuous relations with the West.

Although tension continues to exist between the Romanian majority and Hungarian minority, many of the problems are exaggerated for political effect on both sides, particularly by the extreme Romanian nationalist parties. The Hungarian Democratic Union of Romania is a member of the Democratic Convention, and represents the interests of the Hungarian minority. It also competed for seats in the parliament in its own right. There are Hungarian language radio and television broadcasts, and Hungarians in Transylvania have access to instruction in their own language. There are continued calls for the Romanian Government to build a Hungarian language university in Transylvania, home to approximately 1.6 million Hungarians. Currently, the university at Cluj offers bi-lingual instruction in Romanian and Hungarian. The Romanian Government is not opposed to the establishment of a Hungarian university, but argues that it is not able financially to provide such a facility.

Hungarians continue to come under sharp attack from ultra-nationalists, who won 11% in the recent parliamentary elections on a largely anti-Hungarian platform. The Romanian Government has condemned particularly odious publications such as Romania Mare, but does not want to take any further action, lest it be accused of stifling a free press.

Free press and media access for the opposition was one factor mentioned in the U.S. Congress's recent rejection of most-favored-nation status. However, not one Romanian opposition leader with whom we met identified this as a problem in the recent election campaign. U.S. embassy observers characterize the press as free and television as "fairly balanced."

The Securitate, one of the most notorious secret police organizations in Communist Eastern Europe, has been abolished. It has been replaced by the SRI, which Iliescu claims is modeled on the FBI. Romanian leaders also claim that 80% of the old Securitate staff has been purged and replaced. While observers question the FBI parallel, most agree that the new SRI "is a shadow of its former self." It has no power of arrest or other police powers, and the fear factor among the Romanian population seems to have decreased significantly.

Observers note, on a purely anecdotal basis, that in comparison with other Eastern European capitals, Bucharest

appears to contain more lingering, but largely non-threatening, vestiges of the old communist system. Uniformed men continue to lurk about with no readily apparent purpose except to warn against taking photos of public buildings, and locals continue to make veiled references to the SRI and its activities. There are suppositions, most without proof, that the SRI continues to spy on its citizens. Even those who believe that the SRI pursues this type of activity are hardpressed to identify what the intelligence service would actually do with the information it collects. Most would agree that if this type of activity continues, it is more likely a result of bureaucratic inertia, or as one opposition leader put it, "an old boy's network," rather than a purposeful effort.

The SRI falls under Iliescu's control, and is headed by an old apparatchik, Virgil Magureanu, who is accused of following in the footsteps of his Securitate predecessors by being "involved in Romania's political life." Observers suggest that one of the most positive steps that the new government could take would be to replace Magureanu and to place the SRI under the control of the executive branch -- perhaps either the Minister of Justice or Interior.

#### B. Policy Issues

At issue for the United States is how to deal with a democratically elected, former communist government. Many observers point out that several other countries in Romania's neighborhood, including Ukraine, Russia, and now Lithuania, have returned former communists to power. In these countries, they argue, the United States does not appear to have much trouble setting a policy of accepting the people's choice of leaders and promoting stability by encouraging democratic and free market trends. Romanian leaders perceive a double standard in U.S. policy.

As an embassy source warned, "we have a choice in Romania -- to pull them in or push them away. It's a question of what's in our national interest. We poured lots of money and attention into the opposition and into ensuring that there were free and fair elections. The elections have occurred -- but not with the results we would've liked. In my view, now we have to pull them in, and offer support and assistance to ensure they don't go the way of Yugoslavia. We've tried to create an open society, with free elections and respect for human rights. We got that to a large degree. Further pressure could reverse that -- feed further isolation and xenophobia and encourage those that we don't want to encourage. There are consequences to giving them this pariah status."

U.S.-Romanian relations have been dominated by the issue of most-favored-nation status. In September, the U.S. House of Representatives rejected the U.S.-Romanian Trade Agreement, which contains the most-favored-nation provision, making Romania the only former Soviet bloc country to which MFN status has not been proffered. Both the U.S. Administration and the

Congress had repeatedly stated conditions for the reestablishment of MFN status for Romania: free and fair elections, independent media, civilian control of the Romanian Intelligence Service (SRI), and the protection of human rights and civil liberties, including the rights of minorities.

The House's rejection, however, was largely based on fears surrounding the first round of elections, in which Iliescu and the former communist Democratic National Salvation Front made a good showing. For Romanian leaders, the withholding of MFN status has come to symbolize a larger rejection by the United States. President Iliescu asks: "Why were you so generous with Ceausescu (who benefitted from MFN status until 1988 when he renounced it) and not with the new Romania?" Iliescu argues that the discrimination in U.S. policy between Hungary -- which enjoys MFN status as well as significant moral and financial support -- and Romania -- which does not -- actually bolsters the standing of those not committed to a democratic course.

Iliescu and other leaders warn that denial of MFN and other benefits also helps to feed resentment towards Romania's Hungarian minority. Opponents of MFN wish to avoid these negative outcomes, argues Iliescu. "Romanians are sensitive when powers abroad take an unequal role towards Romania. The population doesn't understand. We don't need a certificate of good behavior from others. It's a question of national dignity. Why not respect the decisions of other people? It's not a democratic approach."

While suspicious of the Iliescu government, most opposition leaders agree that Romania should be granted MFN status. According to Peasant Party President Coposcu, a monarchist opponent of the Iliescu government and one of the few opposition leaders who contest the election results: "The Romanian people will suffer from refusal of MFN. We must go beyond our subjective interest. I don't want to see the crypto-communists succeed, but I have a larger interest -- in improving the life of Romanians."

Civic Alliance President Manolescu, who believes that the elections were generally free and fair, also favors granting Romania Most Favored Nation status. Manolescu had come to the United States in the days immediately following the first round of presidential elections on September 27, a trip in which he questioned the fairness of the elections and argued against MFN. He has reversed his position, saying: "when I went to the United States, I was suspicious of fraud. When I returned to Romania, I saw that that was not the case. I held a press conference after the second round of elections, announcing that they were free and fair."

As one U.S. embassy official argues: "We should give them MFN. There are other levers. I don't see positive consequences in keeping Romania in the same category as North Korea, Vietnam, and Cuba. There are economic consequences and political consequences."



While U.S.-Romanian relations have largely focused on the most-favored-nation (MFN) issue, observers point out that the U.S. Administration has been sending other signals that are being read by some Romanian leaders as a sign that the United States is writing off Romania. "There is a much greater focus on the northern tier -- Poland, Hungary, and Czechoslovakia -- not only in terms of assistance, but in terms of symbolism," according to an embassy official. Assistance has been mostly humanitarian. According to the embassy, \$10 million in agricultural assistance promised last November as well as \$2.5 million in privatization assistance has not yet been delivered. In terms of "symbolic gestures," there has been only one U.S. cabinet level official to visit Romania since the 1989 revolution, and U.S. political and military leaders usually skip Bucharest on their tours of the region.

Despite Iliescu's statement that Romania doesn't need a "certificate of good behavior," it is apparent from discussions with Iliescu and other Romanian officials that international acceptance -- and all its benefits -- is exactly what they want. Romania clearly perceives U.S. policy as denying Romania benefits based on its behavior, and Romania has responded to the pressure. If the United States fails to reward Romania for meeting the criteria that the United States has set out, or if the United States ups the ante in the middle of the game, it risks pushing Romania away from the policies and actions we desire. Denying MFN also risks diminishing Romanian enthusiasm for enforcing sanctions against Serbia.